



## Institute for Professional Excellence in Coaching

149 Avenue at the Common, Suite 202  
Shrewsbury, New Jersey 07702

# THE IMPACT OF CORPORATE CATABOLISM ON ENGAGEMENT, PERFORMANCE, & BOTTOM LINE

*And the Anabolic System that Reverses the Cycle*

*D. Luke Iorio, CPC, PCC, ELI-MP*

## CORPORATE AMERICA IN 2011

*\$328 billion lost from lower productivity<sup>1</sup> ... 84% of workers are planning to look for a new job in 2011<sup>2</sup> ... 71% of workers are disengaged, or worse yet, actively disengaged<sup>3</sup>*

These statistics tell a sobering story about the current state of corporate America. Lack of employee engagement, decreased performance and productivity, and reduced bottom lines are well documented and reported often. Most likely, your own organization has experienced one or more of these phenomena.

Consider...

- How much might you be losing from lower productivity?
- How many of your top performers and high potentials will you lose as the economy rebounds?
- How many disengaged employees do you have? And, how is that dragging down not only their own productivity, but the productivity, engagement, and morale of others around them?

These are important questions. What's even more important, though, is the question that many leaders – and maybe you – are beginning to ask: “What can I do to reverse these trends?” In order to answer that, you need to first understand the cause of what's happening, since solutions that don't address the cause are merely short-term band-aids.

<sup>1</sup>Gallup (October, 2006), *Engaged Employees Inspire Company Innovation*

<sup>2</sup>Right Management (2010), *Survey Finds Sharp Rise in Employee Discontent*

<sup>3</sup>Gallup (October, 2006), *Engaged Employees Inspire Company Innovation*

## WHAT IS CORPORATE CATABOLISM – AND WHY SHOULD YOU CARE ABOUT IT?

First, let's define a few terms so that we're "speaking the same language."

- › **Catabolism** – Catabolism can be simply summarized as the process the body uses to generate energy to counteract a stressor. The body will find available energy stored within its system, and pull from it to generate energy.
  - Catabolic energy = draining, contracting, resisting energy (cat = down, against)
- › **Anabolism** – **The opposite energy and process is anabolic.** Anabolism is the process by which the body builds itself up and grows. Anabolic energy is constructive, expanding, rejuvenating, and sustainable.
  - Anabolic energy = constructive, expanding, fueling energy (ana = building, upward)

You may well be asking – what does this have to do with what's going on in your corporation? Fair question, and the answer may surprise you.

**Everything! More than likely, your organization is in the throes of Corporate Catabolism.**

### WHERE CORPORATE CATABOLISM ORIGINATES...

The concept of corporate catabolism builds on the scientific principle of catabolic and anabolic chemical processes and reactions described above. In the extreme or most stereotypical sense, this is the fight or flight response. Both fight and flight are aspects of corporate catabolism.

Flight occurs when you believe you have no course of action that will bring a positive outcome. In the corporate arena, flight can be seen in avoidance of difficult issues, indecision, and lack of initiative – all resulting from feeling helpless to be able to make a difference in a given situation or circumstance. In time, this leads to lethargy, inaction, and disengagement in the workplace.

Fight, on the other hand, occurs when you lean into a situation with force – either through action or emotional intensity. In a typical corporate scenario, it's how the body gives you a boost of adrenaline to get through intense projects and meet deadlines. It's also the process that's triggered in response to conflict – whether in reaction to someone else, or internal conflict. This response has you "stand up for yourself," "get your point across," and defend your position. All seemingly positive attributes, but ones that are likely to introduce more conflict – especially when there are other options to both express yourself and do so in a manner that builds excitement and agreement, instead of division and derision<sup>4</sup>.

*Think about this: If you operate under a catabolic "fight or flight" process for too long, your body will literally begin to break down; and the same holds true for corporations.*

<sup>4</sup>Bruce D Schneider (2007), *Energy Leadership: Transforming Lives and Businesses from the Core*

People have extraordinary influence over each other – consciously and unconsciously. One of the most influential pieces is our individual and collective energy. Einstein proved everything is energy, and it didn't take us long to learn that energy is quite contagious.

Whether from increasing job demands, lack of resources, the “always plugged in” pressure of technology, or the general uncertainty of economic and social times, the people that make up our organizations are surrounded by stressors, which trigger catabolic perceptions more often than not. As the contagious energy sets in, you (as well as your employees) begin to feel overwhelmed, frustrated by not having time to think quietly for a minute, and aggravated that the next person or situation has interrupted you before you could complete whatever you were working on.

You've likely experienced the impact of an individual or leader with catabolic energy. Let's look at what happens when Carl, a leader with a history of insisting that it's “his way or the highway,” walks into a meeting. When Carl enters the room, you can see those already seated tense up a bit. Anxiety shows on their faces as if to say, “I was hoping he wouldn't show up today.” Carl has not even said a word yet, but the others can feel his energy, and it spreads. In the back of their minds, they're remembering experiences when Carl's views were forceful and inflexible, and he would speak over others and resist explanations that were not his own. When Carl appears, they unconsciously expect the same thing to happen. And so the cycle goes on, catabolic energy and perceptions holding people firmly in place to repeat the same patterns over and over again.

Let's take a closer look at how catabolism manifests within corporations.

## IS YOUR ORGANIZATION SUFFERING FROM CATABOLISM?

The easiest way to know whether catabolic perceptions are at work in your organization is to think of one of the last challenges your team, division, or organization faced. For this example, it does not need to be anything at crisis levels, but is just something that created some significant challenges in the daily or weekly course of events.

With this event in mind, think of the first and second reactions that were involved. How much of this did you witness occurring: anxiety, high stress, a focus on what's wrong or what's broken, wanting to know who was responsible for the situation (i.e. who dropped the ball), individuals avoiding responsibility, lack of accountability, and lots of confusion, assumptions, and misinterpretations that added fuel to the issue. Perhaps lack of certainty and confidence abounded, and even once the challenge was solved, people were drained. These are typical symptoms of a catabolic response to challenges.

All of these issues are effects or symptoms of Corporate Catabolism:

- Lack of engagement
- Lack of innovation
- Low motivation
- Low morale
- Poor performance  
(with little or no continuous improvement)
- Drop in product quality or service levels  
(e.g. increases in waste, recalls, defects, customer service calls)
- Increase in failed projects and projects that fall well short of expectations
- High turnover / Lower retention
- High absenteeism (sick days)

In organizations suffering from the impacts of corporate catabolism, employees and leaders exhibit characteristically all-too-familiar behaviors and styles that impact performance, engagement, and the bottom line. Employees and leadership who have a predominance of catabolic energy are likely to fall into one of two generalized profiles.

<i>Profile 1 - "Victim" Vicki</i>	<i>Profile 2 - "Angry" Angelo</i>
Not confident	Confident, to a fault – comes across as argumentative, defensive, or controlling
Avoids making decisions	Thinks his way is the "right" way
Apathetic	Low emotional intelligence
Unproductive	Argumentative
Uncommitted	Suppresses creativity of those around him
Low Energy	Doesn't trust others

These two catabolic profiles make up significant portions of the 71% of all U.S. workers who are not engaged at work<sup>5</sup>. And, to make matters worse, if Vicki or Angelo or people like them are in the position of manager, director, or executive within an organization, their catabolic disposition has an even greater ripple effect on those with whom they interact and lead. Think back to Carl, whose appearance in the meeting room immediately changed the energy in the room. When Carl's direct reports interact with him, they begin to behave the same way Carl does, engaging their reports with the same catabolic energy. Just one Carl can have an enormous impact on an organization, and chances are, there's a Carl in your organization too.

Leaders with significant catabolic tendencies tend to blame others for poor results, and these leaders often fail to link their own performance with business outcomes. Team leaders and team members are unable to move forward because their stagnation is repeatedly reinforced by unresolved conflict. Misplaced blame creates distrust, anger, hostility and stifles communication. There is a general lack of clarity, in part because there is a lack of sharing full information. Inevitably, productivity and innovation become mediocre at best, requiring constant management input.

People with predominant catabolic energy are highly judgmental (nearly everything and everyone is seen through labels, generalizations, and interpretations), have hidden agendas, are inflexible in their opinions and approaches, and may even deploy tactics that create a combative or at least a resistant environment.

In organizations with a good deal of catabolic energy, special projects may begin but are rarely completed and, when they are, they often fall quite short of expectations. Even when goals are agreed on and buy-in appears to be present, the resulting plans are poorly executed; and, accountability is systemically deficient and/or met with conflict and perceived as a lack of focus, competencies and/or trust.

<sup>5</sup>Gallup (October, 2006), *Engaged Employees Inspire Company Innovation*

Although employees may be able to recite the mission, vision, values, and other work place anchors, they lack an emotional connection to the organization. Job responsibilities are viewed as required duties rather than as celebrated opportunities. Consequently, the employee culture inadvertently reinforces workforce practices that promote “just enough” performance and rote practices. In catabolic organizations, growth is stagnant or temporary at best, and career advancement opportunities are limited – so, highly motivated and high potential employees move on to other organizations. Those who choose to stay become part of a perpetual catabolic cycle, i.e., work is obligatorily accomplished, meetings are unproductive, leaders tend to “manage down” other departments, and employees openly criticize their employers.

*Corporate Catabolism can be seen in the culture of an organization that is in recurring stress or a constant reactive mode. This means that the organization needs to pull on its most available, strongest resources on an ongoing basis to counteract the stress – or the challenge of the day, week, or month. It is always draining its most valuable resources because it is the only way the organization knows how to respond to its environment.*

*Prolonged Corporate Catabolism results in significant drops in leader and employee engagement, drains the organization of creativity, halts innovation, and leaves little to no reserve energy for the workforce to counteract unexpected challenges. All of this results in drops in performance and profits.*

## THE OPPOSITE ENERGY AND PROCESS IS ANABOLIC.

The opposite energy and process is anabolic. Anabolism is the process by which the body builds itself up and grows. Anabolic energy is constructive, expanding, rejuvenating, and sustainable. Anabolic perspectives, as opposed to fight or flight (or other catabolic tendencies), do not get “triggered” – meaning that anabolic tendencies are not typically at the effect of circumstances. Instead anabolic energy or tendencies already begin focusing an individual’s perception in a manner that solves, resolves, understands, creates, and supports. Individuals with anabolic energy are already inclined towards seeing a situation as something that can move forward and have a solution. They look at “what is” and determine what they can make of it.

Individuals with strong anabolic tendencies tend to reflect and ask:

- What about this situation makes sense in terms of how it came about? And, based on that understanding or insight, what can I do to move it forward?
- What’s really going on here? I know what it looks like on the surface, but what’s going on in terms of people’s perspectives, agendas, previous experiences, interpretations, emotional reactions, etc.?
- What impact is this having on others? What impacts might this have on others based on what we’re about to do? How does this help or hurt them or their priorities?
- What new perspectives can we gain that can help us excel or create a positive outcome?



*Leaders who are able to tap into anabolic energy can provide the quality supervision and leadership required to engage and empower their staff. As a result, engagement and satisfaction increase with positive impact on innovation and productivity<sup>6</sup>. Anabolic energy creates a sustainable environment.*

Anabolic energy promotes an engaged environment where employees build on the creative energy and talents of each member. An anabolic culture turns challenge into opportunity because the challenge is not seen as a negative. It's viewed in an objective manner, so it can be determined what is and is not working to drive the result sought. In fact, an anabolic culture turns challenges and crisis into a way to slingshot the organization forward, to innovate based on new information, and to more powerfully bond its teams together through collaboration. Each moment is embraced by a sense of purpose.

An anabolic organizational culture becomes a sustainable, competitive advantage because the organization is never standing still; it is surging forward, constantly learning and improving, building capacity across the workforce, and driven by engagement and purpose.

*A leader who builds an anabolic organizational culture fuels growth.* Anabolism thrives when organizations are able to create work environments that fully engage their employees – through emotionally connecting and motivating its employees through purpose and values, offering them sought-after mental challenge and growth opportunities, aligning work to strengths, and fostering a workplace culture that encourages curiosity, rewards openness to differing perspectives and new alternatives, and celebrates success as well as “noble” failure.

Anabolic leaders have high emotional intelligence, acknowledge and seek to understand the perspectives of employees, and information flows freely and transparently in both directions (top-down, and bottom-up). Decisions – in strategy, in tactics, in policy, and even in daily work routines – receive real buy-in because the pros and cons, advantages/disadvantages are consciously reviewed; interpretations are willingly challenged; assumptions are examined; agendas are transparent; and multiple alternatives are proposed – even when a course of action seems fairly obvious – to see what truly is best. Individuals advocate passionately for their ideas which they believe are right, and listen intently when their views are challenged.

## SHIFTING FROM CATABOLIC TO ANABOLIC...

Research conducted by Karen Buck and Diana Galer (2011) has shown that simply by shifting from a catabolic to an anabolic profile (as an individual) can increase engagement at work by as much as 51%. Similarly, satisfaction with work/life balance and working relationships improve by 70% and 44% respectively.

Perhaps more astounding is how this trend continues. The more anabolic an individual, the higher satisfaction ratings they report.

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<sup>6</sup>Institute for Professional Excellence in Coaching (2011), *E-Factor Revealed*

Those individuals considered to be “highly anabolic,” when compared to “highly catabolic” individuals, showed the following differential in satisfaction levels<sup>7</sup>:

Communication Skills – 230% higher

Health and Wellness – 240% higher

Leadership Ability – 680% higher

Productivity – 420% higher

Time Management – 520% higher

Engagement at Work – 340% higher

Work/Life Balance – 290% higher

Working Relationships – 320% higher

Energy – 2040% higher

*Leaders must ask themselves:* What would our organization’s performance, results, and culture look like with these increases?

Corporate Catabolism is perception-driven – meaning that this depletion of useful energy is the result of the way that leaders and employees perceive their environment, each other, their interactions, and their work. These perceptions are internally created – created from our experiences, beliefs, values, principles, and purpose. Corporate Catabolism is also stress-fed – the more that stress, which seems to be status quo for today’s workforce, enters the workplace, the more that catabolism takes hold and grows.

*Because catabolism starts with the way that we perceive circumstances as they unfold around us,* it can be reversed by interrupting unproductive perceptual patterns that create catabolism, and providing leaders and employees with new anabolic perceptions and options that they likely have never before realized were available to them.

*To recap, both catabolic and anabolic cultures are perception-driven; however, catabolism is fed by stress, while anabolism is fed by engagement.*

*And, the tremendous opportunity to a corporation at this point is that this is within your control.*

Organizations can support shifts in these perceptions through internal and external means and at three levels: individual, social, and organizational.

### ***The Individual Level***

A corporation is an organization of individuals working together to achieve a purpose. The individual level is exactly what it sounds like – the people. It’s the employees in their roles, from bottom to top. And, change at this level is powerful.

**Overall change is actually most sustainable in a corporation when it’s made at the individual level.** While it takes many individuals to change course, unless the individuals are shifting and aligning with the direction of the organization, change will never be sustainable. It’ll be temporary at best; nonexistent at worst. The reason why change is typically focused on the larger levels is said to be because of resources (i.e. dollars) in most instances; however, it’s mostly because we have a hard time quantifying change at the individual level. It’s not as tangible, and it’s difficult to

<sup>7</sup>Karen Buck, M.S. & Diana Galer, Ph.D., CPC, ELI-MP, ACC (February, 2011), *Key Factor Revealed for Determining Success in Work and in Life*

measure. It is nonetheless the level that provides the greatest, long-term and sustainable benefits. So let's see if we can make these issues a little more tangible.

The first responsibility for creating change and firing up engagement in an anabolic culture actually falls on the individual. Individuals (employees and leaders alike) know better than others what it takes to motivate one's self, what purpose their job or career serves, what strengths they have and most enjoy using, and what detracts from their engagement and energy. It's well documented that we are in the age of the knowledge worker, as Peter Drucker so appropriately coined it<sup>8</sup>. Knowledge workers are driven by intrinsic values, and given the right environment, they can and will motivate themselves to perform at higher levels than anyone else could ever "manage" them to achieve<sup>9</sup>.

Anabolic employees also do not mind the sometimes difficult and sometimes boring aspects of their roles. They do not allow these requirements to actually lower their engagement. They know (or seek to learn) how all aspects of their job align around their individual, team, division, and corporate goals. Anabolic employees take it upon themselves to engage. They do not wait for the organization to engage or motivate them because they know such energy and drive comes from within.

The organization needs to support and encourage this anabolic shift to occur in its employees. The organization needs to spot those anabolic leaders within its ranks, and empower them to rise in influence.

Individuals then look at the following as ways to engage and contribute to an anabolic culture:

***Response-Ability (self management)*** – Individuals, in an anabolic organization, begin to realize that they are only victims of circumstances if they grant that power and authority to their circumstances, and to others. Situations will always unfold in unpredictable, changing manners. Anabolic individuals realize that "Life" can never take from them their response-ability – the Ability to Respond. Individuals (employees *at all levels*) must learn not to react to their situations – i.e. not allow themselves to be triggered, but instead to stop long enough, to control that instinct to react, so they can understand what is really going on, what course of action will bring about the best result, and how what they have learned this time can help them in the future. Slowing down reaction time does not mean slowing progress or performance; and in fact, because the wasted time and effort of a poorly thought out reaction is eliminated, it more often than not dramatically speeds up the process towards improved results. *Response-Ability is central to an individual's contribution to an anabolic culture.*

***Goals and purpose*** – Individuals need to be aware of the goals and purpose that they have in accepting their job in the first place, let alone knowing the goals and purpose of the position from that point and every point going forward. Knowing *why* you are truly taking a job and what it is providing to you is critically important in staying motivated in the position. Individuals have a responsibility to themselves and to the corporation they work for to understand this motivation and alignment. Again, individuals know themselves best and need to take responsibility for creating their circumstances. From the point of hire or promotion, it is just as important to have clear goals for your job – meaning what you are looking to achieve for the company (in this role)

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<sup>8</sup>Peter F. Drucker (1946), *Concept of the Corporation*

<sup>9</sup>Daniel Pink (2009), *Drive: The Surprising Truth About What Motivates Us*



and for yourself (personally and professionally). The more purpose-driven an individual is, the more engaged they will remain. Individuals should be aware of their strengths and how their job aligns with those strengths and motivations, and need to take responsibility for identifying roles that align around their abilities, interests, and values.

***Awareness and Reflection (perceptions and tendencies)*** – The more self-aware individuals become, the more they can contribute in a highly meaningful way to an anabolic culture and organization. Again, this is where the situation is flipped. It is not only up to the organization to understand the individual; it is up to the individual to help the organization understand who he/she is, and to demonstrate understanding of the corporation. Awareness is about understanding why you think the way you think, feel what you feel, and act how you act, while recognizing which situations bring about different thoughts, feelings, and actions, and finally reconciling all that based on how it relates to your previous experiences, values, and beliefs. As individuals, to become more self aware, we need time for reflection. This can be through our own methods of reflection – from meditation to taking a long walk or drive; or, it can be through processing our experiences with someone else – such as an executive coach.

The organization must in kind respond by fostering this self-awareness. Providing external or internal coaches, and employing Coach Centric Leadership™ are typical strategic approaches to building and nurturing self-engagement.

Key Questions for the Leader	Focus for the Leader	Approach by Corporation
<ul style="list-style-type: none"> <li>• What are my tendencies in how I react or respond to situations?</li> <li>• What can I do to slow down my response time long enough to decide on the best course of action?</li> <li>• What’s my goal for having this position? How does it align with my motivations and strengths?</li> <li>• What could I do to become more engaged in my work? With my company?</li> </ul>	<ul style="list-style-type: none"> <li>• Response Ability (self management)</li> <li>• Goals and Purpose</li> <li>• Strengths</li> <li>• Motivations</li> <li>• Job Alignment</li> <li>• Awareness and Reflection (on tendencies, perceptions)</li> </ul>	<ul style="list-style-type: none"> <li>• Provide Coaching – either through external or internal coaches, or Coach Centric Leadership.</li> <li>• Provide appropriate down time (weekly, between projects or meetings) for reflection.</li> </ul>

## *The Social Level*

The Social level of an organization is the culture and the human network – it's how we “relate” to one another.

This level has the ability to shift, enable, revert, or entrap individuals. This level is the glue for individual and organizational change. The social level is what we know as culture. It's our interactions. It's our spoken and unspoken policies and motivations. And, it is, at its core, the manifestation of what employees are believing, thinking, and feeling.

The social level is seen in meetings, in casual conversations, in formal conversations (such as delivering feedback and performance review sessions), in workplace conflict and resolutions, in emotional intelligence levels, and in the networks of connections.

*In meetings...* Meetings are a great place to observe the social dynamic of a corporation. How engaged are the individuals (or how bored are they)? How openly are new ideas expressed? How welcome are participants to challenge the ideas and even assumptions of the most senior person at the table? How are decisions made in these settings – with silence as someone makes it clear that it's his decision to make, or with a vigorous exciting back and forth that leads the group to buy in to whichever direction is chosen (knowing they've been heard and understanding the rationale and various perspectives behind whatever course has been chosen)? Meetings are the lifeblood of an organization (and yet often drain the organization of life). This is a great setting to have major impact on the culture of an organization; and it ultimately can provide a significant reinforcing and supporting mechanism in following through with cultural change.

*In casual conversations...* what do these conversations focus on? Do they allow for reflection, excitement, or just general fun? Or are they more about how much work there is, and how little time there is to get things done, or how so-and-so is “at it again”? The former is a sign of an anabolic culture; the latter, catabolic. Even in casual settings, whatever is on the minds of employees will come out. And, even in the most anabolic of corporations, this is exactly what we want. The key is what is the intention of the conversation and what direction does it take. Is the intention to vent, to clear one's head, in order to have clarity to move forward? Or is it to commiserate, to nay-say, to gossip, or to complain with no real intent to solve or move forward? How would you wish your employees to approach these conversations? What benefit could these conversations provide to the organization and to the employees? Anabolic cultures use even casual conversations to drive awareness, engagement, and opportunity.

*In formal conversations (such as delivering feedback and performance review sessions)...* what's the feeling at the end of a difficult feedback session or performance review? Relief combined with excitement and gratitude? Hopefulness and pleasure with how far this employee can go? Or, drained and stressed, thinking that was painful to get through? It is again in these challenging conversations that the catabolic or anabolic culture will appear. Catabolic conversations will involve a lot of blame, applying pressure for what is going wrong and why, and will rarely end with relief and hope; whereas, an anabolic culture turns even challenging conversations into ones that have substantially positive outcomes and create tremendous energy.

*In workplace conflict and resolution...* Conflict in an anabolic environment is welcomed and produces extraordinary progress. Conflict is seen as passionately debating, challenging each person's perspectives and assumptions, and wrestling with all the angles of a difficult situation. Conflict is not personal; it does not involve judging one another's ideas (discernment and analysis, yes, but not "judging"); and it does not leave a lingering resentment of others or negative energy. Conflict can springboard an organization to greater performance, getting it unstuck. And, even when two individuals are stuck in conflict (and not seeing the positives, and getting caught up in it personally), the anabolic leader steps in, reintroduces the goal of the conversation, clarifies the reason why there is disagreement, makes sure everyone understands why the difference in perspective is to be expected, and coaches the conversation in a direction to find commonality while also identifying the core issues that need resolution to move forward. What would an organization look like if countless people could step in to help a conflict get coached forward? How would that change the culture?

*In emotional intelligence levels...* Emotional Intelligence is the ability to identify, assess, and control the emotions of oneself, of others, and of groups. Daniel Goleman's work positions four primary competencies of self-awareness, self-management, social awareness, and relationship management<sup>10</sup>. Anabolic organizations use this "ability" and these competencies extremely well – recognizing that emotions provide us with more data to help us understand, relate to, and lead our environment. Catabolic organizations tend to dismiss emotions, even stating emotions have "no place in the workplace." Ironically, those environments that essentially suppress those emotions are most likely to see significant workplace conflicts and unresolved issues. People in anabolic cultures welcome emotions as a very normal and expected part of an organization of human beings; and in fact, they capitalize on what emotions can help them learn – about themselves and about others.

*In the networks of connections...* Lastly, the social level is a great big web or network of connections. Borrowing from Stanley Milgram's Small World experiment (most popularly referenced as six degrees of separation)<sup>11</sup>, it can be seen that certain people, in essence, serve as relationship hubs. They are the connectors that seem to know a tremendous amount of people. Some of these connectors also use their vast network for influence. The same holds true within our corporations. Employees are connected to one another for the purpose of accomplishing projects and goals, but also socially (i.e. personally) throughout the organization. How well do you know who is influencing the energy and culture of your organization? Organizations looking to drive an anabolic culture, as opposed to a catabolic one, are sensitive to these key influencer positions and look to leverage the benefits and impact that an individual can have in those roles. With the right influencers in place at the right time, an organization can use the social and professional network of the organization to begin a wave of change that leads to an anabolic culture and sustains it.

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<sup>10</sup>Daniel Goleman (2002), *Primal Leadership: Realizing the Power of Emotional Intelligence*

<sup>11</sup>Malcolm Gladwell (2000), *The Tipping Point*

Key Questions for the Leader	Focus for the Leader	Approach by Corporation
<ul style="list-style-type: none"> <li>• What impacts how our employees and leaders relate to one another?</li> <li>• What do we want our relationships to actually look like? And, what do they look like now?</li> <li>• How do we use this network of connections? Who are the real energy influencers in the team, division, and company? Which ones have the greatest impact on goal achievement or failure?</li> <li>• Which ones are the most socially impactful?</li> <li>• How open is my relationship with my boss? How supported do I feel – to grow, to make decisions, to speak up, etc.?</li> </ul>	<ul style="list-style-type: none"> <li>• Awareness and understanding of others</li> <li>• Understanding how people interrelate</li> <li>• Development of interpersonal skills, such as communication, emotional intelligence, and meeting facilitation</li> </ul>	<ul style="list-style-type: none"> <li>• Provide Group Coaching – either through external or internal coaches, or coach-centric leadership</li> <li>• Provide training (with follow up) on key topics such as meeting facilitation, emotional intelligence, dynamic communication (and listening!), conflict</li> </ul>

### *The Organizational Level*

The organizational level involves the system and structure of processes and groups that binds and organizes the corporation. There are sub-organizations such as divisions, units, even teams. Each creates structure/hierarchy, policies, systems, and processes.

The organization has purpose -- in how it is organized and in what it is meant to achieve. The organization has policies that are meant to clarify, provide guidelines, and even keep its employees and customers safe. The organization has processes that are meant to help drive efficiency, clarify inter- and intra-departmental responsibilities, and aid employees in staying focused on how they are accomplishing their work instead of thinking about what specific step is next.

The anabolic organization has clearly stated values that employees buy into and understand at a personal level. An anabolic organization knows that open and frequent communication provides clarity, reduces uncertainty and confusion, and provides assurance and confidence to employees. An anabolic organization presumes that great ideas and solutions can come from anywhere in the organization, regardless of role or experience; and so it openly invites participation in decision making, challenging the status quo, and taking initiative to speak up and draw attention to where it's needed.

And so the anabolic organization, while organized, does not get locked into the “that’s the way things are done around here” syndrome. Anabolic organizations know that flexibility and adaptability had better be part of the game plan if it’s to keep up with changing markets, competition, job demands, and the next unforeseen sea of change that will inevitably recur in business every five to ten years.

Key Questions for the Leader	Focus for the Leader	Approach by Corporation
<ul style="list-style-type: none"> <li>• How do we “use” our structure - what are we trying to enable in our organizational culture?</li> <li>• How does the structure support and reinforce anabolism?</li> <li>• How are our policies viewed - as punitive, supportive, or rewarding?</li> <li>• How do our performance systems drive our culture? Are they heavily weighted toward individual accomplishment or team success? Toward extrinsic rewards or intrinsic motivation?</li> <li>• How do our processes support communication, clarity, employee involvement (in decision making), and overall engagement?</li> </ul>	<ul style="list-style-type: none"> <li>• Process clarity</li> <li>• Aligned strategies, values and purpose for the organization and all divisions and teams</li> <li>• Performance reviews and evaluations drive the culture and performance sought</li> <li>• Leadership is coach driven, and not primarily focused on managing and control</li> </ul>	<ul style="list-style-type: none"> <li>• Use of Engagement Surveys and Assessments with follow up development plans</li> <li>• Use of Process Assessments and appropriate re-engineering to align processes and people</li> <li>• Clear communication systems that also enable listening and feedback</li> </ul>

## WHERE TO FOCUS FIRST...

As far as leverage, breakdowns in culture and engagement are most typically evidenced and occur at the social level. This is not surprising, since so little formal training – in academia or in the workplace – initially focused on interpersonal skills. With coaching and training focused here, this becomes one of the places you can make significant changes quickly that create a noticeable difference. However, without the other two, the changes may not be sustainable as the environment will revert unless the people and the structure support it.



Next, tremendous leverage can still be gained through the organization's ability to structure itself in a way to engage the individual. Engagement programs and orienting the leadership of the organization to coach their divisions and teams can create significant shifts in culture and performance. But the vast majority of leaders have never been trained to lead or coach in this manner – so proper training for a systematic rollout is imperative; otherwise the effects may be minimal.

Finally, the most sustainable level comes collectively from our “individual” responsibility to engage, but also can take the longest to build. With the social and organizational systems evolving to support individual change, ultimately the path will be cleared so that mass change at the individual level can be enabled and supported.

## SHIFT... ENGAGE... LEAD.

Corporate Catabolism has permeated all levels of organizations and can be seen throughout the Fortune 1000s. There are a great many reasons for this – from economic shifts, vastly increased job demands, competing priorities, rapidly shifting expectations, and a different form of leadership created for a different type of workforce – however, at the end of the day, these reasons are just the “facts” of the situation. How leaders choose to respond to these reasons is a different matter.

### Leadership and Being a Leader Who Engages is Your Responsibility

Responsibility is a word that can make many people cringe, while others get excited. Let's reframe it so that everyone gets excited. Situations – i.e., business as usual – will always unfold in unpredictable, changing manners. What “business as usual” can never take from you is your response-ability – your Ability to Respond.

As a leader, trying to drive engagement and an anabolic culture, all eyes are on you. The way that you respond to a situation, the way you interact in meetings, and the way you talk casually as you pass employees in the hallway will set the culture of your organization. Leaders who exude anabolic tendencies can be easily witnessed as the ones who are calm during stressful situations, and who don't let the world around them dictate what they do or how they do it. Anabolic leaders recognize they are not their circumstances, but they are their responses.

This process of using your response-ability slows things down long enough, for you, as the leader to shift; to shift your perspective, to shift your energy, and to shift your team's perspectives and energy. Leaders can re-engage their teams at critical moments by not allowing the team to get distracted or waste energy and time on feeling frustrated, aggravated, or powerless to change a given situation.

*Instead, leaders with anabolic energy can shift and re-engage their teams into finding solutions and opportunities. Doing this just a few times during critical moments can dramatically shift the culture of a team, of a division, and of an organization. Corporate Catabolism cannot survive if stress and reactive tendencies are cut short.*

Creating the shift, re-engaging your teams, and creating an anabolic culture are your responsibilities as a leader in the 21<sup>st</sup> century.