

The Three Laws of Performance: Rewriting the Future of Your Organization and Your Life

An April 06, 2010 *Management Forum Series* presentation by

Dave Logan, PhD

Synopsis by Rod Cox

“There’s a certain ‘something’ that puts a limit on performance – for our families, our selves, and our businesses. Unlike the rules we see in social sciences that are almost always true (for example, reciprocity) this law is as strong as the laws of physics. It always holds true.”

In this Management Forum Series presentation, Dr. Dave Logan focused on why performance is what it is (our default future), and how we use new language to set aside our default future and create an invented future. The goals of the session:

- To take note of how people act out their default future; to examine our own default future, and understand how it limits our performance
- If we decide to do so, to write a new future that takes the place of the default future – to make it our imbedded future – resulting in dramatically higher performance
- To construct “micro-strategies” that deliver on the new future, getting everyone involved in the implementation. Said another way, to produce a short-term burst of effort that has very high long-term consequences.
- To develop the ability to take ourselves and others through the process.

Logan’s high-energy presentation was marked with an unusual number of exercises and table discussions to make the message clear and drive it home. He was very well received by the attendees; the repeated comment was, “*These are truly actionable!*”

Dave Logan is cofounder and senior partner of CultureSync, a management consulting firm that specializes in cultural change, strategy, and negotiation. Clients include American Express, Prudential, Intel, Colliers International, and Health Net. Logan is also professor at the Marshall School of Business at USC where he has served as Associate Dean of Executive Education. He teaches leadership and negotiation in the USC Executive MBA (ranked fifth in the world), and is on faculty at the Center for Medical Excellence in Portland. Logan’s Ph.D. in Organizational Communication is from the Annenberg School at USC.

Logan is author of *The Coaching Revolution; How Visionary Managers are Using Coaching to Empower People and Unlock Their Full Potential*, and *Tribal Leadership: Leveraging the Natural Groups to Build a Thriving Organization*. Portland Executive Forum members may remember his powerful March 04, 2009 Management Forum Series presentation on that topic. His latest book, *The Three Laws of Performance: Rewriting the Future of Your Organization and Your Life*, is a break-through insight about how rewriting the language can move organizations from stagnating to succeeding. It is upon this book – in particular, Chapter Three: “Rewriting a Future That’s Already Written” – that this Management Forum Series presentation is based.

This synopsis includes concepts, observations and quotes from Logan’s Portland, Oregon Management Forum Series presentation, from his book, and from Forum attendees.

How People Act Out Their Default Future

Logan began his presentation with a group discussion about why our performance is lower than we like, asking participants to focus on the gap between what we are capable of (our potential) and what we are (actual). Participant responses:

- lack of time management
- unclear expectations
- fear that we may not achieve it
- unclear priorities
- socializing
- lack of connection between effort and outcome
- complacency and habit
- external situations
- high performers being shunned by their peers
- what’s-In-It-For-Me (WIIFM) not connected
- gap between the motivations of the owner/manager/employee
- missing supports that allow people to succeed, such as training
- lack of alignment, bad communication
- changing or unclear priorities and goals
- managers who are not leaders

Logan noted that these are not unusual responses,

“Default future is a matter of perception. The default future is composed of people’s hopes, dreams, disappointments, fears, concerns and aspirations. It lives in the heart and gut, and more than anything, the default future drives performance. And since performance always goes hand-in-hand with the default future, the default future is performance.”

Every company, individual, and team has a default future, a “what is meant to be,” that guides performance. Marriage counselors note that changing the default future is the approach that most dramatically increases client success rates. This involves getting clients to acknowledge “what is likely to happen if nothing unexpected comes along? Is that what you want?” The same holds true for teams: if the default future is bleak, then performance will be bleak. If the default future is positive, then performance is likely to positive.

“People live into the future they see coming at them. Unless people have done something radical to alter their course, the future they are living into is their default future. It’s what is sure to happen in their experience, whether they give it much thought or not. This default future consists of expectations, fears, hopes and predictions, all of which are ultimately based on experience in the past. [In other words], incidents from the past live on as prediction, giving us our default future. The default future is a projection of what happened in the past.”

Without generative language (an invented future) people attempt to fight the future, paradoxically making it even more likely. Whatever we resist, persists. Unless we do something – something other than fighting the future we see coming – it becomes the default setting. It will happen, no matter how much we don’t like it or try to resist it.”

Choosing a Default Future

Everyone in an organization is an action-taker. Invariably, this action sustains/perpetuates the default future. The link between actions and default future is absolute and decisive. The default future is the limit that is imposed on every person/organization, and it will trump any initiatives.

Consider two companies. Under identical market circumstances, one company’s default future is to hunker down because “it sucks.” The other’s default future is to become more entrepreneurial by taking advantage of the situation and reinventing itself. In both cases, the companies’ default futures will become their actual futures.

“We are all the victim of our default future, but we seldom discuss it or do anything about it.” Logan cited Apple having a “dead company walking” default future when Jobs returned as CEO. He knew that that was his primary role as leader to welcome back the band of renegade visionaries who had been at the heart of the company years before.

Shifting a default future does not happen easily. It requires a profound shift.

“If people look at the default and say, ‘I’d prefer something else,’ or ‘I’d rather not do that,’ or ‘I’d like to opt for something different’, then the default future will win. People have to respond with a ‘HELL NO!’, or they won’t rally the energy to do something new and change the future.”

Mother Theresa was able to change the default future of the disenfranchised in Calcutta by saying “NO!” Martin Luther King was able to change black discrimination, riots and poverty by saying “NO!”

“By saying “NO!” to the default future, we create a blank slate upon which we can write an Invented Future. This Invented Future says, “What will we make happen regardless of what comes along? If we don’t want the default future, what do we want instead?”

The Battle of the Futures

To repeat: the Default Future is what will happen if nothing unexpected comes along. The Invented Future is what we will make happen regardless of what comes along, thereby replacing the Default Future. “The question is, if we don’t want the Default Future, what do we want instead? What then?”

Warren Bennis, the well-regarded pioneer in the field of leadership studies, says that 95% of the population is “*Once-Born. They haven’t made any real decisions; they’ve gone with the flow. And as leaders, they have claimed credit for what would have happened anyway.*” [Did Warren say this? This reads like a quote. I was paraphrasing from *An Invented Life*. I’m on the road now, so I can’t check the quote. Unless someone looked it up, we should remove the quotes.] Extrapolating from Bennis, only 5% of the population says “HELL NO!” and comes up with an invented future.

Consider: in the original 13 colonies, the default future was to continue as a British colony. But a few people said “HELL NO!”, and created a blank slate. On this blank slate was built our American democracy.

Inventing a New Future

Bennis focuses on Transformational Leadership, which focuses on an invented future rather than what happens to be in front of us. *“If you don’t want the default future, what future do you want instead? What are the specific action items that are consistent with the Invented Future and not with the Default Future?”*

“Future-based language transforms how situations occur to people. You can’t create something new by merely describing what was and is. Using descriptive language to talk about the future is limited to prediction based on past cycles and current realities.

Future-based language, also called generative language, has the power to create new futures, to craft vision, and to eliminate the blinders that are preventing people from seeing possibilities. It doesn’t describe how a situation occurs; it transforms how it occurs. It does this by rewriting the future.

Future-based language projects a new future that replaces what people see coming. It doesn’t modify the default future; it replaces it. It is generative in its ability to invent what didn’t previously exist.”

BHP Billiton is an Australian conglomerate that *“operates globally to provide the natural resources essential for the world’s economic and social development, now and into the future.”* One of its subsidiaries is an export-based New Zealand steel company that had been limping for years before being acquired by BHP.

At worst, it was about to go out of business because of continued high accident rates. At best, it was destined to continue its “dead man walking” existence. But the leaders – at all levels, classes and crafts, management and non-management – stood up and said “HELL NO!” *“When we decided that we would say no to everything that was happening (default future), that was when ‘it’ (invented future) started happening, and we started turning around.”*

As Logan said with a grin: *“The rest was detail.”*

The start, then, is with a specific action. It may not be popular, but it has to be actionable. So there are, in essence, three steps:

1. Start with a default future.
2. Say “HELL NO!”
3. Begin the invented future with a specific actionable step in an area that matters to people. This often begins with a micro-strategy (see below.)

Logan referred to the five tribal stages from his March, 2009 Management Forum Series presentation: *Tribal Leadership: Leveraging Natural Groups to Build a Thriving Organization.*

- Stage One: On the verge of a meltdown
- Stage Two: Disconnected and disengaged
- Stage Three: The Wild, Wild West *“The essence of Stage Three is ‘I’m great.’*
- Stage Four: Characterized by three-or-more person relationships in which each person has the responsibility of building and maintaining the relationships.
- Stage Five: People are focused purely on values, their only compass.

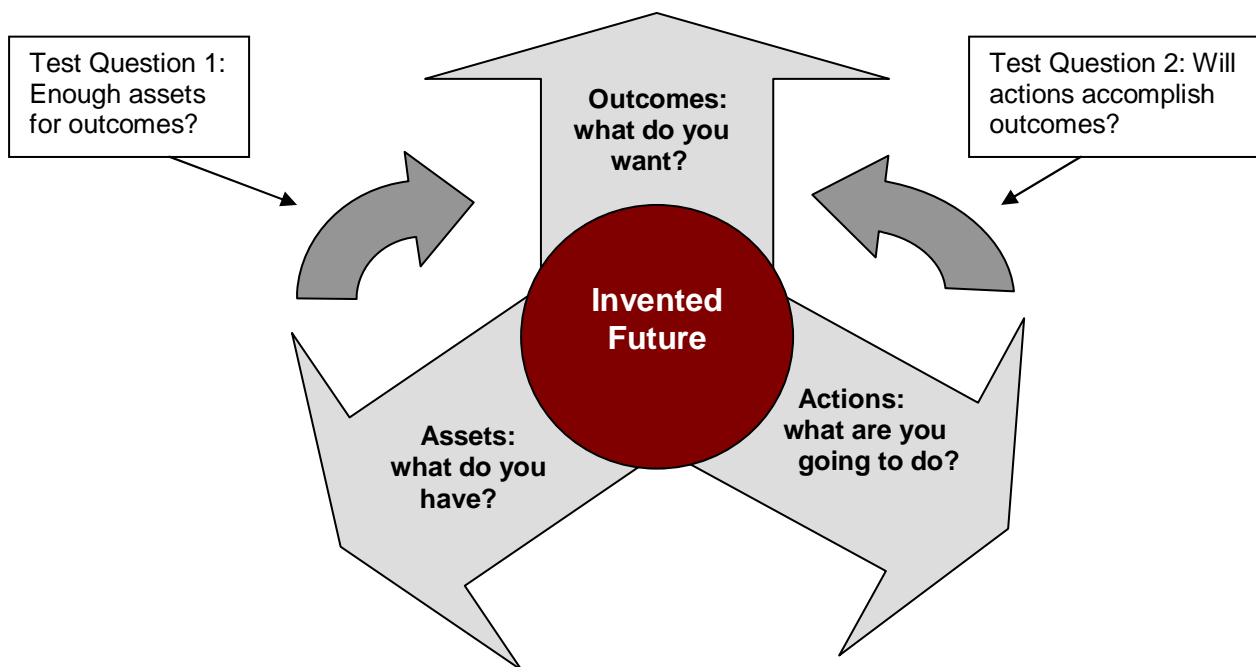
“The movement from default future to invented future requires a preponderance (a critical mass) of people who are at Stage Four.”

Micro-Strategies: Building a Bridge to the Invented Future

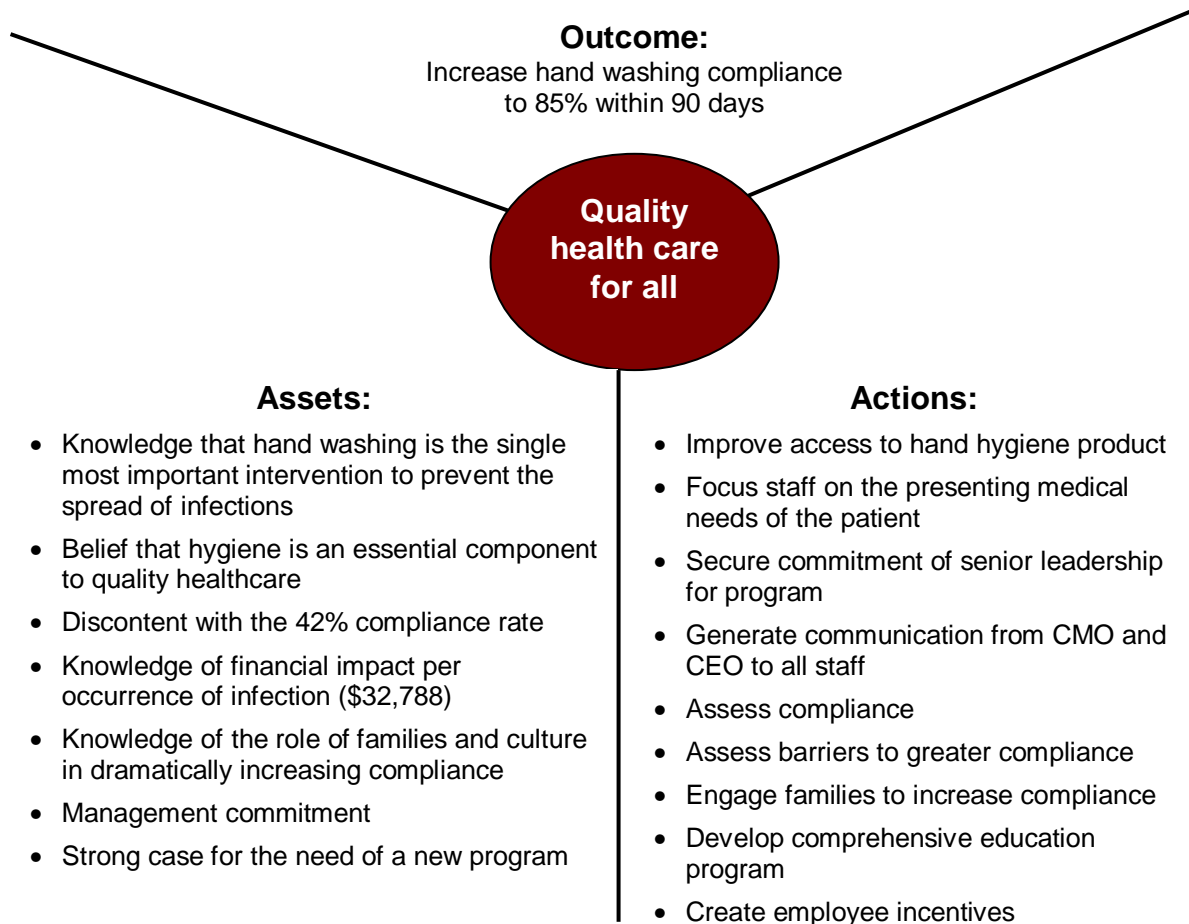
Micro strategies are a series of three separate but interlocked discussions: 1) **outcomes**: what you want; 2) **assets**: what you have; and 3) **actions**: what you will do. These discussions need to be short, yet robust. The discussion steps are best done one step at a time. *“It’s like eating an elephant one bite at a time.”* The process is ideally about 90 days in length.

Use two test questions to validate the locks between these discussions:

1. Do you have enough assets for outcomes?
2. Will the actions accomplish the outcomes?



Here’s how the process worked for a hospital that was in trouble with, among other things, low patient satisfaction scores. Observations disclosed that hand washing compliance at the hospital was a dismal 42%.



As an exercise, Logan had each attendee choose an invented future, and then back that future into the process, as above.

- Invented future: What really interests you?
- Assets: What is everything you have to achieve an invented future? Logan noted that an unidentified asset is an asset you don’t have. But if you have enough assets, you can say “Yes!” and progress on to Actions. If the answer is “No,” launch an interim strategy using the same process. Build the assets you need. The black-belt test: triple your assets. Ask: what are the assets that, if you had them, would allow you to get to your outcome?

- **Actions:** What is everything you will do? What is your MacGyver?
- **Outcomes:** The invented future. It should be something different from the default future (perhaps the default future plus 10%), and it should be something that really motivates you.

The hospital focused on a key single asset that, if fixed, would make an immediate and radical difference. They achieved their outcome, and then bested it by pushing on to 92% compliance, all within 90 days.

“In deciding what you want, the questions to ask are: 1) What is the outcome that you could accomplish within 90-days that would personally increase the quality of your future? 2) What is the first step that is really useful?”

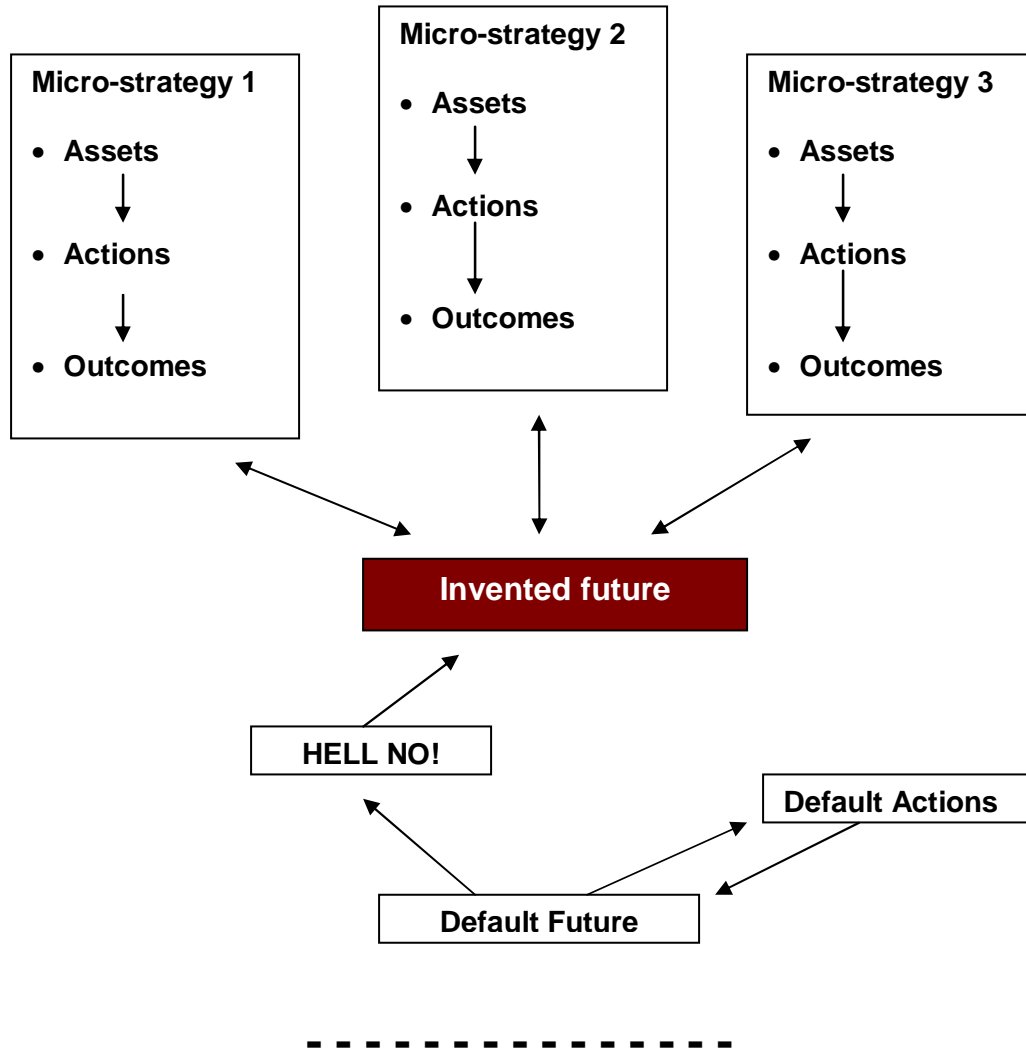
Logan pulled from his pragmatic and action-oriented nature by providing attendees with a Team exercise box to use in their organizations.

- What is our default future?
- What is likely to happen if nothing unexpected comes along?
- If people expect the default future we identify, what actions will they take without even thinking?
- Is this default future that we’ve identified the one each of us is up for?

Logan stressed that the goal is not to get everyone to say the same thing. The goal is to get everyone to state their default future so that you understand the backdrop to everything. He also pointed out that the strategy chosen is content independent. The same process works for achieving personal growth, business growth, vacations, etc.

Presentation Template	
The outcomes we picked are:	
The future our outcomes will help create is:	
Our key assets are	
Our key actions are	
I/we believe we have the assets and actions to achieve the outcomes, which again are:	

Elevating Performance (a graphic summary)



Executive Forum highly recommends:

- *The Three Laws of Performance: Rewriting the Future of Your Organization and Your Life* (A Warren Bennis book) by Steve Zaffron and Dave Logan; copyright 2009, Jossey-Bass. San Francisco, CA. ISBN 978-0-470-19559-8
- *Tribal Leadership: Leveraging Natural Groups to Build a Thriving Organization* by Dave Logan, John King, and Halee Fischer-Wright; copyright 2008, HarperCollins Publishers. New York, NY. ISBN 978-0-06-125130-6