How We Lead

Practical Wisdom for Leaders and Coaches
October 2008

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BRUTAL FACTS + POSITIVE EMOTION The Leadership This Moment Calls For

Lately, I've been wondering what kind of leadership this moment in history is calling for. It's an obvious question for an executive coach to ask, yet not necessarily easy to stick with. So many other questions distract the mind: what's happening in the stock market today? Will the bailout do any good? What's going to happen in the next Presidential debate? Should I keep all my cash under the pillow or diversify by burying some in the backyard? Why is my little toe purple? (Answer: stubbed it).

Another distraction is to talk about what type of leadership we don't need. This is an easy conversation to fall into. Give me even one friendly ear, and I can carry on for five or six hours about Dick Cheney, the damage he's caused, and my sense that he will end up as one of history's great villains. I could also tell you why, even today, we underestimate him at our own peril.

But is solving the problem of Dick Cheney--or any other leader you or I don't like--by itself going to make a better world? Probably not. In my case, I would be able to fall asleep better at night but not necessarily have any greater impetus to get out of bed the next morning. That's why criticizing leaders we consider dangerous (or at least lousy) is mostly a waste of time and energy.

So, again, the question beckons: what kind of leadership is this moment in history calling for?

Half of the answer to this question can be found in the example of David Walker. From 1998 to 2008 Walker served as Comptroller General of the United States, the government's chief auditor. Currently he is President and CEO of the Peter G. Peterson Foundation. For the past few years, Walker has been touring the country with a forceful and daunting message. It goes like this: the annual deficit our federal government faces now pales in comparison with the cumulative fiscal burden we face two to three decades in the future. If you add up all of the money the federal government has promised to spend in the coming decades (including both explicit liabilities like debt payments and implicit exposures like Social Security and Medicare) and subtract its anticipated revenues, the net is \$53 trillion. In other words, we are \$53 trillion in the hole. For sake of comparison, Walker points out, the total household net worth in the U.S. today is \$59 trillion.

The fiscal hole of \$53 trillion amounts to nearly half a million dollars per household. That's a big burden for future generations. In contrast, the federal bailout bill Congress just passed equates to several thousand dollars per household. What's behind this gargantuan fiscal burden? Primarily the intersection of three trends: the aging of the Baby Boomers, the rising cost of health care, and the overall trend of Americans living longer. Medicare and Social Security promises together comprise \$41 trillion of the \$53 trillion.

According to Walker, faster economic growth cannot solve the problem. Reversing Bush's tax cuts for the wealthy, ending the occupation of Iraq, and eliminating earmark spending together would just scratch the surface. To balance the federal budget in 2040, we will have to either cut federal spending by 60 percent or double taxes. That is, Walker points out, unless we take substantial action today. No longer employed by the federal government, Walker is now free to recommend specific actions, notably major changes in the way we approach health care, taxes, and Social Security.

I don't know how pleasant it was to read the last three paragraphs. It was not pleasant to write. Yet I chose to share this information for the very reason that Walker is devoting his waking life to communicating it to the public: the facts may be brutal, but they're the facts we've got. They're real. Indeed, this is precisely the gift of Walker's leadership: presenting the brutal facts that nobody wants to hear yet are essential to our future.

Remind you of anyone else in the news the past couple years? How about Al Gore? *An Inconvenient Truth* is 100 minutes of brutal facts about global warming. They're daunting, but they're real, and that is why Gore has earned the admiration of millions and was awarded the Nobel Peace Prize.

Now here's a question for you: are brutal facts enough for the leadership this moment calls for? Ironically, there's no factual way to answer that question, but there is a simple empirical way. How did you feel after reading the three paragraphs above about David Walker? Did you feel more or less energized to take action? Similarly, how did you feel after watching *An Inconvenient Truth?* More or less energized to act?

My immediate reactions to hearing Walker speak for the first time and watching Gore's film were nearly identical: curiosity followed by an excited and indignant "aha" followed by resignation. In both cases, I knew that something was wrong, sensed what needed to be done, but literally could not imagine a positive future nor how I might contribute to bringing it into being. In short, I grokked the brutal facts, but the brutal facts knocked me down. Other people I know have had similar experiences.

If leadership is about mobilizing people into action to create a future we care about, brutal facts are necessary but not sufficient.

So what's the other half of the leadership this moment calls for? Positive emotion. More specifically, the capacity to evoke positive emotion in others even while delivering brutal facts. Positive emotions include gratitude, hope, satisfaction, and joy.

Why are positive emotions important? Because we do more stuff and better stuff when we're feeling good than when we're feeling crummy. The growth of the fields of positive psychology and positive organizational studies are testaments to this. (For a wonderful, research-based book on positive emotions, read *Authentic Happiness* by Martin Seligman, who has street cred because his own genetic temperament is more curmudgeon than optimist.) Positive emotions free us to do things we care about even when--particularly when--time are tough and the obstacles are great.

Let me give you an example. Imagine that you're sitting in an auditorium listening to someone talk about the fiscal deficit. Imagine it's David Walker. After providing a brief and compelling description of the brutal facts, he says this:

"The scenario I just described, the \$53 trillion deficit, is fortunately not set in stone. It's not the only future out there. There is another story that is also possible right here, right now. It is a story of a generation of Americans making some really hard, important choices for the sake of their children and grandchildren. It's a story of my friend, Sheila, 55 years old, who decided to support a change in Medicare and Social Security so her three grandkids could live a high quality life. Yes it was a sacrifice, but it's one she was not only willing, but also actually grateful to make."

"You know what I mean by grateful? It's when you have that wonderful warm feeling in the chest because you have had an opportunity to do something positive for someone you love. What a great feeling that is. Now, this is the story of Sheila. This is also the story of a generation of people who realized that they already knew what they needed to learn, and their job, their opportunity, was to apply it in a different context. They already knew how to sacrifice for the next generation, knew that this was the highest and most rewarding form of love. They knew this because they did it every day in their family, every day in their personal lives, for literally decades. The shift they made was to realize that this act of generosity, this expression of love for generations to come, was also possible in their public lives, in their lives as citizens. They realized that government was not some force out there, but something that together they could harness to leave their grandkids better off."

"And here's the most amazing part of the story: those grandkids, the ones who otherwise would've been faced with a massive deficit, could look back in the year 2035 and think, 'What an amazing thing they did for us! It took them a while to get started but once they did, wow, what a turnaround. What a sacrifice. What a gift. What courage.'"

"This, my friends, is a story that hasn't happened yet, because, well, because it's not yet 2035. I have to say, and you can tell by looking at my face that I mean it, it's a story I love to tell, because I get to play a central part in it. As a hero. And so do you. Because in the end we're all in it together, aren't we?"

This is one example of evoking positive emotion in the midst of a challenging issue filled with brutal facts. How do you feel having read it? More or less energized to take action?

I hope you feel more energized. I sure feel more energized, and that's just from spending 20 minutes typing a bunch of words in the hope of making make a point.

So here's the formula I am proposing:

Brutal facts + Positive emotion = The leadership this moment calls for

Cheers,

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