

Tactic Four: Dealing with NoNos

A few years ago I wrote a fable with Holger Rathgeber about an emperor penguin colony in Antarctica. We called it *Our Iceberg Is Melting*. The book is about life in a changing and turbulent world. It tells a story in which a colony of emperor penguins encounters the frustrations, fears, and problems nearly all of us face today. But unlike 90 percent of real-life human colonies, our penguins find solutions to their problems that are similar to those used only in the very best twenty-first-century organizations.

One of the main characters in the book is named NoNo. It requires little imagination to predict how he reacts to any new idea. And he not only talks, he acts, often with great effectiveness.

NoNos are highly skilled urgency killers. If they cannot undermine attempts at diminishing a contentment with the status quo, they create anxiety or anger and the flurry of useless activity associated with a false sense of urgency. All organizations have at least one NoNo. More often, there are many NoNos. We can experience them as aggravating or extremely aggravating, but they are, in fact, far worse. For those who do see the dangers and want to act, NoNos at times can seem like hopelessly powerful barriers to progress. They aren't—as long as you know the two methods for dealing with them that don't work, and the three that do.

the NoNo problem

A NoNo is more than a skeptic. He's always ready with ten reasons why the current situation is fine, why the problems and challenges others see don't exist, or why you need more data before acting. In *Our Iceberg Is Melting*, when a middle-management bird tells the Leadership Council of a potentially disastrous problem, NoNo reacts in a way that is typical:

This junior bird says that melting ice has

*opened that canal. But maybe it hasn't. He says the canal will freeze during the winter and trap water in the big cave. But maybe it won't! He says the water in the cave will freeze. But maybe it will not! He says freezing water always expands in volume. But maybe he's wrong! And even if all he says turns out to be true, is our iceberg really so fragile that freezing water in a cave can break it into dangerously small pieces? How do we know what he says is not just—a theory? Wild speculation? Fearmongering?!!! Can he guarantee that his data and conclusions are 100 percent accurate?**

Drum roll and kaboom.

We may have a small piece of a NoNo in all of us. More likely, we have a bit of the skeptic. But even minor league NoNos are *not* skeptics. Skeptics, if you don't have too many of them, can usefully keep enthusiastic, but naïve, impulses in check. Skeptics, once they have been convinced their opinions are wrong, can become an initiative's biggest champions.

NoNos are very different. They will often do nearly anything to discredit people who are trying to create a sense of urgency. They will do nearly anything to derail processes that attempt to create change.

NoNos are much more dangerous than we are inclined to believe, and that is one of the main reasons we make mistakes in trying to deal with them.

don't waste time trying to co-opt a NoNo

There are two methods that people typically employ to deal with powerful NoNos. Unfortunately, both methods work very poorly.

The first is co-optation.

Jerry Blackburn was the managing director of a successful midsize consulting firm. For years

the enterprise had grown rapidly under his leadership by focusing almost entirely on six sigma. By gaining more and more experience, through shrewdly investing in refining its tools, and by aggressively selling its services, the firm had become one of the top three players in a highly fragmented market.

One of Blackburn's most trusted senior partners came to him with disturbing data suggesting that the six sigma movement may have peaked and was declining, even though the firm had yet to see a decrease in revenues. The partner urged that he and Blackburn go talk to potential clients that recently had not accepted the consulting firm's proposals for work. He also strongly suggested that the two of them visit current customers that were not increasing their billings as had been expected. Blackburn agreed to both ideas, and off they went.

After a dozen interviews, the two consultants concluded that, indeed, interest in their six sigma product seemed to be sagging as interest in other management techniques was growing. Blackburn immediately pulled together his most senior management team and told the members about what he had learned. He explained that, in his opinion, they should move quickly to confirm or disconfirm his findings. If the findings were confirmed, they should move without delay to identify new arenas with growth potential that would leverage capabilities they already had. He pointed out that it would require time to develop a deep expertise in new arenas, to sell services, and to gain more experience than competitors. He expressed a belief that if they did not move quickly they risked (1) in the short term, a stagnation in revenues that would decrease bonuses and increase turnover among some of their best staff and (2) in the longer term, being left behind by more aggressive consulting companies.

Most members of the executive committee were surprised not only by what they were hearing but, even more so, by the conviction in Blackburn's voice. In the discussion that ensued, the eleven-person group broke more or less evenly into two camps: one leaning toward Blackburn, and

another leaning against.

With ten minutes left in the meeting, one of the more experienced consultants pointed out, accurately, that at least a few people had said nearly five years ago that their market had peaked, and yet the firm had continued to grow. He pointed out, accurately, that at least two strategy consulting companies had for some time been claiming that six sigma tools were not as useful anymore, and yet Blackburn and his colleagues received outstanding reviews from most of their clients. He pointed out, again accurately, that what Blackburn had learned was based only on a limited number of interviews, which was far from proof of anything. Because the firm was extremely busy, the senior consultant advised strongly that it fulfill its current contracts and not waste time on speculation. He also made it clear that sharing this information with middle management or junior consultants would be a terrible mistake. Worrying others, he said firmly, would detract from their engagements, and that was dangerous.

The meeting ran out of time shortly after this man spoke, with the majority now leaning away from Blackburn.

Later that same day, an unhappy Blackburn pulled together a close confidant plus the trusted partner who had originally brought the problem to his attention. The three of them talked about how to proceed, eventually deciding that their NoNo could be a powerful loose cannon. After exploring a few alternatives, they chose to set up a "study committee" of five people that would include the three of them, one colleague who always seemed to be open minded, and their NoNo colleague. Better to keep him inside the tent, they reasoned, than outside creating problems.

Blackburn had hoped to meet at least a half-dozen times in two months in order to explore whether there really was a serious problem and, if so, to create a heightened commitment within the group to move forward quickly. Instead, because NoNo was "extremely busy," the study group met six times over six

months, arriving at no consensus at the end. Their NoNo was gentlemanly but relentless in his piercing logic, poking holes in any qualitative analysis. He agreed to do interviews with selected clients that were not giving the firm more business, but he kept canceling meetings due to crises, immediate needs, scheduling mistakes, and so on. Meanwhile, he insistently raised questions about any hard data the others gathered. "This is limited in its scope," he would say. "This assumes X and Y and Z. How do we know these facts are absolutely true?" He continued to contend that the study group was taking attention away from serving current clients.

After a particularly galling meeting, Blackburn suggested to his closest confidant that they must consider pushing their NoNo out of the firm—fire him in the gentlest of terms, present the firing to the world as a resignation for some legitimate purpose, and get on with it. His colleague pointed out the inherent risk in that course of action. NoNo ran the firm's biggest project and ran it well: on time, on budget, and with a happy customer.

With short-term business pressures drawing his attention elsewhere, Blackburn reluctantly continued with the co-optation strategy, continued with the five-person study group, and continued to have infrequent study-group meetings. One and a half years after Blackburn and his colleague first visited clients and became alarmed, the firm's future billings flattened for the first time in the company's history. *Business Week* magazine ran a story about a smaller consulting enterprise that was using a different management technique and was growing at 50 percent a year. Although the article never said so directly, the implication was clear that Blackburn's firm had seen its best days in the past. The strategy of co-opting the NoNo had only caused delay and frustration.

The firm has never entirely recovered.

NoNos can kill urgency, kill action, and wound firms, sometimes with tragic results. Co-opting these sorts of people can seem like either the

best or the only realistic strategy. But as with Blackburn's firm, it is not easy to make NoNos behave usefully inside the tent. Their capacity to disrupt conversations and delay action is formidable. At some point, it can become obvious that co-optation is not working. That raises the obvious question. Should you move the NoNo not only out of the tent but out of the firm? Often the Blackburns of the world want to take decisive action but feel paralyzed for any number of reasons. The disrupter is powerful. The disrupter produces important short-term results, and it is unclear that anyone else can do as good a job. So the boss does not act. More often than not, the story ends poorly, as in the consulting case.

Co-opting NoNos can seem like such a logical strategy, particularly because they are so often incorrectly seen as only serious skeptics and because it is seldom obvious how to keep them off the team. So why not use the power of the group's majority to pull them toward a consensus opinion that a problem must be addressed or an opportunity must be exploited? At a minimum, neutralize the troublemakers.

Unfortunately, *co-opting NoNos almost never works well* because the fundamental requirements for co-optation are missing. Regardless of what they say, NoNos are not skeptical but still willing to examine the data. They are not at all inclined to listen to others with an open mind. They won't accept a majority opinion. They have usually learned all sorts of methods to delay action, to make "study groups" not function well, and to aggressively use other disruptive tactics, often unconsciously. As a result, time is lost. Urgency does not grow high enough and fast enough. Needed action does not happen fast enough and smart enough. At some point, those who try to co-opt a NoNo almost always come to regret it.

never ignore the NoNos

Another approach one finds in these sorts of situations is to leave a NoNo outside the tent. Isolate and ignore him. The idea is to get on with the work. The belief is that the NoNo will

be a distraction, but so what? He's only one person. And, again, it sometimes seems as if this is the only realistic alternative.

But an ignored NoNo can create much mischief. He will often relentlessly talk to others, especially the open minded (ironically), the anxious, and anyone who has a grudge against those trying to find new opportunities or avoid new hazards. The talk always contains observations or arguments that could be true. "Those people are worrying too much." "They are overstating the problems." "They are not doing their real jobs." "They are putting us at risk."

A smart NoNo can always find reasons why the only intelligent course of action is to do what has been done before or, at the most, to take only incremental action. A smart NoNo can find weak spots in any argument but, unlike a skeptic, locates weak points not to make better decisions but to stop action. A smart NoNo is expert at creating anxiety and undermining any new determination to exploit opportunities and avoid hazards.

NoNos can, and often do, organize an active resistance movement. Avoiding large-scale confrontations, they tend to work at the margins. They insert doubts and anxiety-raising arguments into one-on-one meetings, at sessions with their staffs, or over drinks away from the office. A NoNo can do this endlessly. Endless small acts add up.

Working constantly—as many NoNos do—they can create a small civil war in an organization. As a result, any urgency that rises is channeled into winning the war, and not into serving the customer better, incorporating new technologies, or becoming more externally focused.

That is precisely what happened at a division of a well-known manufacturing company a few years ago. The president of the division was convinced that the company had to face the fact that its industry was globalizing, and yet nearly 90 percent of the division's sales came from U.S markets. Because there was no visible crisis—revenue rose

very slowly, but it did go up year after year—he decided that he first had to address a complacent management. But he knew from the beginning that his vice president of manufacturing believed that the firm was a winner and that "globalization" was totally unnecessary at that point in the firm's history. So the president brought together five of his officers and pointedly left out his manufacturing executive.

The team of five began holding informal meetings with groups of twenty other managers at a time. Facts and figures about the competitor's rapid expansion into Asia were presented. An argument was given about how those actions were going to put the firm in a difficult position when it eventually began a similar reach outside the United States.

The message was clear: "We cannot delay." The initial meetings seemed to go well. But soon the team of five began to see and feel the new sense of urgency dropping rapidly. Surprised, and concerned, they looked into the problem and found the manufacturing vice president's fingerprints everywhere.

This executive left outside the tent and ignored turned out to be a very busy and very clever participant in the globalization discussion. Whenever he was with people who were not as committed to action as was the president, he brought up the topic. He slid selective data into the conversations. "An industry magazine says competitor A is losing \$50 million a year in its India strategy." "Did you see the article in the *New York Times* about the tensions growing between India's new super-rich and the wretchedly poor? The implications for anyone trying to do business in India could be vastly important. And what of . . . ?" He constantly warned about the risks of precipitous action. "Yes, we will obviously grow outside the United States. The issue is timing." He pointed to the company's good and steady track record. He came up with scenarios for achieving additional growth in existing markets. "There is no need to spend resources now in a highly uncertain venture."

The manufacturing VP was smart and sophisticated enough to carefully qualify his statements so that he did not seem to be an irrational source of unrelenting negativity. "They make a good point," he might say before pounding away with his urgency-killing message. "No, those facts are accurate, but they are not relevant. Just think this through for a moment. Run the numbers and compare our margins in the United States to what they will probably be in Asia for the next five years if we ... " With the president and his five-person team absent from these conversations, and with their point of view missing, anxiety among some of the staff rose and urgency among others fell.

Even relatively junior NoNos can distract their peers, but powerful senior NoNos can disrupt a whole organization. Rationally, this behavior usually does not seem in their own best interests. Rationally, a NoNo should be listening to data and thinking carefully, or else his employer, and his career, could be in jeopardy. But the force behind the behavior of NoNos is rarely rational. It's usually based on insecurities: change means risk means anxiety. Or it's based on anger: "In a just world, I should be in charge and I am not going to let those who are in charge succeed." Most NoNos are totally unaware of these feelings, although some highly ambitious ones recognize the I-should-be-in-charge drive.

The bottom line is that ignoring NoNos can be tempting. You think, "There is too much to do to waste time trying to follow up on all their conversations. If we don't watch out, our main task will become managing the NoNos instead of running the business. So let them be." But all the evidence says that this is a very bad approach.

distract the NoNos

There are three effective solutions for dealing with NoNos. The first is to keep them from creating mischief by actively distracting these distracters. The second is to push them out of

the organization. The third is to expose their behavior in ways that allow natural social forces to reduce or stop it.

Active distraction comes in a number of forms. Send your NoNos on a special assignment far away from where urgency needs to be increased. Pair them with people who understand that their number one job is to keep NoNos from creating problems. Give NoNos so much work that there is no time to create too much mischief. Each of these activities has been shown to work.

Stephen O'Malley, CEO of a financial services firm, used all three tactics. He sent his NoNo to Shanghai on an important and time-consuming job far away from corporate headquarters in London. The position in China oversaw a troubled operation in the expanding firm. The office needed discipline, and this NoNo knew much about imposing discipline in a way that could produce superior results. The NoNo was not pleased with his reassignment, but the need was real, his credentials were appropriate, and the boss showed no signs of backing down. In confidence, O'Malley also explained to a trusted aide in China why he had sent this executive to Shanghai.

London was becoming too complacent with its recent success, he told his confidant, and this NoNo was undermining any sense of urgency to deal with new problems or opportunities. He didn't in any way demonize his colleague from London, but he made it very clear that stopping the man from generating an arrogant complacency, creating anxiety, or encouraging fights at headquarters was essential. He asked his trusted aide to keep their NoNo focused on the new job by constantly identifying new, and real, personnel, government relations, and client problems in Shanghai.

The confidant did what he was asked to do. The challenges in Shanghai did require long hours of work. Little travel to London was needed or possible. The NoNo still found ways to create mischief when he did interact with his colleagues back in Europe. But the problems he

was able to cause were minimal. O'Malley's strategy worked remarkably well.

Effective distraction strategies keep NoNos from undermining a sense of urgency on an ongoing basis, not just occasionally. They have an affect that is not intermittent, but continuous. Effective strategies also focus NoNos' efforts on real business challenges, not made-up problems. Diverting someone's efforts into made-up problems can raise legitimate questions about manipulation and integrity, with all the negative consequences that might follow.

Distraction strategies have been shown to be effective in situations that can seem, at least to some people, hopeless. In O'Malley's firm, a number of young, up-and-coming client-relation managers were either discouraged, angry, or ready to quit. They saw a major opportunity. They saw their efforts to mobilize others to act on the opportunity constantly stifled by the firm's powerful NoNo. They saw that O'Malley's initial strategy of ignoring him was failing. Most were sophisticated enough to realize that putting the man on a committee would not help. Some wanted the boss to fire the NoNo and were unhappy that O'Malley did not do so. A few saw no solution and were, discreetly, talking to competing firms about job offers. When it became clear that O'Malley's distraction strategy seemed to be working, the resume-shopping stopped, anger was converted into a heightened determination to change and succeed, discouraged people found new energy, and, ultimately, the firm did successfully exploit a number of new opportunities.

get rid of them

The push-NoNos-out-the-door strategy is straightforward in concept. You might first confront them. "We have a difference of opinion, and it is hurting the enterprise. You change or go." Almost always, NoNos won't change, even if they say they will. So you fire them. You offer an early retirement package that is attractive. You don't just move them to Shanghai; you send them to a job that is a demotion. If they don't accept the package or new assignment, you force the issue.

If you work in countries where firings, demotions, and forced retirements are not realistic possibilities, you search for options that have the same effect. Managers in some Western European enterprises have, of necessity, devised all sorts of other legal actions, like reorganizing so that NoNo's job no longer exists. If this is done honestly—"You are undermining the business, you must go, we have an obligation to make you go"—then, if there are ethical issues to be raised, they are about NoNo's ethics. What right does he have to keep a specific job if that risks hurting hundreds or thousands of other employees and their families?

Many of us find the push option either distasteful or risky, and therefore it is not seriously considered. The risks are certainly real if the NoNo has many friends and the situation is handled poorly. If an action seems like a cruel way to deal with an employee of long tenure, you will have a very real practical problem. If any action truly is a cruel way to deal with an employee of long tenure, you will have a very real ethical problem. But, ultimately, the choice is clear. Do you allow a person to reduce urgency, undermine needed action, and hurt the future of an organization? Or do you take steps that may be uncomfortable in the short term but that deal with this critical issue? Too often, people refuse to take the uncomfortable steps.

immobilize them with social pressures

A third and final strategy for dealing with lightweight NoNos is to find socially acceptable ways to identify them in public and then let social pressures do the rest.

An example. The head of a company with about three hundred employees had small group discussions with all of his people after they had had a chance to read our *Iceberg* book. The light-hearted fable made the discussions less threatening than if he had set up meetings with the stated agenda, "What changes do you need to make to cope with our changing environment?" After a session in which she participated, an administrative assistant

went to the toy department at Wal-Mart and bought a two-and-a-half-foot-tall stuffed penguin. She brought it to work, put it on her desk, and hung a sign on its neck: "NoNo is ." When she came back from lunch that day, she found that someone had written on the small sign the name of one of the firm's managers. Most people who passed her desk that afternoon either rolled their eyes and nodded or laughed out loud. Of course the word got back to the manager, who came to see the sign for himself. The woman held up her hands and said, truthfully, that she didn't write in his name or know who did. The manager had little choice except to laugh himself. The next day a second name appeared, with a similar aftermath, but this time the manager did not laugh much. Nevertheless, in both cases, the problem was now out in the open. People who knew that these men were not skeptics, but were systematically undermining the useful discussions started by the head of the company—these people felt free to say so to their friends, to their bosses, and in a few cases directly to the NoNos.

On the surface, much of this was done with a friendly laugh because the *Iceberg* fable is whimsical—"Someone finally nailed Harry and Jim, ha, ha." But underneath the smiles was a serious message and one that spread everywhere, including to the CEO, and including to Harry and Jim. The two men were, in a sense, put on notice. Their NoNo-like behavior then shrunk greatly. When it reemerged in a management meeting, more often than not one of their peers, always with a smile, would say something like "Now NoNo, I don't ..." The line would receive a group laugh, and the disruptive behavior would shrink even more.

I doubt if those two men changed much inside, but on the outside their behavior did shift. Had they been heavy-duty NoNos, perhaps one or both would have been clever enough to play the humiliated victim, gain sympathy, and then be able to continue with some variation on the old behavior. But they weren't heavyweights. And no one except a few friends ever, for a second, considered them victims. So they were neutral-

ized. Their destructive behavior, which hurt everyone by hurting the company, was stopped. And the key player in the story was a very clever administrative assistant.

(In an interesting coincidence, as I edit this chapter, I just received an e-mail saying, "By the way, when I returned to Germany I was almost instantly confronted with your Penguins. Our senior management gave all managers a copy and used it as the motto of last year's 'Budget/Business Planning Board.' It is very interesting to see how NoNos get their act together because they do not want to be called NoNos." He is near Frankfurt. The secretary in the earlier story is in New Jersey. The problem, and solution, has nothing to do with culture or nationality.)

An unfortunate but accurate rule: *never* underestimate the damage that a hard-core NoNo can do in undermining efforts to reduce complacency, increase urgency, make smart action happen rapidly, and help an organization to survive and prosper. To repeat, I am not talking about a thoughtful skeptic who can be moved by evidence and who can actually serve a useful purpose by controlling naive enthusiasm. A NoNo is another breed, and an increasingly dangerous breed.

A second, more encouraging rule: a powerful NoNo is not a hopeless barrier to progress, because there are three effective tactics to deal with him or her. When a big, old company like GE achieved what people said was impossible to achieve in the last quarter of the twentieth century, it started with a huge number of NoNos. I know; I was studying the firm at that time. With employment in the hundreds of thousands, if only .5 percent were of this breed, that would have added up to many more than five hundred people. Yet dedicated men and women did successfully deal with those people. Complacency dropped greatly. Urgency rose greatly. The firm went on to invent astonishing machines in its medical products division, quieter and less polluting engines in its aircraft engine group, incredibly innovative tools in its financial services group, wonderfully enter-

taining shows in its NBC unit, and a return to investors that no one would have thought feasible. In a depressing moment, NoNos can seem to anyone like ten-foot-thick steel walls blocking progress. They're not.

So ...

1. Identify the NoNos.
2. Don't be naïve about the damage they can do.
3. Use one or more of the three strategies that work, not the two that are usually unsuccessful.

Get on with creating the sort of twenty-first-century organization we all want, one that serves well investors, employees, customers, and the public at large.

Concerns of the NoNo

Past Experience:

Is not concerned with the past except as ammunition to shoot down the need for nearly any change today.

Data:

Doesn't really want data but hides this fact. In public, keeps demanding more and more "proof" that any new action is needed.

Use of Data:

Very selectively chooses information that suggests no action is needed. Is never open minded.

Active/Passive:

Usually is very active out in the open or behind the scenes. Can be highly disruptive.

Bottom Line:

Reinforces any contentment with the status quo. Raises anxiety. Always kills urgency, stopping needed action. Can be very dangerous.

