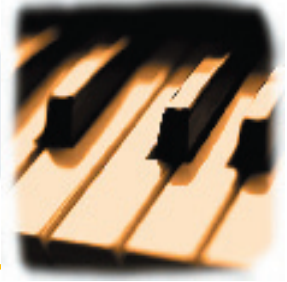


The courage to recognize and deal with people-development plateaus so key executives keep pace with the growth of your biotech enterprise



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Nick was one of the first executives to join a successful, growing biotech company. But, as the enterprise has grown and prospered, Nick has become obsolete. He didn't plateau overnight. For a while, it was easy to dismiss the problem as stress or someone who has good days and bad days. Now, it's clear to everyone but Nick himself that the enterprise has outgrown the leadership he provides.

If Nick were willing to face this reality, you could bring in a coach or send him for training. After all, most executives learn to lead – even the ones who are so smooth that they seem like natural-born leaders.

But Nick isn't willing to accept help, because he doesn't see that he has plateaued. He has misdiagnosed the problem as a power struggle. He resents being second-guessed by Johnny-come-lately members of the executive team, whom he believes are vying for his prestige and position. He is annoyed that once-loyal subordinates don't seek his advice before they take decisions and no longer revere him as their in-house thought-leader. He feels slapped in the face by new executives who demand more compensation than he receives, and a board that is willing to accede to the demands of newcomers while telling Nick that he should be satisfied with his warrants and options. Nick has exploded and read people the riot act about following the chain of command and keeping him in the loop. He doesn't see that holding on to control this way is like trying to hold sand in his fingers.

Some executives who've hit a plateau become passive. They sit in their offices and focus on what interests them – whether or not that's what the enterprise needs. They're oblivious to the frustration of people who are working flat-out and are waiting for them to review and sign off on documents, approve budgets or give input on project plans. These plateaued leaders tend to their pet projects, talk with their pet contacts, answer their emails and justify their unexpected absences or unavailability with reference to past accomplishments or spurs of hyper-activity when they are energized and in hyper-drive.

But Nick isn't passive. Instead, he's an imposing presence, who's still the first one to arrive in the morning and the last one to leave at night. He can be reached 24/7 by email or phone. Nick still has good days, when he comes into the office with smiles and encouragement and when he offers the flashes of brilliance that once made him indispensable. But, with one innocuous comment that rubs Nick the wrong way or threatens his power or prestige, people find out they've been walking an ice floe that's cracking under them and that they're no longer on solid ground even when they are presenting hard data. Nick's hyper-vigilance has little to do with business development, technical breakthroughs or enterprise success anymore. It's about making sure that he's on top of everything and everyone, whether they need his help, his direction and his approval or not.

Doing nothing isn't an option

If you have an executive like Nick in your midst, you've got two tough decisions to face. One is whether to keep Nick on the team or cut him loose. The second is whether to invest time and resources

in getting Nick “unstuck” so he can advance beyond his current plateau.

Dealing with Nick isn’t going to be a picnic. It’s tempting to do nothing, be thankful for Nick’s contributions and work around his foibles and shortcomings. As tempting as it is to do nothing about Nick, that is a high-price option. Consider what it costs your enterprise because...

- ...people become distracted by power plays and politics (which can happen, even in a small organization)
- ...work time that should be spent on technical obstacles or business development gets diverted into deliberations about coping with Nick’s ego or smoothing out the feathers he ruffled
- ...technical thought-leaders don’t volunteer ideas and wait to hear what Nick thinks or where he stands (so they don’t get in trouble) rather than taking initiative to analyze and solve technical problems
- ...decisions are second-guessed and revisited because they seem to be politically motivated rather than data-driven and rational
- ...decisions that should be executed crisply are difficult to pull through
- ...problems are ignored or trivialized rather than surfaced and solved before they block the critical path because “Nick didn’t think it mattered” or “Nick was so focused on managing the optics that he didn’t want to acknowledge there was a problem”
- ...a few of your best and brightest players decide to move on, rather than living in a stifling and toxic work environment
- ...development partners or investors get a whiff of the divisiveness in the “team at the top” of your enterprise
- ...the courage of your project teams and your management team stays low, because people are acutely aware that they are walking on thin ice with Nick and don’t want to rattle his cage, even when they know they’re right

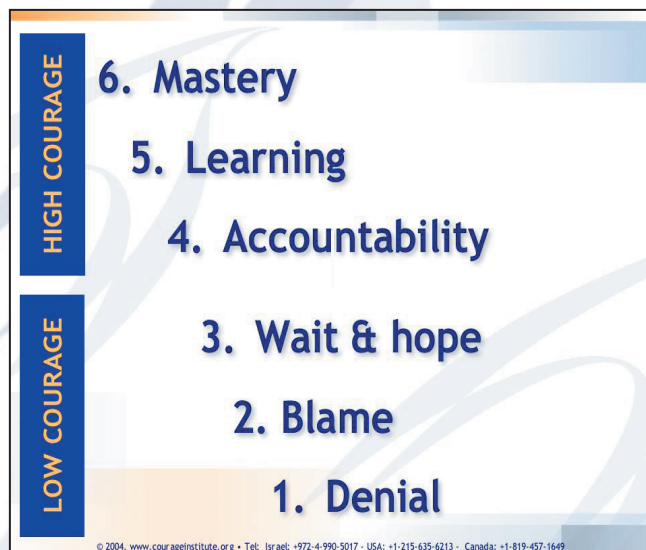
If you don’t think team dynamics like this can damage, cripple or kill promising biotech ventures, think again. Far more biotech failures are directly attributable to the dysfunctional and toxic team dynamics that executives like Nick create than are attributable to technical or regulatory hurdles. Far more strategic

alliances fail because of mistrust and a lack of confidence than because of missed timelines. Far more CEOs are asked to stand down because they were unable or unwilling to deal with Nicks in their midst than are asked to stand down because of a strategic or technical miscalculation.

How executives respond when they discover that they’ve plateaued

The fact is, almost every executive reaches a plateau at some point in the growth of the enterprise. It isn’t comfortable to realize that the skills that got you to one pinnacle of success won’t keep you at the top in a more complex, expansive, turbulent and high-stakes environment. Fortunately, most executives show far more courage than Nick when this realization sets in.

There are six different levels of courage that high-level executives show when they realize that they need to advance their leadership skills to stay a step ahead of the current business realities, rather than allowing themselves to plateau and become obsolete. The six levels of courage are:



Level 1: Denial. Denial takes two forms. One is, “I don’t have time for to worry about leadership and don’t think it matters.” On a good day, Nick is here. He tells you flat-out that he doesn’t believe people-issues factor into success as much as technical or business-development issues.

The other form of denial is, “Everything is OK.” Nick acknowledges there are occasional skirmishes. But he balances them against his successes as one of the executives who got the venture off the ground and earned the confidence of investors and partners. And, as testimony to his leadership prowess, he points to his Army career several decades ago.

If the Board of Directors, CEO and other executives collude in accepting Nick’s behavior and the low-courage work ethic that Nick’s behavior creates, your first challenge is getting them to see the situation as a problem that has a high cost and needs to be fixed. This is best accomplished by gathering objective data and presenting the data in a way doesn’t demonize or humiliate Nick. If people around Nick won’t agree to collecting survey and research data or rationalize the data you’ve collected with dismissive pronouncements, your chances of gaining traction are small.

Level 2: Blame. Once Nick’s awareness is raised, by presenting the results of a survey or catching him right after a particularly damaging tirade, he may have the courage to acknowledge that everything around him isn’t OK. That’s progress. At least he’s opening his eyes to see the symptoms – disengagement, lack of initiative, issues that get discussed in clandestine meetings after the meeting, rather than being put on the table and dealt with straight-on, and disrespectful encroachment on what Nick believes should be his inviolate bastion of power and authority.

At the blame stage, an executive like Nick has the courage to admit there are problems. But the problems are someone else’s fault, someone else’s lack of ethics or compliance, someone else’s out-of-control ambitions or incompetence. “Fix the other people, not me,” Nick tells us, either with a compassionate sigh or with indignant intolerance, “and we can get things back to where they were when I was respected and on top of my game.”

Despite awareness that there are problems, at the blame stage, Nick doesn’t “get” the fact that he is part of the problem. There will be a point of reckoning where he will need to “get it.” But to engage Nick in coaching or training, it’s OK for him to start the journey believing that he’s there to help

others, rather than admitting to himself or others that he is part of the problem. Even if he insists on blaming others, it’s important for Nick to recognize that preserving the status quo – or going back to an era in the enterprise when he was more comfortable – isn’t a viable option.

Moving Nick beyond denial to blame and beyond isn’t going to be a picnic, even for savvy executives, CEOs and Boards who’ve seen this problem and dealt with it before. But, without doing it, Nick isn’t going to “get it” on his own. And, if he isn’t doing it now, he eventually is going to cost you more than the technical or business development prowess that he contributes to the success of the enterprise. If you succeed in lifting Nick beyond blame, there are four other levels of courage you can encounter before you solve the problem.

Level 3: Wait and hope. A few months ago, we bumped into a CEO who was familiar with our work at a Biotech Conference. “Call me,” he said. When we met, he confided that he believed he’d reached a plateau. “I’m seeing the same problems here that I’ve seen in my last two start-up ventures and I’ve come to the conclusion that I might be part of the problem. Tell me what I need to do differently if I want the outcome in this new venture to be different.”

In less than two hours of conversation, we could see this CEO was right in his self-assessment – and we got him to analyze past situations and see the specific gaps that were getting in his way. But moving beyond the initial diagnosis, and taking concrete action to close the gaps with this high-energy, powerhouse of an entrepreneur took another three months to schedule. The CEO saw the need. He accepted the diagnosis. But, for three long months, there never seemed to be enough time, urgency or “juice” to take action and make the right things happen.

If Nick says, “I get it,” don’t expect that to solve the problem. With some tough cases, it’s taken as long as 4-6 months – and a number of crisis situations – for Nick to see that he’s got to do more than acknowledge the validity of the feedback he’s received, if he’s going to save his career and revitalize his team.

Level 4: Accountability. A second CEO in a second entrepreneurial pharma company sighed when we told him what would be required to lift the skills of his veteran executives to a level that would be on par with world-class development and marketing partners. “There will never be a good time to get this program started,” then he said, “so we might as well start now. I have three conditions. One, we have to see progress and value within 60 days, or we’re not going to continue. Two, here’s our budget. Three, you may not take more than two hours of any executive’s time in a single two-week period.”

The difference between “wait and hope” and “accountability” isn’t in what the executive, team leader or HR partner says about the situation. Accountable leaders don’t just have the courage to hear feedback and take it on board; they also have the courage to create a sense of urgency and take action to improve the situation. They ask, “How can I make progress with the limited time and resources I have?” rather than saying, “Let’s wait until the pace slackens, until we have extra cash to burn or until we’ve got everyone, including our friend Nick, on board.”

Coaches and leadership development consultants have to be partners in accountability, not exempt from it. Advisors need the flexibility and creativity to work around business constraints, and view the CEO’s conditions as creative constraints rather than show-stoppers. Advisors need to know when delays are signs of mission-critical business pressures and when they are symptoms of regression from accountability to wait-and-hope – and need to create momentum, before leadership development takes on a life of its own.

Level 5: Learning. As a profession, leadership development has matured. We have more data about what actually works than we had 3-5 years ago. Done well, workshops and intense 360-feedback coaching sessions are cathartic and eye-opening. But the data tell us that workshops and feedback sessions, by themselves, don’t give the practice that executives need to refine, internalize and perfect new leadership skills. To create learning that makes an appreciable difference at the moments of truth when leaders have to lift themselves beyond the plateau where they feel comfortable and on top of their game, we

need to look beyond what happens in the workshop or coaching room. We have to pull the lessons through. We have to be on the sidelines, like a coach sending players into the game and running field practices, to enoble leaders to stay the course and push themselves and their teams beyond what’s routine, comfortable or expedient.

Two weeks after a workshop, it doesn’t matter what was said in the session, whether the simulation activity was fun or what was revealed in the survey data. What counts are real deliberations and decisions, in the drug discovery lab, in email exchanges, in business and resource allocation decisions, investigator meetings, patient enrollment and dozens of other mission-critical moments of truth. “I can live with the fact that a few Directors dinged you in their program evaluations about the instructions you gave on our simulation,” the VP of Quality said when we debriefed 3 weeks after his team mobilization workshop. “Fact is, we’ve continued to pull through the lessons of the workshop and those same Directors are now confronting performance problems they’ve been living with for years. In less than a month, we’re already seeing a boost in their performance.”

Level 6: Mastery. Mastery is what happens when a leader has internalized new insights and put his or her unique stamp and personality into new leadership skills. It’s what happens when a moment of truth no longer requires courage, because the leader can approach it with confidence and, no matter what the outcome may be, can say, “I turned in an A-plus performance and achieved as much as we could possibly achieve.” As leadership development professionals, it’s what we see when we turn to a client and say, “You’ve got it. Our work on this issue is done.”

Fortunately, most candidates for executive development don’t respond like Nick. Despite the worst-case fears that C-level executives and Board Members have about saying, “You need help” to a member of the executive team, we find that 80% of the senior leaders do not respond with Blame or Denial when they receive tough feedback about the leadership skills that they lack and need to develop.

About 30% of the time, candidates for executive development start at Accountability, but don’t know

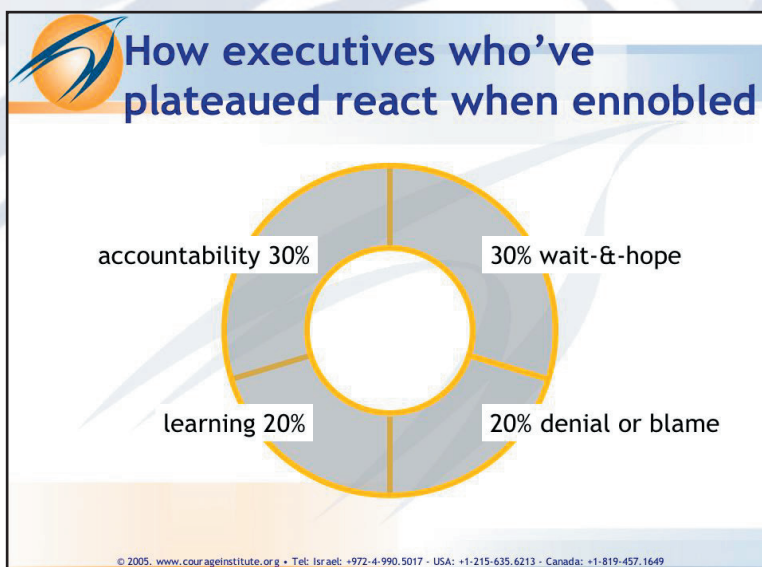
how to move into Learning and Mastery. For them, feedback isn't enough. These leaders are smart, but they don't learn out of a manual or a self-training regimen. They aren't actors who can sight-read a script and instantly give a world-class performance. It takes more than a single rehearsal or a single 2-day workshop that ends with, "Thanks, Chief. I'm on it. Stand back and watch me fly." These executives thrive with an action learning program which combines 360-feedback from the stakeholders who need to follow their leadership and the C-level executives or Board Members who know what it takes to move to the next level, mini-workshops to approach challenges with new perspectives and new competencies, and new assignments that use real job experience as the opportunity to practice and perfect new instincts and new skills.

Another 30% of the time, executives who've hit a plateau need reminders and prodding to move from Wait and Hope to Accountability. It's not that they don't "get it." They do. But they don't believe that their own leadership development is as mission-critical as the 1001 other priorities and projects they're trying to move forward. So they procrastinate. Building development assignments, workshops and 360-feedback into their annual performance and bonus goals can create a sense of urgency and say, "We're serious about more than what you produce. We're also serious about you building the capability that our organization needs to continue to advance in an industry where yesterday's breakthroughs are taken for granted today."

We encounter Nick's brand of Denial or Blame only 20% of the time. Ennobling Nick requires a different intervention from Nick's immediate supervisor or the Board Members who've seen, more clearly than Nick himself, that our friend has indeed

reached a plateau. We'd love to tell you that a pep-talk or friendly conversation will bring Nick out of Denial or Blame. We'd love to tell you that an incentive would do the trick. But they won't. If Nick really is part of this 20% who's stuck where he is, you're going to have no choice but to issue an ultimatum.

Issuing an ultimatum takes deliberation, practice and a zen-like level of clinical detachment and concentration. It's not something to be rushed into and not something to do in a panic or in the heat of anger. If you have an internal HR partner, get input from him or her. If you don't, seek input from an outside advisor. The key to success is being on top of your own reactions, so Nick can't hook you emotionally, divert your attention with side-issues or put you on the defensive. It's using your impatience, frustration and constructive intolerance like an orchestra leader uses the percussion and brass sections of his or her ensemble, to give the music the punch it needs without creating distortion or blowing the listeners out of the studio.



How do you intervene with an executive who's hit a plateau?

First, of course, you have to diagnose the executive's level of courage to acknowledge the situation and take action, on the six levels from Denial to Mastery. If the

executive is part of the elite 20% who respond to tough feedback by Learning, a few gentle words of encouragement might be all s/he needs to recover from a setback, do damage control and face the moment of truth more artfully next time. At Denial or Blame, it's going to take heavy lifting and a battle of wits to ennobel Nick to take your feedback to heart, rather than enabling him to stay comfortable but "stuck."

Here is some advice we offer board members and

CEOs who need to talk with key teammates like Nick about expanding their strike zones because they've hit a plateau that is limiting their personal success – and holding the enterprise back:

- Do your homework. Rely on more than your own instincts or gut feelings, no matter how keen you believe your perceptions and insights are. Observe the executive in a number of different situations and watch his/her impact on others, as well as the things that s/he says and does. Gather feedback from a number of different sources. Look at the performance data, at milestones achieved and missed, productivity and the results of internal climate surveys and external customer or development partner satisfaction data. If you don't have survey data, find a way to gather them so it's more than "your word against theirs."
- Focus on the future and the contribution you would like this key player to make in the new business or technical environment. Paint a picture of what success looks like and why additional success factors are mission-critical. Show that your purpose is making the executive – and the organization – as successful as they can possibly be, not holding the executive back or keeping him/her in a subservient place.
- Don't include your psychological inferences, even if you are a trained mental health professional. Focus on the behavior and contributions you need to see and the gaps that need to be closed. Focus on dynamics at work. Don't allow the conversation to be diverted into deep-seated insecurities or family dynamics and don't use any DSM-IV diagnoses, even if you are convinced you've made an accurate differential diagnosis.
- Offer help, in the form of executive education programs, coaching, or mentoring by working more closely with the executive yourself (if you have the time and energy to invest) or with another member of your board or your executive team. Or, if you can't offer a prescription for growth, suggest to the executive that s/he put together his/her own growth plan, including the possibility that s/he may have to ante up and make a personal investment in his/her future success.
- Require application, not just edu-tainment.

Give the executive special assignments, projects or performance management criteria that will require him/her to move from "Wait and Hope" to "Accountability" and "Learning," after s/he finishes a workshop or works privately with a coach.

- Stay conscious of the tone you set. Is it upbeat and optimistic, or heavy and didactic? Even if you're using all of the right words, deliver them in a way that says, "I'm behind you" and "I need you on my team" rather than, "You're in deep trouble." Telling a member of your team that s/he needs development isn't a time to vent your frustration. It's a time to show your confidence in the executive's ability to muster the courage that's needed to take his/her skills to the next level.
- Be serious about the consequences. Being upbeat and optimistic doesn't mean that you should make light of the situation or trivialize the executive's need for development. It doesn't mean that you should check the box on his/her performance appraisal and say, "S/he's done the work and has the skills" in the hope that you can advance a positive rating as if it were a line of credit. Without threatening, be clear about the consequences that will occur if the executive stays in his/her comfort zone and fails to expand his/her strike zone – and about the timeframe in which you and the Board need to see solid progress.

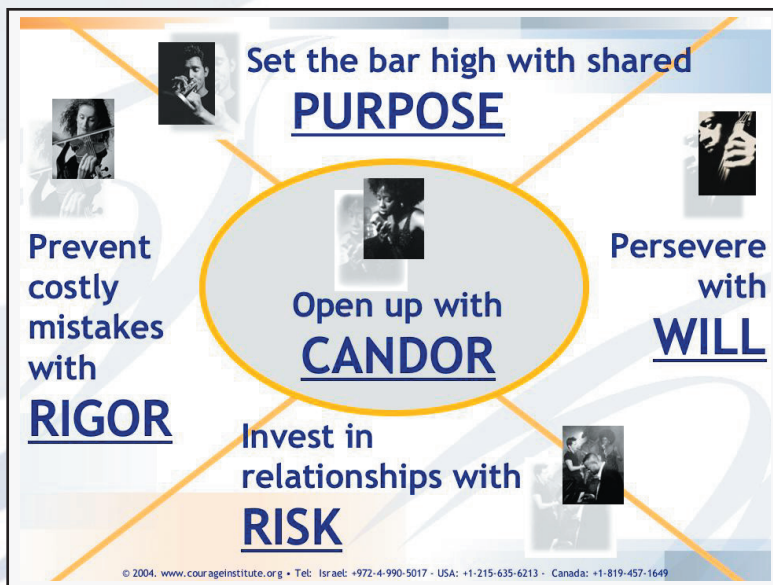
Courage: Formula for ennobling conversations

Ennobling executives to take the next step and continue to grow and develop when they have hit a plateau may be the most important function that a CEO or Board of Directors plays.

Ennobling is the opposite of enabling. Enabling is the response you give when someone when says, "I'm not comfortable with his course of action," and you back off, even though you know the course of action you are advocating is the one that's most needed. Enabling keeps things calm, at least on the surface. But it feeds into denial, blame or wait-and-hope.

Ennobling is the dialogue that strengthens the courage of the person you are advising, so s/he “gets it” and accepts accountability, learns and masters the skills that are needed to progress to the next level. To ennoble, you’ll need the courage to level with an executive like Nick about the problems you’re seeing and the potential that’s being squandered — even though you won’t be thanked for your insights and your encouragement. You’ll need the clinical detachment not be hooked or baited into a fight or argument, even if Nick gets argumentative.

When we run workshops for senior executives about the courage that’s required to make assess your executives’ leadership skills and, more importantly, act on what you’ve assessed, we use our research data about leadership effectiveness to prescribe a 5-part formula to approach executives who have plateaued and ennoble them to expand their strike zones with an infusion of:



Step 1. Candor. How do you get someone to pay attention when you offer a tough assessment? If an executive believes that your feedback is motivated by political rivalries or personal ambitions rather than doing what’s best for the enterprise and for his/her personal success, even the most astute feedback can reinforce Denial or Blame, rather than ennobling the receiver to reach for Accountability. Remember the adage, “No one cares how much you know until they know how much you care.”

“Nick, we need to talk.” Choose a quiet and private place and allow more time than you think you’ll need. If Nick wants to know the purpose of the meeting, let him know it’s about some improvements you’ve noticed are mission-critical to

achieve, for him to have the impact he should have on the rest of the team. Avoid terms like, “problem, trouble, issues” or anything else that will signal blame. If Nick tries to duck the issue or finesse his way out of the meeting, make it clear that it’s important and avoiding you could have negative career implications. When you show up, be cordial and pleasant, not tense or nervous. Be aware of Nick’s personality and cultural background, and prepare yourself to bridge these differences. You don’t want to be stern and be part of the problem. Nor do you want to let Nick off the hook.

Step 2. Purpose. How do you clarify the benchmarks and success criteria that are mission-critical for an executive’s success? Plateauing isn’t a character flaw. It’s a gap between current skills and the new requirements of the job, given a leadership role that has more complexity, a faster

pace, tougher technical hurdles and an expanded scope. Before an executive will move from Denial or Blame, s/he needs to believe that the assessment criteria you are using are valid and fair — and that the goals you are setting are reasonable and achievable.

Before you deliver your feedback, ask Nick to articulate his understanding of the way that new business conditions have changed the performance requirements for his job, and what’s required to make it in the new business environment. Listen for what is said and for what’s omitted. If Nick’s success criteria match yours, go with his framework. If some criteria are missing, add to his list. End the first conversation by laying out criteria (in his words, as much as possible), and by asking Nick to prepare a self-assessment against those criteria. Let him know you’ll be preparing your own assessment and will schedule a second appointment to compare notes.

Step 3. **Will.** How do you build an executive's interest in building new leadership skills, when there's so much that's pressing and urgent to do? Make no mistake. It takes heavy lifting to build new leadership skills, recondition old emotional reflexes, sharpen your diagnostic abilities, and make even the most casual hit-and-run interactions a moment of inspiration and ennobling for the people you touch. When it's tempting to give up and revert back to what's comfortable and familiar – and what got a leader to his or her present level of success – you need to keep the executive striving for a higher level of success.

At your second meeting, stay positive, even if you have devastating feedback to deliver. Ask Nick for his self-assessment against the success criteria you mapped out together. If Nick points out the same gaps you've noticed, congratulate him on a frank diagnosis. If he's stuck in Blame, don't debate about the conditions. "Yes, Nick, you're right, you don't have an unlimited budget. It would be easier if we had more resources." But don't let him off the hook with excuses either. "In this company, we have to get the objectives achieved with the resources we have. That's the leadership challenge we're counting on you to achieve. We need you to figure out how that can happen, and would like to enroll you in a program (or meet with a coach) so you can figure that out. There's a lot riding on this and we're counting on you to make it happen."

Step 4. Rigor. How do you advise the executive about what to do, yet provide the freedom and space for the executive to put his/her own personality and authenticity into what to do? To play great music, it isn't enough to hit all of the notes and come in on time. It helps to show a protégé or a colleague whom you're coaching some of your best moves. But don't expect them to memorize a script or follow your directions to a "t."

If you're successful to this point, Nick will advance from Blame to Wait and Hope. Don't rely on him to make the call to the coach or meet with HR. Pull it through. Give the coach (or your HR partner) Nick's name and number and rely on them to reach out to Nick. Follow up to make sure it's done. If Nick doesn't make a move to enroll in the program you've prescribed, ask him about the alternative

he'd propose – and be willing to accede to his plan, if it's reasonable and can get him to the same finish line. If Nick procrastinates, however, restart at Step 1 (candor) and show you're serious about him developing the skills he needs to succeed in his job – or you'll have no choice but to reassign his responsibilities to someone else and red-line his growth in the organization.

Step 5. Risk. How do you put skin in the game and invest in the success of the leader you've tapped for a stretch to a larger and mission-critical scope of responsibility? In our book, [The courage to act](#) (Klein and Napier, 2003), we devote an entire chapter to Temple University's basketball coach, John Chaney. Most people know Coach Chaney as the wild-eyed, demanding, jump-on-you-if-you-make-a-mistake maniac they see on television, but don't see the tremendous care, personal investment, affection and willingness to put his reputation on the line and go to the mat to open opportunities to his players. If you're pushing someone to take on new challenges in a new way, how are you showing that you'll stake the enterprise's success on their success – and trust him/her enough stand behind him/her when the going gets tough?

The sad fact is, as much as you might genuinely like Nick on a social level, you can't really trust someone who stays stuck in Denial and Blame, and doesn't take responsibility for their decisions, choices and impact on the people around them. It takes courage to let someone know they need to do more to earn more of your trust – and it takes a high level of skill, so you don't become blamed for the trust that a colleague like Nick has failed, thus far, to earn. Don't make trust an all-or-nothing proposition. Let Nick know where he has earned your trust and confidence and reassure him that you want to let go and rely on him to be your "go-to" player, when you see the right skills demonstrated. Let him know you're willing to make a fresh start, that you won't hold a grudge, and that you'll base your decisions on tomorrow's successes rather than yesterday's shortcomings.

Is it worth the investment to ennoble an executive who's plateaued?

Executive development isn't an entitlement or perk. Advancement to a higher level of responsibility isn't like passing the first year of graduate school studies and automatically moving on to the second year of the program. Executives – including founders – need to understand that their CEO and Board of Directors aren't just assessing their historical performance, but are making an ongoing assessment of their probability of success at the next level. If the CEO and Board of Directors are doing their job, not just handing out treats, people keep their current positions if they grow with the scope of their present job title, and advance from Director to VP to C-level executive based on an expanded strike zone, not by resting on their old laurels. The question isn't just, "What have you done for me lately?" It's, "What are you likely to do for me in the future?"

When an executive or scientist-turned-manager rises from a plateau with Accountability and Learning – and make strides toward Mastery – it's easy to justify an investment in his or her development and advancement. When candor is open, when you're working toward a shared purpose, when you see the will to persevere, and when an executive masters new rigors, it's easy for CEOs and Boards to risk more and entrust enterprise-success to someone who is stretching and learning, rather than someone who's already mastered the leadership skills you need to see.

Where does this leave Nick? Does it make sense for the CEO or Board to ennoble Nick and invest in lifting him beyond his current plateau, rather than replacing him with someone who's already mastered the skills that he lacks?

Nick is worth an investment in growth and development if five conditions are met: (1) He still makes a viable contribution to the enterprise, on the days and in the situations when "the good Nick" shows up and is on top of his game. (2) Nick has technical thought-leadership, potential or a connection to investors or development partners that would be hard to replace. (3) Despite lapses when Nick is caught by his insecurities, his skill gaps and his ego,

he resonates to the values and the code of honor you aspire to instill in your company's culture. (4) Working with and investing in Nick will build trust and signal that you're willing to invest in people with solid potential and steep learning curves. (5) Nick isn't guilty of stealing or malfeasance and his angry outbursts, his lapses of judgment, his use of alcohol or drugs or his chronic absenteeism aren't creating a hostile or unsafe work environment.

If any one of these five conditions isn't met, you'd be better served by putting Nick on a performance improvement plan, making an employee assistance plan referral, demoting Nick to a position where he can't do as much damage (possible as an as-needed outside consultant or technical advisor), using your progressive discipline process, or terminating his employment for cause. Your heart may break doing it, but your head will thank you for not throwing good time and money after bad – and for preserving your company's integrity in the process.

The courage to act

Taking leadership skills to the next level is one of the easiest imperatives to ignore and one of the easiest investments to defer. The impact isn't noticeable as quickly as getting by without the right lab equipment or without GCP-compliant trials. But nearly every savvy CEO who's avoided or deferred the investment and has found him/herself without the leadership talent that was needed to take the enterprise forward has said, "I wish I'd done this sooner."

In our work with executive teams, we've found that the 5 Courage Factors are easily learned. The framework makes sense. C-level executives and their Boards quickly "get" the difference between enabling and ennobling. And, relying on outside consultancies, they map the competencies that are needed to keep pace with their growth, their strategic alliances, or their evolution from a discovery-dominant to a development-focused or marketed-product enterprise.

But knowledge and competency frameworks mean little without the courage to put them to work. Use

survey data and management-by-walking-around to tell whether your teams are firing on all cylinders, and let executives know that you know when they've hit the wall, and that you believe in them enough to encourage them to stretch beyond their comfort zones and expand their strike zones. Building that courage – starting with the candor and transparency to put real development needs on the table – is why CEOs and Boards get the big bucks.

It's easy to look at the 20% of executives who realize they're reaching a plateau and find ways learn on their own and delude yourself into believing that everyone in your team should be capable of that level of self-awareness and resilience. And it's easy to look at the leadership skills that came easily to you and convince yourself that they should come just as easily to everyone who's part of your senior team. But the difficulties that executives face when they hit the wall don't often go away on their own. For a while, you may be able to get by working around the problems and not poking the bear. But, sooner or later, if your enterprise continues to grow and evolve and partnerships become more complex, you'll have to do something about it. We wish you the courage to make it sooner.

And, as a learner, it takes just as much courage to assess your own skills with the same objectivity you'd use assessing others. Six months after we finished our coaching work with Nick and could declare our engagement a success, because he had indeed lifted his skills to a higher level and had patched up his differences with his teammates, we met with Nick for a tough feedback session. The old problems hadn't resurfaced. But there were new hurdles and the word from his colleagues was that he again wasn't on top of his game. "Man alive!" Nick declared, so forlorn about the feedback that he lost his appetite and could not finish his favorite dinner. "When does this end? I thought I had it all together and now you're telling me there's yet another hurdle to cross and another pinnacle to achieve!?" Indeed. As long as the enterprise continues to grow and prosper, there will be new leadership skills for executives to learn and master. We wish you the courage to make it happen.



Dr Merom Klein is the principal architect of The Courage Institute's team mobilization methodology for leadership development and co-author of the book, [The courage to act](#), which describes the research and thinking behind the 5 Courage Factors in a way

that is accessible and pragmatic for executives in biotech companies. Merom has over 25 years of experience designing and conducting leadership development programs for clients like Merck, Johnson & Johnson, Pfizer, CIGNA Healthcare, Aetna, ARAMARK, PowderJect, Rafa"el, GE Healthcare, ArQule and Infinity. Merom earned his PhD at Temple University, with a speciality in organization development and leadership. You can reach Merom at merom.klein@courageinstitute.org and learn more about The Courage Institute at www.courageinstitute.org



Dr Louise (Yochee) Klein is director of The Courage Institute's executive coaching practice. Louise has personally coached thousands of executives at various levels to bounce back after they have hit the wall and embrace new leadership challenges with a

higher level of courage – and has equipped internal HR partners and a cadre of external coaches to function as courage mentors. Her clients have included executives at ITI, Janssen OrthMcNeil, PrediX, Millennium, GE Financial Services, Methodist Hospital, Solvay and Quintiles. Louise earned her PsyD at Widener University, with a speciality in clinical psychology. You can reach Louise at louise.klein@courageinstitute.org and learn more about The Courage Institute at www.courageinstitute.org