



Animated video serie «Little Green Bags» of the University of St.Gallen (HSG)

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Text of the video

«**Leadership with energy and focus**». Authors: Prof. Dr. Heike Bruch und Jessica Färber, Institut für Führung und Personalmanagement (IFPM-HSG)

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Some companies are innovative and dynamic, others are sluggish and passive. Some are incredibly successful while others struggle to survive. How come?

The key to good performance is good leadership. Companies need inspiring personalities, not just administrators. They need leaders, not just managers. Then it is they who will lead a company to success by releasing and monitoring organisational energy.

But what exactly is 'organizational energy'? What can you as a leader do to positively influence it? And finally: what personal characteristics make good leaders?

The concept of organizational energy shows how well companies make use of their employees' potential. In our research, we differentiate between four energy states: productive, comfortable, corrosive and resigned energy.

With a lot of productive energy, the company experiences high levels of motivation, enthusiasm and fun at work. Employees are creative, give their best and contribute to overall success.

With comfortable energy, employees are content. They strongly identify with their company and are a vision of calm. This is also good! But watch out: comfortable energy carries the danger of becoming narcissistic and sluggish!

Moving onto the negative energy states, we first find resigned inertia. The company is working with the handbrake on. Frustration, internal resignation and reduced activity reign.

In the second negative energy state, there's a real spanner in the works. Employees are cynical, angry or aggressive, while internal power struggles, resistance to change or silo mentality dominate everyday work. This corrosive energy can really damage organisations.

Individual energy profiles for companies or departments give businesses an important point of orientation as to the energy status in their offices. Management can use this tool to see where their organisation or team stands, and how they should proceed. During our studies

and practical projects, we have interviewed over 600,000 employees in more than 1,000 companies. The results speak for themselves: corrosive energy leads to a loss of competitiveness. Customer satisfaction decreases by an average of 13 percent. Growth falls by 16 percent, and return on investment by 20 percent. The fluctuation rate increases by 17 percent and it becomes noticeably harder to find new hires. By contrast, our studies show that productive and comfortable energy are key indicators for a company's performance, customer satisfaction and employer attractiveness.

The clear goal is to eliminate negative energy and increase positive energy.

But how?

Five leadership strategies can help.

First of all, mobilise by using the 'slaying the dragon' strategy.

If your company is ruled by lethargy, employees often don't have a clear challenge! By using the 'slaying the dragon' strategy, you will mobilise your employees' energy by clearly communicating challenges and helping them to tackle these challenges. Create a clear perspective: the situation is difficult, but we can do it! This releases positive energy!

Second, mobilise using the 'winning the princess' strategy.

Passive or resigned companies can also be mobilised using the 'winning the princess' strategy. Point out a special opportunity to your employees and pursue it with them. You need a detailed view of the opportunity - a vision! No, this does not mean reaching new profit targets, but rather an idea of an inspirational future that's realistic and will grab the employees' attention. This releases their energy.

Third, overcome corrosive energy, let off steam and establish rules!

Anger, fear and aggression need to be vented. Organise opportunities for your employees to let off steam, while encouraging positivity at the same time: 'love it, change it or leave it'. A concrete measure would be to establish a person of confidence in the company as the 'toxic handler'. This decreases corrosive energy, as worries, fears and anger are recognised and management can tackle them much sooner. Finally, establish clear rules. In team sports, there are consequences for fouls and lone wolves. Corrosive behaviour destroys team performance and success.

Fourth, overcoming the acceleration trap.

50% of companies are in the acceleration trap. Change fatigue and organisational burn out are on the rise. The reason: incessant change initiatives, over-complication or exaggerated performance demands. There's a lack of focus! As managers, you should be leading towards a specific aim. This involves establishing priorities. You should also regularly carry out spring cleanings: which tasks are central? Which can be put on hold or gotten rid of altogether?

Real leaders plan pit stops: when milestones are reached, they celebrate successes. Your employees will reward you with plenty of positive energy for new projects!

Finally, sustain organizational energy when it's going well!

Good managers never lose sight of their company's energy status - even when everything's going fine. Once a status of high, productive and comfortable energy is reached, this must also be actively cultivated. This does not mean that managers should lead more intensively. It is much more important to build up a vital company that makes you yourself superfluous. You need to develop clear strategies and make them known, create room for employee initiatives, develop employees into leaders, and create a culture of energy and focus.

Slay the dragon, win the princess, install some vents to let off steam, be bold by focusing and never lose sight of the energy? Err, can one leader really do all that?

Yes, you can! Leadership can be taught and learned! When dealing with organisational energy, you will need to know 2 more things to go along with the right leadership strategies.

Firstly, you still need to re-evaluate the role of a manager. Traditionally, a manager defines goals, monitors performance and gives feedback via reward and punishment. These transactional management techniques create lone wolves - motivation is non-existent and work seems pointless.

Real leaders are role models that motivate and inspire their colleagues and see their employees as individuals with their own personalities. They speak to them emotionally and communicate the meaning and relevance of their own goals for the bigger picture. This is how transformational leaders manage. Many companies need more of this kind of leadership.

Secondly, managers themselves need a high level of energy and focus. It is important to do things with passion and complete conviction. It's also important to be bold enough to focus. Concentrate only on a few change processes at a time - or you might end up killing the princess and saving the dragon!

Our studies show that this combination is missing from a lot of management teams. Only around 10% combine a high level of energy with a focus on what's important. Most of them are 'busy managers', spreading themselves too thin by trying to do too many things at once.

That's it. Let's recap:

- Organizational energy is key for a company's success.
- 'Slaying the dragon' and 'winning the princess' are ways to generate positive energy. Letting off steam, appointing toxic handlers and establishing rules can help to reduce corrosive energy. The acceleration trap can be overcome with consequential focus, spring cleaning and pit stops. A high level of positive energy can be maintained by a vital organisation!
- Recognise your role as a transformational leader - work and lead with enthusiasm, vision and inspiration!

- And finally: don't spread yourself too thin - have the courage to focus on just a few measures at a time.

Don't forget: as a leader, you aren't working in the company, you're working on the company. Your task is to first safeguard your own energy and then to make use of the energy within the company. The best way to do this is by embodying positive energy!

Ask the expert on «Leadership»:

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