



The Waterfall Effect: Six Principles for Productive Leadership

Executive Summary

Introduction

The most important asset every leader has is time. Leveraging that time well results in the Waterfall Effect – the cascading of benefit down through the firm and out to the clients. The Waterfall Effect occurs when the right people are pointed in the right direction and working together on the right things.

Below are six principles, incorporating three suggestions each, to assist new and experienced leaders in creating working environments that regularly produce the Waterfall Effect.

Principle One: Developing Field Vision

Developing field vision is the ability to assimilate and respond to dynamic environments. Like a professional quarterback in the NFL, it's a leader's job to keep the team working cohesively together to produce a result. The following three methods promote that objective.

1. Visualize the Path

Humans are visual animals. We think in pictures. Leaders must envision the path to success then communicate it to the team. For example, the objective for a professional football team is to gain a first down. The quarterback must communicate to the players how that goal will be achieved using a combination of plays. Scoring – the ultimate goal – results from scoring enough first downs.

2. Glance at the Goal Line

Focusing solely on the ultimate goal is a scorched-earth style of leadership. Everything is cast aside in the effort to reach the goal. Alternatively, focusing solely on the details often



leads to micro-management and team members who are afraid to act without direct instruction. The balanced leader keeps a hand in the team's day-to-day activities and periodically reminds them of the ultimate goal.

3. Calling Time Out

A highly valuable skill every leader can employ is knowing when to slow the pace, gather the team, and ensure that everyone is pointed in the right direction and working together. It's the same as a coach calling a timeout during a game when the players are struggling. Whether it's a literal timeout – pulling people together – or a figurative one – contacting them directly to check in on things – calling timeouts judiciously keeps the team producing good results.

Good leaders continually keep track of the big and small pictures. Employing the suggestions above facilitates this effort and ensures that the Waterfall Effect is regularly produced.

Principle Two: Keeping the Glass Half Full

Keeping the glass half full refers to understanding the impact of individual attitudes on group psyche. Effective leaders strive to maintain a high level of positive attitude across the team to ensure cohesiveness and positive results. Here are three ways to keep attitudes properly aligned.

1. Cultivate Every Relationship

We spend a lot of time cultivating relationships with clients and referral sources. The purpose is to develop strong bonds that, hopefully, lead to new business. Consider how effective those same efforts can be with team members.

People tend to perform best when they feel valued. Feeling valued results from getting attention from leadership and receiving feedback. Conduct a personal one-on-one with each direct report at least once per quarter solely for the purpose of cultivating the relationship. The time spent will pay huge dividends.

2. Mandate Dignity and Respect



Much lip service is accorded to the idea that employees are treated with dignity and respect. However, demonstrating those behaviors is much harder in practice. For example, delivering bad news to a team member is the most difficult time to demonstrate dignity and respect. Yet, it's the most important time to do so, because the individual will remember how they are treated, *and* the other team members will be watching closely.

Preparing in advance and leaving sufficient time for any questions and reactions whenever demonstrating dignity and respect are necessary. This is equally true for difficult situations and positive ones. A team is made up of individuals who will work harder and better if they feel valued.

3. Embrace the Risk of Failure

Creating an environment where “failure is not an option” is rife for failure and inspires only fear. All efforts start with a fifty-fifty risk of success-failure. It's mathematical. Inspire the team by identifying the points of failure and ways to avoid them. Embracing failure and seeking to succeed communicates confidence. People follow leaders who inspire confidence!

The attitude team members bring to work greatly impacts the outcome. Employing the suggestions above facilitates positive attitudes and cooperative efforts.

Principle Three: Leveraging the Value of Silence

Most professional service providers get paid to dispense advice. Yet, getting the most from others requires a lot of silence. They must be allowed to engage and participate. Staying quiet can be a difficult task indeed! Here some ideas on how to do so effectively.

1. Engagement is Something *They* Do

To engage or not: It's an individual's choice. It cannot be dictated or mandated. Every team member chooses, over and over again, whether to engage. Promoting engagement is easiest if listening skills are employed. There are three levels of listening – Level One, Level Two, and Level Three.

- *Level One Listening.* This level is instinctual and self-absorbed. It's the “fight or flight” kind of listening. Humans spend approximately ninety-five percent of their



time in Level One listening. It keeps us from walking into traffic! Unfortunately, being self-absorbed does not produce engagement in others.

- *Level Two Listening.* This level is extractive. The listener is seeking to extract information from the speaker. Interviews and depositions are good examples of Level Two listening. The listener is asking questions and then listening for information provided by the speaker. The focus is on the speaker, but the purpose is self-motivated. Again, there's value in this level, but it doesn't promote engagement because it's listener-focused.
- *Level Two Listening.* This level focuses solely on the speaker. The listener contributes feedback to the conversation that demonstrates *empathy*. For example, if the speaker is describing a vacation, the listener continues to ask questions about the *speaker's* vacation and how the *speaker* enjoyed it. Nary is there a word about the listener's most recent vacation.

Empathetic listening drives engagement because the speaker feels valued. The key is to focus on the speaker's message and feed back how the message affected the speaker.

2. Count to Five

Highly accomplished professionals want to participate. It's in the blood! So, remaining silent can be a daunting instruction. One good way to stay quiet is to make a statement then mentally count to five. This focuses a silence into the void. It gives the other person an opportunity to respond. It can also be used to force the other to respond, depending on the conversation's objective. It's amazing what others will say if given the chance!

3. Take "Me" Time

A leader is charged with keeping the team effective and productive. As discussed above, interjecting breaks into their day is one way to accomplish this goal. It's also important for leaders to protect their own energy and productivity. Inserting similar (short) breaks throughout the day is a good way to meet this need. Take a few five-minute breaks throughout the day to regroup and recharge before launching into the next task.

Developing effective listening skills and learning how to be quiet produces benefits for the firm, the team, and the client – the Waterfall Effect.



Principle Four: Peeling Back the Onion

Peeling back the onion is the reward experienced after uncovering the hidden potential in others. Every team member brings a set of talents and interests to the office. Discovering them and finding ways to apply them to the job at hand is rewarding for everyone – including the client. The following suggestions achieve that result.

1. Mentoring *Redux*

Traditional mentoring focuses on assisting someone along a career path. It's a valuable effort and rewarding for both people involved.

Mentoring *redux* focuses on unearthing someone's talents and interests then finding ways to employ them in the current position. The win-win is that the individual gets to engage in things they enjoy, and the firm – and clients – reap the benefits. It also drives loyalty and reduces attrition because engaged people feel valued.

Oh, and discovering those talents and interests requires only a conversation where the leader employs the Level Three listening skills discussed above!

2. Hire Yourself Out of a Job

Most people are hired to perform the available job opening. What if people were hired for the available job opening *and* to grow in the group or firm? In other words, what if the people hired could, eventually, succeed us? Wouldn't those people be self-motivated and pursuing advancement for their own purposes? How could that hurt the firm, the clients, or us? Stated differently, isn't it easier to find another good team member than it is to live with a bad one?

Hiring good people requires a change in the interview tactics used. Instead of focusing on past experiences and academic information, focus on the interviewee's talents and skills. It's a tall order in a short 30-minute interview, but it can be done. Changing the interview questions produces the intended result. Consider using the ones below. (Remember, the resume got the interviewee the interview, so it's assumed that they qualify for the open position.)

- *Question One:* If this were your office, how would you arrange the furniture?



This question tests several things, including how the interviewee reacts under pressure, whether they stop to consider the answer before proceeding, and whether they will recommend any changes to someone in authority.

- *Question Two:* When and where did you go on vacation last?

The answer is filled with information. Does this person take vacation, something that's scientifically proven to promote engagement and productivity at work? The destination and length discloses personal interests. Follow-up questions can uncover a library of information about the person.

- *Question Three:* Describe the worst client/customer service situation you've experienced.

This question requires a follow-up, but it's not the expected one. Once the interviewee finishes describing the situation, ask: How did you make it worse? The point is that all bad situations require two participants. Someone who can learn from bad experiences is a valuable resource.

The objective here is to get beyond the stale interview format and discover more about the interviewee. Any number of questions can accomplish that goal.

3. Guide Versus Direct

Drivers learn the way to a new destination better than passengers. That's because drivers must pay attention during the trip. Leaders want drivers on their team versus passengers. Stated differently, leaders want problem solvers versus question askers.

Like hiring, developing people into problem solvers requires a different approach. Specifically, the Socratic method must be used to produce problem solvers because problem solvers learn *which questions to ask* to find the solution themselves. By using leading questions, the leader guides the team member to the answer they seek. The effort demonstrates *how* to solve a problem. It takes more time initially, but pays huge future dividends in productivity and loyalty.

Securing the right people, discovering (and leveraging) their hidden talents and interests, and developing them into problem solvers keeps a leader busy focusing the team on creating the Waterfall Effect.



Principle Five: Setting the Bar

Setting the bar focuses on the importance of setting and managing proper expectations. This is no small task in the “now” era. Effective leaders understand that urgency is an emotion rather than a deadline. They manage up and down the chain of command to ensure that top-quality work is delivered in a responsive fashion without getting flustered with the demands of others. Here are some ways to accomplish this.

1. Start on the Right Foot

An expectation cannot be managed until it is set. Failure to establish clear expectations is a fundamental flaw in the modern work world. Schedule a discussion with every person involved in a new project or a new relationship to determine what the respective expectations are for the project/relationship. Doing so eliminates guesswork, which is a risk-fraught way to conduct business.

2. Clarity is King

High-quality work product and good working relationships result from delivering and receiving clear instruction on the work being done. Somehow, “ASAP” has become a deadline, when, in fact, it’s only a vague expression of urgency. Effective leaders use specific deadlines and clearly defined deliverables to ensure the orderly and efficient flow of work.

3. Be a Hero, Not a Zero

Over-commitment is a product of human optimism. We always think that we’ll get more done than we do. Combat this predilection by slightly under-committing and slightly over-performing on projects. Specifically, whenever possible, push a project deadline out an extra day or two. It’s always better to deliver something one day early than it is to deliver it one day late.

Work goes more smoothly when everyone knows what to expect when. Establishing clear expectations upfront eliminates the time spent clarifying them later or, worse, making excuses for not meeting the expectations others held all along. Sounds like the Waterfall Effect occurs when this is done well, doesn’t it?



Principle Six: Triaging Priorities

Medical triage is the process of determining the severity of injury in a group of people and their corresponding order of priority. Adapting this concept to the workload allows for dynamism in handling the ever-changing nature of modern workflow. Here are three ways to make work easier using a triage process.

1. Realize that Multi-Tasking is Impossible

Leaders who take pride in their ability to multi-task are worshipping a false god. That's because neurologically, the mind can only do one thing at a time. Stanford University published the first in a host of studies definitively establishing that the brain cannot multi-task (see <http://news.stanford.edu/news/2009/august24/multitask-research-study-082409.html>).

Effective leaders seek ways to focus on one thing at a time. Focus is where productivity occurs, and focus occurs when we are single-tasking. Reducing interruptions and distractions is the best way to increase focus. More focus means more done at higher quality.

2. Develop a Simple Sorting System

The first step in medical triage is to determine who is injured and how badly. Here is a simple, efficient sorting system to determine what work needs doing.

There are three kinds of stuff in any workload pile:

- *Trash.* Trash is stuff that needs no further action (by anyone) and does not need to be saved. Trash is thrown away or deleted, as appropriate.
- *Filing.* Filing is stuff that needs no further action (by anyone), but it does need to be saved. Filing is filed.
- *Work.* Work is stuff that needs action by someone. Work is queued up with a reminder to ensure that it's not forgotten.

Productive leaders apply this simple sorting system to declutter their workloads and increase their focus on what needs doing.

3. Secure, Clear Deadlines



Securing clear deadlines is a mandate for anyone who wants to produce top-quality work in a responsive manner. Unclear deadlines provide no roadmap for when something needs doing. This is especially true of work that comes with “ASAP” or similar deadlines.

Question: If we have fifteen ASAPs on the list, which one should be done first?

Use negotiation skills to secure clear deadlines. Respond back to work-givers with a positive approach, such as, “This project looks great! Can I get you something to review by tomorrow at 4:00 p.m.?” That simple response moves the deadline from a vague notion of urgency into the realm of a specific date and time.

Adopting behaviors that rapidly sort through the demands of the day and drive clarity into the process results in more focused effort and quick turn-around times to colleagues and clients. The most effective leaders find those behaviors useful in producing the Waterfall Effect.

Conclusion

Leveraging time effectively allows leaders to make the most of their day and the days of their team members. The end game is to deliver good work in a responsive fashion again and again. Following the principles outlined above, every leader can regularly produce the Waterfall Effect.