"A must-read. Sharon's ten agreements are triggers that bring out high performance teamwork."

Marshall Goldsmith, the New York Times #1 bestselling author of Triggers and What Got You Here Won't Get You There

# YOUR HIDDEN GANE

TEN INVISIBLE AGREEMENTS
THAT CAN MAKE OR BREAK YOUR BUSINESS



SHARON RICH

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# PART 1

# WHY THE INVISIBLE AGREEMENTS MATTER

## Spot the Hidden Game in Your Business

### ► THE NEW RULE ◀ You Can't Win a Hidden Game

t was the career opportunity of a lifetime, or so Meredith\* thought. The CEO of a large technology company (let's call them Tech Giant) had selected her from a pool of six highly qualified candidates to step into her first presidential role at Gyraffe, a creative web content developer they had acquired eighteen months earlier. Her job was to integrate the two companies.

In her excitement and focus on landing the position, Meredith had not questioned the CEO's superficial explanations for why the merge was just beginning now, a year-and-a-half after the acquisition. But on day one, she got a big dose of reality when the Gyraffe managers presented her with the list of big-picture institutional changes that Tech Giant senior leadership had been trying to force on them.

"This isn't how we work," the director of research and development said. "We're already losing key people. We can't afford to lose more."

"They've cut our budgets so much," the controller complained, "we can't afford to keep them all anyway."

<sup>\*</sup>This story and all stories in this book are true. The names and identifying details of the people and companies have been changed to protect the confidentiality of my clients.

"They're going to ruin our culture," said the director of human resources. "Why did they buy us if they were just going to destroy what made us great?"

This was going to be an even bigger challenge than Meredith had thought. She pushed away the sinking feeling in her stomach and said, "Tell me more." She listened deeply for the next two-and-a-half-hours, only interrupting to ask clarifying questions.

She learned that the two companies had vastly different cultures. Gyraffe was scrappy, entrepreneurial, and creative. The company had been founded on a philosophy of big ideas and supporting the people who executed on them. Gyraffe took frequent calculated risks that often paid off. The founders had carefully selected and developed their people. The team worked hard, but also made fun part of the package.

Meanwhile, Tech Giant was driven by numbers and focused on running lean. Its executives were serious about their work and looked down on those who didn't conform. The senior team had proven that they knew how to grow a business and saw their role as professionalizing and providing adult supervision for their acquisitions. They saw most employees as dispensable and believed in hiring young people, working them hard, paying rock-bottom salaries, and firing the lowest performers each year to keep people on their toes.

Tech Giant had acquired other companies at the same time as Gyraffe, one of which was on the brink of a financial crisis. Since Gyraffe had a history of high performance, Tech Giant had mostly remained hands-off in terms of day-to-day functions. Every once in a while, a senior

Tech Giant VP would become involved in a matter he knew little about and swoop in to make demands or occasionally terminate an employee. This only increased the lack of trust between the organizations.

Gyraffe was doing everything it could to fly under Tech Giant's radar and to keep things as they had always been. This approach had actually worked thus far because Tech Giant couldn't stick with a clear vision for the future. There was no plan and little communication.

From the very beginning of the relationship, Tech Giant and Gyraffe had entered into a set of invisible agreements supported by everyone involved. Although unspoken, the gist of their implicit arrangement was: We are not part of the same team—and we don't want to be part of the same team.

They were stuck. And it was costing both sides dearly.

After the managers left her office, Meredith sat back in her chair, took a deep breath, and called me. We had worked together on developing the culture and solving team issues in her prior role as chief operations officer in another tech company.

Together, our first step was to identify and bring together people from both organizations who would be likely to contribute meaningfully to the success of an integrated business. Although the discussion began with deep anger, skepticism, and mistrust in the room, my two-hour visioning process resulted in grudging agreement about what it would look like if the integration were successful. As I helped them to identify and prioritize specific areas for improvement, they became more animated and engaged.

We worked out specific behavior changes that would produce their desired outcomes. We established baseline measurements so they could monitor their progress. By the time the group started collaborating on action plans, they realized that in just a few hours, they had transformed from adversaries into a leadership team.

We set up a format for meetings to keep them on track, a schedule for ongoing coaching support, and a follow-up date to measure forward movement.

Seven months later, when I walked the team through evaluating the changes they had made, they were astonished. There were still some trust issues and plenty of frustration that not everyone had followed through on all their commitments. Yet, upon reviewing all that had been accomplished, they were blown away. Lines of communication were visibly open. Three new collaborative projects were on track. They had launched two new products, and initial numbers were promising. They had reorganized two departments. They had implemented a shared training program. People had stopped jumping ship, and they had successfully made two key hires that were working out well. They'd gotten a new budget approved that was acceptable to all. They'd worked together to address a complicated financial problem successfully. And everyone was taking pride in two recent industry awards based on Gyraffe's work. Their list of wins went on for six big easel pad pages.

All this had been accomplished based on a handful of foundational agreements about what the team was working toward and how they

would work together. It was hard to believe that just a few months earlier, they had felt like sworn enemies.

Now, it was abundantly clear that no one had set out to make this an oppositional game. If any of the leadership team members had given it any thought at the beginning, they would never have chosen to play that way in the first place. They had simply become stuck in polarized positions due to circumstances, expectations, and old habits of thinking. Once they differentiated the game they were playing from the game they wanted to play, they didn't have to remain stuck.

And neither do you.

#### **Time for a Game Change**

There is a hidden game being played in your business.

It is made up of the unspoken rules, unquestioned assumptions, and the invisible agreements that define how your organization operates. You see, we unconsciously step into patterns of behavior with each other based on our past histories, our old habits, and groupthink. Then we treat these invisible behavioral agreements as hard and fast rules that can neither be questioned nor changed.

Every person has his or her own hidden game. Every organization has its own hidden game.

You know how, in some companies, meetings never start on time? Or how, in some businesses, staff members understand they are not to challenge a manager's point of view? And there are plenty of companies with a shared understanding that people should not identify problems without having a solution ready—which results in people not

identifying problems at all. These are just a few of the infinite examples of the hidden game.

To make matters worse, our hidden games are only hidden to us. Our habits and patterns are often obvious to observant outsiders in their interactions with us, as well as to people who are new to our organizations—at least until they come into agreement about that behavior, too. (And of course, while they can clearly see our hidden game, they are blind to their own.)

The hidden game can easily lead to varying degrees of underperformance, breakdowns, conflicts, disengagement, and turnover. People in business continuously define and redefine the unspoken agreements of their hidden games—from global cultural expectations to the minuscule nuances of individual relationships—so seamlessly they don't even know they are doing it.

When you don't know the hidden game exists, it runs you and your business. You aren't playing the game—the game is playing you.

But bring these invisible agreements out on the table, shine a light on them and work out new agreements together, and you'll find yourself playing a new and better game. With the right agreements in place, you'll be more able to think proactively as a team. You can leverage each other's knowledge, skills, tools, time, effort, and ideas. You'll be able to make better decisions more quickly and easily. Things will become possible that weren't even on your radar.

My big message is this: The secret to business success is making your hidden game visible. It's time to change your game.

Agree to succeed. Few companies do.

#### **Game Change Begins with Awareness**

Changing your game provides new clarity. Change forces you to flex new muscles and reflect on your situation from a new perspective. As a result, new possibilities appear that never could have existed under the old paradigm. You'll be able to solve sticky problems, help your entire organization get unstuck—and, on a broad level, stop being a victim of circumstance.

As you become aware of the invisible rules your business follows, you'll come to see that most of those rules are not mandatory, but have actually been created by mutual agreements that can (and probably should) be renegotiated.

Start to notice the places where you, or your team, are tolerating practices that are not aligned with the outcomes you want. Talk about this together. Make it safe to identify what isn't working and discuss how things could work better. Look for behavioral relics that, while they may have worked in the past, no longer make sense. Watch for and question unspoken assumptions.

Changing your game means changing the way you see and treat each other. People think and act according to their own sensibilities. Treat people with basic human respect, and they will align their thoughts and actions with the business mission and values. Without that fundamental respect, they are much more likely to undermine your efforts and intentions.

One of the tools that I use to create game change in organizations

is FreshBiz<sup>1</sup>, a business simulation game that creates profound shifts in awareness about the hidden game, its unspoken rules, and the invisible agreements at work in my clients' businesses. I'll be sharing their stories throughout this book.

In their first experience with the game, the vast majority of players don't read the rules. Under time pressure, they jump into the game based on old assumptions born out of games they have played in the past. As a result, they assume rules that are not actually rules and block themselves from seeing and seizing opportunities.

All this happens in businesses every day.

In almost every game debrief, clients and I talk about the places in the business where they are missing opportunities and wasting precious time because they haven't clearly defined the rules of the game in play.

Imagine a major league baseball team in which each teammate is playing by the rules from his or her own, individual high school experience. Laughable, right? The team would be playing by dozens of different sets of rules and would never become a championship team. What makes champions in any sport is that they play as a team. They get in sync around a shared set of rules. They come into agreement about how they will play together. They constantly study changing conditions and work out new ways to play so they can continue to win.

Businesses that intend to be champions must do the same.

<sup>&</sup>lt;sup>1</sup> Read more about FreshBiz in the appendix.

## The Biggest Obstacle to a New and Better Game: Your Old Game

One of my favorite parables (attributed to motivational speaker and author Zig Ziglar²) is about the lowly flea. Fleas are among the best jumpers on the planet. They jump seven inches, which is over 100 times their height. Scientists put a swarm of fleas into a jar that was only four inches tall and placed the lid on the jar. After a short while, the fleas altered their jump pattern to just short of four inches. When the scientists removed the lid, the fleas continued to jump just short of four inches. The scientists had trained the fleas. Even though the fleas still had the capacity to jump seven inches, they didn't. For the rest of their lives, these fleas jumped just short of four inches. And when these fleas reproduced, their offspring automatically followed their example—for generations. Fleas—so this parable tells us—cannot tell the difference between a real and a perceived limitation.

Humans also have trouble discerning a perceived limitation from a real one, and we have a dangerous habit of passing this limited thinking on to others long after the limitation has been removed, often in cases where the limiting factor never even existed in the first place.

In this way, the game you've been playing—the way you've been perceiving and acting in your business—may be keeping you from seeing new moves and powerful ideas. If you could only see them, new paths and results would become possible.

<sup>&</sup>lt;sup>2</sup> Ziglar, Zig and Al Mayton. See You at the Top. Gretna, Louisiana. Pelican Publishing Company, 2012.

To get free of these limiting perceptions, it helps to recognize what they look and sound like:

"Things will get better as soon as we get through this crunch." Be honest. How long have you been saying this? (I am also guilty of this one.)

"The way we do it has always worked in the past." It is no longer the past. If something that worked then still works, you can choose to keep it. But, do so intentionally rather than hanging onto something that no longer works out of complacency. (Besides, have you truly accomplished what you set out to do with past practices?)

"If it ain't broke, don't fix it." This is the perfect recipe for mediocrity. In other words, if something isn't causing us pain, we don't need to improve. Really? In today's world, if you aren't in the process of improving and growing, your competition is going to ensure that you are in the process of ending.

"We do pretty well just as we are." Great. So, you don't want to do better? (See above.)

"We don't need change. We just need to work harder." Studies suggest that employee burnout costs American businesses between \$150 billion to \$300 billion each year.<sup>3</sup> What does it cost you?

<sup>&</sup>lt;sup>3</sup> Stahl, Ashley. "Here's What Burnout Costs You." *Forbes*. April 16, 2016. https://www.forbes.com/sites/ashleystahl/2016/03/04/heres-what-burnout-costs-you/#2ce14624e054.

"We can't afford (or don't have time) to go through a complicated change process." Do you have the time to keep banging your head against the lid of whatever jar your organization has in place? Can you afford to keep missing the target on your most important objectives?

"......" Actually, your biggest obstacle to playing a better game is silence. Silence equals remaining unconscious—not talking about improving your game at all, allowing ineffective habits to run your business without even looking to see what they are. Failing to examine what you're doing blocks the thinking needed to improve.

#### **New Results Require New Thinking and New Behaviors**

You've probably heard the quote attributed to Albert Einstein: "We cannot solve our problems with the same thinking we used when we created them." If we want to get a new level of results, we need to change how we think first.

Look at the most sustainably successful businesses, such as Apple, Zappos, and Amazon, to name just a few. Every one of them has redefined the rules. The people leading these companies understand they need to play their own game in their own way.

Like any winning sports team, winning businesses know that the challenges and teams keep changing. The pace of change keeps increasing. And change is easier, faster, and better than sticking with thinking, actions, and interactions that aren't producing the outcomes they want. They recognize that the only way to be truly nimble is to be in the moment, conscious, and intentional. There is no substitute for working it out and practicing together.

#### **Make Agreements Explicit**

The difference between games we play knowingly—and unknowingly—is how clear, inclusive, and explicit our agreements are. The new, open game is all about conscious, shared awareness. It is intentional mold-breaking. It is about clarity, truth-telling, and leveraging each other to produce bigger and bigger results. Coming to a shared agreement about what we are here to do and how we will do it is a game changer.

That's what this book is all about.

Business is a game, played for fantastic stakes, and you're in competition with experts.

If you want to win, you have to learn to be a master of the game.

—Sidney Sheldon