

**LEADER'S
GUIDE**

GEORGE BAILEY TAKES A RISK

SALENGER FILMS^{INC}

**THIS LEADER'S
GUIDE WAS
PREPARED BY
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**IMPORTANT
NOTE**

This video is a wonderful session-starter which may be used to stimulate discussion in a variety of subject areas. There are two areas in particular where Salenger thinks the video is especially relevant: **risk-taking** and **crisis management**. As a result, we have designed this leader's guide in two parts: **Part One** deals with the subject of risk-taking; **Part Two** with the subject of crisis management. The section on risk-taking begins on **page 1**; the crisis management section on **page 6**.

**THIS PACKAGE
INCLUDES**

One videotape, 10-1/2 minutes
One leader's guide

**PROGRAM
SYNOPSIS**

This sequence from Frank Capra's classic, *It's A Wonderful Life*, serves as a unique session starter to stimulate discussion on the risk-taking process, crisis management, leadership skills, and other related topics.

George Bailey, manager of a local financial institution, is on his way to the train station with his new bride (having been married only minutes before). As they pass the bank, George and his bride notice people running toward it. George goes in to see what's going on and he confronts a classic "run on the bank" situation.

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PART 1

INTRODUCTION TO RISK-TAKING

FOR SESSIONS ON RISK-TAKING

Risk-taking means behavior which is outside the traditional, expected response for a particular situation. In many organizations, risk-taking is a valuable, but little-used behavior. *GEORGE BAILEY TAKES A RISK* uses an American film classic to illustrate the power and challenges inherent in risk-taking.

Why is risk-taking important? Because every decision we make involves some level of risk. When organizations limit risk-taking, they also limit decision-making. Today we know that employee participation in organization decisions can open up tremendous opportunities for the full use of employees' creativity, skill, and knowledge. Employee empowerment must involve some level of shared decision-making.

Risk-taking usually involves two types of risk: the risk of repercussion based on acting in a manner outside the norm (regardless of the results); the risk of failure — the risk that the action taken will turn out to be incorrect and the result will not be obtained. Either of these two types of risks can create employee fear and an unwillingness to take reasonable risks. Viewed this way, risk-taking involves organization culture (To what extent will the organization tolerate or support non-conventional behavior?), and decision-making skill (How effective was the behavior in getting the desired result?).

Employee training designed to encourage greater risk-taking behavior generally must tackle each of these issues — organization culture and decision-making skill — in order to create new behaviors.

Risk-taking involves a number of steps. Three important ones are:

- Assessing the situation
- Evaluating the alternatives
- Action

In each of these steps, the individuals involved determine their willingness to act outside normal practice. Particularly in the assessment and evaluation phase, the individuals speculate about the support or possible rejection from the organization of their risk-taking actions.

PROGRAM OBJECTIVES FOR SESSIONS ON RISK-TAKING

1. To illustrate the value of risk-taking
2. To illustrate some of the obstacles involved in risk-taking
3. To define the two components of risk-taking
4. To recognize the impact of the organization's culture on risk-taking behavior
5. To define some of the steps in the risk-taking process

KEY CONCEPTS

This video, an excerpt from Frank Capra's *It's A Wonderful Life*, is designed to stimulate discussion about risk-taking, crisis management, and leadership. By viewing and examining the behavior of George Bailey, as well as the other characters in the video, participants will gain a better understanding of the process of risk-taking, along with its value and obstacles. The importance of organization culture and decision making are emphasized. Viewers will also gain an understanding of the elements of successful crisis management.

KEY TRAINING POINTS FOR RISK-TAKING

- Risk-taking involves assessment, evaluation of alternatives, and action towards a goal
- Risk-taking is influenced by the way in which the organization handles both non-traditional behavior and failure
- Fear of possible negative repercussions to taking non-traditional action, or of failing, works as an obstacle to people being willing to take risks
- Organizations benefit when their employees take risks. When employees are unwilling to take any risks, decision-making is held only at management levels. The organization loses the benefits of employees' knowledge, creativity, and problem-solving ability

HOW TO USE THIS PROGRAM

**PREVIEW THE VIDEO AND REVIEW THIS
LEADER'S GUIDE.**

BEFORE SHOWING THE VIDEO

Introduce the topic. Some discussion-starter questions will help build receptivity to the video and to the discussion which follows it.

Questions for Discussion for Risk-Taking

1. What's the first thing you think of when you hear the word "risk?"
2. Do people evaluate and measure risk the same way? What might account for differences in the way we all evaluate risk?
3. Are there risky situations at work? What are some examples of the types of things that create risk at work?
4. Think about action versus standing still. In low risk situations, are people more prone to take action or stand still? How about in high risk situations? What might be the implications for this here at work?

Ideally, attendees will begin to think about the fact that everyone evaluates the risk in a situation in a very personal way, and that all situations have the possibility of risk being involved. They will also begin to realize that the level of risk, and risk-taking, at work has an impact on organization progress.

PREPARE TO SHOW THE VIDEO

Ask participants to view the video and identify the people who take risks. Note what it is about their decision that creates the risk — what is at stake? Are they doing things that go against the normal procedures, or is the risk based on the chance that the result might not be positive?

SHOW THE VIDEO straight through.

AFTER SHOWING THE VIDEO

Questions for Discussion for Risk-Taking

After participants have viewed the video, lead a discussion. Some questions to use during the discussion are:

1. In terms of risk-taking, what did you see happen in this video?
2. Who took a risk?
3. What were the important issues George Bailey and the bank customers might have assessed as they viewed the situation? What alternatives were they each presented with?

Introduce the concept of risk-taking as a behavior that has two elements: risk-taking based on organization culture, and risk-taking based on decision-making skill. Discuss the fact that the former has to do with the process of decision-making in the company (who normally does it, how it's done, etc.). The latter has to do with the content of the decision (did it yield the result?).

4. Now let's think about the video from the perspective of the two dimensions of risk-taking: culture and decision-making. When George entered the bank, a type of "culture," or environment, had already been created. How would you describe it?
5. What were some of the actions that George took to change that environment?
6. In addition to George, who were the people in the video who helped create alternatives and acceptability for going against the culture that had been created? What did they do to accomplish this?

AFTER SHOWING THE VIDEO (CONTINUED)

Now the discussion should be brought back to focus on your organization and its culture and practice with regard to risk-taking. Some discussion questions to be used here are:

7. Let's look at our organization now, with regard to risk-taking. Do you think our culture encourages risk-taking? What makes you say that?
8. What level of employee engages in risk-taking and decision-making? Is this optimal for our company?
9. What can we do to increase the level of appropriate risk-taking? How can we ensure that employees understand the types of risks that are appropriate?
10. Think about your own department and your own employees. On a scale of 1 to 10 — ten being ideal — what level of risk-taking do your employees engage in? What can you do to encourage more risk-taking behavior?

At this point in the discussion, remind attendees of the two dimensions of risk-taking: culture and decision-making skill. Their actions must recognize both dimensions.

PART 2

INTRODUCTION TO CRISIS MANAGEMENT

FOR SESSIONS ON CRISIS MANAGEMENT

Crisis management is a necessary component of every management team's portfolio. Regardless of your industry, crises can develop that risk your reputation, your employees, and your financial success. The effective handling of crises is a required management skill.

Any management team can become skilled in handling crises. The organization's vision and its cultural values provide the foundation for successful crisis management. During times of crisis, any organization must chart a course which emphasizes its key values and its vision for the future. This helps eliminate the tendency for expedient solutions which can cause long-term damage to reputation, customer relations, or financial success.

Problem-solving in a crisis situation must be a highly disciplined, structured process. Since there is a common tendency to react to crisis with a rapid but, unfortunately, chaotic response, the best solutions are often never developed and the organization chooses a less effective course of action. Crisis management training can instill needed discipline in a problem-solving process which can ensure that optimal solutions are identified.

In crisis situations, communication becomes critical. The crisis management team must effectively communicate within the team, between the team and employees, and between the organization and its "stakeholders" (the public, customers, shareholders, vendors, and financial organizations). Proper crisis management helps to create a strong commitment to on-going communication with all parties.

A cohesive management team provides an effective response to any crisis. It is critical that a strong leader be identified, and that members of the crisis management team be clear about their roles and responsibilities. There is no time for roles to evolve, as in the normal workaday world. Instead, individuals must quickly assume and function in their temporary crisis management roles.

PROGRAM OBJECTIVES FOR SESSIONS ON CRISIS MANAGEMENT

1. To help participants recognize the value of effective crisis management
2. To help participants identify the risks of poor crisis management
3. To define the three major steps in crisis management
4. To illustrate the crisis management process in use

KEY TRAINING POINTS FOR CRISIS MANAGEMENT

Successful crisis management requires:

- Rigid adherence to the organization's vision and its cultural values
- A disciplined approach to problem-solving
- A passionate commitment to communication
- A cohesive management team, with clearly defined roles and responsibilities

BEFORE SHOWING THE VIDEO

Questions for Discussion for Crisis Management

1. When we talk about "crisis management" here at work, what are some of the potential crises that you think of?
2. Do you think it's important for an organization to handle crisis management effectively? What are the repercussions of poor crisis management?
3. What organizations or products have had crises in the last few years? How much of their reputation in the next five to ten years will be based on their recent troubles?
4. What kinds of crisis situations could develop here at our organization? How ready do you feel to handle that kind of situation?

PREPARE TO SHOW THE VIDEO

Ask participants to view the video and identify the crisis situation as each of the participant groups might view it. Note the repercussions for each group if the crisis situation continues to deteriorate. Who is responsible in the video for taking the leadership role in the situation? How do others respond to his/her lead? Be sure to note the specific issues the leader stresses in his/her response to the crisis.

SHOW THE VIDEO straight through.

AFTER SHOWING THE VIDEO

Questions for Discussion for Crisis Management

Introduce the four ingredients for successful crisis management:

- Rigid adherence to the organization's vision and its cultural values
- A disciplined approach to problem-solving
- A passionate commitment to communication
- A cohesive management team, with clearly defined roles and responsibilities

Discuss the importance of each element. Lead a discussion of these four ingredients, using the video as a discussion focus. The following questions can help stimulate the discussion:

1. We talked about adherence to the organization's vision and values as being a critical element in effective crisis management. Did George Bailey adhere to his bank's vision and values? What vision in particular did he stress?
2. Did you see evidence of a disciplined problem-solving approach? What specifically illustrated that?
3. What was the environment when George entered the bank? When people are in a crisis situation and are reacting emotionally, what impact does that have on problem-solving? How did George help defuse the hysteria that was building?

AFTER SHOWING THE VIDEO (CONTINUED)

4. What role did communication play in the management of this situation? Imagine that this situation plays out over several weeks. How will the communication process need to evolve? Think back to some of the big product liability crisis situations. In terms of communication, what seemed to work for the organizations involved? What didn't work?
5. Describe the management team that handled the crisis at the bank. How did they know what roles to play? What made them effective? What might you conclude about crisis management teams at your organization?

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