# Best Practice Series - The Essentiality of Leadership

## By Paul Deis

**Summary** – this article continues the discussion of how to create high, sustained levels of engagement by those that comprise an organization. Here, we discuss what true leadership is, the behaviors that comprise it, and how effective leadership is an essential, must-have, management Best Practice for a sustained, high-performance organization. Topics include:

- Research validation of leadership

- The 6 leadership attributes of high performance companies.

- How a leader leads

Previous discussion of the essentiality of engagement for generating a Best Practice organization demonstrated its dependence on effective, true leadership. So how does leadership generate engagement? Are there specific aspects of varying leadership methods and styles that lead to high, sustained levels of engagement?

## Research Validation of Leadership

The short answer is "yes." Among the most unambiguous research on the relationship between leadership, engagement and sustained high performance is work done over many years by the leading consulting firm, McKinsey & Company. This research, discussed in two papers[15, 16] clearly validates this powerful connection. There are three critical management Best Practices validated by this research. Each of these practices, on its own, leads to a clear outcome or result to enhance the effectiveness of the organization.

However, put together, each interacts, reinforces and strengthens the others in a synergistic way to substantially increase the power of their effect. These three Best Practices are:

- **Clear role**s – this means that everyone, not just a few, but everyone has a very clear understanding of what they are working toward, the vision that drives the whole organization, as well as its specific aspect in their work area. They know what is expected of them – when they are making good progress and when not – and on their own, not by "checking with the boss" every five minutes.

   In this context, a person knows what skills can be enhanced to good work result effect, and which may be irrelevant. He/she can prioritize time allocations in a way that makes sense and supports high performance levels.

- **Inspiring vision** – in the presence of effective leadership, the key message of what the vision for the organization IS, not just from the 'top' but throughout the organization, at every level, there is alignment between the vision's details in their work areas, and what people are doing. A powerful vision moves people beyond "motivation" and "incentives" to inspiration – activity that gives meaning to their life. A compelling vision is a good answer to the question of "what are we giving our life for?"

- **Open, trusting culture** – people cannot function effectively if they have to constantly second-guess what they say and do, fearful for reprisals, insults, reprimands, or punishment. If their co workers are scheming for their jobs, or there is withholding of information to strengthen personal power positions, there will be a severely blocked flow of information, communication and collaboration that is essential to high performance.

   Put another way – an open, trusting work environment eliminates all of the thought, time and energy that has to be devoted to simply protecting one's self, to second-guessing, gossiping, the grapevine (always vigorous in dysfunctional cultures), and jockeying for power. This time and energy can then

be devoted to the value-added tasks at hand, that advance the individual effort, work team, and organization towards its vision.  Other efforts simply go in a circle, in effect, degrading forward progress.

## The 6 Attributes of Leadership

There are many ways to look at, describe, and otherwise convey the idea of leadership.  In the context of Best Practices, we can focus on those characteristics that have been found in research with hundreds of companies to be key factors in generating sustained, high levels of performance.

Leadership in politics, sports, religion or other areas have other aspects and characteristics in those contexts.  Here, we focus on behaviors by leaders at every level in these high-performance companies. This research has identified and validated these attributes:

1.  **Driven by Leader**s – There is usually an "unreasonable" aspect to goals and targets that are set by these highly effective, visionary leaders.  It is important to understand that these goals are not *completely* unreasonable.  They do require, though, real focus, real effort, and for everyone to grow themselves and the organization in the process.  The word "challenge" applies here.

2.  **If goals are perceived as unattainable**, most of us give up before we even start.  So there is a delicate balance between pushing too far out, and not far enough to stretch for.

3.  **Vision Drive**n – these leaders consistently, repeatedly articulate a compelling vision of the future – what "there" looks like – around which strategies, tactics, improved management processes, systems and actions can be focused.

4.  **Highly performance-driven environment** – these leaders create a strong, intensely focused, energized work environment – focused on results.  In this context, clear roles and high levels of accountability come into play.  People throughout the company work hard, focused on goals they stretch for, feel accountable for, and that involve some risk taking.  The result is growth – personal, work team/group, and for the company.

5.  **Simple structures and processes** – if the path by which one's efforts affect movement towards the vision is complex and convoluted, discernment of what and how to do things is harder.  Effective leaders simplify organization structures for clear communication and accountability.  Management processes must be understandable, workable, efficient and reliable to be effective.  Continuous improvements in this area are part of this pattern of high performance as they simplify and standardize processes that provide communication and direction at every level.

6.  **World-class skill**s – Effective leaders at these high-performance companies encourage their organizations to not only do many things well, but to become absolutely the best – world-class competence – in at least one major functional area.  There is a consistent focus over time on continuously improving, building skills and expertise at how the company is managed.  These skills and competencies are seen as an essential part of the company's competitive edge.

7.  **Strong people systems** – There is a clear, consistent focus on performance and motivation, not just assigning people to jobs.  It is understood that placing the best people in the most critical positions, then ensuring that they do well are essential to success.  As a result, there is considerable thought and care put into knowing who the organization's people are, their strengths, weaknesses, beyond just each manager's direct reports, but several levels down.  Everyone understands that building a "strong bench" is a top priority.

## How a Leader Leads

Having established that having, and being an effective leader is essential for sustained high organization performance, and for engaging its people in the purposes and vision of the organization, the next question may well be "what does a leader *do* that makes him/her a leader?"  When is a leader leading, and when is he just "managing?"

The behaviors and actions of an effective leader, in the Best Practice generating context fall into two rough categories – personal behavior and communication:

**Personal Behavior** - Key attributes of effective leadership behavior include:

- **Self-knowledge** – displays a consistent alignment between what is said, the values articulated and demonstrated in behavior and principles – "Walks the Talk."

- **Takes responsibility** – strong leaders step up and take responsibility decisively, displaying courage when things don't go well or fall short.  Blaming others is a clear sign of weakness, and a lack of courage.

- **Leads by exam**ple – understands the others "get" what is demonstrated, what is implicit in actual behavior and actions, not just words.  This may involve making a difficult decision in a crisis, or by actions as simple as just punctual, or following up when something is promised.  The leader is very aware that others are observing his/her actions and will pay more attention to the actions than words spoken.

- **Integrity** – effective leaders display and exemplify honesty and integrity, demand it of themselves and others, not only personally, but in official company actions.

- **Creates more leaders** – sets processes in motion to empower, strengthen and grow other leaders within the organization at every level.  This is a key measure of leadership effectiveness as it is the only real way to leverage a vision, and insure a sustained level of high performance.  Without it, a popular "leader" may be nothing more than charisma.

- **Takes people risk**s – bets on growth, expansion in assigning people to key roles, and projects.  When a person is assigned a role that is more than they have previously done, there is an implicit statement of confidence that helps people grow and strengthen in their abilities.

**Leadership Communication -** The communications, the messages generated by a good, effective leader include these characteristics:

- **Tells it like it is** – realistic, factual, no "mushrooming" - important facts, including bad news, is not sugar-coated or withheld.  This produces a feeling that "we're all in this boat together."

- **Makes change exciting** – reinforces each win to create more wins. As this strength grows, setbacks and failures are easier to take, accept and move on.  A "spirit of adventure" energizes the whole process more exciting.  Key – *all improvements are change.*  There is no way to improve performance without becoming OK with regular change.

  Honda has a somewhat famous annual celebration of the largest project *failure* during the previous year. This is obviously occurring in a spirit of fun – generated by the company's many wins.  Which makes more changes easier, which in turn allows more risk, which in turn….you get the idea.

- **Compelling vision communication** – this involves:

- **Paints a picture** - speaks in images, something people can visualize.

- **Simple – no jargon**. Clear, unambiguous language is key.

- **Repeat, repeat, repea**t – the leader must consistently restate the vision message. It is a thread that runs through every key communication.

- **Deal with uncertainty and risk he**ad-on – when risk and uncertainty are articulated up front, this activates the inspirational aspect of challenge in people.

- **Uses <u>all</u> mediums of communication** – meetings, emails, memos, personal interactions. The same vision, consistently articulated and conveyed in personal statements in all contexts and situations spreads it throughout the organization.

Leadership then, is clearly distinguished from management, with its emphasis on detailed direction, controls, punishments and reward systems. The drive to achieve is something that comes from within each of us, and cannot be coerced very effectively.

Finally, while many of us have intuitively believed these ideas for a long time, we now have hard-nosed, empirical research which clearly and emphatically validates that effective leadership is a requirement for sustained high levels of engagement, and that high levels of engagement are a requirement for true, world-class, Best Practices high performance levels.