

Are You Ready?

How Great Leaders Ensure Their Organization’s Enduring Success

An April 9, 2008 *Management Forum Series* presentation by

Jim Morris

Synopsis by Rod Cox

“Organizations are facing a crisis in leadership.”

- In the U.S., \$23 billion a year is spent on leadership development (including consulting and internal development).
- Of the world’s 276 largest companies, only 20% report having a leadership succession practice that works. This includes even the very successful companies.
- Management churn is epidemic. 60% of all middle managers fail to meet expectations. 55% of these are replaced within two years of assuming the role.
- The U.S. turned out 130,000 MBA’s in 2005. Based on history, less than 3% will rise above middle management in companies valued at over \$25 million. Most of the graduates are working for themselves rather than going to organizations.
- In for-profit companies, the #2 factor for failed acquisition attempts is a perceived lack of talent in the company to be acquired.

Jim Morris notes that much of the problem lies with *“leaders who can’t let go of their need to be the expert, as well as their need to look good. In doing so, they forego the organizational effectiveness that is built on participation and involvement.”*

This can be changed, but not necessarily through traditional leadership development methods. In this *Management Forum Series* presentation, Morris illustrates the common pitfalls of leadership development and succession, and offers thoughtful, effective approaches that companies and individual leaders can use to develop themselves.

Morris looks at the role of the leader in driving leadership development and preparing for the future; i.e., how they can set their organization on a course for enduring (durable) success. He also discusses what leaders can do to overcome their personal deficiencies. *“Learning is the shedding of biased or unuseful paradigms. It is the foundation of effective leadership.”*

Jim Morris is Senior Partner of Bristlecone Learning, LLC, an organizational transformation and consulting practice, and author of *The Five Insights of Enduring Leaders*. The concepts and quotes in this synopsis are from his Portland, OR *Management Forum Series* presentation, as well as from his book. Morris has held senior management positions at some of the world’s most successful experiential learning organizations. He is an adjunct professor at Duke University.

“Most leadership training focuses on skills; the methods and proficiencies that can improve both individual and organizational performance through tangible action or behavior. These are important, to be sure, and they are certainly the easiest to teach. In fact, leaders can typically learn skills on their own.” But are skills the most effective tools in leadership effectiveness? Morris says, “No.” He cites studies that show that traits, although less frequently included in leadership training, are more critical to success. *“Traits are the desirable characteristics of behavior, attitudes, and personality that assist leaders in being effective. They are not learned in the same way that skills are learned. Rather, they are developed.”*

This being the case, most leadership development efforts fall short. They:

- Often focus on getting something done quickly instead of taking a fully planned approach.
- Are focused on the latest trends and fads, and not on how leadership development will help address the organization’s strategic issues.
- Do not engage participants nor help them walk away with a desire to make changes.
- Let the CEO dominate the conversation thereby limiting participation and open sharing of ideas and issues.
- Don’t encourage each participant to take a good long look inside and acknowledge that he/she needs to make significant personal changes.

Morris poses the question: *“If leadership is about taking bad situations and finding potential pathways through them, are we working with the right group, but developing the wrong competencies?”* Pulling from studies of 50 core competency models, sorted for themes, he argues that although some competencies are skills-based, the trait-based competencies are more effective and more enduring. *“The skills that got us to where we are are not the skills that will get us to where we want to go.”* This presentation focuses on traits; more specifically, on the traits to be embedded in succession planning.

The Paradigm Shifts for Senior Leaders

“Part of the problem is that we are looking for simple answers to complex questions. As a case in point, there is a huge gap between the factors that are influencing presidential elections and the factors that are influencing U.S. society. At the same time that the world is becoming more complex, people are spending less time understanding complexity. This same trend is happening in corporate America.” So at the outset, *“let’s be sure of one thing: traits are difficult to influence because we all have different windows through which we view the world.”* But Morris argues that positive shifts in character traits are achievable. He groups them around critical paradigm shifts for leaders who want to increase their effectiveness:

- Discipline yourself to focus your energy on systemic change and growth.
- Talent acquisition and retention are a critical part of your job.
- Teams are poor replacements for intimate professional relationships.
- Connection precedes communication; communication generates culture; culture precedes sustainable results.
- Engage everyone in people and culture development.
- You are your company’s best bet as the trainer and developer of people so don’t outsource it. It’s the CEO’s job.

- Your value and performance will be tied to producing two things: successors and results. Neither can be abdicated.
- Leadership is a practice, so help your people practice.

A good starting place is to define your culture: *“the values, beliefs and assumptions that are lived through the actions of people”* and that drive everyday behavior for each employee. In organizations, *“culture is how employees do their jobs when no one is looking.”*

Studies regularly show that companies with stronger cultures survive better than companies with weaker cultures, irrespective of management style. But some styles are better than others at dependably producing desired results.

Morris suggests that leadership development begins with each of us taking charge of it ourselves. *“It’s easier to work on ‘them’, but it’s not nearly as effective as working on ‘me’.”* Thus, a leader would do well to start a conversation with himself: *“What do I need to change about myself for the best interests of my life and my organization?”*

Embedded personality traits (a need to be right, difficulty in handling change, an inability to focus on today and tomorrow rather than yesterday) can make the change difficult. Other embedded personality traits (agility, passion, timing, courage) can make the change possible. Morris groups the latter traits into five key insights or interconnected elements that have predictable inputs and outputs, and that are in line with Peter Senge’s *Systems Thinking* as well as Daniel Goleman’s *Emotional Intelligence*. Individually and collectively, they require a high degree of self-awareness. Here they are:

- Faith and Agility: comfort with complexity and change
- Courage Through Service: the confidence to make a difference
- Perspective: the ability to see and influence systems
- Passion and Timing
- Connection: self-awareness and personal mastery

For each of these interconnected Insights, Morris addresses the leadership criteria (what is required); the leadership practices (what leaders can do to grow their abilities); and the developmental focus. He also identifies four Shoulder Traits (compassion, vision, purpose and innovation) that provide a trait-based foundation.

Faith and Agility: comfort with complexity and change

Faith, as intended here, is about the nature of nature which is, *“everything changes, always. It’s always growing or dying.”* Of the five Insights, this is the most difficult for most people to tell the truth about because it requires that we change ourselves, not others. (*“In your relationship with your significant other, wouldn’t you be more likely to want to change something about him/her rather than something about yourself?”*)

Leadership Criteria:

- Makes quick and conclusive decisions, and prioritizes accordingly
- Understands, prepares for and leads through change
- Manages complexity and is comfortable with ambiguity
- Organizes complex tasks, projects or systems in a manner that leads to productive action.

Leadership Practice:

- Learn to tell yourself the truth about how change feels and then embrace it.
- Leverage what’s working, not what isn’t. You have the most ability around your skills and positive traits. Change what you’re good at through adaptation, not crisis. “The Toyota System was implemented during a time of success.”
- Resist when resistance is called for. If the item/direction/idea/course of action is bad, resist it even though it might not make you popular.
- A problem can be complicated in that it can be reduced into component parts. Complicated lends itself well to linear problem solving. Start at the beginning.
- A problem can be complex in that no matter how it’s broken down, it remains complex. Intervene anywhere.
- Manage tension, but don’t eliminate it. Tension is the foundation of creative innovation.

Developmental Focus:

- Help them develop the skills to be flexible and adaptable.

Courage Through Service: the confidence to make a difference

Do effective leaders need vision? Probably. But they absolutely have to have confidence to do battle with “The Four Fatal Fears.”

Fear	Need	Penalty
Failure	Success	Keeps us from engaging and acting
Rejection	Acceptance	Keeps us from full expression
Emotional Discomfort	Emotional Comfort	Keeps us from being emotionally present
Being Wrong	To Be Right	Keeps us from challenging the prevailing climate

“One of the fastest ways to build courage and confidence in leadership is to have leaders provide service to others.”

Leadership Criteria:

- Public speaking and presentation.
- Plans for the future. Visualizes success, and creates and works toward a positive future.
- Provides a clear vision for others.
- Understands current capabilities versus future needs, and prioritizes accordingly.
- Inspires, motivates and appropriately challenges others.

Leadership Practice:

- Practice giving approval and recognition for a job well done by the people you are leading, especially when it’s their idea and execution.
- Learn something from them and allow them to teach you.
- Reward successive approximation; i.e., progressively becoming more capable. Distinguish “mistakes” from “learning opportunities.” Don’t expect you or them to do it right the first time. Allow the process to happen. Don’t develop leaders; instead, develop the people who develop leaders. As a group, learn by swimming in the deep end. A leader’s job is to help people stay afloat, not to pull them out.
- Get over the need to control the outcome. Delegate, but don’t abdicate.

Developmental Focus:

- Show them they are brilliant.

Passion and Timing

“The ability to work hard is not a leader identifier, but knowing how and when to work hard is.”
Passion refers to enthusiasm and joy for the work, and to liking the job. Timing refers to knowing when to work hard, and when to back off.

Leadership Criteria:

- Takes responsibility for personal and team actions and results.
- Recognizes the efforts and effectiveness of others.
- Sets ambitious goals for the business.
- Continuously seeks self-improvement.
- Fosters a sense of urgency.
- Expects excellence from self and others.

Leadership Practice:

- Don’t let work/life balance be an excuse for not working hard.
- Don’t let compelling work keep you from taking time off.
- Challenge employees’ happiness with their current jobs and encourage accountability to voluntarily do something about it.
- Take more risks, more time to reflect, and more time to consider what matters.
- Develop your own purpose statement and be accountable for achieving it.

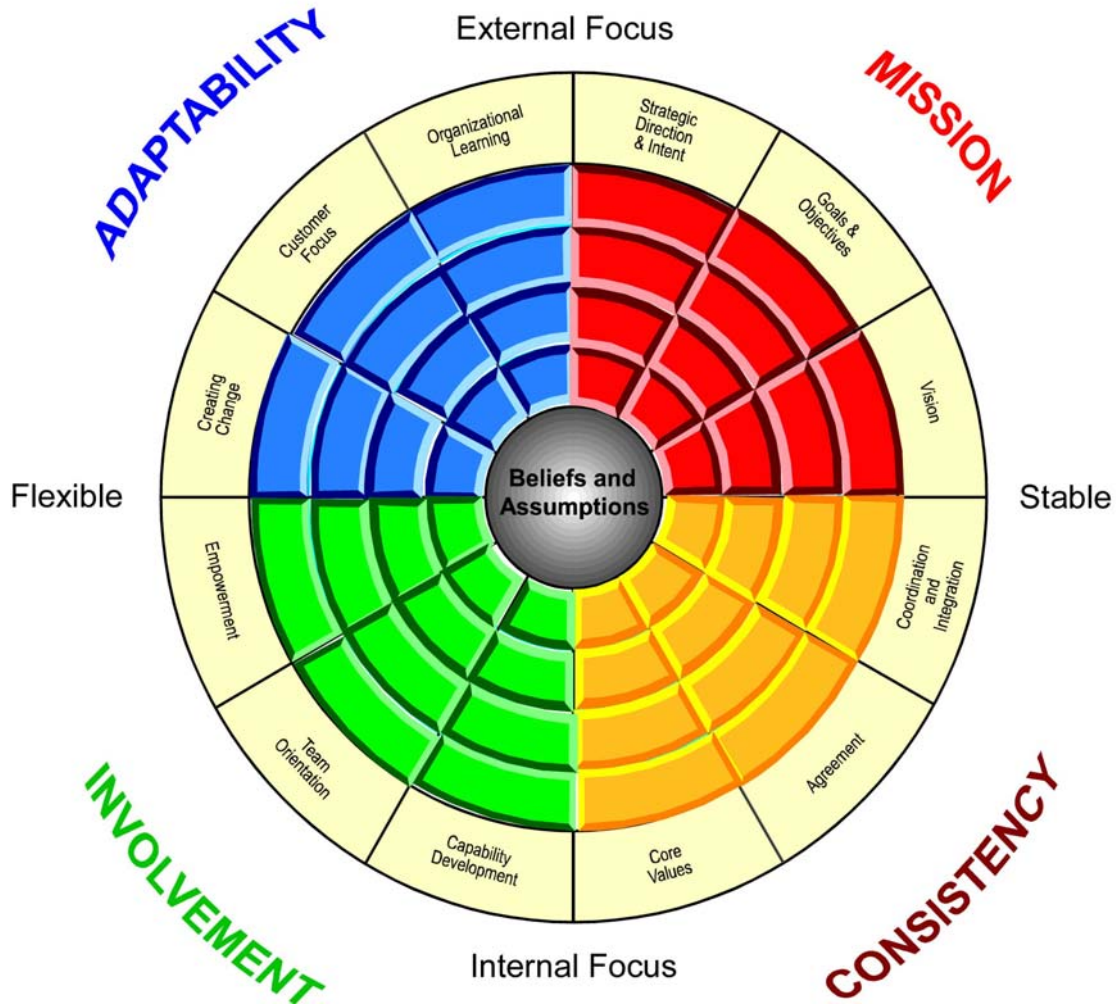
Developmental Focus:

- Help them find jobs that make them excited and show them how to work hard without burning-out.

Perspective: the ability to see and influence systems

Morris uses the definitions and dimensions of culture outlined by Denison consulting and the Denison Culture Survey (www.denisonconsulting.com) to describe the impact leaders

can have on culture, and how they influence it through the trait of Perspective. Perspective refers to the series of interconnected elements of inputs and outputs, clustered around core beliefs and assumptions:



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Adaptability refers to the ability to translate the demands of the business environment into action. *“Are we listening to the market place?”*

Involvement refers to commitment; ownership; responsibility; building human capability. *“Are our people aligned and engaged?”*

Consistency refers to systems; structures; processes; defining the values and systems that are the basis of a strong culture. *“Does our system create leverage?”*

Mission refers to direction; purpose; blueprints; defining a meaningful long-term direction for the organization. *“Do we know where we’re going?”*

Leadership Criteria:

- Sees the whole picture and prioritizes accordingly. Uses words that talk about the system. A systems thinker.
- Utilizes good problem solving skills.
- Utilizes existing capabilities and systems, and develops systemic solutions to local problems.
- Identifies when and where change is needed.

Leadership Practice:

- Find linkages between Big Hairy Problems (BHPs); connect everything to everything else.
- Streamline decision-making so that middle managers aren’t shielded from having to think systemically.
- Listen more, talk less. Question more, solve less.
- Understand the nature of organizations.

Developmental Focus:

- Help them understand the Big Picture and how to work within it.

Connecting: self-awareness and personal mastery

Connecting is a must-have skill package that includes four main components. Connecting enables a leader to work effectively with others. It includes:

Self-awareness	Social awareness
Self-management	Relationship management

Leadership Criteria:

- Holds self and others accountable.
- Develops people; sees and promotes talent.
- Embraces diversity.
- Demonstrates credibility and integrity.
- Builds consensus when needed.
- Develops people networks.
- Confronts and works through conflict.

Leadership Practice:

- Explore self-awareness tools and methods.
- Constantly work to align your reality with the realities of those around you.
- Develop performance management systems that foster connective skills.
- Coach and seek coaching.

Developmental Focus:

- Help them develop themselves and learn to control their emotions.

Develop Your Replacements: succession planning

“Even companies that are excellent at doing what they do can get in trouble if they forget to pay attention to what they need to do.” A key component to not becoming stale is succession planning not only for key leadership positions, but also for market position:

- The customer has to fit the future environment of the organization, and vice versa.
- Gain buy-in from legacy senior leaders. Help them learn to “tell their stories” so that vital information does not walk out the door when they retire.
- Identify a leadership succession pool, but be careful not to promise the expectation of advancement. Create development plans that include input about how to prepare for the succession pool.
- Focus on the traits. The ability to acquire skills will be one of the traits.

“To grow great leaders, companies should:

- Launch a formal, high-level succession-planning conference for senior executives facilitated by corporate HR and outside experts: outline the leadership development process and cascade it through the company.
- Create leadership development programs that fill holes in the company’s talent portfolio to ensure a deep bench for critical positions in the firm.
- Let HR create tools and facilitate their use, but require the business units to own the leadership development activities.
- Have the board oversee all leadership development initiatives, and insist on continual communication by CEOs and other senior managers on their commitment to leadership development.
- Reshuffle rising stars throughout the company, taking care that A players are exchanged for other A players.
- Make sure that your leadership development program is aligned with your strategy, reinforces your company’s brand, and has support from your employees.”

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