

COURAGEOUS LEADERSHIP

'Don't play for safety; it's the most dangerous thing in the world'
Hugh Walpole –writer & philosopher 1884-1941

We work with many leaders – some more effective than others: some that do great things under times of pressure, some that struggle to rise to the occasion and step-up to the challenges they face and some that step up only to make things worse.

The rise in interest in what makes a great leader over the last 10 years or so has been astronomic, fundamentally driven, in the private sector at least, by shareholder demand for short-term profit, competitive advantage and an exacting return-on-investment.

In amongst the plethora of recent leadership research, a particularly interesting leadership quality or attribute has become more dominant – that of courageousness.

WHERE WE'RE STARTING FROM

The 1990s provided a tough but tangible business environment based on rules of engagement that required leaders to deliver superior shareholder value – often using 'creative' techniques.

So long as targets were met, the bosses turned a blind eye to the non-financial consequences - consequences such as the truth being massaged or buried to stop the bad news reaching the top, shareholders or the city; consequences such as being arrogant with business resources like pension funds, consequences such as employees being bullied into doing things against their better judgement including dealing with customers, colleagues and suppliers in ways that flew in the face of their personal values and integrity.

However, for the bosses who delivered great bottom-line figures their 'bad' behaviour was likely to be overlooked. Even worse, their behaviour was often unwittingly reinforced and rewarded through bonus payouts and promotions. With most organisations still managed via hierarchy, power and influence, the incentives to behave differently were few and far between.

WHY CHANGE?

Both Enron (and the rest) and 9/11 have given business a much needed wake-up call. Since then more organisations have taken a step back to consider what it takes to run a successful and ethical business – with leadership style, values and cultural issues being addressed alongside governance, structural, strategic and process changes.

At a personal level, a 'jam-today' approach eventually becomes unrewarding and can lead to burn out while individuals try to manage the continuous tension between personal and organisational values. And staff are adversely affected by this approach too - it stresses them out, they under-perform, it wastes talent.

Social shifts are also creating new demands on leadership – the attitude and expectations of a new generation of employees are very different to the personal values and behaviours associated with the individualistic baby boomers that make up many of today's leaders. These new generations need a different leadership style to bring out the best in them.

And the impact of global events such as the 2004 Tsunami, inextricably intertwined with 3rd world debt issues and longer term aid for Africa, is having a remarkable effect on employee values and expectations, putting a new perspective on work, motivation and management.

So things are changing rapidly in the visions and values organisations are aspiring to. And it's not an either/or option – somehow business leaders have to find a way to continue to deliver outstanding profit levels, on-going growth and a competitive return on investment as well as meeting a much wider range of shareholder and employee expectations.

LEARNING BY EXAMPLE

Though undoubtedly tough, this is possible to pull-off. Leadership role models of how to do it differently and still win can be found. These leaders demonstrate that if you are brave enough to stand up and be counted, do the right things, take the tough decisions, treat people decently, you can still deliver the goods.

It seems having regard for the physical and psychological well-being of your organisation and its key stakeholders is turning out to be good business these days.

An analysis of a range of leadership role models enables us to identify 4 categories of courageous leaders – those who:

- **Take a risk in the marketplace** – whether via ethical or innovative business development or re-writing the business model for your sector (Body Shop, Fair Trade, BP, Dyson, Apple & I-Pod, easyJet, Carphone Warehouse)
- **Stand up for what they believe is right for all stakeholders** – not letting the traditional rules of doing business influence their personal beliefs (eg Richard Branson & Anita Roddick both re-privatised their businesses at one point rather than have the City be the overly dominant stakeholder; Bob Geldolf pushing for 3rd World debt to be wiped out)

- **Believe that putting your people first is not a soft option** but that it ultimately delivers the best for your customers – providing extraordinary levels of customer service via uncompromising levels of staff involvement (Ricardo Semler, Julian Richer/Richer Sounds, Sinclair Beecham & Julian Metcalfe/ Prêt a Manger)
- **Step forward to lead when something serious or dreadful happens**
 - when there's no obvious personal benefit (Rudi Giuliani in New York, Nelson Mandela openly stating his son died from Aids, Churchill who was a great wartime leader, less great in peace time)

But examples of leaders who are prepared to stand out from the crowd if it means doing the right thing while still maximising business outcomes exist inside 'ordinary' organisations too. If we look hard we can see leaders who are making a stand against inappropriate behaviour, facing up to the difficult decisions, implementing sensitively, challenging the status quo, taking risks and treating people with respect.

BUT WHAT DIFFERENCE DOES IT MAKE, WHY BOTHER?

So, does this way of leading pay off? Often the reputation of these leaders as successful people managers goes before them but it's the impact on longer term organisational outcomes that proves most interesting.

Business units headed-up by truly courageous leaders experience a number of positive outcomes at organisation, team and individual levels:

- **Organisation** – moves further faster in a sustained way, steals a march on the competition and creates a uniqueness and differentiation based on principles of risk and innovation, gets a reputation for truly living the brand at every-interface through tackling behavioural issues
- **Teams** – high performing, surpass stakeholder expectations (especially customers) & achieve high quality standards, work collaboratively; unethical behaviour & non-performance is not-tolerated
- **Individuals** – get great personal development, feel stimulated and involved in the business, are prepared to go that extra mile, see how their contribution makes a difference, find work more enjoyable and less stressful
- **Leader him or herself** – has great self-esteem and a strong sense of well-being, is highly trusted and respected, is internally and externally marketable

There is no doubt that more traditional management styles are still able to pull results out of the bag in the short-term but the longer term viability of

this old style is becoming less effective and more inappropriate in today's business environment.

Courageous leaders work to create not just a profitable business but a business with a soul and a conscience, to leave a future legacy for future generations of stakeholders that will stand the test of time.

SO, WHAT CAN YOU DO?

Making any change to your personal style is a difficult step to take – especially when you are in a senior position – you may feel ill-equipped and it often feels career limiting. But starting to become a more courageous leader doesn't have to involve radical changes in the way you operate – small things count.

It's important to realise that being courageous isn't a substitute for good management practice – to continue to be effective you still need to get in place those key things like a great vision & strategy, a smart business model and a robust performance management system. But in addition, you have to pay even more attention to your team and the values you all live by.

Being broadly effective then gives you some lea-way to start challenging the status-quo, to challenge some of the organisation norms, to start to say no occasionally. Many people then find adopting the principles of courageous leadership a liberating experience that allows you to be true to yourself and what you personally believe in as an individual.

A good place to start then is with you – ask yourself these questions:

- What is my value set that I want to live by?
- How well do I really know myself or is there work I need to do on me first?
- Am I prepared to adapt my style and approach to get heard?
- Am I prepared to feel isolated and alone at times?
- Will I be able to hold out against the criticism, grief and cynicism I will get from others?
- Have I got the stamina, energy and self-esteem to sustain this (rather than make it a 'flash-in-the pan')?
- What am I prepared to give up to achieve what I believe in?

It's important to remember that changing your behaviour takes practice. Getting back in touch with speaking and acting in a way that matches your personal principles and the principles of courageous leadership will involve challenging the rules, norms and assumptions both you and your organisation work by. Being true to your values is key – if over time you decide you and your organisation are at odds then you may have no option but to leave.

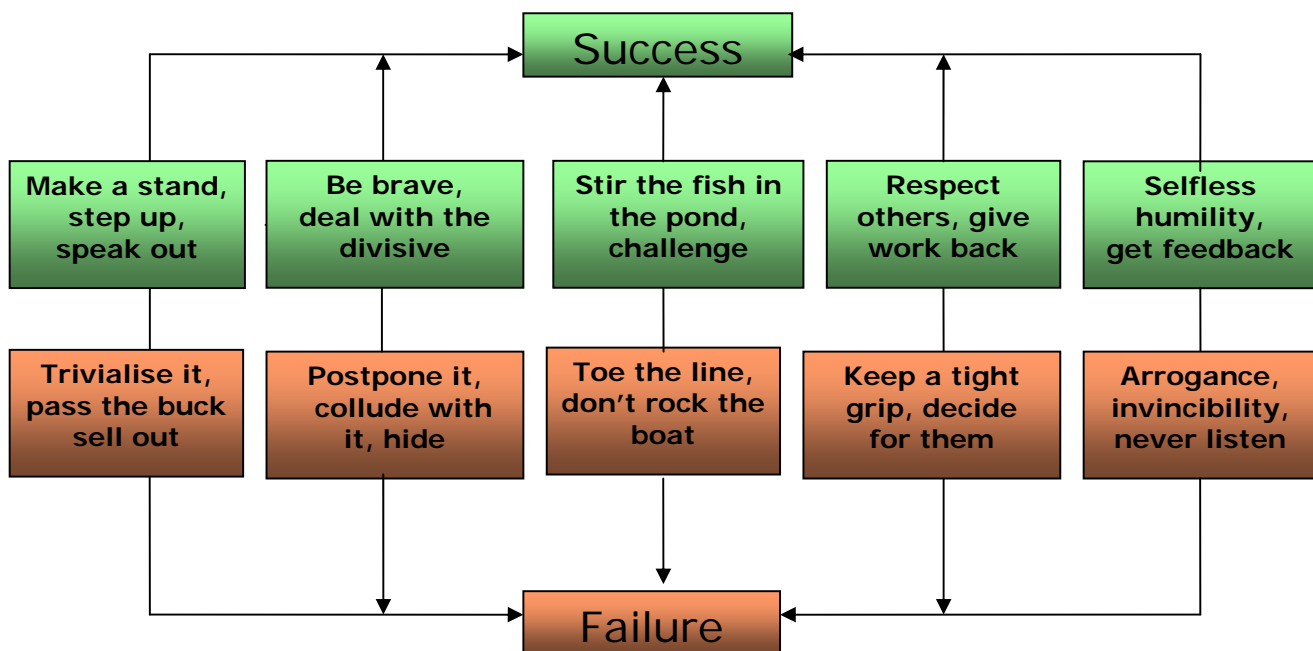
A MODEL FOR SUCCESS

"Courage is doing what you're afraid to do. There can be no courage unless you're scared."

Eddie Rickenbacker – US fighter pilot in World War 1, 1890-1973

LMT has developed a courageous leadership model which integrates the learning from recent leadership research, our analysis of role model behaviour and collective experience:

THE COURAGEOUS LEADERSHIP MODEL



1. Make a stand, step up, speak out

This is about no longer biting your tongue, moaning about it with one or two others in the corridor, or turning a blind eye when you see things happening that are wrong, unethical, damage others or make you angry, frustrated and despairing. Then is the time to make the decision to say something, to whistle blow even – not in the heat of the moment, not aggressively but in a considered and planned way that will have a long term impact.

- Speak out publicly, stand up for what you believe in, don't expect others to do it for you
- Live by your values, stop colluding with others you know to be wrong
- Manage and challenge upwards – stop deferring

- Break the unwritten rules - challenge the norms, assumptions and power bases that drive inappropriate behaviour
- Share your vision of how things could be different – the benefits of that, the downside of nothing changing

2. Be brave, deal with the divisive

Deciding who and what to tackle and how and when you do it is really important. Selecting the issues where there's a business case for change is a great starting place, finding a few allies to build critical mass helps too but essentially it's deciding to live by some new personal rules and demonstrating that in your day-to-day behaviour. And in particular not to wait any longer to deal with those truly divisive people – be they one of your team, a colleague or a boss.

- Give timely and honest feedback - regularly and personally
- Air the differences, work through conflicts, encourage straight talk
- Confront and deal with the under-performers
- Demonstrate that non-conformance with values will not be tolerated
- Act quickly and decisively (stop postponing it!), but implement sensitively
- Get into the lion's den – mix with the people you find most difficult, you've just made redundant, who have grievances with you or the organisation, stop hiding
- Do it yourself – don't send substitutes or messengers

3. Stir the fish in the pond, challenge

Too much consensus and harmony makes life too comfortable, stops the business maintaining its edge and competitive advantage and prevents it from keeping on its toes. Great companies are restless and relentless in their search for ways to stay ahead, they value diversity and the different ideas it brings, encouraging healthy conflict and dissent. Rather than beating people with a stick and driving them into the ground to achieve results, courageous leaders are brave enough to stir things up, unsettle people sufficiently for them to think about new ways of doing things, to ask why not, rather than say it can't be done, to be curious about what's possible.

- Create the ambiguity & uncertainty, rock the boat, unsettle people
- Help others to resist early closure, enjoy emergent strategy
- Be demanding and challenging, stop protecting people
- Minimise rules & policies
- Champion the deviants and the mavericks – they're the ones who often are the innovators

4. Respect others, give the work back

This is always a tough one for successful leaders – it's about learning to let go, to take more risks by trusting the team you work with to have a go. More

than trust maybe, it's about knowing that together they come up with better quality solutions and achieve better results than you could ever do on your own or by you trying to tightly control everything and personally getting far too hands-on!

- Value and believe in your people - for the ideas they have, for what they can contribute
- Delegate, take risks, empower and decentralise
- Recognise and reward new behaviour, give them all the credit
- Encourage challenge from below, stop surrounding yourself with 'yes-men'
- Treat people with respect, let people learn and make mistakes
- Ask for help and advice, let your team have the first pass at most things
- Create space for and reward the mavericks and deviants
- Make yourself dispensable

5. Selfless humility, get feedback

Finally this one is about humility – recognising that you can't possibly have all the answers, that you won't always be right, that you need constant feedback on how you're doing (your self-perception is never that good), that you learn more by listening than talking. Asking people what they think really does take courage – they often tell you what you don't want to hear, but the benefits are undeniable.

- Show humility - ask questions, listen and learn – go out of your way to interact with all levels and stakeholders, the ones who are negative as much as the ones who agree with you
- Seek feedback and act on it, improve your self awareness
- Don't be afraid to say you don't know, to change your mind or to say you were wrong and you're sorry
- Recruit those better than you
- Know when it's time to go

A GOOD PLACE TO START

Once you've spent some time assessing your personal values and principles, there are some quick and easy things you can start to focus on that will help start you off in the right direction

- Disagree agreeably – the right tone and style will allow you to make difficult challenges more acceptable, ensure you get listened to
- Say what you really think in the meeting not afterwards in the corridor
- Confront someone working for or with you who isn't performing – prepare well, give clear feedback
- Take a risk – delegate something you're nervous about losing control over
- Be tenacious in fighting for something you believe in, try different things, don't fall at the first hurdle

- Ask for feedback about your own style and approach (not just the task and process)
- Use a coach or mentor to help you work on your goals, rehearse new behaviours and review progress

BUILDING CONFIDENCE

Once you've tried some new things and had some success, have a look at moving on to the following

- Mobilise support for your new way of working, identify and line up your allies
- Act sooner - test out your thinking and ideas and go for it
- Tell people what you are doing and why – be a wise politician, but no Machiavellian subterfuge! Be clear you're doing this for the benefit of the people and the business not for personal gain
- Do something that feels potentially career limiting
- Get your parachute ready – be prepared to jump for what you believe in, stay high profile in the marketplace

Courageous leadership can be learned and practiced, but by implication it's not for the feint-hearted! Having regard for people not just profit, being prepared to live by personal values, to demonstrate integrity requires more courageous, independently-minded leaders. It's challenging but there's a growing amount of evidence to say it's worth it for the results and benefits it brings to organisations and the people in them.

HOW LMT CAN HELP

We work with leaders across a variety of industry sectors to raise their awareness of their own styles and the impact they have on others, and to develop new approaches where appropriate. We also work with whole organisations, addressing cultural issues that drive inappropriate behaviour resulting in empowered employees who step up to take responsibility, initiative and perform at their best.

- **Individual & team coaching** – enabling leaders and teams to raise their awareness and focus on new approaches
- **Culture change work** – using a range of profiling tools to map the existing culture at an individual, team and organisational level, uncover its 'darker' side and identify where efforts for change are best placed
- **Leadership Development Programmes** – design and delivery of tailored programmes to support leaders in developing the necessary skills to lead in today's business environment.

- **Performance Management** – overhaul of complete performance management systems including roll-out, training and embedding in organisational culture

FURTHER READING

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