

CREATING EFFECTIVE LEADERS

A Program to Grow Successful Leaders Who Can Thrive in a Changing World

Leadership has become an increasingly important issue in both public and private sectors. A number of factors have driven leadership to the forefront of organizational development: today's competitive and chaotic workplace, shifting demographics in the workforce, and workloads that demand long hours and constant productivity. Leaders need to be identified and trained for an organization to achieve bottom-line success. Effective leaders are emotionally intelligent and able to draw upon a variety of positive leadership styles. Developing adroit leadership behavior starts with self-awareness and a candid understanding of personal strengths and limitations. Leaders must be attentive to their behavior, be open to giving and receiving feedback, and dedicate time to learning the art of leadership. By committing to select and develop high performers, organizations can create a culture of conscious leadership to guide them through uncertain times.

Leadership in the 21st Century

Turbulent times call for more than stay-the-course management.

Today's world is a chaotic mix of rapidly changing technology, global competition and uncertain national security. Those who lead need more than management skills or technological expertise; they must be able to blaze a trail, often through daunting territory. To succeed, a leader will need to articulate a compelling vision and convince people that the journey is worth both the risks and sacrifices. He or she must demonstrate the ability to:

- Assess and respond quickly to new environments
- Invite diverse expertise to create innovative solutions
- Promote partnerships across organizational boundaries
- Inspire and engage a workforce, often one recovering from downsizing, budget cuts, and reorganization

Workforce trends foreshadow a challenging future.

The largest generation in US history is approaching retirement, and in many cases, organizations have done little or no succession planning. A number of factors make this inevitable future a leadership challenge for many organizations.

- *The decreasing workforce means leadership recruitment and development will become more difficult as companies vie for prime talent.* “Baby Boomers” are firmly ensconced in most leadership positions across public and private sectors, with “Generation X-ers” making up the succeeding labor force.¹ According to a 2000 Bureau of Labor Statistics report, by 2010 there could be as many as 10 million more jobs available than there are employees in the US, due primarily to the retirement of Baby Boomers and a decrease in the number of workers between ages 25 and 34.²
- *Traditional tactics of mentoring and bringing younger people up through the ranks have been abandoned in the face of downsizing, mergers, acquisitions, restructuring, and reduced employee longevity.* Of these factors, reduced employee longevity looms as a pressing current problem. Studies indicate that the average stay in one organization for a Generation X-er is three to five years.³ A 1998 survey by Sibson & Company showed that 55% of employees plan to quit before the three-year mark.⁴ Without seasoned experience and institutional knowledge, next-generation leaders will be at a disadvantage, requiring longer transition periods and lower performance expectations.
- *Seasoned veterans are approaching retirement age, and there are few suitable candidates in the next generation.* This is particularly evident in the federal government. Due to a hiring freeze over the last decade, many federal agencies are seeing a great disparity in employee longevity — those with 25 years or more of agency experience, and those with less than five. As a result, agencies like the US Forest Service, the Veterans’ Administration, and the Agricultural Research Service have instituted agency-wide leadership-development programs to engage and prepare successors for the future.
- *Approximately 40% of family-owned business will undergo some kind of succession in the next five years.*⁵ Despite the likely disruption that accompanies poorly planned leadership transitions, 55% of CEOs, age 61 or older, are expected to retire without having chosen a successor.⁶ Family-owned businesses comprise approximately 92% of all US businesses.⁷

As a result of these factors, leaders today and tomorrow must understand and engage a complex, diverse, and changing workforce. Successful leaders will connect with their people and inspire them to meet the objectives and goals of the organization.

Learning how to be a good leader takes time.

In today’s 24/7 global culture, leaders are pressured to pay constant attention to the strategies and tactics required to keep their organizations competitive. An article in *Time* magazine observed that the workweek for top executives averages between 60 and 70 hours, approximately twice as many hours as the average US workweek.⁸ These high achievers are expected to work more hours, but those extra hours aren’t spent guiding, mentoring, or thinking long term. In fact, those hours are often dedicated exclusively to what they perceive will impact the short-term profitability of the organization.

The relentless drive of our work culture can be a particular disadvantage for leaders. When the dominant focus is on output, executives and managers rarely dedicate time to reflect on their behavior in the workplace. This can be damaging for those in high places whose every action is closely monitored by both peers and subordinates.

Effective leaders devote time to the art of leadership. They examine their own behavior and motives so that they can become conscious of their leadership style, its strengths, its limitations, and its history of success and failure. Such efforts require time for thoughtful mentoring, feedback, and the opportunity to learn from mistakes. For organizations and individuals who sidestep this time commitment, good leadership is elusive.

Developing Successful Leaders

Good leaders can be developed!

Successful organizations invest in leadership development. *Business Week* recently reported that executive education programs (which include leadership development) gross over \$650 million annually.⁹ While it is clear that many organizations have identified the need for leadership development, the question still remains: *how* to develop good leaders? To answer that question, it's important to sort out the salient qualities of effective leadership—what makes a leader good.

Good leaders are self-aware.

Leaders are measured by their behavior, not what they intend. Intentions, no matter how worthy, are meaningless if they are not effectively communicated to others through words and actions. Understanding one's own behavior and how others might see it is a key leadership tool. Three powerful forces influence an individual's behavior – nature, habits, and beliefs:

- **Nature.** Every human is born with natural preferences for gathering information and making decisions. Each individual has natural strengths and limitations that must be reckoned with throughout life. By gaining insight into their own innate preferences, leaders can become more refined and effective.
- **Habits.** Habits are behavior patterns that lead people to respond to stimuli in predictable ways. Often individuals are unaware of their habits and are therefore unable to recognize the impact of these habits on others. Leaders who are open to feedback about their behavior can make conscious efforts to change habits that are not useful.
- **Beliefs.** Everyone has deeply held thought patterns about the way things are. These patterns are often referred to as beliefs and can range from religious precepts to general “truths” about how the world works. Human beings generally act in accordance with their deeply held beliefs, even if such actions have the effect of undermining their best intentions. Only leaders who are conscious of their personal beliefs and how they might act on them can decide whether these

beliefs continue to serve their intentions. An outmoded belief can be changed; awareness is the first step.

When leaders invest time to become aware of their nature, and the habits and beliefs that underlie their actions and intentions, they can be more conscious in their choices, acting in ways that are principled and deliberate. This is a strategic advantage for any organization.

Good leaders are emotionally intelligent.

Over the last decade, businesses have come to understand the relationship of emotional intelligence to successful leadership. The ability to excel in four key emotional intelligence capabilities — self-awareness, self-management, social awareness, and social skill — is what makes leaders effective.¹⁰ By growing competencies¹¹ in each of these areas, successful leaders develop a variety of leadership styles and the flexibility to draw upon them as the situation warrants.¹²

Good leaders have a positive impact on organizations.

The effect of proficient leadership can be felt throughout an organization. Self-aware leaders, who can anticipate the impact of their behavior on their organizations, have a significant advantage. According to research performed by Hay/McBer, leaders who use styles that have a positive effect on the organizational climate demonstrate decidedly better productivity and financial results than those leaders who do not.¹³ Organizations that invest in developing self-aware and flexible leaders can benefit in the following ways:

- Performance at the bottom line. The October 2003 cover story in *Chief Executive* identified the top 20 companies for leaders. Every CEO in these organizations believes that grooming top leaders is the key to their companies' competitive edge.¹⁴ The article drew data from a nationwide survey by Hewitt Associates that also found organizations that actively invest in developing high-potential leaders have a higher financial performance.¹⁵
- Better, more nuanced leadership. Effective leaders do more than just master technical and organizational knowledge; they must also demonstrate personal integrity, inspire and motivate others, and be flexible in their leadership styles. These qualities are the result of a high degree of emotional intelligence, which can be learned; however, the process takes time and commitment.¹⁶
- Bench strength and leadership culture. Effective leadership development can create a culture of leadership that will strengthen the organization. The US Agricultural Research Service has seen the results of its leadership program after a few short years: an emerging network of high-level managers who support each other, strive for collaborative solutions, and recognize the importance of good leadership behavior.

So, finally, how are good leaders developed?

The Leadership Laboratory®:

A development program with a track record

Small group of peers promotes cohort learning.

The Leadership Laboratory®, Gilburg Leadership Institute's (GLI) signature program inaugurated in 1992, helps individuals become better leaders by making them conscious of their own leadership behavior. Using a cohort-based small-group format, the Leadership Laboratory® creates an environment that promotes self-awareness, personal commitment, and leadership practice. The program offers a framework for each participant to view him/herself as a leader by identifying the impacts of nature, habit, and belief on his/her behavior. Three questions are at the core:

- What behavioral styles do I *innately* rely upon?
- Despite my honest intentions, what am I *habitually doing* and how does it affect my results?
- What do I *believe* about my ability to create the results that I want?

Each participant becomes consciously cognizant of the answers to these questions, sometimes for the first time. With support and insight from their lab mates and the facilitators, each participant identifies a small number of high-leverage “practices” or new behaviors that he or she commits to between lab sessions. These Practice Plans become a vehicle for change; however, it is the observations and reactions each participant shares with the group in subsequent meetings that become the catalyst for self-change. Even failure yields insights.

Repetition is key to participants' success.

Despite all good conscious intentions to change, many people find themselves resorting to old behavioral patterns because the effort required to change is too great. Humans, however, can learn new behaviors and adopt new ways of doing things. If one is willing to change, the secret is practice.

The Leadership Laboratory® is designed as an iterative process, with lab sessions repeating three to four times over the course of six to nine months. Between labs, participants practice their chosen new behaviors. The cohort provides support and accountability for each participant who must report back on his or her Practice Plan at each meeting. Once individuals have found success with their goals, they return to their organizations with renewed confidence and powerful leadership skills — the ability to assess their own behavior, and the tools to refine, adjust, or change behavior that does not serve their goals or intentions.

Emotional intelligence grows as participants become more aware of with their behavioral choices. Because of the iterative lab sessions, all participants have the time needed to implement their personalized Practice Plans and learn from their own experiences. This format allows everyone to work at his/her own pace, without hampering the rest of the

group. By sharing their personal experiences, members of the cohort become resources for each other.

The format is flexible and easily customized.

The Leadership Laboratory® comprises a collection of interrelated personal, experiential, and educational modules that are selected and organized to address specific concerns, or removed if the information is not relevant. Such modules include:

- Organization development models and theories
- Generational theory
- Emotional intelligence research
- Jungian Typology
- Conflict resolution, trust building, and communication techniques
- Vision and goal-setting process
- Giving and receiving feedback

The Leadership Laboratory® is structured to meet the goals and expectations of the participants and their organizations. Customization is inherent in the program design.

A time-tested program.

Over the last 15 years, we have been conducting the Leadership Laboratory® to develop existing leaders and leader candidates to better meet the challenges the future holds. Participants and client organizations have observed the following outcomes:

- *Participants become conscious of their leadership behavior, often for the first time.* Awareness of their nature, habits, and beliefs provides a foundation for growing emotional intelligence. Participants are able to make more deliberate choices about their behavior to better serve their teams, organizations, and own well-being.
- *Participants have the opportunity to adjust personal beliefs and habits that have impeded their leadership success in the past.* For many, this is a transformational experience, allowing the participant to truly become the kind of leader he/she has always wanted to be.
- *Participants experience a personalized format for learning about good leadership, allowing them to focus on their individual goals and challenges.* Each participant gains the kind of insight and clarity one might receive from a personal coach, but within the efficiency of a group framework.
- *An extended team of leaders is created within the client organization, fostering a culture of leadership in which communication, collaboration, and accountability predominate.*
- *Client customization is easy and cost effective, due to the simplicity and flexibility of the Leadership Laboratory® design.* The program can be run in tandem with other internal trainings and required leadership projects. When combined with other educational

programs, the Leadership Laboratory® becomes the “glue,” helping participants integrate new knowledge with their own personal styles and experiences.

As the leader grows, so does the organization. Client organizations of GLI that have invested in developing their leaders have seen vital improvements over a few short years — improved communication, efficient and collaborative teamwork, thoughtful and engaging leadership behavior, and increased personal accountability. By creating a culture of leadership, these organizations will more successfully find their path forward in uncertain times.

For more information, call Gilburg Leadership Institute, Inc. at 413-534-6934, or visit the website: www.gilburgleadership.com.

¹ Generational distinctions adapted from *The Fourth Turning*, by W. Strauss & N. Howe, (Broadway Books, 1997).

² “Your New Core Strategy: Employee Retention,” by P. Michelmen, *Working Knowledge Newsletter*, Harvard Business School, November 26, 2003.

³ Ibid.

⁴ Ibid.

⁵ “New Nationwide Survey Points to Bright Spot in American Economy — Family-Owned Businesses,” Mass Mutual press release, 2003.

⁶ Ibid.

⁷ “Myths and Realities: Family Businesses’ Contribution to the US Economy – A Framework for Assessing Family Business Statistics,” by M. C. Shanker & J. H. Astrachan, *Family Business Review*, summer 1996, v. 9, no. 2, p. 113.

⁸ “The Case for Staying Home,” by Claudia Wallas, *Time* magazine, March 22, 2004, p. 52.

⁹ “The Education Edge,” *Business Week Online*, October 20, 2003

¹⁰ “What Makes a Leader,” by D. Goleman, *Harvard Business Review*, November–December 1998, pp. 93–102.

¹¹ Emotional intelligence competencies include: accurate self-assessment, emotional awareness, self-control, conscientiousness, adaptability, empathy, organizational awareness, communication, and collaboration. “Leadership That Gets Results,” by D. Goleman, *Harvard Business Review*, March–April 2000, pp. 79–90.

¹² Consulting firm Hay/McBer identified six distinct leadership styles in a study of a random sample of 3,871 executives: Coercive, Authoritative, Affiliative, Democratic, Pacesetter, and Coaching. These styles and their strengths and weaknesses are discussed in Goleman’s “Leadership That Gets Results,” op. cit.

¹³ “Leadership That Gets Results,” by D. Goleman, *Harvard Business Review*, March–April 2000, p. 81.

¹⁴ “In Search of Leaders,” by L. N. Spiro, *Chief Executive*, October 2003, vol. 192.

¹⁵ “How Companies Grow Great Leaders: Top Companies for Leaders 2003,” *Research Highlights*, Hewitt Associates, 2003.

¹⁶ “What Makes a Leader,” by D. Goleman, *Harvard Business Review*, November–December 1998, pp. 93–102.