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Developing Courageous Leaders

(Extracts from "The Leadership Pipeline" - Ram Charan, Stephen Drotter and James Noel)

"Management is doing things right; leadership is doing the right things"
Peter F. Drucker

"Leadership is the art of getting someone else to do something you want done because he wants to do it"
Dwight Eisenhower

"The best executive is the one who has sense enough to pick good men to do what he wants done, and self-restraint to keep from meddling with them while they do it"
Theodore Roosevelt

So what Is "Leadership"?

There is much discussion about "Leadership" and it comes as no surprise that business leaders now regard the development of leadership attributes in their organisations as the highest priority.

The challenge for all executive managers is to develop an effective, and therefore simple, leadership pipeline that caters for the four different leadership styles. The four leadership styles can be best explained by describing the attributes exhibited when everything is going well (a good day) and when they are not going well (a bad day):

1. **Order**
   Good Day: cautious, reserved, meticulous & perceptive
   Bad Day: passive resisters, aloof, perfectionists & guarded

2. **Action**
   Good Day: daring, leads from the front, self-assured, confident
   Bad Day: single-minded, egotistical, domineering & sceptical

3. **Change**
   Good Day: inventive, roguish, energetic, charismatic
   Bad Day: scheming, strange, devious & full of bad ideas

4. **Nurture**
   Good Day: collective, laid-back, team player, collaborative
   Bad Day: needy, complacent, weak & eager to please

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While nearly every leader will portray more than one leadership style depending on the circumstances, the question then arises:

"What trait/s are common to all four leadership styles when each one is obviously so different to all others?"

The answer is …….. **COURAGE**

When it all boils down, true leaders have the **COURAGE** to:

- Make a decision when others are saying nothing
- Put off making a decision when others are urging for immediate action
- Try something new and forge new horizons when others are batting down the hatches
- Hold firm when others are panicking
- Allow others to make mistakes so that they can grow into future leaders
- Back their judgement when others have a different view
- Change their mind and head in a totally different direction when new information is presented
- Be different

Courage is defined as:

"the state or quality of mind or spirit that enables one to face danger, fear, or vicissitudes with self-possession, confidence, and resolution"

So how can an organisation effectively develop leaders to cater for its future growth?

The answer is by creating a Leadership Pipeline that will provide managers and supervisors with relevant information that will increase their confidence to effectively manage their direct reports on a day-to-day basis.

The Leadership Pipeline

1. **First-Time Managers/Supervisors** (managing staff)

   The first step when entering into a supervisory or management role can be fraught with dangers simply because this transition from Individual Contributor to First Line Manager requires the individual to change.

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In many cases the highest performing individual contributors are reluctant to change as they want to keep doing the things that made them successful. As a result, people make the job transition from individual contributor to manager without making the required behavioural or value-based transition. In effect, they become managers without accepting the requirements.

The skills people should learn at this first leadership passage include planning work, filling jobs, assigning work, motivating, coaching and measuring the work of others. It is the last three skills (motivating, coaching and performance managing direct reports) that are the hardest to learn because at every corner they are dealing with people's emotions.

SOLUTION: Provide supervisors and first-time managers with Management & Coaching Reports for each of their direct reports that are not only role specific but also offer tailored coaching suggestions to increase employee performance and engagement (http://www.profiles.net.au/CreatingGreatPeople.asp)

2. **Mid-Level Managers** (managing other managers & supervisors)

This leadership passage from managing employees to managing first line managers is frequently ignored as the transition is not as obvious as the first stage. Few companies address this passage directly in their training, even though this is the level where a company's management foundation is constructed; level-two managers select and develop the people who will eventually become the company's leaders.

Perhaps the biggest difference from the previous passage is that here, managers must be pure management. Before, individual contributions were still part of their job description, but now they need to divest themselves of individual tasks. The key skills that must be mastered during this transition include selecting people, assigning managerial and leadership work to them, measuring their progress as managers and coaching them.

This is also the point where managers must begin to think beyond their function and concern themselves with strategic issues that support the overall business. All this is difficult to do if a given manager at this passage still values individual contributions and functional work to the exclusion of everything else.

In fact, one of the tough responsibilities of "managers of managers" is to return people to individual-contributor roles if first-line managers don't shift their behaviours and values.

Coaching is also essential at this level because first-line managers frequently don't receive formal training in how to be a manager; they are dependent on their bosses to instruct them on the job. In many organisations coaching ability isn't rewarded (and the lack of it isn't penalised). It is no wonder that relatively few managers view coaching as mission-critical.

SOLUTION: Provide mid-level managers with Placement Reports to increase their effectiveness at selecting top performers, not just people they like, (http://www.profiles.net.au/RecruitingGreatPeople.asp) and Management & Coaching Reports to increase employee engagement and the retention of top performers (http://www.profiles.net.au/RetainingGreatPeople.asp)

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3. **Functional Unit Managers** (responsible for a functional unit, mid-level & first-time managers and employees)

   This transition is tougher than it seems. While on the surface the difference between managing managers and functional management might appear negligible, a number of significant challenges lurk below the surface. Communication with the individual contributor level now requires penetrating at least two layers of management, thus mandating development of new communication skills.

   What is just as significant, functional heads must manage some areas that are outside their own experiences. This means they must not only endeavour to understand this "foreign" work but also learn to value it.

   At the same time, functional managers report to multifunctional general managers and therefore have to become skilled at taking other functional concerns and needs into consideration. Team play with other functional managers and competition for resources based on business needs are two major transitional skills.

   This leadership passage requires an increase in managerial maturity. In one sense, maturity means thinking and acting like a functional leader rather than a functional member. But it also means that managers need to adopt a broad, long-term perspective.

   At this level, their leadership entails creating functional strategy that enables them to do something better than the competition. Whether it's coming up with a method to design more innovative products or reach new customer groups, these managers must push the functional envelope. They must also push it into the future, looking at sustainable competitive advantage rather than just an immediate but temporary edge.

   SOLUTION: Provide functional managers with effective self-development tools that will increase leadership, execution and people management skills such as the CheckPoint System (http://www.profiles.net.au/Checkpoint360.asp)

4. **Business Managers** (focus on increasing profits and creating a long-term strategic mindset)

   This leadership passage is often the most satisfying as well as the most challenging of a manager's career. Business managers usually receive significant autonomy and there is a clear link between their efforts and organisational results. At the same time, this is a sharp turn; it requires a major shift in skills, time applications and work values.

   There are probably more new and unfamiliar responsibilities here than at other levels. For people who have only been in one function their entire careers, a business manager position represents unexplored territory; they must suddenly become responsible for many unfamiliar functions and outcomes. Not only do they have to learn to manage different functions, but they also need to become skilled at working with a wider variety of people than ever before; they need to become more sensitive to functional diversity issues and communicating clearly and effectively. Even

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more difficult is the balancing act between future goals and present needs and making trade-offs between the two.

Business managers must meet quarterly profit, market share, product, and people targets and at the same time plan for goals three to five years into the future. The paradox of balancing short-term and long-term thinking is one that bedevils many managers at this turn-and why one of the requirements here is for thinking time. At this level, managers need to stop “doing” every second of the day and reserve time for reflection and analysis.

When business managers don't make this turn fully, the leadership pipeline quickly becomes clogged. When managers don't understand or appreciate the contribution of support staff, these employees don't deliver full performance. When the leader of the business demeans or diminishes their roles, employees deliver half-hearted efforts; they can easily become energy-drainers. Business managers must learn to trust, accept advice and receive feedback from all functional managers, even though they may never have experienced these functions personally.

SOLUTION: Provide business managers with tools to increase employee engagement (http://www.profiles.net.au/EmployeeEngagement.asp & http://www.profiles.net.au/Diagnostics.asp) and to further develop their leadership, execution and people management skills (http://www.profiles.net.au/Checkpoint360.asp)

5. **Group Managers** (focus on evaluating best strategies for capital allocation/deployment and development of business managers)

(It should be pointed out that most SMEs don't have a group manager passage. In these companies the CEO usually undertakes the group manager's responsibilities.)

This is another leadership passage that at first glance doesn't seem overly arduous. The assumption is that if you can run one business successfully, you can do the same with two or more businesses.

The flaw in this reasoning begins with what is valued at each leadership level. A business manager values the success of his own business. A group manager values the success of other people's businesses. This is a critical distinction because some people only derive satisfaction when they're the ones receiving the lion's share of the credit. As you might imagine, a group manager who doesn't value the success of others will fail to inspire and support the performance of the business managers who report to him.

Again, his actions might be dictated by his frustration; he's convinced he could operate the various businesses better than any of his managers and wishes he could be doing so. In either instance, the leadership pipeline becomes clogged with business managers who aren't operating at peak capacity because they're not being properly supported or their authority is being usurped.

This level also requires a critical shift in four skill sets:

First, group managers must become proficient at evaluating strategy for capital allocation and deployment purposes.

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The second skill cluster involves development of business managers. As part of this development, group managers need to know who among the function managers is ready to become a business manager. Coaching new business managers is also an important role for this level.

The third skill set has to do with portfolio strategy. This is quite different from business strategy and demands a perceptual shift.

Fourth, group managers must become astute about assessing whether they have the right core capabilities to win. This means avoiding wishful thinking and taking a hard, objective look at their range of resources and making a judgment based on analysis and experience.

SOLUTION: Provide group managers with accurate information on the organisation (http://www.profiles.net.au/Diagnostics.asp) and information on the organisation's leadership team (http://www.profiles.net.au/OrganizationalManagementAnalysis.asp)

6. **Chief Executive Officers** (must become a long-term visionary thinker, develop long-term strategies, engage customers and employees)

When the leadership pipeline becomes clogged at the top, it negatively impacts on all leadership levels. A CEO who has skipped one or more passages can diminish the performance of managers who not only report directly to him/her but individuals all the way down the line. They not only fail to develop other managers effectively, they also don't fulfil the responsibilities that come with this position.

The transition during the sixth passage is much more focused on values than skills. To an even greater extent than at the previous level, people must reinvent their self-concept as an enterprise manager. As leaders of an institution, they must be long-term, visionary thinkers.

Enterprise leaders need to come to terms with the fact that their performance as a CEO will be based on three or four high-leverage decisions annually; they must set these three or four mission-critical priorities and focus on them. There's a subtle but fundamental shift in responsibility from strategic to visionary thinking and from an operations to a global perspective.

Finally, at this level, a CEO must assemble a team of high-achieving and ambitious direct reports, knowing that some of them want his job and picking them for the team despite this knowledge. This is also the only leadership position in the organisation where inspiring the entire employee population through a variety of communication tools is essential.

SOLUTION: Provide CEOs with accurate information on the organisation such as Staff Attitude Surveys (http://www.profiles.net.au/Diagnostics.asp) and information on the organisation's leadership team (http://www.profiles.net.au/OrganizationalManagementAnalysis.asp)

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Profiles International can help you Develop a Leadership Pool

One of the greatest challenges for managers is to accept that they are not managers so that they can manage processes, they are managers so that they can manage people.

How can we expect managers, at any level, to become effective people managers and leaders if they are not provided with the information, skills and tools to manage and lead with confidence?

Profiles International has the tools that will provide managers and leaders with the information to develop their skills and increase their confidence. These tools include:

- ✓ Placement Reports
- ✓ Coaching Reports
- ✓ Management Reports
- ✓ Individual Reports
- ✓ Succession Planning Reports
- ✓ Career Planning Reports
- ✓ Team Analysis & Synergy
- ✓ Leadership Development
- ✓ Leadership Training
- ✓ Execution Development
- ✓ Skill Set Analysis & Coaching
- ✓ Core Competency Assessment
- ✓ Developing Interpersonal Compatibility

For further information, please call:

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