

PERFORMANCE-DRIVEN, VALUES-BASED LEADERSHIP Creating Agile Leaders in a World of Perpetual Whitewater





THE WHITEPAPER SERIES VOL.1

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WELCOME TO JUST LEAD!

There are thousands of articles and books about leadership, but most miss its deep core. Leadership training theory is too often tactical and narrowly focused on management functions, such as delegating, planning, or hiring. Those skills are important, but outstanding leadership goes much further.

Just Lead! offers a deeper perspective. It lays out a more challenging but, ultimately, more rewarding way of leading. I hope this introductory white paper inspires you to think about and practice leadership differently.

We define a great leader as someone who delivers exceptional results by engaging the team in a values-based environment. We'll dig more into that in the coming pages, but it essentially means that true leaders are responsible for WHAT gets done and HOW it is accomplished. This is not about winning at any cost, or quick-buck, short-term returns. It's about ethical, sustainable success. The kind you, your shareholders, and stakeholders can feel good about.

Just Lead is premised on the belief that leadership is more about who you are – your character, mindset, and values – than what you do. If you're ready to dig deep, question your mental models, and embrace leadership as an ongoing pursuit, not a title or a fixed destination, you're in the right place.

> Sean Ryan Founder & CEO WhiteWater International Consulting, Inc.





RISKY LEADERSHIP MYTHS

There are a lot of outdated and just plain wrong ideas about leadership. These beliefs don't just hold back leaders – they can have wide-ranging detrimental effects on your organization, from culture to performance. Here are the some of the most tenacious leadership myths.

01 Leaders are born.

Leadership isn't a God-given gift or innate talent. Sure, some people have a natural charisma that makes people want to follow them, but that doesn't mean they can lead them to results.

True leaders know they are works-in-progress. They never stop learning and growing and know the art of leadership is a lifelong pursuit.

02 Leadership is a title.

Authentic leadership doesn't automatically accrue as you move up the corporate food chain. I've met CEOs who couldn't inspire their team to cross the street. Likewise, I've encountered first-level supervisors and frontline team members who inspired engaged, high-performing teams.

Leaders align people around a cause to deliver results. Leaders must define the gap-and there's always a gap-between where the organization is and where it needs to be for success. And they engage people in the journey to close the gap.

Leaders unite people to accomplish outcomes that no one, including the leader, could achieve independently. They make closing the gap so compelling that their teams will fully commit to the work it takes.



03 Leadership is a destination.

When some people become leaders, they think they've hit the pinnacle; they've made it, they're done. No. Leadership is not a fixed state. It's a process of becoming someone who can align people around a cause to deliver results.

I once had a coaching client who knew that public speaking and media interviews would be significant parts of the role when he was named CEO. So he got to work, spending untold hours and days getting ready to face employees, shareholders, and reporters.

Some might say there's no way someone at that level has time to make that kind of investment. Or, why not just offload this part to an underling? Not him. He knew this was a critical skill for the role, and he knew he had to master it to deliver the best possible outcomes for the company. He knew that even as a leader, he would constantly challenge himself, and he embraced it.

04 Leadership is about me.

Many people think leadership is about them, and it's easy to see why. Leaders are often stars who are used to being affirmed and rewarded. Egos can inflate the higher you rise. As one upper-level executive at a dysfunctional organization once told us: "You can't be a leader around here until your ego eats your brain." Yikes.

Elevation can create a kind of blindness to your essential role as a leader: making your team members feel part of something bigger than themselves and empowered to contribute their best. If people do what you say because they're scared to defy you, that's dictatorship, not leadership. True leaders rely on inspiration, not intimidation.

05 Leadership equals authority.

If people do what you say because they're scared to defy you, that's dictatorship, not leadership. True leaders rely on inspiration, not intimidation.

06 Leadership is about action.

And finally, while leadership is ultimately about creating value by guiding your team to generate results, it's not about being the best doer, although busy hand-raisers often get promoted into leadership positions.

The types of bosses I mentioned above were missing a foundational element in the recipe for success: the ability to engage your team in the journey.

THE COST OF WEAK LEADERSHIP

In a rapidly changing world, most organizations face a crucial gap: they lack true leaders who can create an environment where people feel involved, enthusiastic, and committed to their work to deliver outstanding results.

This leadership deficit often shows up as a talent gap. Does your company struggle to hire and retain top performers or nurture and unleash your team's talent?

That's probably a sign your leadership needs some work.

That's because engagement is essential to success. It's the greatest competitive advantage you've got. And leadership is the key that unlocks it.

Disengagement Stakes

Only 34% of people report they are fully engaged in their work. 16.5% describe themselves as actively disengaged, while the other 53% of workers are "not engaged."

They show up, do the bare minimum, go home. And repeat until a better opportunity or retirement comes along.

That is an incredible shortfall of potential. Imagine the value that could be created for your company if that same employee were engaged and inspired to perform their best, not just trade time for money.

This gap, between what is possible and what's achieved, transcends sector and industry. Multinational organizations and smaller, family-owned businesses struggle to engage their teams to deliver outstanding results fully.

And it starts with values.

Values Breed Engagement

Values are a set of guiding principles that tell people how to behave. Your organization's values are critical to unleashing the passion and capabilities of your people because they provide clear, consistent signposts not just for what is acceptable but what the organization aspires to achieve.

THE COST OF WEAK LEADERSHIP CONT.

Values nurture trust and meaning. Without them, you'll never be able to connect with and motivate people or get them psychologically engaged. You'll never genuinely lead them to contribute their best.

Values set the standards of behavior for reaching goals. In a values-based environment, results are achieved with, not at, the expense of others. Your team members feel valued for who they are and are empowered to contribute their best. In a values-based environment, people feel respected.

Values Create Real Results

I know for some leaders, "values" sounds soft or fuzzy, something you have to articulate every few years in a strategic planning session, along with your mission and vision, and then get back to the "real work" of running the business.

This would be a mistake. Values are directly linked to results and performance. This is most apparent when values and leadership behaviors are out of step, damaging morale and jeopardizing results. It's the company that says it values respect but allows the hot-headed manager to yell at junior staffers with impunity. It's the business that claims to value work-life harmony, but its team members are constantly getting requests after-hours. It's the organization that states it values diversity but has a predominantly white, male leadership team.

This misalignment is fertile ground for all sorts of harmful elements that can sour your culture. It creates distrust. It sows the seeds of apathy: why bother trying to do my best or do the right thing if bad behavior is tolerated or even rewarded? It can create a sense of fear, where team members are paralyzed by indecision or afraid of making a misstep because it's not clear what the right choice might be.

You can't impose or mandate values. To create genuinely engaging environments, people have to trust and respect their leaders. You lead by the example of your words and deeds which behaviors are in-bounds-and which are out.



WHAT ARE VALUES WORTH? A LOT!

Well-articulated and consistently interpreted and followed values are the difference between great and mediocre, or even crappy, performance. Studies show that people who feel like their contribution counts perform better. Lived values are the DNA of your company's culture. They set the foundation for so much of what enables outstanding leadership, including the ability to:

- Attract, retain and grow top talent.
- Give your team the freedom to make decisions, take actions.
- Set a foundation of caring, trust and respect from which everything else flows.
- Enable people to challenge each other, hold courageous conversations and generate healthy conflict that enables organizations to thrive.
- Create healthy, positive cultures that align behavior to the organization's purpose and strategy.
- Provide a foundation of stability in a world of perpetual change.

WHERE DO YOU SEE YOURSELF IN 5 YEARS?

DUDE, I'M JUST TRYING TO MAKE IT TO FRIDAY!





THE LEADERSHIP TRIFECTA

We know that leaders are responsible for results, which are often directly determined by what they do, so most leaders focus their attention on tactics and actions.

But, again, that's not true leadership, just management.

Leadership runs much deeper than actions. It goes to your thinking, those assumptions, beliefs, and perceptions that drive your decision-making and behaviors.

And it goes deeper still.

Leadership, at its core, is not about what you do but who you are. It's your character. Values such as integrity, caring, and respect are foundational to leadership because they nurture the trust and engagement that creates a safe space for open, even courageous communications. When you care about your people, and they know you want what's best for them, they'll naturally be inspired, in turn, to be their best.

Wrapped around this <u>core of character</u> are three critical roles – learner, teacher, and steward – great leaders play.



"Most training is one-size-fits-all. Just Lead! is different. It's for people that have the ability to learn and who are open. Unlike most leadership programs, Just Lead doesn't tell you <u>what</u> to think; it teaches you <u>how</u> to think. "

Greg Rutledge, Director, Talent & Acquisitions, Chem-Aqua, Inc.





As a learner, you must be open to a continuous journey of self-reflection and self-improvement, constantly challenging your thinking and mental models – the assumptions, beliefs, values and perceptions that drive decision-making and action in the first place.

THINKING-ACTION-OUTCOMES

This self-reflection is foundational to Thinking-Action-Outcomes, or TAO, our core philosophy about how leaders grow. Your thinking as a leader has a far more dramatic impact on the outcomes you'll achieve than anything you say or do.

Better actions that lead to more successful outcomes rest on better thinking, which starts with becoming conscious of what we believe, assume and perceive. Even just recognizing that you're not and never will be done learning and growing is the first step to becoming a true leader instead of just a boss or manager.

Of course, this is easier said than done, as most leaders are used to being right – or at least told they are.

A few years ago, I worked with a leadership team whose general manager was brilliant and incredibly self-assured. We were formulating their leadership philosophy. One day, we met for a potentially controversial conversation about how leadership would devolve as the project grew. The manager spoke first and I cringed. I knew the team was intimidated by him, that they'd likely just go along with whatever he said.

And then something incredible happened. He started to speak, stopped himself, saying "I'm probably going to disagree with myself before I finish this sentence." It left the door open to debate, leading to a fascinating, four-hour discussion.

That one little statement, "I may disagree with myself," said to everybody, "Feel free to challenge me on this. I'm open to changing my thinking." And it changed everything about that conversation and that team's dynamic moving forward.



THE LEADERSHIP TRIFECTA



As you're constantly learning, you must also impart knowledge to your team.

You educate them in many ways: by the example you set, the decisions you make, and the stories you share. Leaders teach the company's values, how it competes, what success looks like, and the skills and abilities it takes to get there.

Most importantly, leaders teach by encouraging others to examine their thinking, mental models, beliefs, assumptions and perceptions, creating other learners.



Leaders are value stewards. You lead by the example of your words and deeds which behaviors are in-bounds-and which are out. You must take stewardship of your team.

You must also protect and nurture the organization. You must take personal responsibility for preserving and enhancing the organization's vision, mission, core values, and relationships with customers, business partners, and the communities in which it does business.

Performance-Driven, Values-Based Leadership (PDVBL) is the nucleus of outstanding leadership. But how do you turn its concepts into results?

Let's take a look at the Seven Disciplines of Just Lead, Dammit!, which give you a practical roadmap to put the principles into play.

#1: Leader as Environmentalist
#2: Leader as Architect
#3: Leader as Performance Manager
#4: Leader as Coach
#5: Leader as Communicator
#6: Leader as Change Agent
#7: Leader as Team Builder



Most participants in our leadership programs tell us their job is to "motivate people." When we ask how they do that, most cite a set of common extrinsic motivators like money, bonuses, rewards or punishment.

Do extrinsic motivators, which originate outside the performer, work? In some cases, absolutely. But they have their limits. A better question might be, "What do they motivate a person to do?" At a basic level, money will motivate a person to choose a job, seek advancement or look for other opportunities. Extrinsic motivators can create movement.

But movement is NOT motivation. Study after study shows that true motivation comes from within. It includes:

- A sense of purpose.
- Challenges and unique opportunities.
- Being trusted and depended upon.

The most effective leaders create work environments that encourage people to motivate themselves.

Creating a Motivating Environment

You can create a motivating work environment by offering:

- A Cause Worthy of Commitment
- Widely Shared Core Values
- A Significant Role
- Responsibility AND the Freedom to Act
- Access to Resources
- Accountability
- Passion, Optimism & Pride*

*If leaders aren't energized and engaged, it's hard for anyone else to be. Motivating environments share an energy, a buzz derived from people doing good work and knowing they make a difference. People push each other to be their best, and the challenge to keep improving is never-ending. Leadership with POP!

""I don't know if enthusiasm is contagious, but I know that a lack of enthusiasm is definitely contagious."

- Just Lead! training participant

When an organization's architecture – its systems, structures, processes and culture – are aligned to strategy, it creates what we call "organizational gravity," providing an enormous, relentless, and yet often unseen influence over decisions and actions.

Great leaders must be great architects, constantly working to align the processes and systems with the organization's purpose and strategic intent.

This often feels challenging and risky. It may mean confronting "the way things have always been done." It usually requires a fundamental shake-up in how your organization goes about its business.

Don't ignore or dismiss it, though. A lack of alignment creates chronic underperformance.



Effective leaders deliver results, right?

And yet, many don't:

- Fortune Magazine: "Less than 10% of strategies, effectively formulated, are effectively executed."
- Harvard Business Review: "The prize for closing the strategy-to-performance gap is huge an increase in performance of anywhere from 60% to 100% for most companies."
- Fortune Magazine: "You'd never guess it from reading the papers or talking to your broker or studying most business books, but what's true at Compaq is true at most companies where the CEO fails. In the majority of cases – we estimate 79% -- the real problem isn't the high-concept boners the boffins love to talk about. It's bad execution. As simple as that: not getting things done, being indecisive, not delivering on commitments."

To deliver the results, you must connect the actions of your teams and individuals to the organization's purpose and strategy, to align the four "performance gears" described in our book, <u>Get in Gear: The Seven Gears that Drive Strategy to Results</u>:

- 1. Set result-oriented goals focused on results, not activities. They should have a clear start, end, and timeframe and occasionally stretch the organization.
- 2. Build visible scorecards with a direct line-of-sight from performance to results to measure performance against goals and show trends over time.
- 3. Identify critical performance drivers, those few behaviors or actions that distinguish between average and outstanding performance.
- 4. Establish a follow-up/follow-through process. It's the glue that holds performance together.



When we ask employees how they think they're performing, the most common answer is: "OK, I guess, because no one's told me any different."

Contrast that with great sports teams, dance troupes, orchestras, etc., where feedback and coaching to help everyone perform their best is constant, even when the group is performing well.

Great leaders must be great coaches. You coach your team members:

- In the moment to help them maximize their current performance.
- During your regular follow-up/follow-through conversations to help them grow their capabilities and prepare for future opportunities.
- As required to help them get back on track when performance or behavior goes awry.

Great coaches adjust their coaching style to meet the needs of the performer. They think about three questions when assessing how to most effectively coach:

- 1. What's the current level of performance?
- 2. How able is this person to accomplish the goal?
- 3. How willing is this person to achieve the goal?

""Putting the concepts found in Just Lead! to work has had a profoundly positive impact on my skills as a leader/manager, & as a result my career. The lessons & how-to I learned with Sean helped guide me from my start as a truck driver to becoming CEO of a \$2 billion FedEx company. Those same skills later helped as part of a startup company that went from zero to \$300 million in two years & delivered standard setting practices never before seen in the legal cannabis industry. And key to those things happening was attracting and empowering super-talented people that would thrive in the right environments."

- Art Smuck

Great leaders are great communicators. Conversely, communication issues are also leadership issues.

Organizations with excellent communications tend to have leaders who:

Ask, "who needs to know?"

Rather than communicating on a "need to know" basis, they ensure everyone has the information they need to perform their best and stay aligned. Perhaps most importantly, bad news moves as fast as good, so everyone knows when and where improvement is required.

Check Their Filters

We all tend to zone out information we don't like or agree with. Unfortunately, that can also cause leaders to filter out information that might challenge your underlying thinking inadvertently. Remember, influential leaders readily question their thinking, assumptions and mental models.

The most effective leaders:

- Practice deep, active, empathetic listening.
- Ask and invite questions.
- Articulate your point in a way that connects with your audience.
- Use 2-up/2-down communications to ensure the message is shared.
- Embrace courageous communications and difficult conversations.

The Marshmallow Effect

Early in my career, my organization was going through tremendous change. To survive, we needed to be more focused on and responsive to our customers. We needed to be more efficient and eliminate any non-value-adding costs. And, we needed to be better connected within our organization and eliminate the silos between different workgroups.

Both our frontline staff and senior executives talked about the need for improvement. Unfortunately, their perspectives and respective messages were utterly disconnected from each other.

We call this the Marshmallow Effect: despite everyone's best intent, information just didn't flow well through the organization. The "marshmallow" absorbed the energy. As a result, improvements were slow and inconsistent. It took years longer to make changes than it should have.

I've always contended that there's no "new normal", that change is a constant in life and business. That's why, 20 years ago, I named my company WhiteWater Consulting! We must lead in a world where there is just a constant series of "next normals."

The rate and degree of change show no signs of slowing. Inventor and futurist Ray Kurzweil suggests that in this century we will experience more than 20,000 years of change by historic standards. As a leader, how do you embrace change as a force for good in your organization? How do you create an environment where change is not feared or perceived as being "done to us?" How do you support the personal transformation that's needed to move your organization?

All change starts at the individual level. And when change is afoot, the first things your team members want to know is:

- What's in it for me?
- What's going to happen to me?

To help answer those questions and lead through the change, lean hard on other disciplines of the Just Lead Framework, especially defining the gap and constant, effective communication.

The most adept change leaders also make it as easy as possible for people to adopt perpetual change by:

- Providing stability
- Identifying change champions
- Celebrating wins, good tries and even failures





No matter the size of your team, leadership involves engaging a group of people (whether it's 2 or 20,000) to achieve goals and deliver results. You must engage individuals one-on-one while also getting your teams to work together effectively.

Basketball or Bowling?

Teams differ in the interdependence they need for success. Some are like basketball squads, where success requires interdependent action and high levels of cooperation. Others are more like golf or bowling teams, with everyone performing independently and little collaboration is needed, except to figure out who's buying the next round of drinks!

As a leader, you must recognize where your team falls on the continuum and help them adapt their efforts accordingly.

Personality is Not the Problem

When a team isn't working well, it's often attributed to personality differences between its members.

While personalities can add a layer of complexity, usually the root cause is a critical misalignment of the factors that truly drive team effectiveness, including:

- Purpose
- Roles
- Goals
- Scorecards
- Process
- Communication
- Accountability

When those seven factors are not aligned, personality differences tend to multiply the challenges. But when they are in harmony, personality differences fade or even contribute to team effectiveness.

READY TO JUST LEAD, DAMMIT!?

As you've learned through these pages, leadership is a work-in-progress. Leaders aren't born; they're constantly being made. You're never done learning, growing and advancing in your leadership quest.

As we've also seen, you can learn leadership. It requires the ongoing pursuit of a set of disciplines, both "soft" and strategic and tactical, that can be learned, refined, and grown over time.

Character counts – a lot! The old adage that adversity doesn't build character, it reveals it, is fundamental to outstanding leadership. It rests on trust. If your team doesn't believe in you, they won't follow you. It's as simple as that. Values nurture trust and meaning and breed engagement. People want to contribute to something bigger than themselves.

As a leader, you are the values steward. You're also a teacher, demonstrating by the example of your words and deeds which behaviors are in-boundsand which are out. And, most importantly, you're a learner. Constantly challenging your mental models and questioning your assumptions are the essential skills of any true leader.

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GET IN TOUCH

To discuss these ideas further or explore how leaders can dramatically improve their effectiveness by examining their thinking (underlying assumptions, beliefs and perceptions) that drives their decisions and actions and lead to outcomes, don't hesitate to contact us.

To learn more about the Just Lead![™] modular leadership development program, which is available in person or virtually, click <u>here</u>.

ABOUT WHITEWATER INTERNATIONAL CONSULTING, INC.

We bring more than 20 years of experience helping organizations understand the challenges they face and guiding them through the turbulence. We can help your enterprise achieve and sustain outstanding performance by unleashing the passion and capabilities of your people.

