

The New Principles of Effective Leadership

1. From Management to Leadership

Management was good enough in the past, but if you are not also a leader today you will struggle to be effective. Around the world we are going through the most significant change in the way we organize and manage people since the industrial revolution. We are witnessing the shift from management to leadership. If management was primarily concerned with control, then leadership is primarily concerned with influence. This has meant a change in management mindset. No longer is the job simply telling people what to do, rather it is challenging, engaging and inspiring. This shift has been driven by two basic factors. First we have a greatly more educated workforce and they will no longer respond to simply being told. Secondly, new increased expectations of organizational performance will not be realized by a passive workforce.

2. Leading a Psychologically Mature Organisation

It's a crazy idea that we should treat adults in workforce like children and yet that is precisely what we have done in organizations since management began. We have bossed them and demanded compliance from them, yet did not give them responsibility and expect accountability. We had a model of management that had the consequence of reducing initiative and creating dependency in the workforce. Over time it then produced learned helplessness which is a passive acceptance that one can do little to make a difference or even to make minor improvements in the workplace.

Because the world has changed organizations have had to shift from this dependency model to one that strives for interdependency. If you want people to think for themselves and be independent then you need to empower them –allow them to be responsible and accountable for what they do. If you want them to be socially responsible adults capable of collaborating and understanding the impact of what they do on others, then you need them to be capable of psychological interdependence. It's time to change what we expect of people and time to change how we treat them. We can no longer afford to treat them psychologically like children.

3. From Span of Control to Span of Engagement

A management structure is built upon the idea of span of control – the number of people a person can effectively supervise. This determines the number of people reporting to each manager. The shift to a performance structure required a shift to span of development – it is not how many people you can supervise but how many people a manager can effectively develop that is important. This requires managers to coach and for individuals to have personal development plans. The move to global, dispersed organisations with virtual teams means that the concept must now move to span of engagement – the challenge now is how many people we can effectively engage and influence. This is done now through building a cohesive and inclusive culture.

4. Leadership at all Levels

Leaders are critical to organizational success but so too is leadership. It is not just having excellent leaders in key leadership roles it is also having a culture which encourages all people to display leadership and then having the capability to build this leadership culture at all levels throughout the organization. At a senior level this means strategic leadership – the ability to position the organization for long term success. In the middle it means culture leadership – the ability to build a culture that can execute the strategy. At the frontline it means performance leadership – the ability to build teams that on a daily basis deliver consistent high performance.

5. Personal Leadership Starts with You

The foundation of leadership is self awareness. Without self awareness leaders have little appreciation of the impact of their style on others and they have limited capacity to modify it. Self awareness is critical because it is virtually impossible to change that which you are not even aware of. Today leaders need to have a range of leadership styles that they can call on. Different situations require different approaches and it is the capacity of leaders to develop this flexibility that is so crucial. Leaders must also be clear about what they stand for and what is negotiable.

6. Working with Emotions to Drive Performance is Critical

Being clever and understanding the industry you are in is essential for all leaders. It is essential but not sufficient. You also need to be able to communicate effectively, influence others and build trusting relationships. This requires a good balance between IQ, which is conceptual/technical ability and which is essential for developing effective strategy and EQ which is the ability to manage emotion and build strong relationships and trust which are essential for the development of a robust culture. Leaders must be able to build the right mood/emotion for the team to drive performance.

7. Leadership Impact

One thing that is clear is that leaders have an impact – an impact for good or for bad on the people they lead. Leaders need to manage their impact. In a world that is more complex and uncertain people often become insecure and anxious. Leaders need to bring clarity and explain that which doesn't change and make sense of that which does. To build ownership they need to involve people in the process. Leaders need to be aware and try to influence what their people think and feel and ultimately do. Monitoring and building the mood of the team is important. Making sure it is productive is a strategic necessity.

8. Bringing Values to Life

Leaders through their daily behaviour provide a powerful model for what is acceptable and what is required. People pay more attention to what their leaders do than to what their leaders say. When leaders do what they say they will do and follow through on promises, this builds trust and integrity. If what they say is not what they do, this breeds cynicism. The values that leaders display through their behaviour are powerful drivers of the culture.

9. Getting More Discretionary Effort

There is a difference between required effort and discretionary effort. Some people in the workforce do just what they are required to do and no more, whereas others go beyond just what is expected. They do this, not because they must, but because they choose to – this is discretionary effort. A significant leadership challenge today is in giving people a reason to do more than just what they are paid to do. The best organizations are those they get more from their people more often. This is the environment that the best leaders are able to consistently create.

10. Aligning Culture and Strategy

Leaders craft a strategy as a road map towards the vision. They must also build a culture to support and drive this strategy. The culture will determine what people are prepared to do. The strategy will be executed to the extent that the culture drives it. There must be an alignment between the strategy (the priorities) and the culture (the values). At its simplest the strategy is externally directed towards the customer and culture is internally directed towards the team. Thus build a team to execute the strategy.

11. Breakthrough Leadership

Leaders today are concerned with developing the potential of the people they lead. This potential is the greatest untapped resources available for driving future organizational performance and growth. Many of the factors that stop people from developing their potential are related to self limiting thinking. It is generally less a lack of ability and more a lack of belief in ability that causes people to under-achieve.

Breakthrough leadership is a style of leadership used to breakthrough old mindsets and ways of thinking that restrict a person's development. The biggest challenge for leaders today is not changing structures but changing mindsets. Our research at Leadership Psychology shows that there are certain behaviors that leaders adopt to create mindset shift in their people and which inspire them to greater achievement.

12. Leadership Synergy

Leadership is increasingly exercised in teams. No leader, no matter how talented, can have all the answers in an increasingly complex, ambiguous and fast changing world. For many senior leaders the journey is about moving from operating as a group of leaders to working as a leadership team. No organisation can be successful today unless it can harness the capability and potential of all its people every where throughout the organization. The extent to which this is achieved is dependent upon the calibre of its leadership at all levels, but starting at the top.