# **BEST PRACTICES**

FROM GERRY HOEFFNER...

#### NEWSLETTER

January, 2009

## Leading in Times of Uncertainty: Back to Basics

n times of rapid change and increasing complexity, many leaders struggle to lead their companies in the right direction. Now that there is increased uncertainty, more complexity, and more chaos, what do leaders need to understand?

In times of uncertainty, people look to their leaders. Where do leaders find guidance? When uncertainty and doubt are more commonplace than usual, it can easily sap energy and, unless faced, can lead to a tailspin of negativity.

An effective leader replaces uncertainty, fear and doubt with purpose, courage and trust. Purpose provides clear direction in the face of uncertainty. It is the energetic "magnet" that pulls people together and points them in a similar direction. Courage provides strength and commitment in the face of fear. Trust overcomes doubt.

Some say that in order to move forward, one must look back to the lessons of successful leaders of the past, and in particular, get back to basics.

According to Warren Bennis, there are some 850 definitions of leadership. They range from the inspirational to the operational. Leadership still remains an enigma, or like Bennis says, "it's like art, you can't define what it is, but you know it when you see it.

The problem is we have taught managers and leaders how to plan, organize and control organizations based on concepts from the 19<sup>th</sup> century military operations.

The 21st century presents us with new demands. We are being asked to carry on with our business affairs in order not to be defeated by social and economic collapse. This requires leadership at all levels.

Leaders can find themselves painfully challenged, perhaps even burdened with guilt, anxiety, sadness



Gerry Hoeffner President

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Personnel Dynamics Consulting 772-467-9212 www.PersonnelDynamics.net or rage and unable to devise a strategy and behaviors that will work in these complicated times.

Even in this 21st century, the bio-psycho-social framework of organizations is still rooted in division of labor, hierarchy, leadership and follower-ship.

Leaders at every level in any organization will need to formulate and implement different strategies for survival in this new world and new economy, even more so with new uncertainties.

The job of the leader is to get results. A leader must carve the problems into manageable tasks that can be clearly articulated and measured, and maintain a relentless focus on achieving results through the implementation process.

Management is about coping with complexity: it brings order and predictability to a situation. However, that's no longer enough. To succeed, companies must adapt to change. Leadership, then, is about learning how to cope with rapid change.

#### Basic Ingredients of Leadership

Warren Bennis provides some basic tenants of good leadership in the classic book, On Becoming a Leader (1994).

The first basic ingredient of leadership is a guiding vision. The leader has to be clear about what he wants to do and must show that he has the strength to persist in the face of setbacks and failures.

The second basic ingredient of leadership is passion: the passion for the promises of life, combined with passion for a vocation, a profession, a course of action. The leader who communicates passion gives hope and inspiration to other people.

The next basic ingredient of leadership is integrity, keeping commitments, doing what you say. It is the basis of trust. You can't have trust without integrity, and it cannot be acquired, but must be earned.

Two more basic ingredients are curiosity and daring (courage). The leader wonders about everything, wants to learn as much as he can, is willing to take risks, experiment, try new things. He does not worry about failure, but embraces errors, knowing he will learn from them.

### Six Leadership Styles

Daniel Goleman proposes that the bedrock of successful leadership is emotional intelligence. The leaders who achieve the best results are emotional polymaths, capable of combining emotional competencies into different leadership styles.

Here are the basic leadership styles from the Harvard Business Review article of Goleman (March 2000):

- Coercive: demands immediate compliance
- Authoritative: mobilizes people toward a vision
- Affiliative: creates harmony and builds emotional bonds
- Democratic: forges consensus through participation
- Pacesetting: sets high standards for performance
- Coaching: develops people for the future

Many studies have shown that the more styles a leader exhibits, the better. Goleman says that those who master four or more styles create the best climates and performance. He identifies authoritative, democratic, affinitive and coaching as the four styles in combination as most able to influence organizational climate and performance positively.

The most effective leaders switch flexibly among the styles as needed. They are sensitive to the impact they are having on others and adjust their style to get the best results. Leaders who don't have all the styles available at their command can augment their styles by working with others whose styles are complementary, as with leadership teams. Many experts agree that coaching is the most effective method of developing leadership styles.

Leaders apply the style that best suits the challenges of the present moment. Not unlike Blanchard and Hersey's Situational Leadership, Goleman says that leaders have to take into account the needs of the people being led, as well as the situation at hand.

#### 3 Keys for Leading Change

Bennis says that three things are at the top of the list for leading during a period of unprecedented and transformative change.

- 1. Staying with the status quo is unacceptable.
- 2. The key to competitive advantage will be the capacity of leadership to create the social architecture capable of generating intellectual capital.
- 3. Followers need from their leaders three basic qualities: direction, trust and hope.

Restructuring or re-engineering a company will not produce the results needed for prosperity. It takes innovation. It means getting the best out of people by empowering them, supporting them and getting out of their way. Attracting and retaining talent doesn't happen under bureaucratic or command

"A leader is a dealer in hope." — Napoleon Bonaparte

#### Full Expression and Leadership

A ccording to Bennis, full, free self-expression is the essence of leadership. Leaders know who they are, what their strengths and weaknesses are, and to fully deploy their strengths and compensate for their weakness. They also know what they want, why they want it, and how to communicate what they want to others, in order to gain their cooperation and support. They know how to achieve their goals. The key to self-expression is understanding one's self and the world, and the key to understanding is learning from one's own life and experiences.

This is consistent with the work done by the Hay McBer on emotional competencies. Self-awareness is the foundation for building competencies in other three areas of emotional intelligence: selfregulation, social awareness and social skills.

Leaders must develop their self-awareness in order to increase their leadership skills with others. The process of becoming a leader in much the same as the process of becoming an integrated human being. For the leader as an integral person, life itself is the career.

Most of the research agrees:

Leaders are made, not born, and made more by themselves than by external means.

No leader sets out to be a leader per se, but rather to express himself or herself freely and fully.

Leaders are lifelong learners and have taken charge of their learning. They are all concerned with a guiding purpose, an overarching vision. "Leadership and learning are indispensable to each other." John Kennedy

#### How Is Leadership Developed?

ow does one acquire and develop leadership skills? Methods must be based on the fundamental idea that individuals and organizations are becoming self-organizing, selfdirecting and self-regulating.

Everyone is working in organizations should be working to gain mastery of reflective selfawareness. As they do, they will become more productive and display self-efficacy as described by Bandura (1977, 1982).

Leaders and players at every level in an organization who display self-efficacy are more resilient and able to mitigate the effects of stress, burnout and impairment.

"The wicked leader is he who the people despise. The good leader is he who the people revere. The great leader is he who the people say, 'We did it ourselves'." - Lao-Tzu

Richard Kilburg in his book, Executive Coaching: Developing Managerial Wisdom in a World of Chaos (2000), says that executive coaching plays a central role in enabling individuals, teams and organizations to develop capacities.

Organizations using coaches will increasingly see human wisdom being created and practiced by larger numbers of individuals and groups of people.

Behavior change that is sustainable and dependable under stress requires consistent encouragement, practice and feedback. Highlevel behavior change needs time to develop, time to be tested in action and time to be refined.

This cannot happen in a vacuum. Development occurs in a relationship with others and within context, be it personal, business or organizational.

# Executive Coaching and Leadership

A quality executive coaching relationship will encourage key factors for developing leadership skills. Behavior change occurs when the following are present:

- Awareness and ownership of the need to change
- Action taken to effect change
- Repeated action and practice in real-world situations
- Feedback that is trusted and accurate (from peers as well as a coach)
- Time for new habits to develop

Executive coaches help leaders to develop skills of self-observation, self-awareness, self-responsibility and selfmastery. These skills allow leaders to continue to grow long after the coaching relationship ends. Good coaches provide thought provoking questions, personal exercises and assignments to help leaders maximize their unique gifts and talents. Coaching develops extraordinary leaders.

An Important Message to Business Leaders from Peter Koestenbaum

(Written in the aftermath of September 11, 2001, and relevant for all times of uncertainty)

Business after September 11th will be fundamentally different because it must have:

- A heightened sense of awareness
- A greater assumption of responsibility
- A more intense commitment to greatness
- A greater respect for freedom
- A promise never again to be negligent about global realities and never again be forgetful about our deepest values

This must be made visible in the way a company does business, in how a company relates to its customers, in a way products and services are designed, and in the quality of delivery and follow up.

Free enterprise is the embodiment of the idea of liberty. The most patriotic thing to do is to build a strong economy, one that has the wherewithal to take care of all the social issues with which a nation as to contend. The future of nation and of freedom in the world depend on this message being given and heard.

A business needs to embody all the virtues of a free people. And a business needs to be the very clearest and the very strongest ambassador to the world of:

- What freedom really means
- How to bring it about
- How to preserve it
- How to spread it
- How do defend it

Freedom does not mean license. Freedom means responsibility and accountability – and not just for oneself but also for the greater whole. A great business is a business that reflects these values – a commitment that becomes also a critical success factor for economic success.

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