



Today's Leadership Challenge

Why Leaders, Not Managers, Are Needed To Lead Their Organizations through Change

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"As leaders, we get paid to win in the short term and make sure that we are stronger in the long term."

Jack Welch, GE

Despite the intense challenges of work and leadership today, now is not the time for shortsighted actions or short-term fixes. Instead, now is the time for leaders to truly demonstrate their leadership and guide their organizations through critical change.

This article is the first in a series that focuses on what we believe are fundamental, time-tested, and relevant leadership principles and practices – the foundation for building high performance organizations for both the short and the long term.

Employees Look to Their Leaders for Guidance

Particularly in times of economic stress and uncertainty, people look to their leaders for assurance and confidence and for clarity, vision, and purpose. They want their leadership to be a source of trusted values and integrity. My experience during the past 20 years has proven to me that these characteristics are critical in helping leaders be successful and attain superior organizational results.

Leaders Focus on Leading, Not Managing

Especially true in times of uncertainty and change, leaders must focus on leading their organizations through the necessary changes...not just managing them.

The job of a *manager* is to keep the current system operating; to maintain control, order, and predictability – while minimizing risk. Change, however, calls for challenging the status quo, creating new systems and ways of operating and sometimes taking risks. That's the job of a *leader*.

We define leadership as an interpersonal influence process of setting direction and inspiring others to achieve goals.

A good manager may not be a good leader. Someone effective at planning, organizing, controlling and budgeting may not be effective in picturing new possibilities or inspiring and influencing others to action.

While some people are natural born leaders, others must learn to lead. The good news is that leadership is a talent that can be developed and leadership skills can be taught.

A Leader Provides Vision

John Kotter, author and leadership expert at Harvard, states that the role of the leader is to define what the future looks like, align people with that vision, and inspire them to make it happen despite obstacles.

After all, implicit in the word *lead* is the notion of going *somewhere*. People in the organization need a picture of a desirable future that inspires and makes them want to be a part of the effort. Just as importantly, they need to see the reason why they are called upon to perform tasks and make decisions, and how those actions and decisions fit into the overall picture. Otherwise, motivation levels can be low as people in the organization move through their workday performing lists of tasks that are meaningless at best, and confusing and incompatible, at worst.

Trying to lead a team or organization without a vision is just as difficult as trying to piece together a 1000-piece puzzle without looking at the box cover. Both are nearly impossible. With a clear vision in place, leaders can focus employees, improve perception of the organization, and keep everyone moving toward the same goal.

In a future article we will focus on some rules for formulating this vision in a simple, clear, yet powerful way. We will also discuss some important rules for communicating this message effectively.

The Leader is a Primary Source of Values and Integrity

Leadership values and integrity are important...now more than ever. When I first started sharing the importance of this concept years ago, we only had a few notorious examples where the trust and confidence of employees, stakeholders, and customers had been undermined by leaders who did not exhibit sound values and integrity. Now, of course, the news is rife with examples, and these actions have shaken our overall confidence in leadership.

Employees and prospective talent want to work in environments where the leaders are clear on their values, and their actions are predictable and consistent with those values. Inevitably among the top leadership traits that followers admire are the traits of honesty and integrity.

Leaders must understand that to shift, to adjust, and to make needed organizational changes, employees have to have trust in the *change agent*.

Leaders earn trust in four ways: consistency, congruency, reliability, and integrity. In an upcoming article we will explore these further and provide examples that illustrate these important leadership characteristics.

Leading Change Requires Confidence and Effectiveness

In today's climate of uncertainty and economic challenges, most organizations need to adapt, change, and become more efficient and effective. Leaders must become more adept at leading this essential change.

Many leaders are having their own adaptability to change tested. Organizational leaders who have been hired as managers have been trained and paid to manage the status quo. These managers may have difficulty removing their blinders, getting past entrenched ways of doing things, and sometimes even a pride and arrogance. In addition, in times of change and even crises, employees look to their leadership for assurance and confidence. A *fearless leader* is the one who demonstrates calm when all around panic. In the midst of uncertainty they demonstrate confidence and project a hopeful and even visionary perspective.

Finally they must move from effectively managing the current state to being able to lead change to a desired future state – also the focus of a future article.

Leaders are Masterful at Releasing the Potential and Energy of the Organization and Its Employees

One of the biggest challenges facing organizations that I have seen is their need to become more efficient, i.e. *doing more with less*. While we have heard and used this phrase for some time, in today's economic environment, doing more with less is an absolute requirement for most organizations.

In effect, what I have witnessed is one of two approaches: either a short-term, at times disastrous *knee jerk* reaction to these pressures; or leadership that responds to required change in more effective ways.

We believe that best way to effectively deal with these pressures is to fully maximize the potential and motivation of the people in the organization. Critical to this is the willingness of leaders to understand, embrace, and practice the leadership style and behaviors needed to engage and involve employees at all levels.

Some of these behaviors are fairly simple and, once learned, easy to apply. Others, like releasing decision-making power to the appropriate levels of the organization, may be more challenging, particularly to autocratic, control-oriented managers.

Effective Leaders Value and Know How to Develop the Capabilities and Performance of People

To win in the short term and make sure we are stronger in the long term means that leaders must focus on the activities that bring about short-term results *and* at the same time focus time and attention on the activities that build for the long term.

An important area of focus here is on developing talent in the organization and making sure that key developmental activities are accomplished along with the day-to-day activities. The old adage—we get what we pay attention to—is true. By making sure that we

pay attention to developing people in addition to all of the short-term urgent activities, effective leaders ensure that development takes place.

Effective leaders are also effective teachers and coaches. These skills involve understanding the difference between being a *boss* and being a *coach*. Some of us may have had the privilege at some point of working for a leader who was truly an advocate and coach for us. We appreciated how that person was approachable, took time to listen to us, shared information and experiences with us, and allowed us to make mistakes to learn. Unfortunately many of us also have worked for a *boss*, and we know the difference.

The good news is that the skills, tools, and practices needed to be an effective coach and developer of people *can be learned*. And through acquiring and practicing these skills, one can become an effective leader as well as manager.

Look for our next article that focuses on developing a leadership vision.