

# Leadership Capacity



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The New Science of Breathing Life Into Your Teams.



To Lead or To Manage - That Is The Question

If you are answering people's questions you are managing. If you are helping them question their own answers you are leading.

At it's core, this book is for anyone seeking to find a more effective way of persuading others to achieve. After all, this is the most common definition of leadership supported by industrial & organizational psychologists. Leadership is, "a process whereby an individual influences a group of people toward a common goal".1

Specifically this book is for leaders who are concerned about engagement. Gallup states that 85% of the global workforce is disengaged<sup>2</sup> and as you'll learn here, much of this is due to a growing disconnect between what these employees perceive they are getting from their leaders and what those leaders believe they are delivering.

Leadership Capacity

This book also comes at a unique time in history. Massive shifts in business models, demographics and technology are conspiring to create leadership challenges previous generations have never envisioned, therefore never attempted to solve.

Research conducted by the Corporate Executive Board (CEB) shows that 60% of new leaders promoted or hired within our current modern era, fail within their first year.3

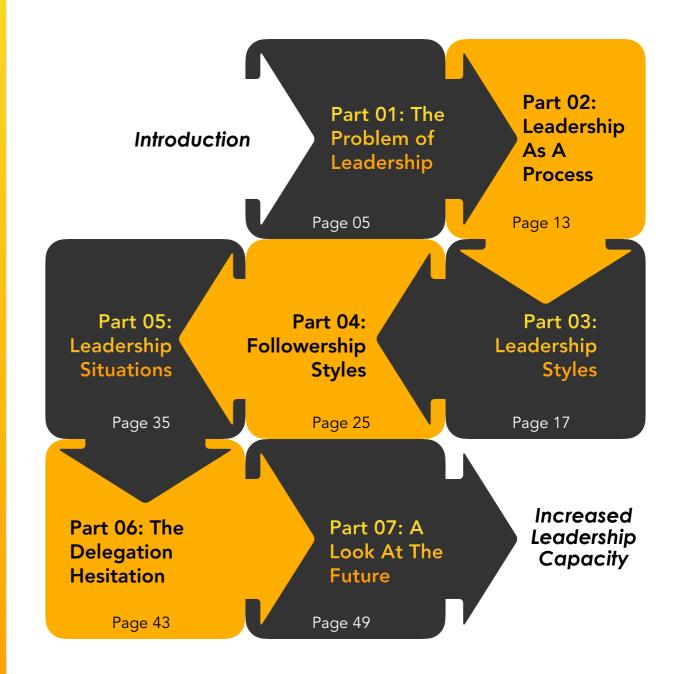
A problem this complex requires a solution rooted in simplicity to counteract it. This book aims to put forth such a model. It is evidence-based and combines the elements of proven theories from within the field of I/O psychology.

It does however require something of it's reader. While logic based and infused with common sense, this book challenges certain conventions. Conventions that generations of leaders have held dear. Parting with these conventions leads to a form of loss aversion in some, which in turn creates a desire to embrace the status quo. If this you, then this is not your leadership book.

If however you embody the rare combination of a mind open enough to learn, yet pig-headed enough to execute, this may grow to be the discussion on leadership that you never knew you always needed.

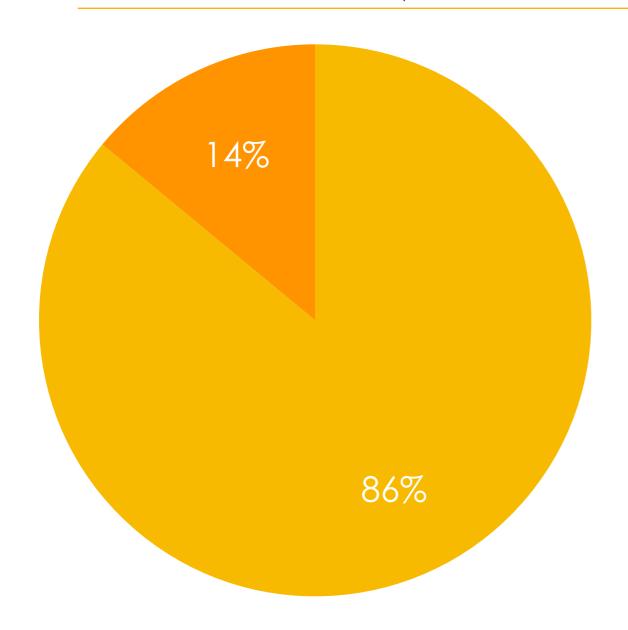
"The pessimist complains about the wind. The optimist expects it to change. The leader adjusts the sails."

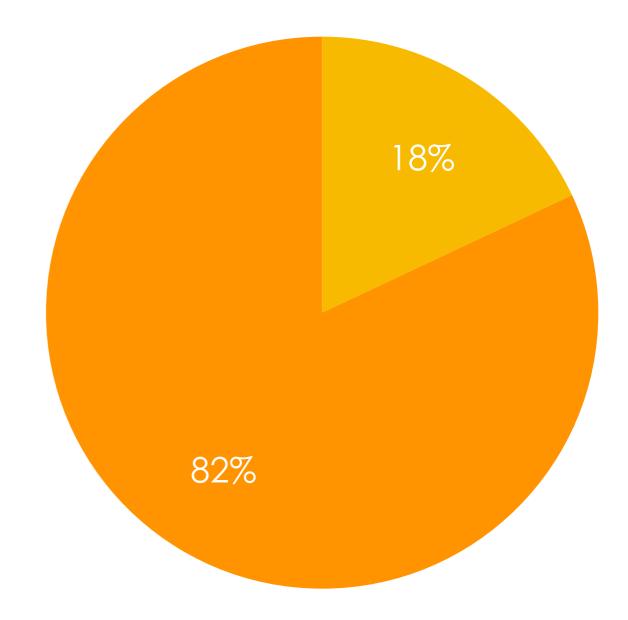
-John Maxwell



Part † The Problem of O1 | Leadership

The act of leadership fails far more often than it succeeds. The fact you're reading this book is partial evidence of this. Think about it. If leadership was not the mystical intersection of business and the human condition that it is, your interest in this book would not exist. You'd have it all figured out and would be devoting your attention elsewhere. You however know how elusive effective leadership can be, and you want to figure out how to capture it. Unsurprisingly, you're not alone.





In 2016, McKinsey & Company conducted a study of more than 52,000 leaders and managers where participants were asked to rate their perceived leadership ability.

Specifically, they were asked the degree to which they felt they were effective role models of the desired behaviours they wished to see from their employees. Eightysix percent of them were confident that they were leading by example.<sup>4</sup>

Leadership Capacity

That same year, Gallup conducted a study of over 80,000 employees and asked them to rate their leader's ability to effectively manage them.

Less than eighteen percent felt their leader was effective meaning over 82% of leaders were viewed poorly by their teams.<sup>5</sup> The disconnect between the perception and reality of both leaders and followers goes a long way toward explaining the 85% employee disengagement rate and the 60% new leader failure rate previously mentioned.

Sadly, this gap in perception, is about to widen.

# Three macro-level factors whose convergence is leading to systemic leadership failure:

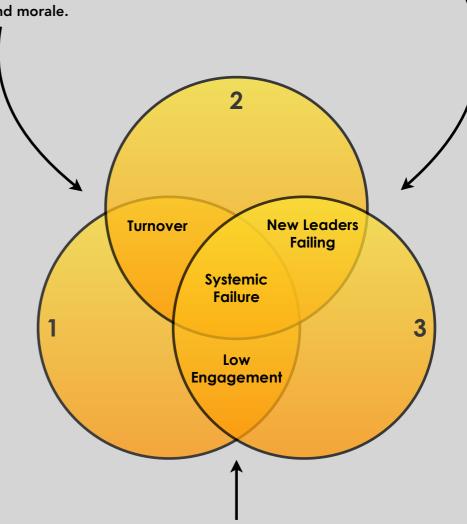
1: Shrinking Corporate Lifespans The average lifespan of a S&P 500 company shrunk from 68 years in 1958 to 18 years by 2012. It is forecast to be less than 5 years by 2026.6 Part of this is due to the fact that 92% of all startups fail within 3 years.7 Part of it has to do with companies being launched with the sole intent of being acquired. The impact, regardless of the cause, is that employee loyalty has never been lower. Today's employees no longer join a company with thoughts of working there for 30 years and collecting a pension, because they no longer see companies that stick around that long.

2: Seismic Demographic Shift During **each day** of the 18 year period between 2011 - 2029, 10,000 baby boomers are expected to retire.<sup>8</sup> An entire generation is in the midst of leaving the workforce, all at once. It is important to point out that it's not a random 10,000 bodies per day either. It is the most senior, most tenured and most knowledgeable we have. Organizations are facing critical loss of knowledge on top of the loss of labour capacity.

3: Lack of Leadership Training Most leaders spend as long as ten years in a management role before receiving any form of direct leadership training. The inability to track the 'hard costs of soft skills' combined with the high failure rate of leaders, leaves companies reluctant to invest in many first time leaders until they 'prove themselves'. Of course this type of thinking has contributed largely to the leadership failure rate, making it a self-fulfilling prophecy.

Decreased employee loyalty due to shrinking corporate lifespans combined with increased opportunity due to retirements has created the highest level of voluntary turnover in a decade. This puts strain on leaders as they are forced to deal with the direct loss of talent as well as the subsequent impact of continually integrating new people, placing never ending pressure on team dynamics and morale.

Those who retire are being replaced by less experienced successors. When those individuals are expected to show their value before receiving dedicated training and development, it's no wonder so many of them are failing so quickly.



Gallup states that leaders account for at least 70% of variance in employee engagement scores. 10 Simply put, the better the leader, the better engagement is for the whole company. When you add inexperienced leaders together with uncertainty in a company's longevity, you are quite literally programming people to disengage.

So how do you address this? Each factor seemingly feeds into another, creating a vicious cycle that only stands to gain momentum.

You cannot change the fact that companies are disappearing faster than ever, nor can you change the fact that our population is aging rapidly. You can of course begin to invest in your current and emerging leaders, but where to begin? The disconnect between leader's perceptions of their abilities versus that of employee's appears enormous and the macro-level factors that you cannot control only stand to widen it.

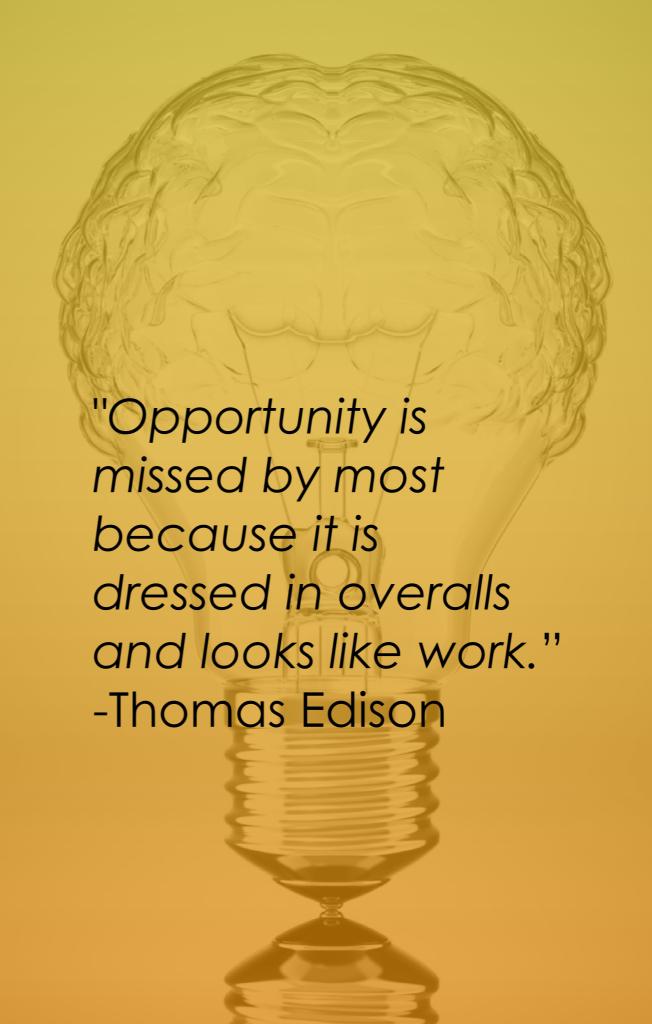
So, do you focus on your leaders? Help them address their blindspots and overcome their deficiencies? Or do you work on your employees? Maybe address their attitudes and expectations to bring them more in line? Perhaps you try to increase your employee's motivation to lessen the strain on your unseasoned leaders while they develop? A? B? C? All of the above?

What you do is get inventive. You see leadership for what it is, a process. And understanding that it is a process you apply the principles of process improvement. You break leadership into it's basic parts. From there you work to improve each part on it's own so that when you put it all back together, you get a compound effect.

Most importantly, you bring a sense of urgency to the entire endeavour for you now realize that you do not hold the patent on leadership ineffectiveness. This is a global problem with market-wide casualties. You recognize that while you are suffering with this, so too are your competitors. You realize that **when** you get this right, you will have an unmatched advantage over them.

You see, perhaps for the first time ever, that solving this problem will be what separates the winners from the losers in your given niche and you will act accordingly.

So if you're ready to begin, turn the page and we will begin to look at leadership not as an insurmountable <u>problem</u>, but rather a <u>process</u> begging for improvement.

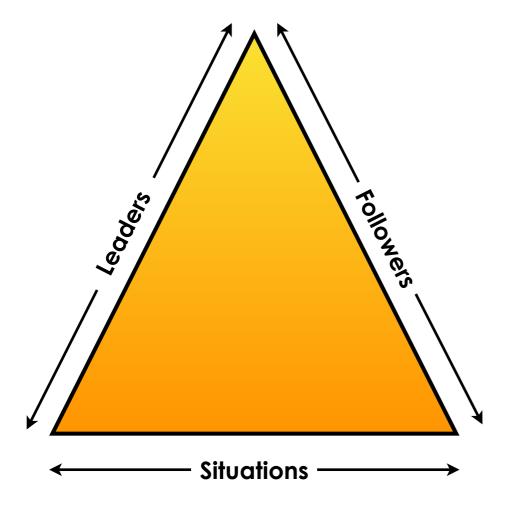


People often think of leadership in the context of a person or as a position. If you recall, leadership is defined as, "a <u>process</u> whereby an individual influences a group of people toward a common goal". Knowing leadership is a process allows us to analyze the components of that process. Addressing each one results in effective leadership becoming measurable, repeatable and ultimately scalable.

Part Leadership As A 02 Process

# The Leadership Triangle

The **process** of leadership is made up of three fundamental components:



In defining leadership as a process we are saying that leadership is not a characteristic of the leader. This is a critical point and one that goes against decades of accepted thought.

Organizations collectively spend hundreds of millions of dollars per year trying to hire and/or promote the "right" person into leadership. Gallup states, "one of the most important decisions companies make is simply whom they name manager. Yet our analytics suggest they usually get it wrong. In fact, we find that companies fail to choose the candidate with the right talent for the job 82% of the time." <sup>10</sup>

Solving leadership through the appointment of a leader is a flawed strategy because again, leadership is not a characteristic of the leader such as being authoritative or organized. Rather it is an interactive **event** that occurs between a leader and their follower at a certain time under certain conditions. The process of leadership is the interaction between these three components, meaning **each** needs to be understood.

<u>Leaders</u> bring their own personalities, skills, abilities, and histories to the leadership process. The debate still rages as to whether leaders are 'born or made'. The truth is often somewhere in between. Certain traits lend themselves to effective leadership while others derail it. Those traits are most often identified and refined however, when tested over time and through experience.

<u>Followers</u> have expectations, traits, skills, and motivation that all affect the leadership process. The effectiveness of a leader often correlates to the abilities of those they lead. If asked, you could easily identify your best and your most trying follower, and the influence both have had on your ability to lead them.

<u>Situations</u> are the most ambiguous aspect of leadership. Your leadership ability will change based upon your mood, your resources, the current stakes, etc. This ambiguity is further amplified by your follower's mood, feelings of safety, perceived ability, complexity of the task, etc. All of this is taking place while external factors from interest rates, to commodity prices to weather, all create complications. It is clear to see that no two instances of leadership will be the same. This is why attempting to solve leadership simply by hiring the right person will never work.

With that understood, let us now break down each component of the leadership process in more detail.

Part | Leadership Styles

The word style is defined as, "a distinctive manner or technique by which something is done, created or performed". All leaders, effective and not, have a leadership style. While individual attributes such as personality and demeanour can bring a certain personal flair to this, there are four primary leadership styles that all leaders can be categorized by. Knowing which is yours (and which one is optimal) is the first step toward improving the process of leadership.

Leadership Styles Leadership Styles



The Director is primarily focused on goal achievement. They give very specific and detailed instructions on what is required and the manner in which tasks are to be completed.

Directors tend to focus less on the emotional needs of their followers and more on the effectiveness of the task at hand. They believe that productivity *leads* to happiness.

Active listening is the hallmark of the Supporter. They are patient and place a heavy emphasis on the emotional needs of their followers.

As a result, goal-orientation within Supporters tends to be much lower. They believe that productivity is derived from happiness.

The Coach is driven by goal achievement and meeting the emotional needs of their followers in equal measure.

Coaches seek input from their team, yet still retain final decision-making authority in respect to how goals need to be accomplished.

The Delegator offers very little task support and very little social support to their followers. They are the quintessential 'hands off' leader.

Delegators have the lowest level of involvement in respect to goal achievement. They place the follower in charge of setting and achieving goals, and give them full autonomy to do so.

So, which style is best? You no doubt have an answer. That answer however is a product of your own personal preferences as well as a heavy dose of social bias regarding which type of leader you've been told you **should** be.

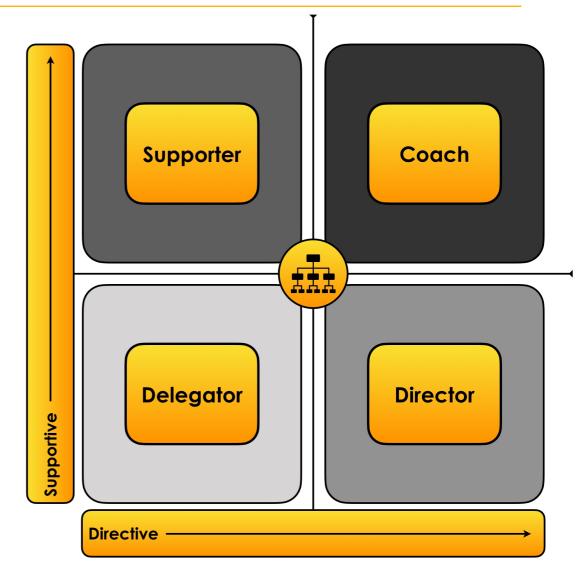
Every leader has their own natural Leadership Style. If you received this eBook as a result of taking our Leadership Style Assessment then you already know yours. (If you haven't you can take the assessment by clicking this <u>link</u>).

These natural styles are a product of the amount of **Directive** and **Supportive** behaviours you **prefer** to be engaged in. When we talk about Leadership Styles we are talking about the distinctive techniques and behaviours of those who are trying to influence others. These techniques and behaviours are used to influence two things: **task outcomes** and **relationship outcomes**.

Directive Leadership Behaviours are allocated to task outcomes. They are the extent to which a leader details the responsibilities of an individual or group. They involve telling people what to do, how to do it, and ultimately assigning who is accountable for ensuring a task has an acceptable result.

Supportive Leadership Behaviours are allocated to relationship outcomes. Simply put, this is the degree to which the leader fully engages in two-way communication. Active listening, paraphrasing, clarifying, encouraging and meeting the emotional needs of the team are all examples of Supportive Behaviours, *if* the primary function of the behaviour is furthering the relationship as opposed to task fulfillment. This is a key point to understand. Listening to increase the odds that a task gets completed is Directive Behaviour. Listening for the *sole purpose of deepening the relationship between leader and follower* is Supportive Behaviour. You must be clear on the outcome you are seeking to know which one your are truly engaged in.

Having a natural style does not mean that you cannot adapt to another style. You can, and you often do without consciously realizing it. However, these shifts in style come with a cost. Moving away from your natural style consumes a certain amount of psychological resources (willpower, motivation, etc.). Unconscious and uncalculated shifts can leave a leader depleted, putting the entire leadership process at risk.

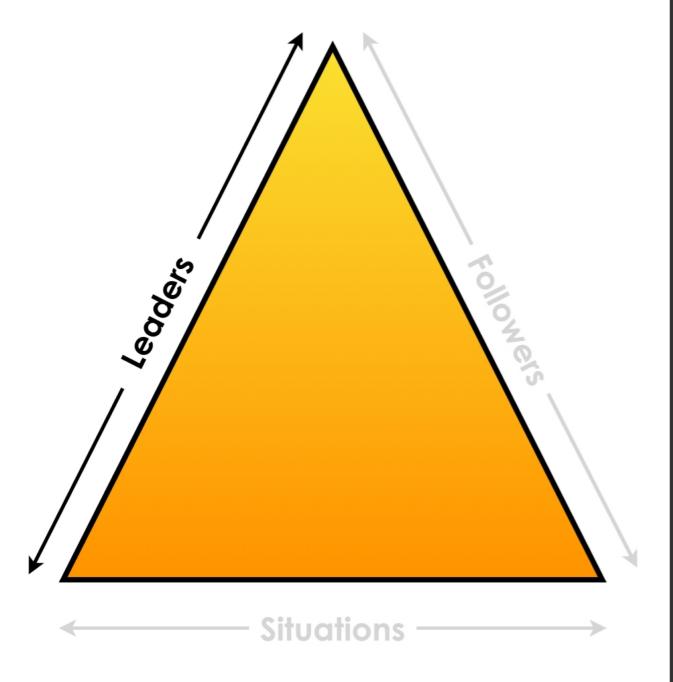


Your <u>natural</u> Leadership Style is determined by the degree of Directive versus Supportive behaviour you <u>prefer</u> to deliver while leading others.

It is therefore important to know which is your natural style and what the costs associated with making the shift will be.

But, what style are you shifting to? We still haven't answered the question of which of these styles is best. The fact is we can't answer this, not yet anyways. We need another piece of information first. We need to know which style your follower needs you to be.

# The Leadership Process



#### Leadership Self-Assessment:

Before proceeding, take the time to complete the Leadership Self-Assessment below. This tool is specifically designed to identify areas of focus that can help to improve your role in the Leadership Process. To complete questions 6-8 focus on

| LI   | ic individual folio   | wer you mid n         | nost chancinging to                      | icaa.                  |                       |  |  |  |  |
|--|---|-----------------------|--|------------------------|-----------------------|--|--|--|--|
|  | While entirely a self-assessn<br>point by either formal or inf  |                       | nigher should ideally be given<br>dback. | if your response has b | een validated at some |  |  |  |  |
|  | 1) I am aware of my natur   | ral leadership style. |  |                        |                       |  |  |  |  |
|  |   | 2                     | 3  | 4                      | 5                     |  |  |  |  |
| 2  | 2) I am aware of my biases and the role they may play in my ability to adjust styles when needed.   |                       |  |                        |                       |  |  |  |  |
|  | 1   | 2                     | 3  | 4                      | 5                     |  |  |  |  |
| 3  | 3) I am aware of my intrinsic motivators and the role they may play in my ability to adjust styles when needed.                             |                       |  |                        |                       |  |  |  |  |
|  | 1   | 2                     | 3  | 4                      | 5                     |  |  |  |  |
| 4  | 4) I am confident in my level of self-awareness.  |                       |  |                        |                       |  |  |  |  |
|  |   | 2                     | 3  | 4                      | 5                     |  |  |  |  |
|  | 5) I am confident in my ability to self-regulate my behaviour under strain.   |                       |  |                        |                       |  |  |  |  |
|  |   | 2                     | 3  | 4                      | 5                     |  |  |  |  |
| 6) I am aware of the things I am <b>not doing</b> as a leader that I must <b>start</b> doing in order to better meet the needs of my follower. |   |                       |  |                        |                       |  |  |  |  |
|  | 1   | 2                     | 3  | 4                      | 5                     |  |  |  |  |
| 7  | 7) I am aware of the things I <b>am doing</b> as a leader that I must <b>stop</b> doing in order to meet the needs of my follower.          |                       |  |                        |                       |  |  |  |  |
|  |   | 2                     | 3  | 4                      | 5                     |  |  |  |  |
|  | 8) I am aware of the things that I <b>am doing</b> as a leader that I must <b>continue</b> doing in order to meet the needs of my follower. |                       |  |                        |                       |  |  |  |  |
|  | 1   | 2                     | 3  | 4                      | 5                     |  |  |  |  |
|  |   |                       |  |                        |                       |  |  |  |  |

# Leadership Score:

A score of 32 or higher is considered very strong. Scores below this indicate that developing your own soft skills as a leader stands to improve your overall Leadership Process.

Leadership is deemed effective when the act of leadership results in the needs of the organization being met. The role of the leader is to facilitate the act of leadership. This does not mean that the leader meets the needs of the organization. The leader must meet the needs of the follower who in turn meets the needs of the organization. This means the leader cannot fully understand their role, until the role of the follower is first known.

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Part | Followership Styles

Followership Styles Followership Styles





Internship





— Stewardship —





- Apprenticeship -





Ownership

The Internship follower is green in every sense of the word. They lack the skills and abilities to accomplish goals on their own, and also require external motivation to achieve them.

The Internship follower therefore requires both direction on goal-setting and achievement as well as full emotional support along the way.

The Stewardship follower has skills and ability but they require guidance from their leader on how to best apply those skills, especially in ways that benefit the broader team and organization.

Leaders of Stewardship followers will find themselves routinely 'resetting their follower's course' and can grow frustrated when they see the follower's full talents go under-utilized as a result. The Apprenticeship follower lacks the skills to be effective on their own, but have a drive for selfimprovement. They tend to be highly-aligned with the mission and purpose of the team and eager to contribute.

Apprenticeship follower's require the opportunity to 'learn at the side of the master' and need their leader to focus on developing their skills and abilities. Ownership followers are both highly skilled and highly motivated. They have a need to put their mark on their projects, tasks and their role itself. They wish to learn by doing.

As a result, Ownership followers need a leader who is both willing and capable to step aside.
Autonomy is currency to an Ownership follower and they gauge their success by how much of it they receive.

If you were to type the word followership into a document, your spell check would tell you that this word doesn't exist. We wonder why that is.

The suffix 'ship' denotes a noun having a particular "condition, character or skill". This means that leadership denotes the condition, character or skill of a leader. So why isn't there a word that denotes the condition, character or skill of someone being led? Most likely because the majority of historical thinking regarding leadership has focused solely on procuring and developing leaders.

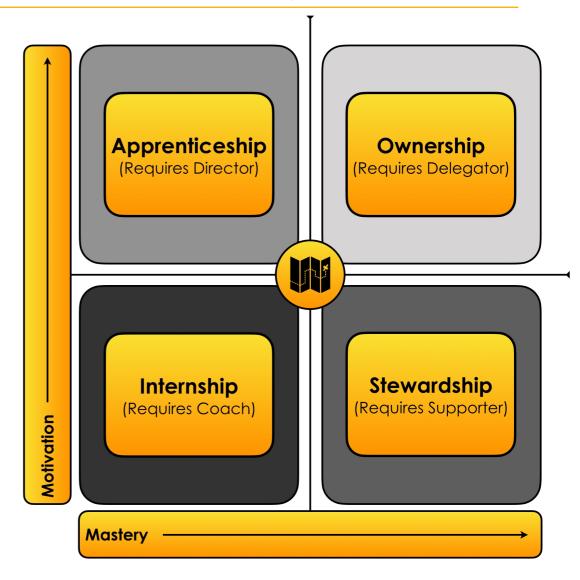
Again, this book is here in part to test conventions with the largest one being that improving leadership is done by improving leaders. The leader's sole job is to meet the needs of the follower so that the follower in turn can meet the needs of the organization.

The follower's ability to meet the needs of the organization depends upon that follower's level of Mastery. Do they have the technical skills and abilities to solve the problems that the organization needs them to solve? Can they operate autonomously or will they require steady guidance?

It is also a product of their level of Motivation. Does their particular basket of behavioural traits align with those required to deliver on the tasks with enough energy and commitment? Will completing the tasks be fun, or draining? Will the follower be forced to use willpower to get through the task or will they be able to operate off the much cleaner burning fuel known as WANTPower?

Leadership effectiveness is not about picking an optimal style. It is about adopting the style that optimally aligns with the needs of your particular follower. You can now see that the Followership Styles are an inversion of the Leadership Styles.

The low level of Mastery and Motivation of the Internship follower **requires** both the Directive and Supportive behaviours of the Coach. The high level of Mastery yet low level of Motivation in the Stewardship follower **requires** the Leader to focus on Supportive behaviour to encourage execution.

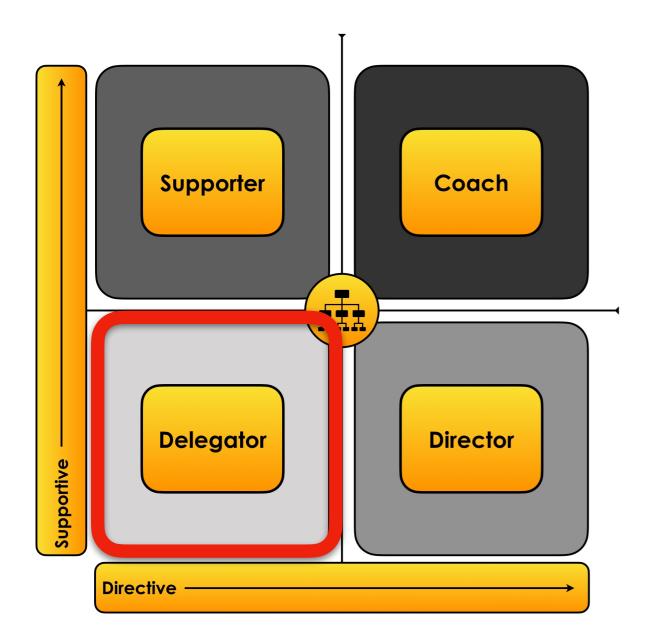


Your Follower's Style is determined by the degree of Mastery they have to complete a task versus their Motivation to do so.

The high Motivation and low Mastery of the Apprenticeship follower **requires** more Directive behaviour from the Leader while the Ownership follower **requires** a Delegator who knows how to get out of their way and let them deliver.

As we said, the optimal leadership style is the one that best aligns with the needs of the follower. That's not to say however that there isn't a universally desirable Leadership Style to aspire to become.

Followership Styles Followership Styles



**Apprenticeship Ownership** (Requires Director) (Requires Delegator) Internship Stewardship (Requires Supporter) (Requires Coach) Motivation Mastery

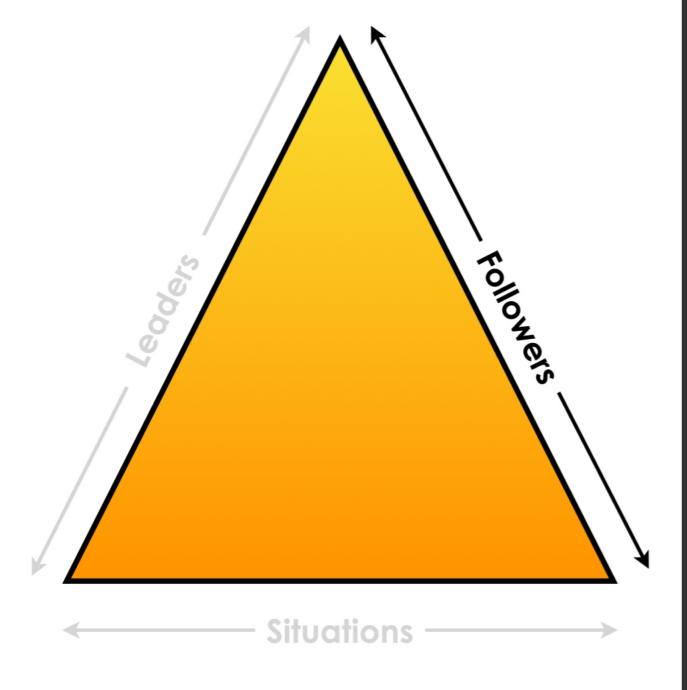
The goal of ALL leaders should be to become **Delegators**. We will go deeper into the reasons why toward the end of the book but for now, know that as a leader you should aspire to one day be *required* to provide as little support and as little direction to your followers as possible.

This doesn't mean you can simply put down this book and start handing off tasks. The path you take toward becoming a Delegator is one of the most important things you'll do as a leader and it is imperative that you get it right.

That path is to dedicate yourself to **the practice of building Owners**. Think about it. Every ounce of Mastery you build in your follower is an ounce of Direction you no longer need to give. Every ounce of Motivation you unlock in your follower is an ounce of Support they are no longer leaning on you for. Both free you up to add value to the business in other, more strategic ways.

Creating Owners creates the *ability* to delegate. It also happens to be the foundation of Servant Leadership. You must shift your mindset from your followers working to serve you, to you placing yourself in service of them.

# The Leadership Process



#### Followership Assessment:

Before proceeding, take the time to complete the Followership Assessment below. This tool is specifically designed to identify areas of focus that can help to improve your follower's role in the Leadership Process. Complete this for the individual follower you find most challenging to lead.

For each question below, a score of 4 or higher must only be given if you understand how your follower will respond in each situation based on behaviours you have directly witnessed in them.

1) I am confident that my follower will take critical feedback as a catalyst to grow and improve.

1 2 3 4 5

2) I am confident that my follower will provide critical feedback to others whenever the situation to do so presents itself.

1 2 3 4 5

3) I am confident that my follower will grow more inventive and innovative whenever acute bouts of chaos are present.

1 2 3 4 5

4) I am confident that my follower will grow more industrious and resourceful whenever acute bouts of pressure are present.

1 2 3 4 5

5) I am aware of my follower's biases and the role they may play in their ability to grow their level of mastery and motivation within their role.

1 2 3 4 5

6) I am aware of my follower's intrinsic motivators and the role they may play in their ability to grow their level of mastery and motivation within their role.

1 2 3 4 5

7) I am confident in my follower's level of self-awareness.

1 2 3 4 5

8) I am confident in my follower's ability to self-regulate their behaviour under strain.

1 2 3 4 6 5

### Followership Score:

A score of 32 or higher is considered very strong. Scores below this indicate that focusing on developing your follower stands to improve your overall Leadership Process.

Part Leadership Situations

We have clearly established that the role of the leader is to meet the needs of the follower so that the follower can in turn meet the needs of the organization. This is not a linear relationship however, but rather a circular one. In one situation a follower may have enough Motivation and/or Mastery to execute. A change in situation and they may not. This forces the leader to constantly shift their style which in turn, can lead to leadership burnout. The ability to forecast situational changes before they happen thus becomes crucial.

**Social Identity** is defined as, "that part of an individual's self-concept which derives from their knowledge of their membership in a social group (or groups) together with the value and emotional significance attached with that membership."<sup>11</sup>.

**Social Identity Theory** shows us, "that under threat to a high-status group, the behaviour of a group member is likely to be determined by her/his social identity. In contrast, while under personal threat, the same person's personal identity is likely to emerge as the primary determinant of behaviour." <sup>12</sup>.

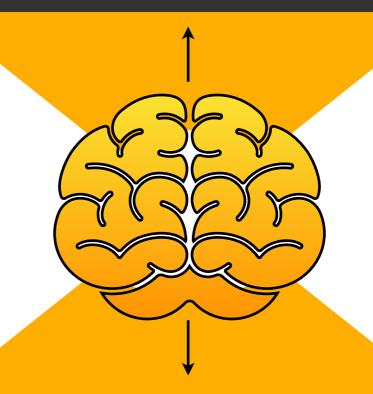
In other words, in the workplace, when someone falls 'under threat' a choice emerges between behaving in a way that supports their own best interest versus behaving in a way that puts the group's best interest first. Those who are well-aligned with the values of the group tend to place the group's interest ahead of their own. This is because being part of that group forms a major part of their self-identity and contributing to the group (especially at a small cost to themselves) *feels good* as they feel as though they are making a contribution to something bigger than themselves. This is known as **In-Group Behaviour**.

Conversely, those who are poorly aligned with the values of the group tend to put their own self-interest ahead of the group when workplace threats emerge. This is known as **Out-Group Behaviour**. The figure on the next page illustrates this.

Which brings up the concept of threat. The word threat sounds more harsh than it is. In a workplace context, we define a threat as any condition that leads to someone making a choice between their needs being the determinant of their behaviour versus the group's needs being a determinant of their behaviour. Within the context of engagement a simple way to think of this is, "engaged employees stay for what they give, disengaged employees stay for what they get." The good news is, these threat conditions are easily identifiable as they occur during four situations: when receiving feedback, when providing feedback to others, when responding to chaos and when responding to an increase in pressure.

Knowing that these are the four situations where a follower stands to be triggered, and knowing these triggers will potentially alter their Followership Style, leaders can now be mindful of how to better approach these situations proactively, thereby reducing the need to alter their own Leadership Style on the fly.

When a follower's social identity is **strong**, it directs their behaviour to protect the organization's interest whenever there is a threat.



When a follower's social identity is **weak**, it directs their behaviour to protect their own self-interest whenever there is a threat.

Leadership Situations Leadership Situations



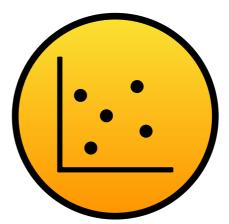


**Feedback** 





Providing Feedback





\_\_ Responding to Chaos





Responding to Pressure

When followers receive feedback it can trigger what is known as the Credibility bias as the follower can fear that their reputation or image is being gambled with. This leads to feelings of anxiety which in turn lowers their Motivation to try new tasks.

Leaders can prevent this by remembering the cardinal rule, "praise in public, coach in private". Delivering corrective feedback privately goes a long way toward preventing an inadvertent loss of follower Motivation, preventing the need for the leader to switch from Delegator to Supporter.

When followers are expected to provide feedback to others it can trigger what is known as the Connection bias as they fear the feedback may cause coworkers to possibly resent them. This can lower their Motivation to engage in teambased work.

Leaders can prevent this by openly and visibly seeking feedback themselves. Establishing feedback as something that's welcome helps followers overcome their aversion to providing it. This keeps their Motivation high and reduces the odds that the leader will need to switch from Delegator to Supporter.

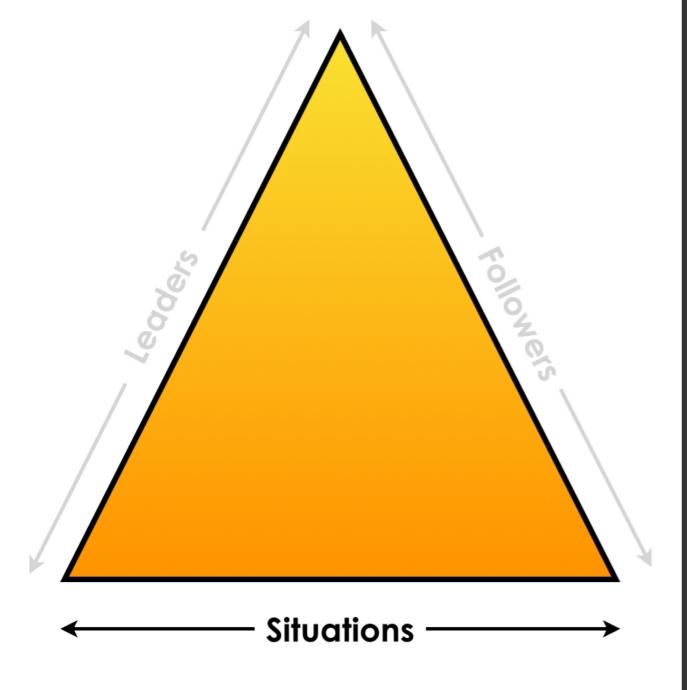
When followers are expected to respond to an acute bout of chaos it can trigger what is known as the Clarity bias as the chaos can lead to uncertainty which can cause 'analysis paralysis'. This erodes Mastery and their ability to execute as they overthink things.

Leaders can prevent this through proper goal-setting and tracking. The ability to show that the chaos is temporary and that the big-picture goal is still very much on track, restores clarity and reduces the amount of Directive behaviour the leader must engage in as a result. When followers must deal with unexpected pressure it can trigger what is known as the Convincing bias. The pressure can cause followers to become increasingly Directive themselves, as they feel the need to save time. This leads them to oversell their point of view in an effort to convince others thus preventing what feels like costly debate.

Leaders can prevent this by keeping lines of communication open. Providing the follower a chance to vent frustration early is often enough to remove some pressure and get them back on track, once again allowing the leader to rise back up to the role of Delegator.

Page

# The Leadership Process



#### Situational Assessment:

Before proceeding, take the time to complete the Situational Assessment below. This tool is specifically designed to identify areas of focus that can help to identify the triggering effect situations may have on the Leadership Process.

For each question below, a score of 4 or higher must only be given if the follower fully understands how their performance directly impacts the specific need of the organization in question, and is being given plain, clear and direct feedback regarding said performance by yourself or another leader.

1) My follower understands their role in contributing to the organization's profitability.

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2) My follower understands their role in contributing to the performance of other's around them.

3) My follower understands their role in contributing to process and the flow of information.

4) My follower understands their role in contributing to the overall productivity of the organization.

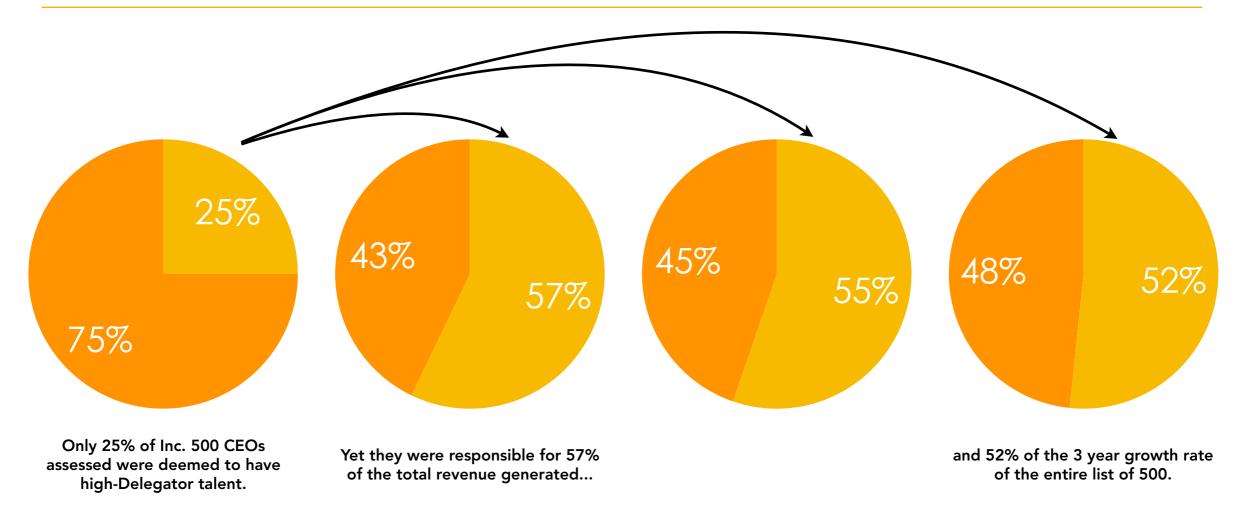
#### Situational Score:

A score of 16 or higher is considered very strong. Scores below this indicate that a lack of clarity in the areas tested stands to create situational triggers which may

erode your overall Leadership Process.

Part The Delegation O6 Hesitation

You are now aware that you have a natural Leadership Style. You know that you need to learn how to adjust your style based on the needs of your follower. You know how various situations can emerge to complicate this and you now have some strategies on how to mitigate them. All that's left is to pull it all together, become a Delegator, and see your leadership process (and company) thrive as a result. Here's where we tell you that based on leading research, there's still a 75% chance you won't actually do it.



The Inc. 500 represents the 500 fastest growing private companies in America. In 2014, the CEOs of these 500 firms, collectively experienced a median growth rate of 1828% and created over 46,000 new jobs. Gallup assessed the CEO's of these firms and found that only 25% had what they referred to as high-Delegator talent. Impressively, this 25% was responsible for more than half of the revenue, growth rate and jobs created of the entire group. On a list of the fastest growing companies in America, Delegators proved to be the fastest of the fast.

So if becoming a Delegator is so beneficial, why don't more leaders do it? There are two primary reasons. The first has to do with the leaders themselves. Those who have not been exposed to any form of emotional intelligence training, often lack the self-awareness of their own unconscious biases and motivators. This lack of self-awareness prohibits them from self-regulating their behaviour when triggered. In short, they are psychologically unable to let go.

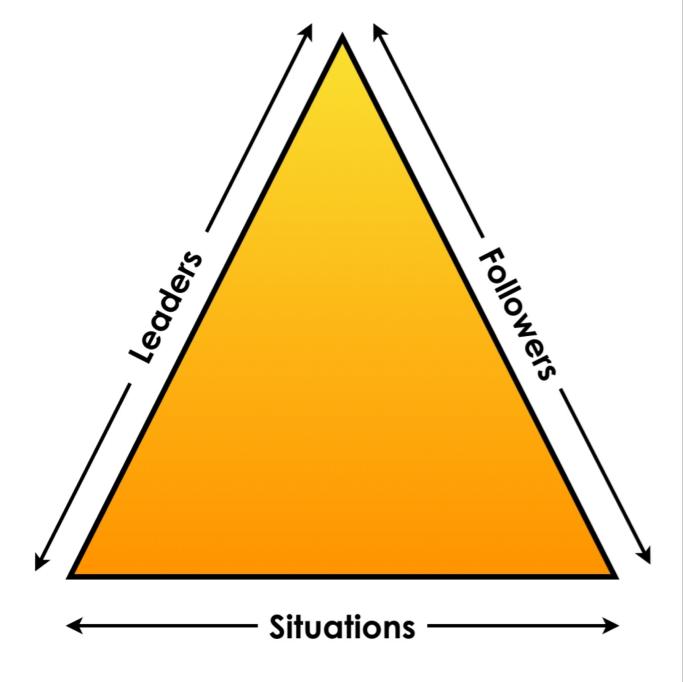
Leadership Capacity

The second reason has to do with the followers. There are many leaders with an ability to let go, yet lack the capacity to do so. They are surrounded by Interns, Apprentices and those they must Steward. Without a simple, repeatable plan to meet the specific needs of their followers thereby building them into Owners, it becomes 'easier' for the leader to just do the work themselves.

The power in building your followers up, is that it naturally promotes you into the Delegator role. Owners are people you are confident in delegating to, removing the feeling that you must do things yourself. You will only be able to create Owners, if you gain the self-awareness required to shift your style to meet their needs. It becomes a symbiotic process of mutual benefit, and the synergies created simply cannot be found through other means.

The best part, is all it takes to get started, is the willingness to try.

# The Leadership Process



#### Overall Assessment:

In an effort to prevent you from falling in to the Delegation Hesitation take a moment to add up your scores. Writing things down makes them real. If you see that you are lagging in any one or more of these areas, going through this exercise can provide you with the motivation to do something about it.

Leadership Score:

Followership Score:

Situational Score:

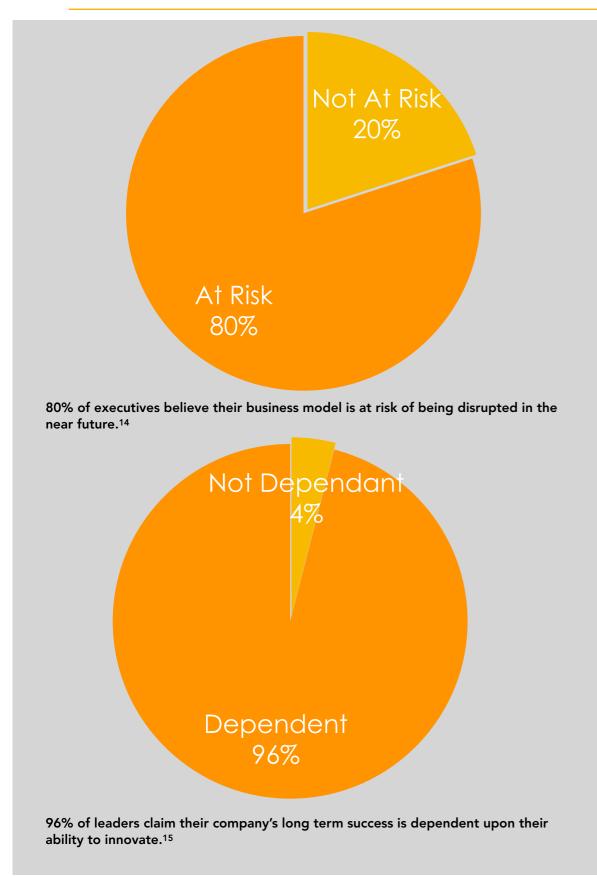
Total Score:

A total score of 80 or higher is considered very strong. Scores below this indicate an investment in your Leadership Process is warranted. Start small and stay consistent. Target the lowest score here and work to improve it. Then move in to the next one. Building leadership is like building a muscle. You often do not see the results of your effort until the compound effect of enough 'sets and reps' over time has taken place. Stay the course. We guarantee it's worth it.

You should now have a better handle on your leadership process and a solid understanding of what your present state is. However, as Abraham Lincoln once said, "you cannot escape the responsibility of tomorrow by evading it today". With that in mind, we wanted to leave you with a glimpse of the future, it's impact on your leadership process, and why you may want to get started on addressing yours sooner than you thought.

Part | A Look At The Future

A Look At The Future A Look At The Future



Innovation. Long the buzzword of every leadership team, innovation has shifted from being something that offers you a competitive advantage to something that you may very well fail without. At the time this book is being written the world is in the midst of the COVID-19 pandemic. All businesses have been impacted, many have been disrupted, several will not survive.

Even prior to this massive global event, 80% of executives felt that their business model was at risk of being disrupted while 96% of leaders felt that innovation was critical to their long term success.

Many startups are launched in the hopes of seizing disruption and displacing established players. 92% of them fail.<sup>7</sup> On top of this, established companies collectively attempt over 30,000 product innovations every year. 95% of those also fail.<sup>16</sup>

The need to innovate is clear. Attempts to innovate are being made all the time. Why aren't more of them working out?



Because innovation requires collaboration.

In 2017 Boston Consulting Group conducted a study on proven innovators to try and find out what makes them successful. What is it that the 8% of successful start-ups and the 5% of successful product innovators have in common?

They found that 77% of strong innovators had dedicated programs committed to establishing open collaboration. They also found that within the weak innovators, only 24% of these organizations had any form of program designed to foster collaboration.<sup>18</sup>

Now while every person within an organization has a hand in creating collaboration, the responsibility for it lies within leadership. In their 2018 Global Human Capital Trends Report, Deloitte polled 11,000 leaders and human resource professionals to determine the top trends that organizations needed to commit to in the coming era. Of those, leadership focusing on creating "cross-functional connectivity and collaboration", something they referred to as, "the symphonic Csuite" was ranked number 1, with over 85% of respondents claiming it was important to very important. Unfortunately, only 46% of those same respondents felt the leadership of their organization was prepared to deliver on this level of collaboration.19

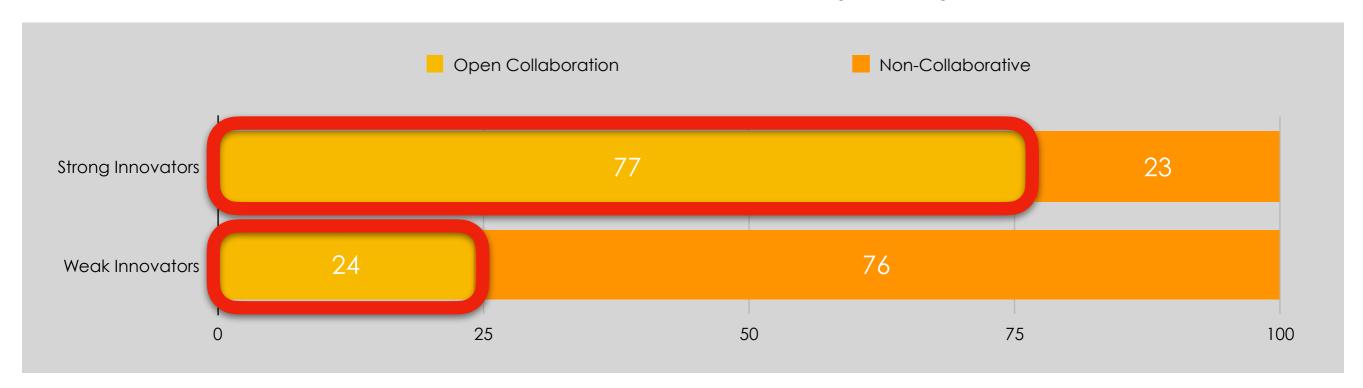
Leadership Capacity

There are many reasons why you should look at your leadership process and seek to improve it.

You should do it because it will benefit your organization. It will increase the predictability of both your profitability and productivity. If an alliterative sentence like that isn't enough to compel you, then you should do it for your followers. In an age of high turnover and even higher expectations, anchoring your people to your company by focusing on their development is both a cost effective and empathetic strategy. You should do it for your own peace of mind as a leader. Those who have successfully become Delegators will tell you that they can no longer envision life any other way.

And if those reasons still aren't enough, you should do it because you soon may not have a choice. As our brief look at the future tells us, change is the only constant. Shifting your view of leadership to it being a process enables you to respond to change faster and more effectively than trying to hire, develop and retain a single "born leader" ever will. Leadership, treated as a process, de-risks your entire enterprise.

Regardless of why you end up doing it, our hope is this book has given you an idea of how to go about doing it.



So in closing, you should now be able to determine where each of your followers land on the Followership Style grid. Based on this you now know whether they need an increase in Mastery, Motivation or both in order for them to progress.

This tells you whether you need to increase your level of Directive behaviour, Supportive behaviour or both in order to meet their needs. If you know where you fall on the Leadership Style grid, you also have an idea of how natural making these changes will be.

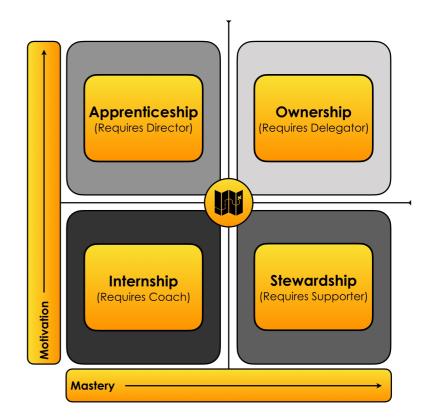
Which leaves us with one final question. What is **your** level of Mastery to become the type of leader your followers need and how Motivated are you to do it? In other words when it comes to being the type of leader you need to be, are you an Intern, a Steward, an Apprentice or an Owner?

If you're anything other than an Owner you've got some work to do. With the demographic shift and lack of training afforded to many leaders in their first decade of management, odds are many of you fall into one of the developmental quadrants on the grid. We implore you to seek out the Support and Direction you need to grow your leadership.

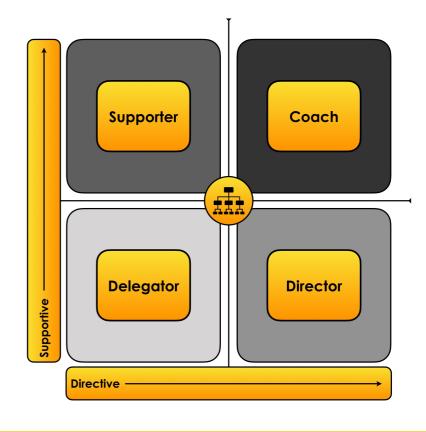
If what you've seen here leads you to believe that we may be a source of that Support and Direction, we'd love to hear from you. As leaders ourselves we have great empathy for your situation. In fact, CultureSmith was born out of a need for our founders to learn how to become better leaders themselves. Years of searching for an effective model to help them lead the previous companies they founded, only to come up empty time and again, led them to research, develop and create much of what you've seen in this book. After sharing what they learned with a few close contacts and seeing the results happen for these leaders as well, they invested years formally studying emotional intelligence, behavioural dynamics and organizational development, creating the 6Shifts<sup>TM</sup> model that CultureSmith is now known for.

It's been said that, "the purpose of leadership is to create more leaders". This is a sentiment we work to live up to every day.

Leadership Capacity



What type of Follower are you in your development as a Leader? That determines the Direction and Support YOU should be seeking from others.



About CultureSmith Inc.

CultureSmith is a corporate culture and employee engagement firm based in Calgary, Alberta Canada.

Leveraging our proprietary Workplace Emotional Intelligence model we help leaders of rapidly growing private corporations bring uncommon levels of employee engagement to their organizations at scale. We help employees unlock the intrinsic motivation required to increase their discretionary effort and their leaders to build ('smith') the type of company culture that enables this.

Our approach encompasses values-based leadership alignment, behavioural assessments and emotional intelligence training, executive coaching & recruitment, psychological job design, pre-hire assessment & analytics, and custom built performance management and leadership development programs.

Our stated mission is to, "ensure the best possible version of everyone we work with shows up better at home each night, having been afforded the opportunity to grow their emotional intelligence while at work.'

For more information on our products & services please refer to our contact info on the cover of this book.



<sup>1</sup>Northouse, P. G. (2015). Leadership: Theory and practice (7th ed.). Thousand Oaks, CA: SAGE. <sup>2</sup>"State of the Global Workplace", Gallup, 2017. <sup>3</sup>" First Time Managers, Don't Do Your Teams Work for Them", Harvard Business Review, September 2015. <sup>4,5</sup>" The Real Crisis in Leadership", Forbes, September 2018. 6" The Age of Disruption, Are Canadian Firms Prepared", Deloitte Press, 2015. <sup>7</sup>" Global Startup Ecosystem Report", Startup Genome. <sup>8</sup>"How Retiring Baby Boomers Affect The Job Market", TheBalanceCareers, January 2019. 9" How Managers Become Leaders", Harvard Business Review, June 2012. <sup>10</sup>"Why Great Managers Are So Rare", Gallup Business Journal / gallup.com

<sup>11</sup>Tajfel, H. (1981). *Human groups and social categories: Studies in social psychology.* New York: University Press.

<sup>12</sup>Ellemers, N., Spears, R., & Doosje, B. (2002). Self and social identity. *Annual Review of Psychology*, 53, 161-186.

<sup>13</sup>"Delegating: A Huge Management Challenge for Entrepreneurs", Gallup Business Journal, 2015.

<sup>14</sup>McKinsey & Company Global Innovation Survey, 2015.

<sup>15</sup>Accenture 2015 US Innovation Survey

<sup>16</sup>"Milkshake Marketing, Clayton Christensen, Harvard Business Review, 2011