

What is leadership anyway?

What is leadership? Most definitions of leadership have only one thing in common—they have nothing in common. Dwight D. Eisenhower defined leadership as the art of getting someone else to do something that you want done. Former English Prime Minister Benjamin Disraeli advocated leading by following the majority. Lao-tzu, Chinese sage and poet, advocated an invisible leader whose existence is barely known. British physicist Ernest Rutherford's concept of leadership was receiving recognition for making a difference.

While these and scores of other definitions may fill an impressive philosophical tomb, they are impractical when it comes to aligning executive teams to achieve business results. This column, the first of an extended series, will provide an operating framework for business leaders who want to improve their organizations' performance.

THE CONSISTENTLY EFFECTIVE LEADER

I believe leadership is best defined in terms of the unique responsibilities of a leader, but these responsibilities need bedrock and pillars upon which to rest. The bedrock of a consistently effective leader consists of:

- **Past successes.** The leader has already achieved a significant level of success. He or she has not necessarily been a CEO before, but has moved up higher in the organization and developed a personal success formula.
- **Ego self-actualization.** The psychologist Abraham H. Maslow, who developed the concept of a "Hierarchy of Needs," believed that human beings must provide for their needs in a specific order: body, security, social interaction and self actualization. Consistently effective leaders approach the top of this hierarchy, being able to rise out of the group, focused on being the best individual possible.
- **Driven by a personal mission.** A direction of self that fits within a personal philosophy must go beyond achieving selfish rewards.
- **Financially independent.** A leader is on the way to achieving financial independence. Given a well-centered personal mission and no financial risks on a personal level, such an individual is not easily swayed by inappropriate short-term gain.

THREE PILLARS OF BEHAVIOR

There are three pillars of leaders' behavior that are prerequisites for delivering organizational performance: integrity, credibility and consistency. As I view it, integrity is an internal compass defined as being true to one's own philosophy. Credibility maintains that compass with the outside world. It

reflects one's integrity in dealings with others over a long period of time. While there are times when one cannot be completely forthright in business, the consistently effective leader understands the difference between tactics and dishonesty. Credibility is a balancing act between maintaining one's own integrity and keeping the trust of one's organization.

Because an organization needs a predictable environment in which to operate, a leader has to maintain consistency in the way he or she behaves and communicates with stakeholders. The only way to do that is to work from a philosophical basis or ingrained set of principles. Given the same stimulus, the consistently effective leader generates the same response. It is what Stephen Covey, author of *The Seven Habits of Highly Effective People*, called "Principled Leadership."

"Integrity, credibility and consistency are equally important and interwoven," according to Dr. William J. Bailey, former professor of leadership and founder of the doctoral programs in Educational Leadership at the University of Delaware and Appalachian State University. "As a role model and teacher the leader needs to display all three by integrating them into the daily work of the business and making them the subject of value discussions."

FIVE RESPONSIBILITIES OF LEADERS

There are five responsibilities that are solely those of the consistently effective leader.

- **Establish the enterprise objective.** Understanding what the owner or, in the case of a publicly traded company, the board of directors, wants to do with the business. Examples of enterprise objectives include ascending to the Fortune 500, acquiring or being acquired by other companies or exiting through an IPO.
- **Set strategic priorities.** Identifying three to five priorities that, if achieved, reach the enterprise objective.
- **Design an organization structure.** The organization structure must support accomplishing the strategic priorities. The structure chosen (functional, divisional or matrix) should amplify the leader's strengths. At the same time, the leader should be surrounded by people who will round out the leader's flat spots.
- **Establish the infrastructure.** The leader's judgment will play a determining role in the timing of investments in infrastructure (building, computer systems etc.). This usually involves a balance among anticipated success, technology and cash flow. The consistently effective leader also participates in

the development of policies that will govern the behaviors throughout the organization.

• **Clear communication.** The final responsibility of leadership is communication. Only the leader can maintain the organization's focus on its strategic priorities. At times it may be preferable not to display the enterprise objective. However, the leader should use the strategic priorities as motivational tools.

It is vital to understand that these five responsibilities cannot be delegated. "Academic theory distinguishes between conceptual behavior and technical, or know-how behavior," says Bailey. "The closer you get to the top, the more conceptual you need to be. The conceptual part of leadership cannot be delegated."

While managers tend to get wrapped up in the politics of the enterprise, the leader must stay out of politics and remain focused on these five responsibilities. In other words, managers do things right, leaders do the right thing.

RESPONSIBILITY FOR LEADERSHIP

A traditional organizational hierarchy identifies the CEO as the leader. However, it fails to account for other leaders such as the COO, the CFO and division VPs. A better way to identify who has responsibility for leadership is to think of organizations in terms of pyramids. The CEO heads the large pyramid, which is the entire organization. The COO, the CFO and others head smaller pyramids within the larger structure. In other words, anyone sitting on top of an organizational pyramid has leadership responsibilities.

When there are multiple leaders, one of their roles is to consistently communicate the CEO's message throughout the organization.

"Leadership styles vary, and any one of them can be successful," says Bailey. "What is important is that the CEO communicates with the other leaders in the organization to disperse his or her philosophy down through the organization."

THE JOB OF THE LEADER

Leadership is not charisma, nor is it being in the right place at the right time. Leadership is a specific job with responsibilities that cannot be delegated. Staying focused on those responsibilities

creates performance leverage throughout the organization. What kind of leader are you aspiring to be, and how are you achieving that goal? The content of future columns will provide guidance for business leaders who seek to bring clarity to the leader's role and results to the business' bottom line. **CW**

About the Author

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tives. Executives seek him out to improve their leadership skills or for help with complex or crucial business issues. He lives in Pinehurst, North Carolina and can be reached at 910-246-0983 or via email at IraChemark@aol.com.

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