

SUCCESS OR FAILURE?

It Comes Down to Leadership Style

By Mark Brenner

The difference between success and failure is leadership. While a command and control (C&C) leadership style erodes performance and initiative, an engagement and empowerment (E&E) leadership style fosters development of innovative potential and drives high performance.

Stuck In The Past

C&C is an antiquated operating style that dates back to the Industrial Revolution. It is marked by:

- A top-down chain of command
- A deep belief in policies, procedures, and position, on the one hand, and supervision, control, and conformance, on the other
- A belief that a valuable employee is a compliant employee who operates within the confines of his or her job description
- Support structures and systems that maximize efficiency and guarantee short-term results
- A certain preoccupation with tactical issues and tactical pressures
- An attitude, mostly implicit, that business is first and foremost about getting products built and out the door, and secondarily about customers.

This operating style worked well enough until after World War II. In those days, America was the 800-pound gorilla that set the rules of commerce for the rest of the world. American enterprise was so dominant that it could still prevail using the assembly-line efficiencies it had perfected during the first half of the century. A go-to-market business model that had evolved from an assembly-line *raison d'être* could be successfully driven by a C&C operating style, *provided the commercial enterprise operated in a broader culture that could abide such a military-like management style*. Coming out of World War II, America had that kind of a culture, and it lasted throughout the 1950s and 1960s.

Today, this operating style is an anachronism as antiquated as an Underwood typewriter. Yet there are organizations that still practice it! How typical it is to walk into an organization and see the tell-tale signs of a C&C culture. Supervisory and management personnel can be heard barking orders. Communication patterns are stereotypical—cascading from the top down, on a need-to-know basis, lacking candor and contrarian voices. The workforce is more likely to talk about work in terms of punching a clock and picking up a paycheck than helping to make the world a better place. Employees' contributions and accomplishments are under-acknowledged, and most have only a vague sense of the company's customers' true needs and expectations. The attitude is one of "Hey, that's not part of my job description." True collaboration is rare, particularly across disciplines, departments and divisions. Just about every process is being micro-managed and requires excessive levels of approvals.



The difference between people in such an environment and those in an E&E culture is best explained by an old parable that goes like this: Three stonemasons were busy at work when a passerby asked each of them, “What are you doing?” The first stonemason responded, “Laying bricks.” The second answered, “Earning a living.” But the third mason said, “We’re building a cathedral.” Employees in a C&C structure lay bricks and earn a living; those in an E&E culture build cathedrals.

The Awakening

By the final quarter of the 20th century, it became evident that the C&C leadership style was no longer delivering the goods as it once did. The growing national wealth and a worldwide commercial awakening triggered a true sea change, both in the success factors necessary for building an enterprise *and* in the expectations and needs of the individual employee. Leaders began to realize that the aging C&C style of operating and growing an enterprise was coming up short on innovation, quality and talent readiness. A few brave ones realized that the need to let go of the reins in order to unleash potential throughout their organizations.

One of the most provocative and prescient quotes summarizing the new way of thinking was uttered by the then Chairman and CEO of Pepsi (1986-1996), Wayne Calloway. He said, “We have 120,000 employees stashed in various places around the world, and I frankly have no idea what the hell they’re doing.” Almost Zen-like, that one sentence distilled a leadership philosophy down to the essence of the emerging breed of leadership that would increasingly characterize successful corporate cultures. Calloway’s word were emblematic of the kind of sea change that was occurring in the 1980’s in corporate America—from a C&C hierarchical management style to an operating approach that understood that an E&E leadership style can engender almost limitless potential for supercharging a workforce’s performance and dedication to their organization and its customers.

An organization that practices the E&E leadership style will have the following salient characteristics:

- Everything the organization does—both internally and in the marketplace—is linked to mission, vision, core values, and strategy.
- The combination of this strategic orientation, true leadership, and a collaborative work environment creates meaning for everyone involved in the enterprise.
- The organization is in essence a meritocracy, honoring candid feedback, accountability, and each person’s contribution to the enterprise.
- It places a high value on everyone’s participation in the advancement of the organization.
- Jobs, roles and processes are fluid, continually flexing to the ever-changing demands of the marketplace.
- It is characterized by true empowerment, which is the ability to influence others in the way business is conducted, not the delegation of formal authority. People become empowered when they are clear about their responsibilities, when they have unambiguous performance expectations, and when they have the freedom to act in accordance with the vision of their organization. The wisdom that underlies empowerment is the recognition that the people closest to the work are very often the best experts on internal business processes and the needs and desires of the customer.



E&E leaders throughout the company consistently (almost religiously) walk the talk of the organization's vision, mission and core values. They recognize that they are viewed as role models by their workforce and cannot talk out of both sides of their mouth. Each and every day they are “tested” on the resolute commitments they have set for themselves.

Engagement, Not Just Satisfaction

In the early days of the E&E operating style, the Holy Grail was “employee satisfaction.” But soon, a confluence of research on such topics as job motivation, employee involvement, and commitment and empowerment led to a common understanding of the real meta-dynamic of an organization's functioning—employee engagement.

Employee satisfaction surveys spoke loudly and clearly about what really turns employees on. Rather than just a paycheck, they want important, meaningful, and stimulating work and to be appreciated and recognized for their performance and contribution. They want an inspiring and elevating corporate mission and reputation. Opportunities to achieve, excel, grow, and develop their careers are also high on employees' list, as is caring, communicative, fair, and inclusive management, especially from their own manager. Employees also flourish in a collegial culture, one that appreciates the need for work/life balance.

In return for such a meaning-creating culture, employees are motivated to work hard and innately want to go the extra mile on behalf of customers. They are more apt to think and act like a “team” and operate from an organization's core principles. Retention rates rise because engaged employees are less likely to be recruited away even for higher compensation. They also often recommend their company as a great place to work.

Employee engagement is a significant and valid predictor of productivity, customer loyalty, and employee commitment to the enterprise. In the end, the E&E way is about engaging each and every employee in meaningful work every day. It's the perfect combination of orientation to the customer, work ethic, and high-morale attitudes. So what will it be: bricklayers or builders of cathedrals?

Re-Engineering A Leadership Style

The only way to accomplish the monumental culture shift from C&C to E&E is to begin at the beginning. That means developing an inspiring and elevating set of strategic documents (mission, vision, core values, strategy map, and strategic execution blueprint) that will motivate top leadership and the entire workforce to stretch to a whole new level. Emanating from this process will be a set of ambitious goals related to leadership development, culture refinement, and talent readiness. As with everything else in business, nothing momentous happens without people—one at a time and collectively—putting their shoulders to it and driving the enterprise toward the objective. But getting all these people out of their comfort zones and changing their behavioral repertoires is very difficult.



Two factors help make the metamorphosis successful. One, executives who have “grown up” immersed in the C&C operating style must see with their own eyes, and feel viscerally, the degree to which the business is paying a heavy price for sticking with the old ways—the non-rational, dysfunctional, and performance-limiting patterns and attitudes embedded in the culture.

Bringing in outside experts to conduct an organization study will surface the kind of provocative information required to grab the attention of the C&C guys. Then, leaders need to work with an executive coach who can bring them out of their own personal comfort zone. Re-engineering a leader’s style, from one that requires little emotional intelligence to one that requires a great deal, demands a skillful coach. It’s critical for the leaders of the organization to learn to communicate with candor and embrace and harness conflict. Further, leaders need to learn how to exhibit resilience in the face of demanding situations and ambiguity and how to nurture and mentor others toward realizing their best selves.

Every leader in the organization needs to make that stylistic transition and then cascade it down through the management levels where it will advance at the molecular level, one person at a time. It certainly sounds daunting, but what are the alternatives? Join the ranks of Arthur Andersen, Polaroid, HealthSouth and Sears, or become the next Intuit, Arrow Electronics, Southwest Airlines and Ritz-Carlton.



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