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Connected Leadership

Emmanuel Gobillot reveals the hidden networks that ensure successful leadership

What if management thinking to date has been directed at the wrong problem? What if leadership literature's focus on formal authority and organisational structures has been at the expense of the 'Real Organisation' – the powerful network of informal relationships that doesn't appear on any organisational chart?

Well, the result of 150 years of leadership thinking is plain: leaders always eventually fail.

'So what?' you may say. 'Isn't it what business writers *always* do – scare us into thinking they're about to save our lives (or at least our jobs). Aren't such statements just attention-grabbing fables designed to scare us into buying books, listening to speeches, drinking new snake oil? Aren't such statements just burning platforms for people who have been burnt too many times?'

Well, if that's what you think, wait for the next statement. Over the last 100 years, any training and development actions taken by organisations to ensure good leadership are the very actions that have actively stopped most leaders from becoming great.

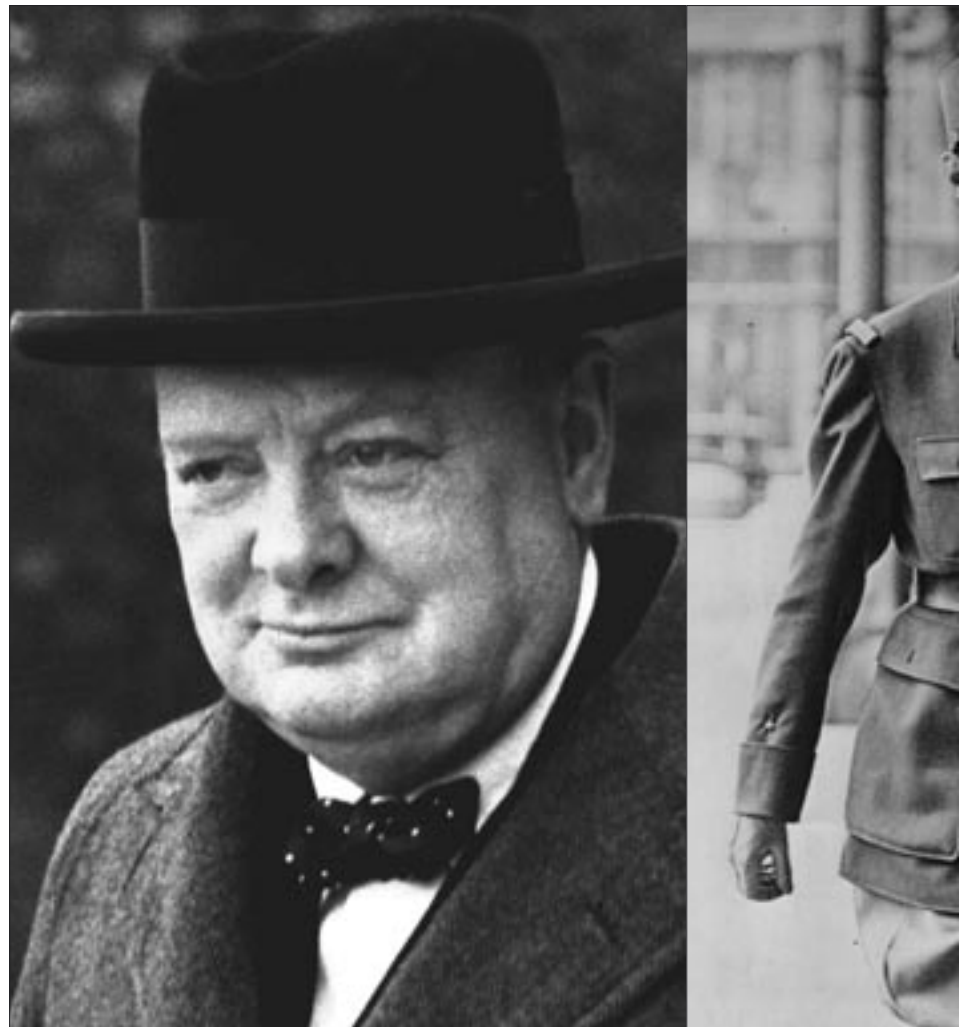
That's right, you read it properly. Not only have we failed leaders but, every time we have set out to help, we have created more damage. Don't get me wrong, my purpose is not to scare you into action – passion is a greater motivator than fear in ensuring we get the best out of people. I just think it's worth starting with

the facts when we embark upon a new road.

Leadership should never have been situational

As night fell on Downing Street, London, on July 26, 1945, it must have been hard for Winston Churchill to believe that the British people he had led to vic-

tory in the Second World War had so unanimously rejected him as a leader. Despite opinion polls showing his opponent in the lead from the start, no-one (including the Soviet leader, Stalin) believed that Churchill would lose his job as prime minister. Clement Atlee, the man who replaced him, could not believe he had won the election



either. He had. The British people had spoken. Churchill as the leader of the Tories, wasn't as appealing as Churchill the war hero. His campaign posters said: 'Let him finish the job.' They didn't.

As a Frenchman, and for the sake of fairness, I must point out that Churchill wasn't the only wartime leader rejected by peacetime electors. General De Gaulle also faced the wrath of the electorate. Don't be fooled into thinking this is only a European problem, either. The youngest-ever superintendent of West Point and a key architect of Japanese democracy as Supreme Commander of the Allied Power in Japan, General Douglas MacArthur, too, was rejected

by electors in his bid to become tenant at the White House in 1952. Isn't it always the way: one day you're the hero, and next the villain (just ask Prime Minister Blair).

So why is that? After all, most leaders know that leadership is situational. It is about using the right style, with the right person in the right situation. Could Churchill, De Gaulle and MacArthur be examples of leaders who didn't adapt to, or misread, a new situation?

You only have to take a cursory glance at the speeches of these men to realise that this cannot be the explanation. All three had an incredible capacity for adapting their message to the situation

at hand. From Churchill's 'we will fight them on the beaches' to De Gaulle's 'France has lost battles but has not lost the war', via MacArthur's *Terminator*-like pronouncement 'I shall return', all three knew what was needed and when. Their distinguished careers speak for themselves.

It is impossible to win a conflict on the scale of WWII without engaging your generals in the fast-moving theatre of battle. Churchill, De Gaulle and MacArthur (pictured below, l-r) were not only good situational leaders, they were masterful in their reading of situations. So why reject them? Where did they go wrong?

Leadership is contextual

What all three failed to respond to was not so much a change in situation, but a much more fundamental change – a change in context.

That fateful 1945 election was the first in Britain for ten years. During the war, Britain was changing. A new consensus was developing which called for new measures. In December 1942, social reformer Lord Beveridge published a report laying out radical responses to this radical change (a new welfare state, a national health service). This received only a lukewarm response from Churchill, who was busy adapting to the situations of war.

In the words of Margaret Thatcher: 'Conservatives, with Churchill in the lead, were so pre-occupied with the urgent imperatives of war that much domestic policy, and in particular the drawing-up of the agenda for peace, fell largely to the socialists in the coalition government.'¹

On the eve of the elections, having undergone the horror and deprivation of war, the British electorate wanted something different. Focused on responding to situations, Churchill, De Gaulle



and MacArthur failed to sense the broader change.

The truth is that leadership-development fails to address the fact that leadership is a strange paradox. In order to be successful, leaders must adapt to the situations they face. Yet, by focusing on these situations, they often miss the radical shifts that are occurring around them. In effect, while trying to spot and adapt to changing events, leaders run the risk of missing a change in era. In an effort to address short-term challenges, they are forced to become short-sighted.

The people economy

Fast-forward 60 years from WWII and, once again, a change in context is taking place. Like the contextual changes before it, this one is easily missed by leaders focusing on situations. As development professionals, not only do we need to adapt our message to context-change, but we need to ensure that leadership development creates context-resilience. Today's change is plain for all who care to see it.

The consumption economy had an elegant simplicity. You built something. They wanted it. They bought it. Over time, over-supply made things more difficult and brands (in one form or another) were established as the key differentiators. The idea was simple. You still built the product, but now you branded it. They wanted it because it had your brand on it. They bought it. But a brand that isn't lived is an empty slogan. Tired of deaf and mute brands, customers demanded more, and the experience economy was born.

Here is how it works: you build a product, but now you create an experience to go with it. They want it because the experience

makes them want to belong. They buy it. Not dissimilar to the consumption economy, but simple ideas find it hard to go away! But slowly, almost as surreptitiously as changes in the mood of the war generation, customers have learned to like the experience so much that they no longer want it to be yours. They want to be in charge.

A new breed of customers is being born, one that is changing the very foundation of how business is done. We are witnessing the arrival of a new economy, not technology-driven but meaning-driven. No longer are customers just looking for an experience or employees looking just for a salary: human beings now long for meaning. This has profound implications for the way we approach consumerism and consumption.

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Leaders beware – the new Beveridge report is being written.

The people economy is one where people rather than organisations are in charge. It is now futile for the organisation to build a product, betting on a customer wanting to buy it. The people economy requires organisations to co-create with customers. They can only do this if they transform themselves into communities that are of value to the self-actualising customer. For this to happen, leadership and its development must change. No longer are customers 'human wantings' or employees 'human doings', we are once again seeking to be 'human beings'.

The connected leadership concept

To ensure that their organisations are resilient to context-change, leaders must make them agile. Agility requires all members of an organisation to be fully engaged in order to respond to the changes they sense (whether or not these fall within their remit). Even if they *have* such insight, stakeholders are frequently faced with a 'formal' organisation that stifles their opportunity to do anything about this. Designed with structures and processes aimed at task completion, the 'formal' organisation is always slow to respond to unplanned contextual change.

There is, however, another way to look at an organisation. The 'real' organisation is made up of the networks of relationships people have within (and outside) the 'formal' organisation. This is the organisation leaders can rely on for agility. As a network, this 'real' organisation is robust and flexible. To be a great leader is not to be able to lead the 'formal' organisation but rather to channel the vitality of the 'real' organisation towards the delivery of the 'formal' organisation's objectives. It is this ability that I call connected leadership.

So let me introduce a new leadership proposition.

- No longer do customers respond to product and services sold on economic incentives but, rather, if they are to engage fully with and remain loyal to the organisation, they seek reciprocity through moral and social obligations. The people economy is characterised by the need for customers to engage with communities that enable them to co-create meaning.
- Organisations built on formal accountabilities not only find it hard to cope with reciprocity but they actively destroy it. This is what creates a disconnection between organisation



and people. Unaddressed, this disconnect will only grow as the people economy strengthens.

- The role of leaders becomes critical in ensuring that they create an impact that engages others to follow. Leaders influence the engagement of people in two ways: traditionally, through the formal authority conferred upon them by their position, and, as well as this, through the informal authority rooted in their personal credibility. It is this informal authority that is critical to the success of leaders who are faced with responding to a new context (the people economy).
- To succeed, connected leaders use their personal influence to reconstruct the social networks inside their organisations. These webs of informal connections (the 'real' organisation) are critical to effective organisations because they lubricate the formal structure, spread expertise and innovation and create the flexibility needed to respond to the demands of the people economy. They effectively ensure that customers fully engage with the organisation.
- Connected leaders have developed three key components of leadership that create social

and moral connections: (i) They are trustworthy and have trust in others. This enables the organisation to manage the risks of co-creation with the customer.. (ii) They give meaning to relationships by uniting stakeholders around a shared agenda. (iii) They encourage dialogue and powerful conversations as a way to secure engagement.

- By understanding and developing the characteristics of connected leaders, two valuable goals are achieved: the 'real' organisation is developed and cultivated, either by increasing the web of connections or by realigning connections to match the formal organisation. Both approaches build enough agility to ensure customer engagement and resilience to contextual shifts.
- Leaders facing increasing role ambiguity perform more effectively, to benefit their organisation and themselves.

If this proposition holds (and, having researched it for two years with close to a thousand leaders, I believe it does), we need to think about refocusing development efforts using five steps. Together, these five steps describe the components of the journey that will help you ensure your organisation

is fully connected to its stakeholders and therefore resilient to the change of era.

Step 1 – Understand the 'actual'

Leaders must understand the make-up of the social networks in which they operate. Their role requires them to connect to these networks and ensure they are aligned to the delivery of 'formal' objectives. Programmes that focus on 'intact' teams were useful, but programmes that bring together 'impact' teams are now key to success.

Step 2 – Map out the 'formal'/'real' gap

Leaders need to continually understand the gap between the 'actual' inspirations and the 'formal' accountabilities. It is at that clarity point that resilience can be built. Focusing our efforts on articulating and engaging with a vision or a plan is a waste of time if it is only done using an organisation's vision and plan. It is only by bringing together the purposes of both the individual and the organisation that meaning can be created.

Step 3 – Evaluate your impact

Leaders must understand the impact they have, not only on individuals but also on the social context of the organisation. At its



Leaders influence the engagement of people in two ways: traditionally, through the formal authority conferred upon them by their position, and through the informal authority rooted in their personal credibility

simplest, this means that we need to help them become magnets for relationships.

Step 4 – Develop connected leadership characteristics

Yes, there is still room for behavioural development, 360° exercises, coaching and whatever else you want to use to develop some key characteristics that help deliver trust, meaning and dialogue.

While we moved away from pure skills and knowledge-training long ago, the principles we used for behavioural developments are still too often embedded in a teaching model that relies on correction – connections require actions and dialogue-based development.

Step 5 – Build a supporting context

A leader is nothing without a supporting context. Leaders must learn to recognise that the learning organisation is not a desired outcome. Organisations are full of learning organisations; these are called groups of people trying to make sense of the world together in order to cope with day-to-day accountabilities. Stop wanting to create a learning organisation – you've already got one. Recognise it and value it.

What we know to be true

Okay, it's time for a confession. Maybe I did exaggerate in the opening paragraphs of this article. Maybe I did go overboard a bit just to make a point. Or rather, maybe instead of pointing out where we have gone wrong, I

should have written about what we have done right.

It would be wrong to say that everything in this article is new, and even more disingenuous to say that this article must challenge everything that has ever been written before it. There are some things that I have *not* written and never meant to imply. I have spoken enough about these ideas to know that they can be misinterpreted. So before you reach for the BlackBerry and send me an email, let me be clear. There are three things in particular that I did not say nor imply.

1. Traditional, hierarchical and technical management are obsolete.

These matter as much as ever, and the more leadership becomes a shared responsibility in complex organisations, the more important clarity and accountability become. In fact, many leaders' complaints that people do not cooperate or connect is more often a symptom of poorly designed roles and accountabilities than it is a failure of leadership. However, a leader's relentless focus on the effectiveness of the organisation's 'formal' instruments only leads to disconnections between the business and its customers. To be truly effective, an organisation requires healthy, informal connections that ensure agility as well as clear vertical accountabilities that foster a culture of execution.

2. It is all about the individual leader.

The downfall of most leadership-development programmes, over

the last 20 years in particular, has been their over-emphasis on a leader's personal impact on organisational performance. For leaders seeking to get on ever-increasing executive pay scales this is good news, but for the majority sacked after only four years in post, it shows how little one person alone can do. A single leadership focus might suffice inside the 'formal' organisation, but connected leadership requires us to understand the intricacies of a leader's impact on the organisation's system. To succeed, we need to bring together leadership and organisational effectiveness.

3. Finally, connected leadership is new.

In many ways it is as old as organisations themselves and probably older; perhaps, though, it is coming into a greater focus as we seek to create organisations that are more flexible and responsive. It is certainly more relevant than ever, given customers' renewed focus on connections and trust as drivers of sustainable long-term profitable relationships. By the same token, connected leadership is not a novelty.

I am not in the game of challenging for challenge's sake. But even when we have spent time and energy trying to teach how to learn rather than teach answers, we have operated within a formal mindset. But as long as we fail to understand that organisations do not function on the basis of roles, rules and economic incentive (i.e. 'formal' instruments) but rather need individuals, reciprocity and more and social obligations (i.e. 'real' elements) to survive, we will always fail the ones we aim to serve. ■

Reference

¹ Margaret Thatcher, *The Path to Power*, 1995

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REVIEWS



The Connected Leader

Emmanuel Gobillot

Kogan Page

ISBN 07494

Hardback £19.99

This A5 hardback contains 221 pages and is a thoroughly enjoyable and entertaining read. It starts with a wonderful introductory section, which initially grabbed my interest because it gave insights into the activities of past world leaders, including Churchill and de Gaulle. It states that if good leadership is about getting people to follow, surely, then, *great leadership is about getting customers to do the same.* There follows a claimed identification of a paradox between the actions that ensure good leadership and the actions that will stop the leader from being a great leader. These are the anchors around which the book is based.

It is not an academic text, nor does it claim to be, but its charm is in the style and content of its delivery. It is refreshing to come across a leadership book with a new approach that is well debated and argued. Although not academically underpinned, many of its notions can be recognised in the literature of writers on

management theory, leadership and motivation including McGregor, Herzberg and McClelland. Even some of the organisational writers, including the early work by Weber on bureaucracy, could be used to support the theories expounded in this book. In particular, the Hawthorne experiments of Elton Mayo underwrite this book's thesis.

The concept of 'formal' and 'real' organisations is recognised on page five and referred to throughout the text. This is not a new concept; even Henri Fayol, the early French organisational management writer, referred to 'Fayol's Bridge' and the importance of communication across formal boundaries. However, what we have here is a new recognition of the importance of customers and a road map, or journey, towards a leadership position (outlined as a six-point journey).

The Kogan Page format and style of publishing is always customer-orientated, with a clear font, great layout and spacing, and good numbering and title pages. There is a contents section and a chapter notes section at the end of the book. There are highlighted sections, questionnaires, tables and diagrams plus many self-analysis questionnaires and vehicles for the reader to use.

There is an impressive diagnosis section that all organisations and managers would benefit from using. A particularly pleasing discussion and values debate is around trust and its importance. Another delightful aspect is the examples and quotes throughout the text. Dolly Parton is quoted on page 209: 'If you want the rainbow, you've got to put up with the rain.'

The book deserves a place in every manager's bookcase.

STEVE HOLMAN

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OVERALL RECOMMENDATION	★★★★★

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