THE ORGANIZATION OF FUTURE THE 2

VISIONS, STRATEGIES & INSIGHTS
ON MANAGING IN A NEW ERA

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Leadership by Perpetual Practice

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Aristotle left a piece of forward-thinking wisdom for us to consider as we look to the future. He said, "For the things we have to learn, before we can do, we learn by doing."[1] I think he was on to something that is more relevant today for organizations preparing leaders for the future than at any time in recent history: the idea that it is day-to-day *practice* that develops a leader's skill and the essential mastery of positive influence. It is through the learning and development experiences of work and life that leaders are discovered, developed, and called. Aristotle also noted this truth when he said, "men become builders by building; lyre-players by playing the lyre; so too we become just by doing just acts, temperate by doing temperate acts, brave by doing brave acts."

In adapting this sage advice for a new time and new circumstances, leaders of the future will be groomed best by living and working in an environment that, by design, fosters a leader's growth—not just by simply delegating additional tasks, expanding responsibilities, or giving out titles, or even by leaving the necessary skill building to the traditional training and development programs we have long relied on for the mainstay of what we considered *leadership development.*

Developing leaders for the organization of the future calls for something more immediate and consciously ongoing than ever before. At best, we will use a hybrid approach to leadership development. that encompasses important lessons learned from the hallmarks of leadership style and effectiveness, such as management by objectives and management by walking around. At the same time, we need to elevate the importance of a constant polishing of discipline, skill, and habits to meet the challenges and opportunities of new frontiers. It calls for an accelerated practical, ongoing priming of leaders at all levels of the organization, defining the essential style for a new generation: *leadership by perpetual practice.*

New Realities of Leadership Practice

There are compelling reasons for reevaluating our approach. Times have changed. Things are different. The stakes are higher. It is clear that the landscape for leadership is also very different as we look to the future in any organization. It is as local as the individual sitting at a desk and as global as time, distance, and technology can take us. The very nature of changes in our work suggests that the pace of our dynamic, troubled, and changing world demands a fast, flexible, adaptable, and reliable means of achieving leadership mastery.

The leaders of the future need an essential set of attributes for *being* leaders of character that have a passion for *doing*—getting things done with a conscious intention to deliver positive results. Dr. Martin Luther King Jr. invited all of us to be leaders of character and passion in our own right, framing it simply, "Whatever your life's work is, do it well."[2] Imagine the benefits of an organization with all its members seeing themselves as leaders on a mission to influence a positive outcome wherever and whenever they are called.

A respected leader once shared with me that the word *leadership* has a Germanic origin meaning to "find a new path." For organizations of the future, these new paths will be found by collections of leaders at all levels. They will be created by first changing the prevailing rules for how leaders think, behave, and operate their organizations. These fundamental changes are necessities in order to respond, heal, enrich, and transform both business and society. *Are you ready?*

There is a compelling reason for the organization of the future to make learning to lead a top priority and day-to-day practice for every leader, at every level. Joel A. Barker, futurist, filmmaker, and author of *Paradigms: The Business of Discovering the Future* says it best: "You can and should shape your own future, because if you don't, someone else surely will."[3]

A first step stands out: our acceptance that everything is up for renewal and change. This is a big one for most of us in any organization, because we have difficulty letting go of the familiar and willingly stepping into the unknown. There is risk involved, and those haunting questions *Can I? Will I be able to . . . ?*—seem to whisper in the background unexpectedly even for the accomplished leader, as well as for new leaders stepping up to begin their important work. The challenge for leaders who are opening the way for a new era of leadership and organizational success is that there is no roadmap. Uncharted territory and uncertainty will be constants. This means we will have to be comfortable with "cutting the brush" for a new trail. Sometimes it may even mean "being the trail" that others trust enough to follow and pass over in order to discover new choices and deliver innovative contributions to our organizations and those we serve.

Consider this wisdom from the forward-thinking founder of what is today Kyocera Corporation in Japan, who blazed such a trail at age twenty-seven with little money and a great passion for success of his organization. Kazuo Inamori, now chairman emeritus, describes the disciplined work of the leaders of organizations of the future in his book on business philosophy for the twenty-first century, *For People and for Profit:* "It is much harder not to depend on the established order but to blaze a new trail. . . . In taking up a challenge that conventional wisdom holds to be impossible, the first requirement is courage and a strong will."[4]

He goes on to remind us of the role of perpetual practice in fulfilling our mission, not by implementing grandiose programs,

but by taking many small steps, refining as you go along, letting one sure step inform the next: "Proceed step by step, like an inchworm. This is the way to take up the challenge of great things."

Organizations of the future not only operate in a climate of uncertainty but also find themselves face-to-face with a diverse, connected, and complex world. This demands developing leaders who know how to understand and respond to the realities of an extremely diverse workplace, marketplace, and community. The dire need for change in all aspects of business and society doesn't allow for long, complicated processes, years of study, and theoretical approaches. Not now. There is a sense of urgency that is hard to escape. *Learning while doing* must be an integral part of the future leader's and future organization's work across industries and sectors. We are the ones—the leaders, the innovators, the aspiring leaders, and individual contributors—who will create the organizations of the future, setting a new direction that will transform business and society as we know it today. These new realities beg two questions:

1. What critical skills do we need to develop in leaders in order for the organization of the future to thrive?
2. What new leadership qualities are essential?

Critical Skills for Leaders in Organizations of the Future

Our most critical skills aren't trendy or brand new, and I believe that they are the same regardless of profession, industry, or sector. They were taught to me by an IBM executive when I was an up-and-coming leader. I never knew why he offered the advice, but I remain grateful for it. I was visiting his location on a mission from our regional headquarters. He called me into his office, asked me to sit down, and went on to offer his wisdom. What he taught me set my direction, and it has helped many other organizations and leaders over the years, passing the test of time. His words still echo in my mind:

> You must always remember that jobs, missions, titles, and organizations will always be in a constant state of change. There are four critical skills that you will need to be successful in the future anywhere, anytime, and in any assignment. They are

1. The ability to develop an idea
2. The ability to effectively plan its implementation
3. The ability to execute second-to-none
4. The ability to achieve superior results time after time

Seek opportunities and experiences that will help you master these critical skills. Forget what others do. Work to be known for delivering your own brand of excellence. It solves problems. It speaks for itself and it opens doors.

At the time I had no idea how profound his mentoring was. But couple these four skills with a pioneering spirit, and you have a great formula for leadership development for any organization. What's new and challenging for the organization of the future is that these critical skills need to be developed in everyone, so that its leaders at all levels are both skilled at working alone and adaptable to working in collaborative, connected situations that move across many dimensions.

Interestingly, I've discovered that these skills also serve as a reliable yardstick for recruiting and evaluating leaders at all levels. These four critical skills can be practiced by leaders in entry-level assignments as well as by leaders in the highest positions of influence. The first two skills are more common. However, it is *execution* and *achieving superior results* that are nurtured in an environment that encourages "leadership by perpetual practice." As leaders grow and change, they raise the bar for new levels of contribution for themselves. When organizations don't value the second two critical skills by setting expectations for them, they end up measuring *efforts* instead of the *results* the organization needed.

So here are a few suggestions for developing these critical skills in your organization:

• Practice deliberately seeking assignments that offer the opportunity to refine your skills for developing, planning, implementing, and achieving superior results. Also recognize that every assignment (even your day-to-day business routine) holds opportunities to develop these skills as well.
• Develop a conscious habit of setting expectations with leaders at all levels that include the leader working to improve, refine,

and demonstrate their skills for developing, planning, implementing, and achieving superior results in all assignments.
- Talk often with your team about these critical skills, even if doing so seems awkward at first. Define for yourselves what each skill means in the context of your environment.
- Use a simplified "after-action review" to evaluate progress; ask yourself
  - What's going well?
  - What isn't?
  - What am I [are we] going to do about it?

FIVE DISTINCTIVE QUALITIES OF LEADERSHIP FOR ORGANIZATIONS OF THE FUTURE

What leadership qualities will be essential to ignite the real power in the critical skills we've just identified? In my book, *Putting Our Differences to Work: The Fastest Way to Innovation, Leadership, and High Performance,*[5] I introduce five distinctive qualities of leadership that invite all of us to strengthen our portfolio of skills with this purpose in mind. The "research and development" behind these five qualities emerged from years of exploration, experimentation, and independent practice. They were also notably enriched in collaboration with my longtime colleague, Joel A. Barker. For more than a decade, we've consciously used our collaboration to try, test, vet, refine, and prove their relevance by perpetual practice with our work and independently in our own businesses, as well as in our work with clients. They took form as what we call the Five Distinctive Qualities of Leadership in response to the growing number of organizations and individuals all over the world that are discovering that putting our differences to work is the most powerful accelerator for generating new ideas, creating innovative solutions, executing organizational strategies, and engaging everyone in the process.

These leadership qualities are described in the next sections of this chapter. Together they put a spotlight on how we think and behave as leaders—considering that every word spoken, every thought expressed, every attitude revealed has a powerful influence

on achieving results. Living these qualities as part of "leadership by perpetual practice" becomes an ongoing leadership development experience. As you consider each of them, think about how your organization would benefit from them if leaders at all levels mastered them and adapted the qualities to serve the unique needs, opportunities, and style that define your brand of excellence.

Leadership Quality 1: Make Diversity an Organizational Priority

This quality flips everything we've been conditioned to believe; it reaches beyond "Let's put our differences aside." "We are more alike than we are unalike." "Look at all we have in common." It values these truths, but when we stop there, our differences are made secondary and sometimes brushed away as if they don't matter. The bigger oversight is that differences aren't even recognized as an advantageous stockpile of kindling to ignite new ideas and breakthrough thinking, which are the drivers of innovation, more creative problem solving and decision making, and invention.

In an interview some time ago, Sue Swenson, president and CEO of Sage Software, North America, shared how she builds considerations of diversity and inclusion into mainstream business. Recently, we talked again, and she reflected on how her own form of leadership by perpetual practice has passed the test of time. Her approach serves as a forward-thinking example of how this first distinctive quality of leadership can be put into action. She described her practice this way:

> I guess I'm not only a fairness fanatic, but also a pragmatist. The values of diversity and inclusion are part of the way we do things as a business. My job is to make it simple and integrated. It is not simply a program. My belief is that the only way to sustain anything is to build it into the organization's business processes and culture.
>
> The Hoshin planning process[6] helped me do this. It is a simple way to help everyone understand and participate in the success of the business. To help create shared ownership, employee satisfaction has always been the first goal. The focus: continuous improvement. This means that achieving business goals, including employee satisfaction, is everyone's responsibility. What each of us does to contribute

to it may be different at every level, but everyone is engaged in creating it. Over time, I've made it a priority to integrate employee satisfaction into performance management, staffing and development, strategic planning, new hire orientation, and a regular part of employee meetings.

A common protocol of behaviors helps create the environment, especially when it is expected across the company. When you describe to people how you want them to do things and you articulate the expectations around behaviors, it is incredibly powerful in creating a culture that integrates the values of diversity and inclusion, as well as being a place where customers enjoy doing business.

Leadership Quality 2: Get to Know People and Their Differences

This quality expands our thinking to see the many dimensions of diversity in a new light. Putting our differences to work means consciously developing a curiosity, a reservoir of knowledge, and a day-to-day practice that masters how, when, and where to tap into these invaluable human resources. The process offers the opportunity to discover and learn from unique ethnic origins, cultural perspectives, generational insight, global know-how, marketplace understanding, fresh new thinking, challenging new motivations, creative talents, and a wide range of life experiences—all of which are shown in Exhibit 26.1.

Through day-to-day practice, this quality opens a whole new world of possibilities. I've always had an interest in people, or so I thought. However, I've learned that there is a difference between having an interest in people and developing a genuine *curiosity* about them.

One specific influence continues to help me develop a more conscious curiosity about people, as well as to affirm why this leadership quality is so important to organizations in the future. It was one of those *ah ha* moments when I realized how limiting labels can be in describing who we are and what we have to offer the world. Each of us has multiple dimensions of difference that reach far beyond the traditional diversity considerations and enrich the mix with such strengths as generational perspectives, cultural wisdom, and how we think and operate based on our experiences and habits. It is at these

EXHIBIT 26.1. DIMENSIONS OF DIFFERENCE.
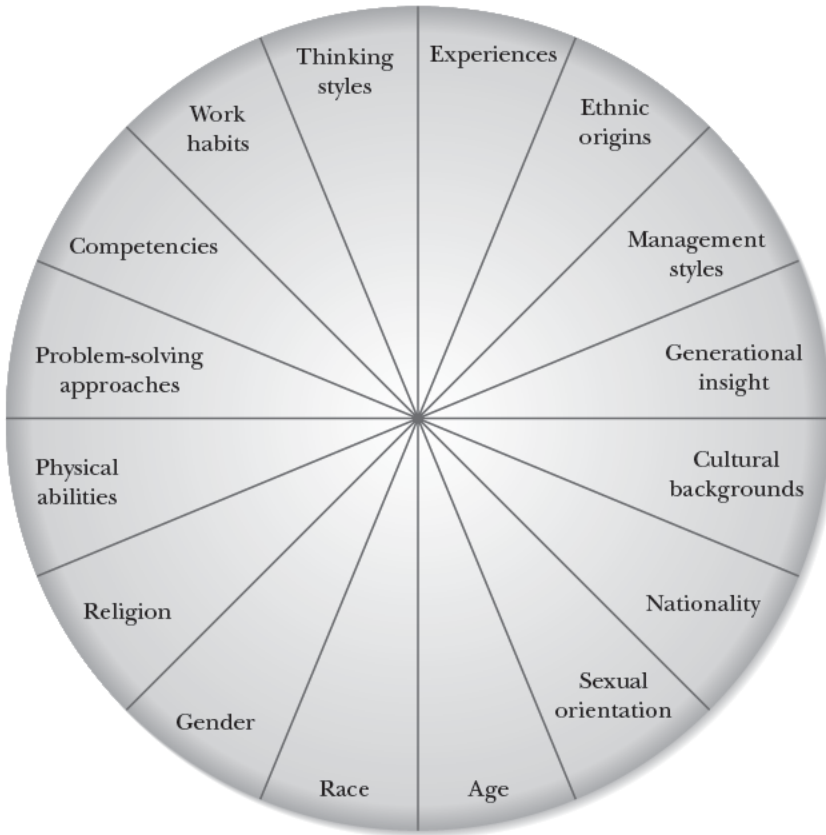
Source: Debbe Kennedy, *Putting Our Differences to Work: The Fastest Way to Innovation, Leadership, and High Performance* (San Francisco: Berrett-Koehler, 2008).

unique intersections of our differences that the value lies. In his groundbreaking 2000 film, *Wealth, Innovation, and Diversity*, Joel A. Barker introduced what he termed a "surprising discovery": that diversity has a direct connection to innovation and innovation to the creation of new wealth of many kinds. He presents a compelling business case that affirms the importance of developing this second distinctive quality of leadership, when he concludes that "societies and organizations that most creatively incorporate diversity will reap the rewards of innovation, growth, wealth, and progress."[7]

To begin expanding your reservoir of knowledge of differences,

- Let your good intentions shine; be friendly and approachable—be someone others want to get to know.
- Start asking more questions.
- Take time to listen to what others have to say.
- Reach out in a more deliberate way to people who are different from you.
- Look for the value and opportunities to innovate at the intersections of differences when you partner and collaborate.

Leadership Quality 3: Enable Rich Communication

This quality defies the notion of unilateral streams of thought; through openness, people move far beyond the two-way communication of the past. Rich communication relies on approaching problems with a "beginner's mind"—even as an expert. It places a new, higher value on what others have to say and on the responsibility and openness to listen with a new consciousness of mining for the better idea. It adds a requirement of trusting ourselves, and each other, enough to engage in action-directed dialogue, across disciplines—welcoming outsiders.

Bert Bleke was a superintendent of Lowell Public Schools in Michigan when I met him at a Leader to Leader Institute conference. Two lessons came from a conversation with him that remind us how much we can learn from each other and how to build a rich communication through dialogue that engages everybody. Although our missions may be different, the process of engaging people is universal:

> It is interesting how easy it is for most of us to think that our organizations are unique. I've been lucky to have had experiences in education, business, nonprofits, and churches—and I have realized there are many more similarities in the challenges we face than there are differences. The greatest similarity I see—one we tend to forget—is that all our organizations are about people with the same basic needs and desires. The only thing that is truly different is our unique end product. Consequently, we should be able to learn from each other about leading change and making our schools and organizations, businesses, and communities better places for everybody.

For us, change started by people coming together: three hundred people—students, parents, teachers, administrators, and clergy. In a period of a few hours, we came up with five character traits we felt would be the most powerful influence on kids, our organization, and community: responsibility, integrity, compassion, honesty, and respect. We chose the words based on everyone's input, but we did not define them.

Then over a period of the next year or so, we let our schools gradually talk about them and ask themselves, "What do these core values mean to us? How can they be important for us?" We have worked diligently to instill these character traits not only into our kids but also saying to our employees, our parents, our churches, our community, "This is a partnership. Together, we can model these kinds of traits."

The process has enabled us to start talking with each other about character and values—it has given us a common language for change.

Leadership Quality 4: Hold Personal Responsibility as a Core Value

This quality acknowledges the shift from employees having "institutional loyalty" in the past to being "free agents" or perhaps other more fluid, mobile kinds of arrangements we've not yet imagined in the marketplaces, workplaces, and communities that are in a continual state of churn. What we must add to our way of operating as individuals is the essential quality reflected in Nelson Mandela's words: "With freedom comes responsibility." A sense of *personal responsibility* needs to be part of our portable portfolio that goes with us when we move from one job to another or wherever our freedom takes us.

Recently, I was taken aback by a young innovator who had just entered the workplace, fresh from college. I was talking to him at an online Skypecast about this fourth quality of leadership that holds personal responsibility as a core value. I shared that what had been instilled in me as a leader was that leadership isn't about power but fundamentally about responsibility, and that we needed more leaders with a sense of responsibility to others. He said, with genuine sincerity in his voice, "I hear what you are saying about leaders in the twenty-first century, but I don't feel this way. I really don't care about anyone else. I know this sounds gross,

but I just want to make money and live a good life." He went on to share that this was how many of his friends felt also. I listened and I asked questions; when the session was over, I felt deeply sad. What I know for sure is that all signs indicate that this mind-set is not so uncommon today, and that it is not one that will sustain organizations of the future or our global family.

Organizations of the future need to develop a new mind-set in leaders at all levels—one that creates a continuous "value-chain" that comes from everybody's commitment to personal responsibility; one that stays with leaders as they navigate their way through a dynamic career. Nana Luz, a small business owner and a self-described global citizen, tells how a leader can most effectively demonstrate commitment to personal responsibility:. "I recommend this be done mostly by example, rather than official announcement."

To begin incorporating this quality of leadership,

- Consciously incorporate personal responsibility into your leadership mind-set, then work to imprint the habit of personal responsibility into your decision making and actions.
- Support, inspire, and encourage others to take personal responsibility, leading by example and by constructively coaching and acknowledging others' actions.

Leadership Quality 5: Establish Mutualism as the Final Arbiter

This quality adds a new guide for decisions, problem solving, products, services, programs, and profit making: *everyone benefits; no one is harmed.* In other words, it creates win, win, win: I win, you win, we all win. Building the future organization on a foundation of mutualism changes everything we do. It demands that we consciously make a routine practice of evaluating our actions, behavior, decisions, thinking, and new ideas with, *first*, a thoughtful inspection of their implications and benefits for all concerned. It adds a new element of consideration to every business or strategic plan, and provides a whole new measurement for equitable collaborations and partnerships.

The need for this distinctive quality of leadership emerged from the mistakes, poor judgments, greed, exploitation, and unintended

consequences we've all witnessed in recent years in some organizations and every region of the world. Many leaders have become good at implementing the best strategies and trendy new means of yielding a fast return on investment, but their sometimes thoughtless, sometimes rash decisions have had sweeping influences on organizations and on others' lives.

For example, Jerrold V. Tucker shared a story with me a while back about his first day as chief learning officer at GTE Service Corporation. It highlights the need for a more mutualistic kind of thinking on the part of leaders and underscores three related leadership lessons for organizations of the future:

> Our center was out of control by any business measurement at the time. I was brought in to turn the situation around—to implement the recommendations from a consultant. On my first day, we laid off nineteen people. If I had to measure the way I handled it, I would have to say it was poor. The methodology was to call people up to one of the conference rooms. The message was "your job has been eliminated." Then we directed them into the next room to hear about their benefits, followed by security escorting them out the door. It was a terrible process. Most of all, the recommendations from the consultant didn't fit our company. It was a family-oriented organization. Laying people off in this manner was not part of our culture. Afterwards, the rest of the organization was paralyzed in fear. We reduced the budget. We reduced headcount—but instead of making improvement, we set the organization back further.

> This mistake took about two years to fix. We started by first changing our focus to customer service and making sure every person understood their important role in our success—every dishwasher, curriculum developer, waiter, administrator, housekeeper, manager, and faculty member. What we did best was unleash the talents of our diverse team of people, a dynamic group representing over fifteen countries and cultures. Together, they created one of the premier management development centers in the world.

> There were many leadership lessons learned. Three stand out:

> 1. Listen to input, but decide for yourself what is right to do.
> 2. Preserve human dignity in all situations.
> 3. Put your trust in people; they have the answers.

The distinctive quality of leadership that establishes mutualism as the final arbiter requires a conscious day-to-day practice, as do each of the five distinctive qualities of leadership described in this chapter (and in more detail in my book). Dr. Martin Luther King Jr. highlights the importance in this wisdom: "We are all caught in an inescapable network of mutuality, tied into a single garment of destiny. Whatever affects one directly, affects all indirectly."[8]

Leading the Way for an Organization of the Future

How do we begin this more conscious kind of leadership by perpetual practice that will drive the success of the organization of the future? A universal truth shared with me by a close friend when I once asked her a similar kind of "how-to" question states it clearly: "You get up in the morning and you start." This is the way all transformations, *big and small*, begin.

One of the strengths organizations of the future have to draw on is the knowledge, know-how, and timeless wisdom of all that came before them. At the same time, they have to be adaptable and willing to embrace the uncharted territory that bears their name. One of my cherished books is *Take a Second Look at Yourself*.[9] I discovered it a few years ago in a used book store. It was published more than fifty years ago. The author, John Homer Miller, may not have instant name recognition today, but I've learned that he was a forward-thinking leader with many contributions and influences in another time. He affirms the kinds of change we've discussed about developing leaders for the organization of the future—leaders who become masters of the human dimension of change through leadership by perpetual practice: "You want [a better organization,] a better world. What you need to help make [your organization better or] to make the world better is not more education of your intellect. What you need is something spiritual and ethical added to your knowledge. You need educated emotions and a dedicated heart. Shakespeare once said that we can always tell a wise man by the fact everything he says or does smacks of something greater than himself. Great leaders start from within and move out."

Endnotes

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2. King, Martin Luther, Jr., "Facing the Challenge of a New Age," in James M. Washington (ed.), *A Testament of Hope: The Essential Writings and Speeches of Martin Luther King, Jr.* (San Francisco: HarperSanFrancisco, 1986).
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5. Kennedy, Debbe, *Putting Our Differences to Work: The Fastest Way to Innovation, Leadership, and High Performance* (San Francisco: Berrett-Koehler, 2008); www.puttingourdifferencestowork.com.
6. "Hoshin Kanri is a step-by-step strategic planning process that assesses breakthrough strategic objectives against daily management tasks and activities. It provides a visual map at all levels of the organization [and] provides clear strategic direction. . . . Hoshin Kanri methodology ensures that everyone in the organization knows the strategic direction for the company. Creating a working communication system means everyone is working towards a common goal!" This definition is from Becker, Karen, iSixSigma Dictionary, www.isixsigma.com (2005).
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