

THE MACRIS GROUP

UPDATE NEWSLETTER VOLUME NO. XVII— JANUARY 2018

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From Dean's Desk:



Prologue

Looking back, looking forward. The theme of last year's newsletters was *Lessons Learned for Better Leaders and Outcomes*. We commented on ten lessons noted by Joe Bockerstette's post on LinkedIn titled *Ten Lessons Learned from Thirty-Five Years in Consulting*. Looking back, the past year presented us with a treasure trove of leadership lessons. The obvious reaction to a very public forum is noted, but well within these displays of leadership miscues are serious lessons to be learned.



We speak of benchmarking and when we typically benchmark we look for functions or practices to emulate or tailor to our situation. Benchmarking works in reverse too; learning what not to do. So this coming year we intend to be less structured and deal with some of the underlying leadership failings. We start with the topic of Entitlement. Future articles will look at ethics, humility and other leadership issues facing our rapidly changing and very vocal society.

Golden Age of Entitlement

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During a recent trip to Florida we visited The Henry Plant Museum, originally the Tampa Bay Hotel, built in the late 1800s. The Tampa Bay Hotel along with many of the Newport Mansions were built during the "Gilded Age" between the late 1800s and early 1900s. It is said about this period: "It is easy to caricature the Gilded Age as an era of corruption, conspicuous consumption, and unfettered capitalism. But it is more useful to think of this as modern America's formative period, when an agrarian society of small producers were transformed into an urban society dominated by industrial corporations."

One of the greatest leadership stories is that of Earnest Shackleton, the Antarctic Explorer. His last expedition to cross the Antarctic Continent in 1914 was called the last great expedition in the "Golden Age of Exploration." That period was described as follows: "... the golden age of exploration, a time when men and women of science roamed the world, uncovering its geographical secrets at a breathtaking pace and giving rise to bitter international competitions."

Then came the Roaring Twenties, followed by the Great

Depression of 1929 and the New Deal in 1933 followed by the "Golden Age of Capitalism" from after World War II through the mid-1970s, overlapping with the Great Society and then Neo Liberalism.

The point of this historical sketch is that over the years, the United States and the world have gone through cycles. Some sound glamorous, others more political and some quite miserable. We provide links and/or copies of some excerpts of these periods if you wish more detail.

What we are suggesting in this article is we are in yet another period we refer to as the Golden Age of Entitlement. While this is as broad a moniker as those above, we intend on focusing on our characterization from a leadership perspective.

In October 2010 our UPDATE article was titled "Why I am so Important - the case for Servant Leadership." Seven plus years later the topic is more important than ever. When we discuss leadership and leaders in our workshops, we explore where leaders get their power or influence.

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Those sources of power include:

Legitimate power	power because of title
Reward power	a person who controls things you want
Coercive power	ridicule, punishment
Referent power	consistent set of values, goals and ways of getting there even if they don't agree with you. Will follow you with a consistent set of values
Charismatic power	who you are as a person
Expertise power	knowledge, skill
Situation power	clerk who holds a low position but can control people by their cooperation
Information power	share or holdback affects power

In the positive leadership context, which we attempt to convey to attendees in many of our seminars, the combination of Referent, Charismatic and Expertise power or influence are important to becoming an effective leader. I am sure you can think of leaders and people who exhibit the above characteristics, both good and bad. For the purposes of our discussion here, we are focusing on entitlement and how leaders use their power/influence to exercise entitlement and then contrasting it with the concept of Servant Leadership.

Servant Leadership

What is Servant Leadership? In our 2010 UPDATE issue we define Servant Leadership as "It is not the opposite of narcissism, it is more of an awareness, self-discipline and self-assessment, and commitment to something bigger than one's self-imposed importance." Quite simply, it is recognizing the importance and contributions of all in an organization. It is seeking out ideas from and actively supporting and serving everyone in the organization. There is no "playing the rank card" in Servant Leadership. There is no use of Legitimate, Coercive or Reward power by a Servant Leader.

There appears to be an overwhelming trend where leaders believe they are a privileged class. A class that deserves exorbitant salaries, privileges, benefits, etc. That their behavior is exempt from the norms of society, ethics and even the law. That leadership is not for serving those who one leads, but rather a position of privilege and a general disconnection with employees or constituents. Depending on the source of influence this disconnection manifests itself in many ways. A client who was a CEO, when asked

if he had been out in their organization, replied that "I have not been out with the proletariat for a while." That alone sent a strong message. Talk about disconnection. But nothing but the best when it came to travel arrangements and personal perks for this person.

Let's look at Reward power. This source of power/influence is well noted in the news. Reward power has been abused to the utmost by people who may not have legitimate power as defined above, but use their ability to reward people if those people conform to their wishes.

In these simple examples it becomes obvious how an entitlement culture can develop. No one wants to lose power or influence, and when they have it they exercise it. And because they feel they are above the law, they continue. From a leadership perspective the notion of serving and servitude has gone by the wayside. Humility is replaced with arrogance and self-righteousness.

We constantly see articles and hear news reports about company executives, politicians and other influential individuals, behaving in very arrogant ways. How have we slipped into this cycle where so many in leadership positions feel that they are the privileged and so much better than anyone else? Why do these individuals treat others as second class citizens? We definitely do not want to characterize all leaders as falling into this mold. There are many who are Servant Leaders and who have the best interest of the entire organization in their focus. But, too many have fallen into the Rank Has It's Privilege (RHIP) mindset.

Is it a shock that we have seen this evolution on Entitled leaders? Not really when you think about the exorbitant salaries and outrageous perks that CEOs and other senior leaders are now paid. Boards of Directors are also demanding that numbers be met. The driving function is satisfying the stock holders (at least the most influential ones) at the expense of any other factors. Impact on the environment, on the communities that house the facilities and on society are ignored or at best discounted until a regulatory agency forces compliance. In general, the direction of the Board of Directors is too narrowly focused.

The argument justifying the above is one of attracting top talent. Companies feel they need to offer tremendous salaries and employment contracts to ensure they are getting the best available talent. At least they think they are getting the best talent available. We know that this argument has a less than stellar track record. Perhaps these salaries and contracts actually work in reverse. A topic for further research

and perhaps a future article.

Individuals in these senior positions see the direction from the Boards and are focusing too frequently on how can I make myself look good (short term goals and returns)? They use Legitimate, Reward and Coercive powers to their advantage. They have become the central focus making certain the world knows how good they are. Consequentially, they feel entitled and act entitled. Entitled leaders see themselves above the “proletariat” yet the proletariat make the products or serve the customers? It is the “proletariat” without whom the company has no success. Hence too frequently the movers and shakers and doers in the organization are treated as second class citizens within the overall operation of the company.

In contrast, Servant leaders know that short-term results are visible to many outside the organization but short-term results don't necessarily mean long-term growth. If you achieve strong short-term results at the expense of the people in the organization, the chances are the good people will leave or check out and the organization will not sustain the strong performance. And the people who make the organization run will get tired of all the recognition being taken by the person at the top with no acknowledgement of the contributions from within.

Our goal is not to get into political discussions, but we have long seen politicians at all levels of government get elected and them immediately focus on themselves and completely ignore the wishes of those who elected them. Suddenly they know what is best for the people without even taking the time or making an effort to hear what the people want or need.

The problem here is the Golden Age of Entitlement looks much like the Gilded Age where a few have

most of everything and believe that is just fine. Technology companies are replacing industrial companies much the same way industrial companies replaced an agrarian society during the Gilded Age. We understand that we are focusing on a rather narrow aspect of this issue, but in the context of our discussion, many of the Gilded Age descriptions fit our Golden Age of Entitlement.

The Million Dollar question becomes: how do we move away from a culture of entitlement? The answer is not simple or easy. Leadership development must include strong components of servant leadership to cultivate more enlightened leaders. This is a

balancing act, but also requires a leap of faith. Leaders need to realize that doing the right thing leads to stronger bottom lines and stock prices, maybe not in the short term but in the bigger picture the metrics will prevail with a stronger and healthier organization. With the people in the organization being recognized and celebrated and not just used as a way for the people at the top to garner the glory.

The irony is that there are examples of such success. A most recent example was noted recently on CBS's morning news program (<https://www.cbsnews.com/videos/oklahoma-city-mayor-talks-public-health-infrastructure-and-immigration/>). The mayor of Oklahoma City, Mick Cornett, discusses the successes realized in Oklahoma City and cultural change. He also did a Ted Talk which we urge our readers to view. https://www.ted.com/talks/mick_cornett_how_an_obese_town_lost_a_million_pounds.

The impetus for the story camouflages the essence of what really happened in OKC. So things can change and leaders can be positive examples and make things happen.



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In Closing

Finally, repeating a quote from Max DePree in his book *Leadership Jazz*: “Leadership is a job, not a position. The people who work for you are not your people; you are theirs. Leadership is good work because leaders feel a strong need to express their potential and because they wish to serve the needs of others. This is the essence of becoming a servant leader.”

The Golden Age of Entitlement hopefully will be short lived. Those of us who have the distinct opportunity to shape leadership development program and offer counsel to organizational leaders must focus on servitude, and humility. Stress the application of Referent, Charismatic and Expertise sources of influence and power rather than arrogance and narcissism. And to those of you who are in an entitled situation, do some self-assessment and determine if you are a Servant Leader or how you can adjust your leadership style to achieve servant leadership.

A business case for training

For the majority of our professional careers, we worked in the areas of human factors, training and organizational development. While we sincerely believe the changes and improvements designed and implemented made serious contributions to safety and operational performance, proving an accident or injury that did not happen because of our contributions is a very difficult thing to do. For example, several years following the accident at Three Mile Island we assessed, developed and implemented design changes for commercial nuclear power plant control rooms. But, if the human factors assessments and subsequent improvements had not been required by the Nuclear Regulatory Commission, would the industry have participated? The issue; when we would claim that a human factors redesign would improve performance, resulting in saving just one reactor trip (SCRAM), our fee would be covered. Their response – prove you will save us a reactor trip. Tough argument. Training rationale is similar. Everyone knows these initiatives are beneficial and in the longer term yield positive results (with management commitment and support), but being able to put numbers, that accountants like to see to those results, is difficult. For close to 20 years we have conducted leadership development workshops, and written countless articles on the effect, along with the cost. The interesting aspect of these work-

shops is the cost of employees taken from their workplace to attend a two to three day workshop. That cost is significantly higher than our consulting fee. As the leadership training moves up the organizational ladder, getting people together is more difficult and costly. Confronted with this challenge, we created a flexible and cost effective alternative to the conventional approach. While this may not seem all that revolutionary, considering the industries we work in, the content becomes the important context. We created an online segment of leadership learning, a combination of video lecture, video clips of content experts, and self-paced learning. This material can be completed at the convenience of the participant providing they meet the overall completion date. We also realize that the human interaction and sharing of experiences and learnings are key to successful leadership development, so we schedule a day or even two when we gather the group for an interactive session. The prerequisite learning has been completed via the online segment, such that an open forum and exchange of ideas and thoughts can progress efficiently. Then business case is significant. Not only do the participants complete the content portion at their convenience, they have the ability to review content as they wish. This approach has a huge financial benefit as well as a learning and retention benefits. Time spent together is high value time with strong interaction with their peers.

So why is this different than any other online leadership program, it is a tailored program currently designed for the construction and utility industry. We know that audience, we know many of the challenges they confront and we focus the self-paced learning on areas important to their worlds. Generic and off-the-shelf sessions lack focus and impact.

So finally, we have a business case, followed by the advantage of more powerful interactive sessions and hopefully an ongoing dialogue between participants that will ultimately strengthen the organization's leadership profile.

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