

A. C. MACRIS CONSULTANTS

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HIGHLIGHTS

Over the past few years we have written many articles on leadership including Subversive Leadership, Leadership related to safety and terrorism, and the lead in to this article, The Elixir of Leadership. Contextual Leadership is a new way of thinking about leadership. Historically, leadership development and/or leadership training has been viewed and addressed in the sense of exploring what seemingly successful leaders or celebrity leaders do. Think of all those announcements for expensive seminars and workshops with celebrities, former municipal, military and/or corporate leaders promising great insights into leadership. They invite you to attend and to learn from them. You are then on your own to go back to your workplace and attempt to interpolate what you learned to your situation. If it works, that's wonderful, but in reality what may have worked for a particular leader is not a recipe for universal success. These seminars are like rote learning, but what is even worse they may not relate to anything you can use. I believe this 'recipe concept,' along with the ongoing struggle to define leadership behaviors, can only lead to disappointment. I welcome your reaction to the concept of Contextual Leadership.

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Contextual Leadership

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The State of Leadership Affairs

In our "Elixir of Leadership" article of last year, the fundamental premise was that the majority of leadership literature and leadership development is one of 'do as I suggest and you too can be a great leader.' It is almost as if each title is like a magic potion – based on these approaches to leadership, the only thing left is to bottle this elixir of leadership so potential leaders can drink of the mysterious potion, and abracadabra—magically you become a leader. We all know this is hardly true. Even professional publications acknowledge the conflux of information. In CIO magazine's monthly column "Leading Questions," about leadership and management issues, Senior Editor Edward Prewitt writes:

"Much leadership advice is anecdotal and situational, based on someone's experiences. No matter how wise the author may be in drawing lessons, his experiences might not be relevant to you. If you're a CIO trying to figure out how to lead in a confusing and tense environment, what advice do you believe, what tactics do you try out?"

Not much has changed except that the state of leadership and leadership development and performance remains a major concern for companies, Boards of Directors, stockholders and employees. It is time for new thinking on leadership.

Leading the New Thinking on Leadership

Contextual Leadership is a new way of thinking about leadership. Historically, leadership development and/or leadership training has been viewed and addressed in the sense of exploring what seemingly successful leaders or celebrity leaders do. Think of all those announcements for expensive seminars and workshops with former municipal, military and/or corporate leaders promising great insights into leadership. They invite you to attend to learn from them, you are then on your own to go back to your workplace and attempt to interpolate what you learned to your situation. If it works, that's wonderful, but in reality what may have worked for a particular leader is not a recipe for universal success. This approach is like rote learning, but even worse, it may not relate to anything you can use. I believe this 'recipe concept,' along with the ongoing struggle to define leadership behaviors, can only lead to disappointment. When all else fails, the default position is to refer to those who are good at it as 'born leaders' and to instill in the remainder (which perhaps is the majority) a feeling of uneasiness and inadequacy.

Contextual leadership demystifies the struggle and the notion that there are 'born leaders.' We do not expound a magic elixir that will make everyone a great leader. What we do is to frame out the issue of leadership in a way that defines tangible skills and knowledge along with other leadership qualities, but then define a context. The context takes away the magic. One of the best ways to illustrate this concept is to think about a person you may or may not know closely, who was a good or even a great leader in one particular position he once held, but who then,

because of his success, was lured into another leadership position, perhaps in the same or a totally different industry. You may recall that not only was he unable to replicate his past success, he most probably struggled to the point of very limited success.

Contextual leadership was conceived as a way to understand the dynamics of leadership and leadership responsibilities. With the understanding of these dynamics and an awareness of how to maximize the tangibles, leaders can begin to understand how to respond and lead their organizations successfully. Contextual leadership is a framework to build upon. For those who are selecting leaders (Boards of Directors, Human Resource Departments, etc.), knowing about Contextual Leadership and its dynamics can help them make better decisions and better predict the success of the person they select for such an important position. Just think of the cost advantage of being able to better predict success of a senior corporate leader.

How is this different

We are bridging the great divide between academia and the real world. Contextual leadership brings to bear the best academic thinking with real world needs and business realities. We are not gurus who are here one year and obscure memories a few years down the road. Conceptual leadership is grounded in research and designed for real world leaders.

The old model of leadership assumes that there are born leaders, and that leadership training can help, but rarely achieves the degree of leadership excellence that seems to be resident in those born leaders. Plus, leadership training is a great business opportunity, so why change the status quo?

Some interesting studies found the following. Yale University's School of Management and the Gallup Organization did a survey of CEOs – where only 26% agreed that great leaders are born versus made.

Another survey of 300 Presidents and CEOs states, "on an average they felt they were born with 40% of their leadership ability and developed the remaining 60% through experience."

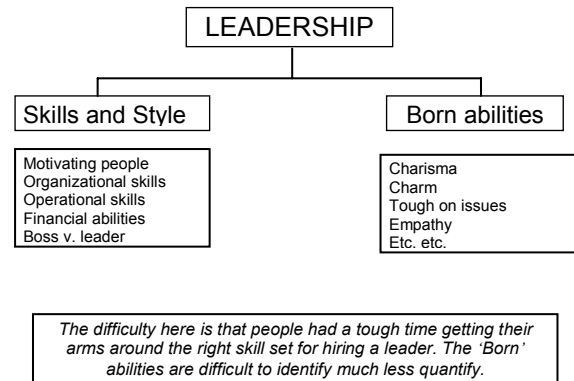


Figure 1

In contrast, I suggest that leadership is comprised of dimensions. These dimensions are Attributes, Competencies, and Experience, plus the missing piece — Context. Contextual leaders are those people who are able to:

- Recognize and understand the culture of the organization and its people,
- Use their attributes and apply their experience and competencies in an enlightened and effective manner to achieve positive results for the organization, its people and its stakeholders
- Not just blindly do what may have worked for them before in some other context!

The challenge is to define and understand the dimensions of leadership as a whole and then make sure the leader is right for the context that the position or situation requires.

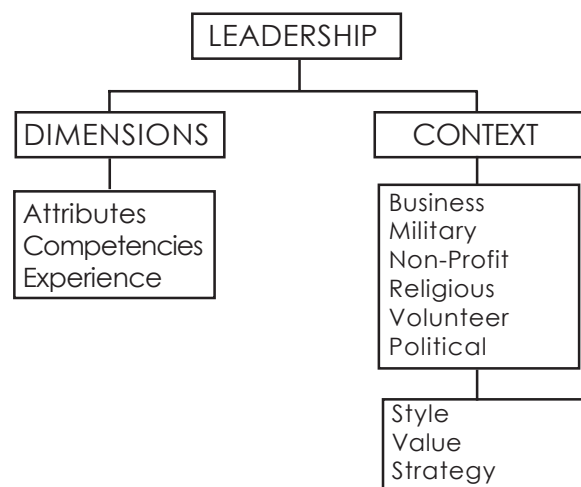


Figure 2

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Real world implications of Contextual Leadership

Contextual Leadership:

- De-mystifies leadership
- Allows for better selection of leaders
- Provides a framework for leadership training and development
- Establishes a forum for changing the way we look at leadership
- Applies to the widest range of organizations from military to business/industry to religious and non-profit
- Allows for the exploitation of experience, competencies and attributes, but channels them appropriately, thereby adding assurances of leadership effectiveness and success
- Eliminates the interpolation of leadership guidelines and how-to leadership books to one's own situation

What are Contextual leaders?

The challenge is to define and understand the dimensions of leadership as a whole, and then make sure the leader is right for the context that the position or situation requires. Historically, we make some bad assumptions, as example:

- A successful sports coach could lead a financial institution
- A successful research scientist could lead an operational or manufacturing unit

An Example

In the 1960s and 1970s, the commercial nuclear power industry was in an ambitious expansion mode. To minimize training time and costs as well as have as much operational experience at the control panel as possible, public utilities with nuclear programs were aggressively hiring enlisted nuclear submarine power plant operators. This was a good strategy in that the skill transfer was quite direct. Nuclear submarines were powered by pressurized water reactors and many of the commercial plants were of similar design and operation (non-military considerations). Utilities could save time and money – having a relatively proficient operator in a relatively short amount of time.

Utilities applied a similar logic based only on technical considerations; utility companies started hiring retired senior naval officers to fill senior leadership positions within their companies. Utilities felt that these retired naval officers had both nuclear experience as well as leadership skills; therefore there would be a similar transference of skills. This assumption proved to be a misguided – the leadership context was completely different.

Dimensions of leadership

Let's look at the dimensions of leadership in more detail. We indicated the three dimensions are:

- ❖ Attributes
- ❖ Experience
- ❖ Competencies
- ❖ Context

We define these dimensions as follows.

Attributes

We define an Attribute as a quality or characteristic of a person. An attribute, unlike "property" is a quality that is less precisely known and is only ascribed to someone or something. (e.g. 'properties of iron' 'attributes of God').

Examples of Attributes:

- Vision Professionalism
- Ethical behavior
- Risk taking
- Integrity
- Trust Faith
- Respect
- Strategic thinking
- Accessibility
- Initiative
- Visibility
- Common sense
- Consistency
- Balance

Contextual leadership demystifies the struggle and the notion that there are 'born leaders.' We do not expound a magic elixir that will make everyone a great leader. What we do is to frame out the issue of leadership in a way that defines tangible skills and knowledge along with other leadership qualities, but then define a context.

Experience

We define Experience as the ability to respond or react discriminatively to a set of events within the environment. A person with experience is made skillful and wise through observation of or participation in a particular activity or in affairs generally.

Examples of Experience:

- ❖ Diverse industry background and business experience
- ❖ Multiple leadership positions
- ❖ Strategic planning
- ❖ Proven track record
- ❖ Some failures

Competencies

There is probably more study here than in the other two dimensions. Competencies include skills and knowledge. Skills are taught and practiced, while knowledge includes capabilities gained through education and on the job training.

Examples of Competencies:

- ❖ Business Knowledge
- ❖ Motivation
- ❖ Delegation
- ❖ Negotiation
- ❖ Emotional Intelligence

- ❖ Risk Management
- ❖ Team Development

Context of Leadership

Context of leadership is likened to knowing the how to use the right tools for a particular job.

In today's world this can be a daunting task.

Examples of various contexts include (see Figure 2):

- ❖ Business
- ❖ Military
- ❖ Non-profit
- ❖ Religious
- ❖ Volunteer
- ❖ Political
- ❖ Multiple contexts

Each of these contexts has unique characteristics and cultures that require different leadership skills and knowledge. The point here is being able to recognize differences, knowing the impact of the differences, and then adjusting accordingly to ensure leadership effectiveness. Another way of looking at this is by considering Level of Influence which illustrates the concept of context.

The concept of Level of influence is important to this article for two reasons. First, in the broadest sense we believe the level of influence is inversely related leadership skills. This means the highest or strongest the level of leadership requires the least amount of leadership skill. Conversely when a job position has a lower level of influence, that position requires more leadership skill to be successful as a leader. The second reason level of influence is important is that when a leader transitions from one position of high level of influence to a lower level of influence, unless contextual factors are taken into account; the leader may be headed for serious complications. Our research and experience has shown the following:

For positions with Highest Level of Influence

- The military is a classic example of this level
- A commanding officer has the ultimate responsibility and final say so at his command
- Leadership style generally is not necessary [this doesn't make it right – just the way it is]
- No consideration – Just do it my way and it's done that way
- Change is immediate

For positions with Medium Level

- Consider a business/corporate leadership position
- Leadership impact within a company takes longer
- Level of influence is less
- Leadership context can result in loss of business knowledge and key people
- Change takes longer

For positions with Low Level

- These position are generally associated with church and/or volunteer organizations –
- A completely different set of motivators is necessary
- Leadership skills are quite different
- Change typically takes a long time, but can move faster if people see things happening around them and they want to be part of the activity

Once again, the point here is that if one's experience is steeped in an industry or job that has a high level of influence and that person/leader accepts a position in an industry that represents a lower level of influence, the attributes, experience and competencies that worked in one context most probably will not work in the other. This phenomenon works in both directions, high to low and low to high, but it seems to be more problematic when a leader who has functioned in at a high level of influence is placed in a position that by virtue of the industry, culture, etc. represents a lower level of influence. Finally, depending on the context, level of influence, and management structure, leadership must adapt.

Where does context come from?

Let's explore the context further. Context is a direct function of culture. This means two things –

1. Culture of the leader. Culture of the leader can involve an amazing range of influences stemming from one's youth through to their professional career.
2. Culture of the organization – and the leader's ability to adjust his/her context to that of the organization

Rayona Sharpnack, a teacher and mentor to some of the most powerful women in some of the most important companies, states in the December 2000 issue of Fast Company magazine:

"Context can be an individual's mind-set or the organizational culture. It includes all of the assumptions and norms that are brought to the table. Context is perception, as opposed to facts or data. People don't go off and design their context — they just inherit it. So take anything from racism to sexism to what you think you can and can't do: It's all pretty much inheritance. Its conversations, oral tradition, and all that kind of stuff. When you slow down enough to examine those ideas, you might realize, Oh my gosh! I've been operating as though everyone else knew more than I did, just because back in grade school I was put in the bluebird reading group,

instead of in the faster robin group. So it might be that kind of a deep individual insight that allows you to see that your whole context has been that you're a second-rate player."

This interpretation of context reinforces our position that Culture = culture of the leader + culture of the organization. Furthermore, the degree to which cultural adjustment can occur tends to be a function of the amount of time spent in any one situation unchallenged by external influences: old dog and new tricks syndrome.

The challenge is to approach leadership in an organization such that we leverage the Competencies, Attributes and Experience of our members toward the enrichment of the organization as a whole in the appropriate context.

What it takes to become a Contextual Leader

We have identified five components necessary to make the transition from the Traditional 'Elixir of Leadership' thinking to Contextual Leadership. Those five components are:

- Commitment
- Education
- Enlightenment
- Teamwork
- Role Models

Commitment

Over the years we have several articles that have included discussions of commitment. Commitment is number one here because we feel so strongly about it. Without it, the potential for any form of change, particularly in the way to approach leadership, will be low. Commitment is what makes things happen.

There needs to be a commitment:

- ❖ To a new paradigm for leadership and leadership development
- ❖ From the highest leadership entity or position (as threatening as that may be to that person or Board of Directors)
- ❖ At all levels of an organization

Education

Education is a rather predictable component, and certainly is essential. In this context we are suggesting that education be integrative in nature including organizational culture, business knowledge, and learning in areas of self improvement, development and awareness. Some of the authors that are well known in the self improvement/development areas are Peter Senge and Daniel Goleman.

- ❖ Education in the culture of the organization
- ❖ Ongoing education for leadership attributes and competencies

- ❖ Awareness education to learn the contexts of leadership
- ❖ Strategy to drive leadership learning throughout the organization

Enlightenment

Leaders are leaders for many reasons and humility is typically not a quality associated with leaders.

Enlightenment is keenly important to contextual leadership. This is where there needs to be:

- ❖ A willingness and ability to change culture
- ❖ The recognition of one's own strengths and shortcomings as well as the strengths of individuals within the organization and a tolerance of their weaknesses
- ❖ A valuing of the leadership process – being a leader is not taking the position for granted
- ❖ Becoming Contextual

Teamwork

While each of these components appear to be obvious to the casual observer, each is so important to the overall success of transitioning to the contextual model. Teamwork:

- ❖ Is the mechanism and force that implements change
- ❖ Reaches out and demonstrates that positive change is possible
- ❖ Grooms future leaders

When one sees the power of teamwork that is properly designed and implemented, its importance changes from interesting conversation to tangible outcomes.

Role Models

Role models are and have been highly effective in affecting change. They are the ones who proverbially quote 'walks the talk.' Role models as applied to the contextual leadership model are equally important because:

- ❖ Role models make different ways of doing things real and more readily accepted
- ❖ Leadership means role models at all levels
- ❖ Role models must demonstrate commitment, education, enlightenment and teamwork

Conclusion

Contextual leadership brings to bear the best academic thinking with real world needs and business realities. We are not gurus who are here one year and obscure memories a few years down the road. We have defined three workshops grounded in research and designed for real world leaders.

Contextual Leadership Workshop for Transitioning Leaders

This workshop is designed to help those senior individuals who are making a career transition and have been selected to assume leadership positions in industries or organizational cultures different from recent leadership positions they have held. Examples might include senior military officers who will be transitioning to civilian corporate positions.

Contextual Leadership Workshop for Leadership Renewal

In more cases than leaders are willing to admit, many who have held their position for more than a few years experience burnout, feelings of being overwhelmed, need a sanity check about themselves and their leadership practices, or may need to renew their orientation because the context of their business has changed. This workshop is for those individuals.

Contextual Leadership Dynamics Workshop

Contextual leadership dynamics is designed for mid-level managers who have been designated by their existing organization as high potential candidates. This workshop should be part of any grooming or leadership development program, to provide assurances that those who will assume leadership positions in the future will be prepared to take on their leadership position, will be more effective in a shorter period of time, and will build a leadership culture within their organization.

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