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## WHAT LEADERS DO AND WHAT CONSTITUENTS EXPECT

- THE FIVE PRACTICES OF EXEMPLARY LEADERSHIP
- CREDIBILITY IS THE FOUNDATION OF LEADERSHIP





# THE FIVE PRACTICES OF EXEMPLARY LEADERSHIP

*“Leadership is ultimately about creating a way for people to contribute to making something extraordinary happen.”*

*Alan Keith, Genentech*

“When I walked in the door on my first day,” Dick Nettell told us, “we had four hundred people working really, really hard, but they weren’t winning. We had people who were walking around looking like they ran over their dogs on the way to work. It was very, very sad.” As the new site executive for Bank of America’s Consumer Call Center in Concord, California, Dick found “rep

scores” (the key performance measure) 21 percentage points behind the top performing call center and 18 points behind the next lowest performer. Fifty-five percent of employees felt that they were in an environment in which they could not speak their minds, and 50 percent believed that nothing was going to happen even if they did.<sup>1</sup>

It’s Dick’s firm belief that “everybody wants to win. Everybody wants to be successful. Everybody comes to work trying to make a difference.” But the call center employees suffered from “management whiplash.” The constant turnover in leadership and changes in priorities had been sending them down the path of poor performance. Dick said that when he started asking about the comparisons with other centers, “All I heard were the reasons why we couldn’t do this or that. If there were an Olympic excuse-making team, we would be gold medallists. People were very disempowered.” So Dick set out to change all that.

Dick set aside three entire days just for talking and listening to people. He gathered as much data as he could from these interviews and elsewhere. “If you keep your eyes open and periodically actually shut your mouth, and you have the courage to turn the mirror around on yourself,” said Dick, “it’s amazing what you can learn and how you can change things.”

He met with the call center’s senior managers and support staff in a large basement conference room and presented his findings. Then he handed out stacks of Post-it notepads and asked the group to write down five adjectives that described the center at that time. He repeated this process two more times, asking them to write down five adjectives that described how they thought their peers would describe the center and what they thought the associates, or customer service representatives, would say. Each time, their responses were written on an easel. It was a bleak picture. Words such as *demotivated*, *volatile*, *imprecise*, *failing*, *disorganized*, *frustrating*, *not fun*, *constantly changing priorities*, *lack of appreciation*, *too many changes*, and *not enough coaching* appeared on the lists. Even so, there were some positive comments about the people, such as *dedicated*, *energetic*, and *supportive*.

Then Dick asked them to go through the process once more, this time describing how they would *like* the call center to look in the future. “If you could wave a magic wand,” he asked the group, “in three to five years how would you like the center to be described?” The language they used to express their hopes, dreams, and aspirations painted a dramatically different picture from the one Dick found when he came aboard: *amazing results, world class, a model for others to follow, a unique place to work, partnership, opportunities to learn and grow, true passion for our customers*. Armed with this list of aspirations Dick and the management team began to craft a vision, mission, and set of values (which they called commitments). The resulting vision and mission read as follows:

### OUR VISION OF THE FUTURE . . .

- We will be seen as a *World Class Call Center* and the standard against which others are measured—one with true passion for our customers.
- We will be acknowledged across the franchise as a model to follow, where every associate truly feels like a partner, has an equal opportunity to learn and grow, and understands their personal impact on our overall success.
- We will be viewed as a unique place to work, an organization that drives amazing results while having fun along the way.

### OUR MISSION IS . . .

- To provide an experience that consistently “delights” our customers every single minute of every single day.

Over the next six weeks Dick held twenty-two forty-five minute state-of-the-center meetings with every team in the call center. “Here’s our vision, here’s what we’re committed to,” Dick would say to begin raising awareness of the issues, and then he’d ask, “Does this make sense to you? Is there something we need to change?” Then Dick told them about his own beginnings in Bank of America. He told them about how he started as a garage helper, worked his way up to be an automobile fleet manager,

and eventually found his way into senior management. He told them, “I’m here at the call center because I want to be here,” and then related the story of how he had retired as the bank’s corporate services executive and decided to come back.

He said he woke up early one morning and realized that something was missing in his life. “At four in the morning you can’t lie to yourself,” he told them. “I realized that I’m really passionate about working with folks to get them to think differently about themselves. What was missing in my life was the ability to make a difference in people’s lives. It may sound corny, but I love to be able to work with people so that they can be the best they can be.” So Dick reached out to an executive he admired at the bank and asked about the chance of coming back. He got his wish when the opportunity to take on the Concord Call Center came along. Everyone in those state-of-the-center meetings, when they heard Dick’s story, realized that they had a champion on their side, a genuine leader who would enable them to turn their aspirations into actuality. They understood that Dick was there because he wanted to be there, not because the call center was on some career path to a higher position.

At those meetings Dick challenged everyone to take the initiative to make the new vision a reality. “You’ve lost the right to suffer in silence,” he said. “If you have an issue, open your mouth. I want you to talk to your managers, talk to my communications person, talk to me, or visit the “Ask Dick” section of the company’s intranet. Think about sitting in my chair. Give me ideas and proposals that I have the authority to approve.” Dick made it clear that from then on changing the call center was everybody’s business. “You have to be a part of this,” he said. “You want to be like a partner, then you’ve signed up for some responsibility in the process.” Dick’s challenge made it clear that things were going to change, and that the associates were empowered to act. “Everybody should have that equal opportunity to succeed and learn and know what it feels like to win,” Dick said, and “once you’ve done that—you’ve got people well positioned—get the hell out of their way and watch them rock and roll.”

To maintain the momentum, Dick began holding monthly “town hall” meetings. To make that happen he had to challenge the way things are normally done—it’s tough to pull call center people off the phone, even once a month. So they do two half-hour town halls each month, with half the center attending one, and the other half coming to the other. At each one, Dick constantly reiterates the mission, commitments, and vision—that’s a ritual with him. He gives a “you said, we did” report. Then there’s a discussion of current initiatives. For example, the month that we visited Dick, the new-hire onboarding process, the upcoming associate survey, and clothing guidelines were the topics of discussion. Following the initiative discussion is a report on the month’s performance. Each town hall concludes with “Celebrating Heroes,” a time for individuals who have made significant contributions to the center to be publicly recognized. And it’s not just Dick and his managers doing the recognizing. Associates also get time on the agenda to celebrate peers for living the values of the bank and keeping the commitments they’ve made to each other.

Recognition and celebration are a big deal to Dick. When he arrived at the Concord Call Center, very little of either was going on, so Dick put it on the agenda. Every Wednesday, for example, is “Pride Day,” when people wear company logo merchandise and you see a lot of red, blue, and white bank shirts. Although Pride Day was started before Dick arrived, he added new dimensions to the ritual. For starters, there’s the fifteen-minute spirit huddle; once a month every one of the team managers has to bring at least one associate with them, and in the huddles the managers recognize their local heroes. You’ll also see people wearing spirit beads. Dick came up with the idea because he wanted something really visible yet inexpensive enough that they could do a lot of it. The beads come in different colors, but on every string hangs a medallion with the same word: PRIDE.

PRIDE is Dick’s motto; it stands for Personal Responsibility In Delivering Excellence. That medallion suspended from the gold, blue, and green beads symbolizes what all the values, vision, and mission are about to Dick. They’re about taking pride in what you do. And when Dick conducts

quarterly coaching sessions with each of his direct reports, they talk about PRIDE, and mission, and vision, and values. Another thing they talk about is how other people see them as leaders. “When we turn that mirror around,” he asks, “is there a match to what we’re saying? How do we spend our time every day? Do our goals match our commitments?” It’s in these discussions that Dick gets down to aligning actions with the values of the center.

Despite the tremendous progress they’ve made in becoming a model call center, and toward keeping the commitments that they’ve made to each other, Dick still believes that “every day is opening day.” He said, “It doesn’t matter what you did yesterday. Each and every decision and action is a moment of truth. You say something and what do people see? The two have to be aligned. It’s all about the video matching the audio.”

And for Dick the challenge continues, for he knows that every day will present him and the organization with some wonderful chance to try something new: “In today’s environment, if you want to be successful, doing things the same way just won’t get it done, period. Expectations continue to be raised, by our shareholders, by our managers, and by our customers. And if we’re not willing to be innovative and do things differently, we’re going to have the competition pass us like we’re sitting still on the freeway.”

Dick demonstrates exemplary leadership skills, and he shows us how leaders can seize the opportunities to bring out the best in others and guide them on the journey to accomplishing exceptionally challenging goals. He serves as a role model for leaders who want to get extraordinary things done in organizations.

## LEADERSHIP OPPORTUNITIES ARE EVERYWHERE

Leadership can happen anywhere, at any time. It can happen in a huge business or a small one. It can happen in the public, private, or social sector. It can happen in any function. It can happen at home, at school, or in the com-

munity. The call to lead can come at four o'clock in the morning, or it can come late at night. The energy and motivation to lead can come in ways you'd least expect. While Dick Nettel's most recent personal-best leadership grew out of a need to again challenge himself, Claire Owen's leadership best grew out of necessity.

Claire Owen is founder and Leader of Vision & Values of the SG Group in London, England, a 110-person firm that's a collection of four businesses designed to meet the marketing and human resource recruitment needs of agencies and corporations. Stopgap, the United Kingdom's first specialist freelance marketing agency and the SG Group's original business, began because the marketing agency Claire was working in at the time went into receivership. She had a four-week-old baby and a huge mortgage, and was wondering what was going to happen next. But Claire was also worried about what would happen to her client, with whom they were midway through an important promotion. Her concern for her client overrode her personal concerns, so she called her contacts there, told them what was happening, and agreed on what they were going to do.

"I said to the client, 'Look, you are up you-know-where without a paddle, but don't panic. I will provide you with a stopgap.' So the account manager and I provided them with a temporary solution, and finished off running the promotion. I thought at the end of that, gosh, there is something here, providing people with a temporary marketing solution. But I knew *I* didn't want to be that temporary solution. I had had enough of printers, and creatives, and copywriters, so I thought maybe I could find other people to do the doing and I would just put them together with the client."

When Stopgap opened its doors there wasn't another business out there that was doing what Claire proposed. "We created the marketplace that we operate in," she said. "When we started up, nobody was providing freelance marketers. You could get locum (temporary) doctors, teachers, lawyers, dentists,

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and vets. In most professions you could get a temp, interim, whatever you like, but you couldn't in marketing." The fact that there was no other business like hers was fine with Claire. "I hate the predictable," she told us. "I hate doing things the way everyone else does. Whatever I do I like to do something different. I never wanted to be a me-too company from day one."

Claire is very outspoken about her lack of respect for the traditional ways the recruitment industries have been run. "I had been a candidate myself, and I had been so mistreated by the recruitment consultancy that I wanted to challenge the rules the recruitment industry was playing by," she told us. "If I could change those practices then I'd be proud to work in this field, and that is what I did."

For Claire the most fundamental rules had to do with how they operated. "I wanted an open and transparent business that people could trust," she said. "Whether it was about our fee structure, or the fact that we never send a candidate to a job before telling them everything about the organization, we operate by the principle of total transparency. We might say to a candidate, 'This looks like a great job for your career, but the location is terrible.'"

The early days were tough. There were a lot of naysayers. Because Claire was so outspoken about her views of the industry, competitors were particularly harsh. Claire remembers one time when a competitor looked at her, wagged his finger, and told her that she would never be a success in the business. She just laughed and said, "You don't know how wrong you are."

Success for Claire is not defined by a specific revenue amount or a specific head count. Quite simply, Claire said, "I wanted to run a business that had a phenomenal reputation." Her vision was that there would be Stopgaps all over the country, as there are Reeds (the U.K. leader in specialist recruitment, training, and HR consultancy)—an outlet on every corner so to speak. She knew they were never going to be a High Street recruitment consultancy, but she wanted Stopgap to be everywhere and to be a company that people wanted to do business with. Claire said that she's not a dreamer, but closer to the truth is that she is living her dream every day. For her the future is now.

Rather than waiting to run the business the way she thinks it should be run, she's bringing it to life every day of the week.

A clear set of values guides the daily decisions and actions that Claire and her staff make. These values came from walking in the shoes of her staff and their candidates. These wouldn't work, however, if they weren't shared values. As Claire told us, "People have said to me time and time again, 'I wouldn't work for any other recruitment consultancy. The only reason I'm sitting here is because I like these values. They're the same as mine.'"

"That's music to my ears," Claire said. "We're not everybody's cup of tea. People come and work for us because they want to make a difference to people. They want to help people. It's what they do."

"We are a very, very candidate-driven business," Claire told us. But even more important to her than the candidate is her staff. She fervently believes that if you take care of your staff, they will take care of the candidate; if the staff takes care of the candidate, the candidate will take care of the client; and if the candidate takes care of the client, the client will return to the SG Group for more business. Claire puts her staff first, knowing that they are the ones that ultimately determine the reputation of the company.

As you'd expect, staff turnover at the SG Group is extremely low. People rarely leave the business, and if they do they are always welcomed back should they choose to return. "Friendship is the glue that keeps people here. Why would I want to leave when my best mates work with me? Someone once said to me, 'Don't take this the wrong way, Claire, but coming to work is a bit like going to a coffee morning.' I asked her what she meant, and she said, 'I am with people I like, and we can socialize. And yes, we do the job.' I thought that was wonderful. They love coming to work because of the people that are here."

The values of helping and caring for clients and staff are by no means permission to coddle people and allow them to do whatever they want. Claire is very clear that she expects the values to be lived, not just talked about. They are as much a discipline as any other operational values. "If you want customers to have a certain experience," says Claire, "you have got to have people

who can deliver on that experience. It's a darn sight easier if you employ people who have the values that you want to give your customers."

Clearly the SG Group values aren't just posters on the wall—they are the guidelines the group uses in everything they do. For example, there is the "First Tuesday in the Month" meeting. It's actually never held on the first Tuesday, but that's what it was called when they were first held and the name has stuck. It happens once a month from 9:00 A.M. to 10:00 A.M., and everybody comes. In that meeting they share the company's financials. Everybody learns what the business turned over, and the profit made or loss taken. They talk about where the business has come from, so people don't forget about their important clients. They share any marketing that's going on. They share a lot of people things—who's joining, who's leaving, who's got an anniversary this month, and anything else that affects staff. And they always have the "grapevine"—a time when people can ask about things they might have heard about and want to know if it's really happening. They film the meeting, so if someone has to miss it they can watch it on DVD.

Then there's the Friday meeting. It's a look back at the week, a sharing of good things and bad things that went on during the week. There's also the Thursday Breakfast Club, which happens every other Thursday. That's a forum for consultants to talk about candidates and clients, and to just share in depth the issues they're having. Notes from these meetings are often posted in the lavatory so that they are visible at all times—you never know when you might come up with a solution to someone's problem. Finally, there is a staff newsletter that goes out every other week for more personal needs, like someone wanting details of a great Mexican restaurant, a good plumber, or a flatmate.

Being physically present is important for Claire. She asked her staff what they wanted from her, and they told her "that they just wanted to see more of me, to have time to talk to me, to see me wandering around." Claire radiates energy. When you're around her you have no doubt that she cares deeply about the business, and, in particular, about the people in the business. Claire fully understands the potency of her physical presence. "You see that I get ex-

cited about things,” she pointed out to us—not that there was any doubt—“and people go, ‘Well, Claire is excited by it, so I’m going to get excited by it. She believes it and she thinks it is going to be great—well I think it’s going to be great.’ That’s really all I do.”

Claire also realizes that if her enthusiasm isn’t genuine, it’s going to have a negative effect. “If it’s an act,” she said, “they’ll see right through it. People really respect you for who you are, and they don’t want you to be someone you are not. They prefer to see who you are, the real you.”

The SG Group has a positively charged atmosphere that is fueled by numerous recognitions and celebrations. These are the informal kinds at which people toast personal successes, anniversaries, and births of babies. Every month staff members nominate people who have gone the extra mile. Anybody can nominate anybody. Every month all the nominations are considered, 99 percent are approved, and every winner gets a silver envelope placed on their desk thanking them for going the extra mile and presenting usually between 25 and 50 Stopgap Points. Each point is worth about £1, and they can convert the points into whatever they want to spend it on. The SG Group also has a very flexible benefits scheme called “Mind, Body, Soul.” Nothing is formal, and staff create things for themselves. The whole idea is that each person is different and they can customize the plan to fit their needs. For some it’s a gym membership, for others it’s health insurance, and for others it’s personal coaching. The entire scheme celebrates the individuality of each person.

The marketplace for freelance marketers has grown more and more competitive.<sup>2</sup> “You can never get complacent,” Claire said. “As a business we are always, always thinking, ‘What else can we do to stay ahead?’” But something that won’t change is Claire Owen’s leadership philosophy. “We are human beings,” she said. “We don’t have employees. We don’t have staff. We have people, and people have emotions, and people have needs. If you are happy you do a better job. If you are excited about the business, and if you are excited about where it is going and what is happening in it, then there is a buzz, a physical buzz. It’s my job to create that kind of place.”

# THE FIVE PRACTICES OF EXEMPLARY LEADERSHIP

Since 1983 we've been conducting research on personal-best leadership experiences, and we've discovered that there are countless examples of how leaders, like Dick and Claire, mobilize others to get extraordinary things done in virtually every arena of organized activity. We've found them in profit-based firms and nonprofits, manufacturing and services, government and business, health care, education and entertainment, and work and community service. Leaders reside in every city and every country, in every position and every place. They're employees and volunteers, young and old, women and men. Leadership knows no racial or religious bounds, no ethnic or cultural borders. We find exemplary leadership everywhere we look.

From our analysis of thousands of personal-best leadership experiences, we've discovered that ordinary people who guide others along pioneering journeys follow rather similar paths. Though each experience we examined was unique in expression, every case followed remarkably similar patterns of action. We've forged these common practices into a model of leadership, and we offer it here as guidance for leaders as they attempt to keep their own bearings and steer others toward peak achievements.

As we looked deeper into the dynamic process of leadership, through case analyses and survey questionnaires, we uncovered five practices common to personal-best leadership experiences. When getting extraordinary things done in organizations, leaders engage in these Five Practices of Exemplary Leadership:

- Model the Way
- Inspire a Shared Vision
- Challenge the Process
- Enable Others to Act
- Encourage the Heart

The Five Practices—which we discuss briefly in this chapter and then in depth in Chapters Three through Twelve—aren't the private property of the people we studied or of a few select shining stars. Leadership is not about personality; it's about behavior. The Five Practices are available to anyone who accepts the leadership challenge. And they're also not the accident of a unique moment in history. The Five Practices have stood the test of time, and our most recent research confirms that they're just as relevant today as they were when we first began our investigation more than twenty-five years ago.

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*Leadership is not about personality; it's about behavior.*

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### *Model the Way*

Titles are granted, but it's your behavior that wins you respect. As Tom Brack, with Europe's SmartTeam AG, told us, "Leading means you have to be a good example, and live what you say." This sentiment was shared across all the cases that we collected. Exemplary leaders know that if they want to gain commitment and achieve the highest standards, they must be models of the behavior they expect of others. *Leaders model the way.*

To effectively model the behavior they expect of others, leaders must first be clear about guiding principles. They must *clarify values*. As Lindsay Levin, chairman for Whites Group in England, explained, "You have to open up your heart and let people know what you really think and believe. This means talking about your values." Leaders must find their own voice, and then they must clearly and distinctively give voice to their values. As the personal-best stories illustrate, leaders are supposed to stand up for their beliefs, so they'd better have some beliefs to stand up for. But it's not just the leader's values that are important. Leaders aren't just representing themselves. They speak and act on behalf of a larger organization. Leaders must forge agreement around common principles and common ideals.

Eloquent speeches about common values, however, aren't nearly enough. Leaders' deeds are far more important than their words when one wants to determine how serious leaders really are about what they say. Words and deeds must be consistent. Exemplary leaders go first. They go first by *setting the example* through daily actions that demonstrate they are deeply committed to their beliefs. As Prabha Seshan, principal engineer for SSA Global, told us, "One of the best ways to prove something is important is by doing it yourself and setting an example." She discovered that her actions spoke volumes about how the team needed to "take ownership of things they believed in and valued." There wasn't anything Prabha asked others to do that she wasn't willing to do herself, and as a result, "while I always trusted my team, my team in turn trusted me." For instance, she wasn't required to design or code features but by doing some of this work she demonstrated to others not only what she stood for but also how much she valued the work they were doing and what their end user expected from the product.

The personal-best projects we heard about in our research were all distinguished by relentless effort, steadfastness, competence, and attention to detail. We were also struck by how the actions leaders took to set an example were often simple things. Sure, leaders had operational and strategic plans. But the examples they gave were not about elaborate designs. They were about the power of spending time with someone, of working side by side with colleagues, of telling stories that made values come alive, of being highly visible during times of uncertainty, and of asking questions to get people to think about values and priorities.

Modeling the way is about earning the right and the respect to lead through direct involvement and action. People follow first the person, then the plan.

### *Inspire a Shared Vision*

When people described to us their personal-best leadership experiences, they told of times when they imagined an exciting, highly attractive future for their organization. They had visions and dreams of what *could* be. They had ab-

solute and total personal belief in those dreams, and they were confident in their abilities to make extraordinary things happen. Every organization, every social movement, begins with a dream. The dream or vision is the force that invents the future. *Leaders inspire a shared vision.* As Mark D’Arcangelo, system memory product marketing manager at Hitachi Semiconductor, told us about his personal-best leadership experience, “What made the difference was the vision of how things could be and clearly painting this picture for all to see and comprehend.”

Leaders gaze across the horizon of time, imagining the attractive opportunities that are in store when they and their constituents arrive at a distant destination. They *envision exciting and ennobling possibilities.* Leaders have a desire to make something happen, to change the way things are, to create something that no one else has ever created before. In some ways, leaders live their lives backward. They see pictures in their mind’s eye of what the results will look like even before they’ve started their project, much as an architect draws a blueprint or an engineer builds a model. Their clear image of the future pulls them forward. Yet visions seen only by leaders are insufficient to create an organized movement or a significant change in a company. A person with no constituents is not a leader, and people will not follow until they accept a vision as their own. Leaders cannot command commitment, only inspire it.

Leaders have to *enlist others in a common vision.* To enlist people in a vision, leaders must know their constituents and speak their language. People must believe that leaders understand their needs and have their interests at heart. Leadership is a dialogue, not a monologue. To enlist support, leaders must have intimate knowledge of people’s dreams, hopes, aspirations, visions, and values. Evelia Davis, merchandise manager for Mervyns, told us that while she was good at telling people where they were going together, she also needed to do a good job of explaining why they should follow her, how they could help reach the destination, and what this meant for them. As Evelia put it, “If you don’t believe enough to share it, talk about it, and get others excited about it then it’s not much of a vision!”

Leaders breathe life into the hopes and dreams of others and enable them to see the exciting possibilities that the future holds. Leaders forge a unity of purpose by showing constituents how the dream is for the common good. Leaders stir the fire of passion in others by expressing enthusiasm for the compelling vision of their group. Leaders communicate their passion through vivid language and an expressive style.

Whatever the venue, and without exception, the people in our study reported that they were incredibly enthusiastic about their personal-best projects. Their own enthusiasm was catching; it spread from leader to constituents. Their belief in and enthusiasm for the vision were the sparks that ignited the flame of inspiration.

### *Challenge the Process*

Every single personal-best leadership case we collected involved some kind of challenge. The challenge might have been an innovative new product, a cutting-edge service, a groundbreaking piece of legislation, an invigorating campaign to get adolescents to join an environmental program, a revolutionary turnaround of a bureaucratic military program, or the start-up of a new plant or business. Whatever the challenge, all the cases involved a change from the status quo. Not one person claimed to have achieved a personal best by keeping things the same. All leaders *challenge the process*.

Leaders venture out. None of the individuals in our study sat idly by waiting for fate to smile upon them. “Luck” or “being in the right place at the right time” may play a role in the specific opportunities leaders embrace, but those who lead others to greatness seek and accept challenge. Jennifer Cun, in her role as a budget analyst with Intel, noted how critical it is for leaders “to always be looking for ways to improve their team, taking interests outside of their job or organization, finding ways to stay current of what the competition is doing, networking, and taking initiative to try new things.”

Leaders are pioneers. They are willing to step out into the unknown. They *search for opportunities to innovate, grow, and improve*. But leaders aren’t the

only creators or originators of new products, services, or processes. In fact, it's more likely that they're not: innovation comes more from listening than from telling. Product and service innovations tend to come from customers, clients, vendors, people in the labs, and people on the front lines; process innovations, from the people doing the work. Sometimes a dramatic external event thrusts an organization into a radically new condition. Leaders have to constantly be looking outside of themselves and their organizations for new and innovative products, processes, and services. "Mediocrity and status quo will never lead a company to success in the marketplace," is what Mike Pepe, product marketing manager at O3 Entertainment, told us. "Taking risks and believing that taking them is worthwhile," he went on to say, "are the only way companies can 'jump' rather than simply climb the improvement ladder."

When it comes to innovation, the leader's major contributions are in the creation of a climate for experimentation, the recognition of good ideas, the support of those ideas, and the willingness to challenge the system to get new products, processes, services, and systems adopted. It might be more accurate, then, to say that leaders aren't the inventors as much as they are the early patrons and adopters of innovation.

Leaders know well that innovation and change involve *experimenting and taking risks*. Despite the inevitability of mistakes and failures leaders proceed anyway. One way of dealing with the potential risks and failures of experimentation is to approach change through incremental steps and small wins. Little victories, when piled on top of each other, build confidence that even the biggest challenges can be met. In so doing, they strengthen commitment to the long-term future. Not everyone is equally comfortable with risk and uncertainty. Leaders must pay attention to the capacity of their constituents to take control of challenging situations and become fully committed to change. You can't exhort people to take risks if they don't also feel safe.

It would be ridiculous to assert that those who fail over and over again eventually succeed as leaders. Success in any endeavor isn't a process of simply buying enough lottery tickets. The key that unlocks the door to opportunity is

learning. Claude Meyer, with the Red Cross in Kenya, put it to us this way: “Leadership is learning by doing, adapting to actual conditions. Leaders are constantly learning from their errors and failures.” Life is the leader’s laboratory, and exemplary leaders use it to conduct as many experiments as possible. Try, fail, learn. Try, fail, learn. Try, fail, learn. That’s the leader’s mantra. Leaders are learners. They learn from their failures as well as their successes, and they make it possible for others to do the same.

### *Enable Others to Act*

Grand dreams don’t become significant realities through the actions of a single person. It requires a team effort. It requires solid trust and strong relationships. It requires deep competence and cool confidence. It requires group collaboration and individual accountability. To get extraordinary things done in organizations, leaders have to *enable others to act*.

After reviewing thousands of personal-best cases, we developed a simple test to detect whether someone is on the road to becoming a leader. That test is the frequency of the use of the word *we*. In our interviews, we found that people used *we* nearly three times more often than *I* in explaining their personal-best leadership experience. Hewlett-Packard’s Angie Yim was the technical IT team leader on a project involving core team members from the United States, Singapore, Australia, and Hong Kong. In the past, Angie told us, she “had a bad habit of using the pronoun *I* instead of *we*,” but she learned that people responded more eagerly and her team became more cohesive when people felt part of the *we*. “This is a magic word,” Angie realized. “I would recommend that others use it more often.”

Leaders *foster collaboration and build trust*. This sense of teamwork goes far beyond a few direct reports or close confidants. They engage all those who must make the project work—and in some way, all who must live with the results. In today’s virtual organizations, cooperation can’t be restricted to a small group of loyalists; it must include peers, managers, customers and clients, suppliers, citizens—all those who have a stake in the vision.

Leaders make it possible for others to do good work. They know that those who are expected to produce the results must feel a sense of personal power and ownership. Leaders understand that the command-and-control techniques of traditional management no longer apply. Instead, leaders work to make people feel strong, capable, and committed. Leaders enable others to act not by hoarding the power they have but by giving it away. Exemplary leaders *strengthen everyone's capacity* to deliver on the promises they make. As Kathryn Winters learned working with the communications department at NVIDIA Corporation, “You have to make sure that no one is outside the loop or uninvolved in all the changes that occur.” She continually ensures that each person has a sense of ownership for his or her projects. She seeks out the opinions of others and uses the ensuing discussion not only to build up their capabilities but also to educate and update her own information and perspective. “Inclusion (not exclusion),” she finds, “ensures that everyone feels and thinks that they are owners and leaders—this makes work much easier.” Kathryn realized that when people are trusted and have more discretion, more authority, and more information, they're much more likely to use their energies to produce extraordinary results.

In the cases we analyzed, leaders proudly discussed teamwork, trust, and empowerment as essential elements of their efforts. A leader's ability to enable others to act is essential. Constituents neither perform at their best nor stick around for very long if their leader makes them feel weak, dependent, or alienated. But when a leader makes people feel strong and capable—as if they can do more than they ever thought possible—they'll give it their all and exceed their own expectations. Authentic leadership is founded on trust, and the more people trust their leader, and each other, the more they take risks, make changes, and keep organizations and movements alive. Through that relationship, leaders turn their constituents into leaders themselves.

### *Encourage the Heart*

The climb to the top is arduous and long. People become exhausted, frustrated, and disenchanted. They're often tempted to give up. Leaders *encourage*

*the heart* of their constituents to carry on. Genuine acts of caring uplift the spirits and draw people forward. In his personal-best leadership experience, Ankush Joshi, the service line manager with Informix USA, learned that “writing a personal thank-you note, rather than sending an e-mail, can do wonders.” Janel Ahrens, marcom manager with National Semiconductor, echoed Ankush’s observation. Janel would make notes about important events in other people’s lives and then follow up with them directly after or simply wish them luck prior to an important event. Every person was “genuinely touched that I cared enough to ask them about how things are going.” She told us that in her organization “work relationships have been stronger since this undertaking.” Janel’s and Ankush’s experiences are testimony to the power of a “thank you.”

*Recognizing contributions* can be one-to-one or with many people. It can come from dramatic gestures or simple actions. One of the first actions that Abraham Kuruvilla took upon becoming CEO of the Dredging Corporation of India (a government-owned private-sector company providing services to all ten major Indian ports) was to send out to every employee a monthly newsletter (*DCI News*) that was full of success stories. In addition, he introduced, for the first time, a public-recognition program through which awards and simple appreciation notices were given out to individuals and teams for doing great work. Abraham made sure that people were recognized for their contributions, because he wanted to provide a climate in which “people felt cared about and genuinely appreciated by their leaders.”

It’s part of the leader’s job to show appreciation for people’s contributions and to create a culture of *celebrating values and victories*. In the cases we collected, we saw thousands of examples of individual recognition and group celebration. We’ve heard and seen everything from handwritten thank-yous to marching bands and “This Is Your Life”-type ceremonies.

Recognition and celebration aren’t about fun and games, though there is a lot of fun and there are a lot of games when people encourage the hearts of their constituents. Neither are they about pretentious ceremonies designed

to create some phony sense of camaraderie. When people see a charlatan making noisy affectations, they turn away in disgust. Encouragement is, curiously, serious business. It's how leaders visibly and behaviorally link rewards with performance. When striving to raise quality, recover from disaster, start up a new service, or make dramatic change of any kind, leaders make sure people see the benefit of behavior that's aligned with cherished values. Leaders also know that celebrations and rituals, when done with authenticity and from the heart, build a strong sense of collective identity and community spirit that can carry a group through extraordinarily tough times.

## LEADERSHIP IS A RELATIONSHIP

Our findings from the analysis of personal-best leadership experiences challenge the myth that leadership is something that you find only at the highest levels of organizations and society. We found it everywhere. These findings also challenge the belief that leadership is reserved for a few charismatic men and women. Leadership is not a gene and it's not an inheritance. Leadership is an identifiable set of skills and abilities that are available to all of us. The "great person"—woman or man—theory of leadership is just plain wrong. Or, we should say, the theory that there are only a few great men and women who can lead others to greatness is just plain wrong. Likewise, it is plain wrong that leaders only come from large, or great, or small, or new organizations, or from established economies, or from start-up companies. We consider the women and men in our research to be great, and so do those with whom they worked. They are the everyday heroes of our world. It's because there are so many—not so few—leaders that extraordinary things get done on a regular basis, especially in extraordinary times.

To us this is inspiring and should give everyone hope. Hope, because it means that no one needs to wait around to be saved by someone riding into town on a white horse. Hope, because there's a generation of leaders searching for the opportunities to make a difference. Hope, because right down the

block or right down the hall there are people who will seize the opportunity to lead you to greatness. They're your neighbors, friends, and colleagues. And you are one of them, too.

There's still another crucial truth about leadership. It's something that we've known for a long time, but we've come to prize even more today. In talking to leaders and reading their cases, there was a very clear message that wove itself throughout every situation and every action. The message was: *leadership is a relationship*. Leadership is a relationship between those who

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*Leadership is a  
relationship.*

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aspire to lead and those who choose to follow. It's the quality of this relationship that matters most when we're engaged in getting extraordinary things done. A leader-constituent relationship that's characterized by fear and distrust will never, ever produce anything of lasting value. A relationship characterized by mutual

respect and confidence will overcome the greatest adversities and leave a legacy of significance.

Evidence abounds for this point of view. For instance, in examining the critical variables for executive success in the top three jobs in large organizations, Jodi Taylor and Valerie Sessa at the Center for Creative Leadership found the number one success factor to be "relationships with subordinates."<sup>3</sup> We were intrigued to find that even in this nanosecond world of e-everything, opinion is consistent with the facts. In an online survey, respondents were asked to indicate, among other things, which would be more essential to business success in five years—social skills or skills in using the Internet. Seventy-two percent selected social skills; 28 percent, Internet skills.<sup>4</sup> Internet literati completing a poll online realize that it's not the web of technology that matters the most, it's the web of people.

Similar results were found in a study by Public Allies, an AmeriCorps organization dedicated to creating young leaders who can strengthen their communities. Public Allies sought the opinions of eighteen- to thirty-year-olds






on the subject of leadership. Among the items was a question about the qualities that were important in a good leader. Topping the respondents' list is "Being able to see a situation from someone else's point of view." In second place is "Getting along well with other people."<sup>5</sup>

Success in leadership, success in business, and success in life have been, are now, and will continue to be a function of how well people work and play together. Success in leading will be wholly dependent upon the capacity to build and sustain those human relationships that enable people to get extraordinary things done on a regular basis.

## THE TEN COMMITMENTS OF LEADERSHIP

Embedded in The Five Practices of Exemplary Leadership are behaviors that can serve as the basis for learning to lead. We call these The Ten Commitments of Leadership (Table 1.1). These ten commitments serve as the guide for our discussion of how leaders get extraordinary things done in organizations and as the structure for what's to follow. We'll fully explore each of these commitments in Chapters Three through Twelve. Before delving into the practices and commitments further, however, let's consider leadership from the vantage point of the constituent. If leadership is a relationship, as we have discovered, then what do people expect from that relationship? What do people look for and admire in a leader? What do people want from someone whose direction they'd be willing to follow?

TABLE 1.1 THE FIVE PRACTICES AND TEN COMMITMENTS OF LEADERSHIP.

Practice	Commitment
<p>Model the Way</p> 	<ol style="list-style-type: none"> <li>1. Clarify values by finding your voice and affirming shared ideals.</li> <li>2. Set the example by aligning actions with shared values.</li> </ol>
<p>Inspire a Shared Vision</p> 	<ol style="list-style-type: none"> <li>3. Envision the future by imagining exciting and ennobling possibilities.</li> <li>4. Enlist others in a common vision by appealing to shared aspirations.</li> </ol>
<p>Challenge the Process</p> 	<ol style="list-style-type: none"> <li>5. Search for opportunities by seizing the initiative and by looking outward for innovative ways to improve.</li> <li>6. Experiment and take risks by constantly generating small wins and learning from experience.</li> </ol>
<p>Enable Others to Act</p> 	<ol style="list-style-type: none"> <li>7. Foster collaboration by building trust and facilitating relationships.</li> <li>8. Strengthen others by increasing self-determination and developing competence.</li> </ol>
<p>Encourage the Heart</p> 	<ol style="list-style-type: none"> <li>9. Recognize contributions by showing appreciation for individual excellence.</li> <li>10. Celebrate the values and victories by creating a spirit of community.</li> </ol>