

Exceeding Expectation: the principles of outstanding leadership

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1. Overview

Leadership models tend to be conceptually derived and there are very few theories of leadership that emerge from empirical research. The Work Foundation sought to resolve this omission through a major qualitative study centred on what leaders themselves believe leadership to be and how they practice it, and which included the perspective of direct reports and very senior leaders in six major organisations.

Qualitative research has the major advantage of enabling deep and detailed engagement with the issues. We wanted to get beneath the skin of leadership, we wanted to understand the world of leadership from the perspectives of those who practice it and therefore we explored both beliefs about leadership - leadership philosophy (or 'leadership being') – and the practice of it (leadership 'doing'). These were in-depth interviews lasting between 60-90 minutes each time. Each leader was interviewed twice, once for being and then again for doing.

We also interviewed their line managers to understand the context within which they were operating, along with their direct reports to explore the leadership they experienced.

In total we conducted 262 interviews which were all recorded and transcribed. The transcripts were entered into a qualitative data software package and coded. These codes were derived from the interviews themselves not an existing model of leadership. The coding process is a careful analysis of the content of the interview and the identification of themes that emerge across interviews. Over 100 codes were initially identified and finally collapsed into eight broad coding categories:

- Vision – all comments regarding vision, purpose and meaning;
- Environment – leaders comments on the way in which they seek to create and maintain culture and climate;
- Relationships – what leaders say regarding the importance of relationships with individuals, teams and the wider collective;
- Power/control – leaders beliefs and acts to do with the use of power and responsibility within organisations;
- Performance – anything on the management and maximisation of performance;
- Communication – comments on informing and engaging others;
- Contextual factors – the influence of systems and processes and organisational culture and how leaders use and work within them;
- Self – self awareness, comments on strengths and weaknesses and how leaders have developed.

Once the interviewing was complete we gathered data on the performance level of our leaders. The detail of how this was assessed varied from organisation to organisation but enabled us to create three populations 'outstanding', 'better than good' and 'good'. By comparing what leaders say and do within each of the eight broad categories across the spectrum of performance we investigated whether outstanding leaders differed in their responses.

In each of the eight broad coding categories there were differences that set outstanding leaders apart, for example:

- Outstanding leaders speak about the role of vision as being to emotionally align people to the organisation and to face them towards where the organisation is heading whereas good leaders are more likely to see vision as aligning people through a cascade of objectives.
- Outstanding leaders seek to place control and power within the team whereas good leaders tend to see themselves as ultimately responsible.
- Outstanding leaders see mistakes as an inevitable part of performance and seek to maximise the learning from them for individuals and to retain engagement and confidence whereas good leaders see mistakes as something that can be learnt from and avoided in the future.

Looking across all these identified differences a number of key themes emerge. Outstanding leaders:

1. Think systemically and act long term

Outstanding leaders achieve through a combination of systemic thinking and acting for the long-term benefit of their organisation. They recognise the interconnected nature of the organisation and therefore act carefully.

2. Bring meaning to life

Outstanding leadership enables a strong and shared sense of purpose across the organisation. They emphasise emotional connection for people with a focus on passion and on ethical purpose.

3. Apply the spirit not the letter of the law

Outstanding leadership focuses on the few key systems and processes which help provide clarity, give structure, enable feedback, give time for discussion and enable the development of vision. They use them to achieve outcomes rather than focus on the process and put flexibility and humanity first.

4. Grow people through performance

Outstanding leaders passionately and constantly invest in their people and use the challenges presented every single day to encourage growth, learning and engagement.

5. Are self-aware and authentic to leadership first, their own needs second

Outstanding leaders unite a deep understanding of others, high levels of self-awareness and a systemic appreciation of their symbolic position to become a role model for others.

6. Understand that talk is work

Outstanding leadership depends on trusting and positive relationships that are built over time for the long-term benefit of the people and their organisation. They spend huge amounts of time talking with people to understand what motivates and how they can support and enthuse others.

7. Give time and space to others

Outstanding leaders both give significantly more time to people than non-outstanding leaders and allow their people considerably more freedom and influence over the work they do and how they do it.

8. Put 'we' before 'me'

Outstanding leaders work hard on issues such as team spirit, shared decision making, collaborative working and a strong bond within and between teams. Sustainable performance comes from collective wisdom and intent, encouraging people to get involved, and giving them voice and autonomy.

9. Take deeper breaths and hold them longer

Outstanding leaders actively build trust by delivering on promises and acting with consistency, which in turn, leads to a sense of security and greater freedom of expression. They understand the power of trust to speed up interactions, enable people to take risks, diminish arguments and disputes and underpin innovation.

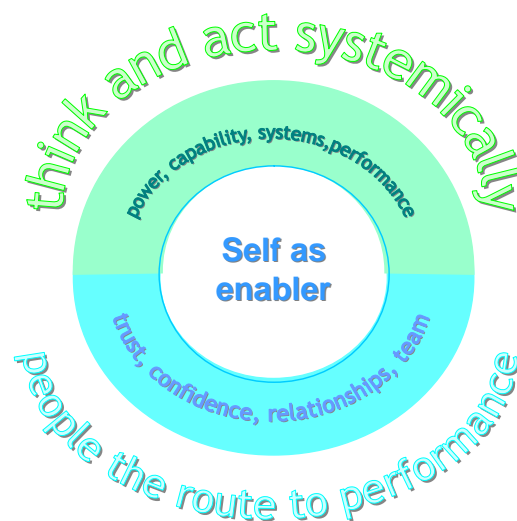
These nine themes can be distilled into three big ideas that act as the centre of gravity for outstanding leadership. These three ideas form the means by which leaders create leadership and how they push beyond themselves to reach others.

First of these is the centrality of **thinking and acting systemically** on behalf of the organisation. Outstanding leaders understand and consistently act in the knowledge that reaction follows action. They are deeply mindful of what they do and how they behave. They understand that development and stretching people to achieve beyond what they thought possible unleashes energy, they understand that empowering people frees them to make a difference and that this drives engagement. They attend to the current and the future because one depends on the other and they embody both 'management' and 'leadership' seamlessly – as routes to make a difference.

Secondly outstanding leaders believe that **people are the route to performance**. They give time to others because they understand that the social capital between people and the human capital within people are both essential. They genuinely understand that outcomes such as productivity, quality, innovation and great customer care are all achieved by engaging with others, enthusing them, growing them, building confidence, creating conditions of trust and passing power.

Finally the leader themselves are important here. They understand that they **achieve through their impact on others** and so fully appreciate the difference they make. This is not about personal ego, they are often quick to acknowledge weaknesses and are keen, as we have seen, to empower and pass influence to others. Rather it is a humble awareness of the need to use themselves with care and respect and with full self awareness and reflection. Outstanding leaders act consciously.

These three elements are the essence of outstanding leadership - it is a deeply connective leadership, connecting events and activities in the organisation to maximise performance, connecting people to each other, to purpose, performance and passion and connecting themselves to people and, through them, to outcomes.



2. Leadership for our times

Leadership is one of those concepts that we both love to love and love to hate. Leaders promise much, sometimes play the hero and occasionally are the master villain. It is easy to believe that leadership is a sullied commodity: there have certainly been some recent murky goings on which seem to suggest our current leaders are not all they are cracked up to be – BA accused of a price fixing scandal, the BBC seen to be misleading viewers in 'fixed' competitions, the finance sector going into meltdown as the result of a leadership driven by short term gain and the MP expenses scandal resulting in public anger and dismay at our political leaders, the list could go on. And these are just the recent cases where senior leaders seem to show a distinct absence of the attributes we might hope for. The truth is we often seem to have an uneasy relationship with leadership. Our political leaders are often rubbished, leaders of public sector institutions regularly lambasted and those in the private sector criticised for being obscenely overpaid. Ask people which leaders they admire and we tend to get the famous or infamous – the hero view of leadership is slow to die despite all the current talk of ethical, distributed, democratic leadership. We have high hopes of leadership and are inevitably sometimes disappointed. And yet leadership is also endlessly intriguing, a complex, socially embedded construct that resists easy definition.

So where does all that leave leadership? It would be easy to assume that something is fundamentally rotten at the heart of leadership and that it has been proven to be unfit for our times. That might lead us to decide that we need a new leadership to rise from the ashes of the Fred Goodwin's of this world and re-construct it into something very different. It might also be said that we have been here before – there have been periods in history when our notions of leadership have been called into question and our views changed as a result. In fact the history of leadership theory might be thought of as interplay between notions of leadership ie the *practice* of leaders on the one hand and the *attributes* of leaders on the other, with the forces of change and crisis swinging thinking back and forth between the two. Moral crises seem to push us from leaders to leadership with the focus tending to move away from individual attributes of the leader towards this thing called leadership ie a focus on what is done. So we might expect the current jaundiced views to exacerbate the focus on collective and devolved leadership and move away from leaders.

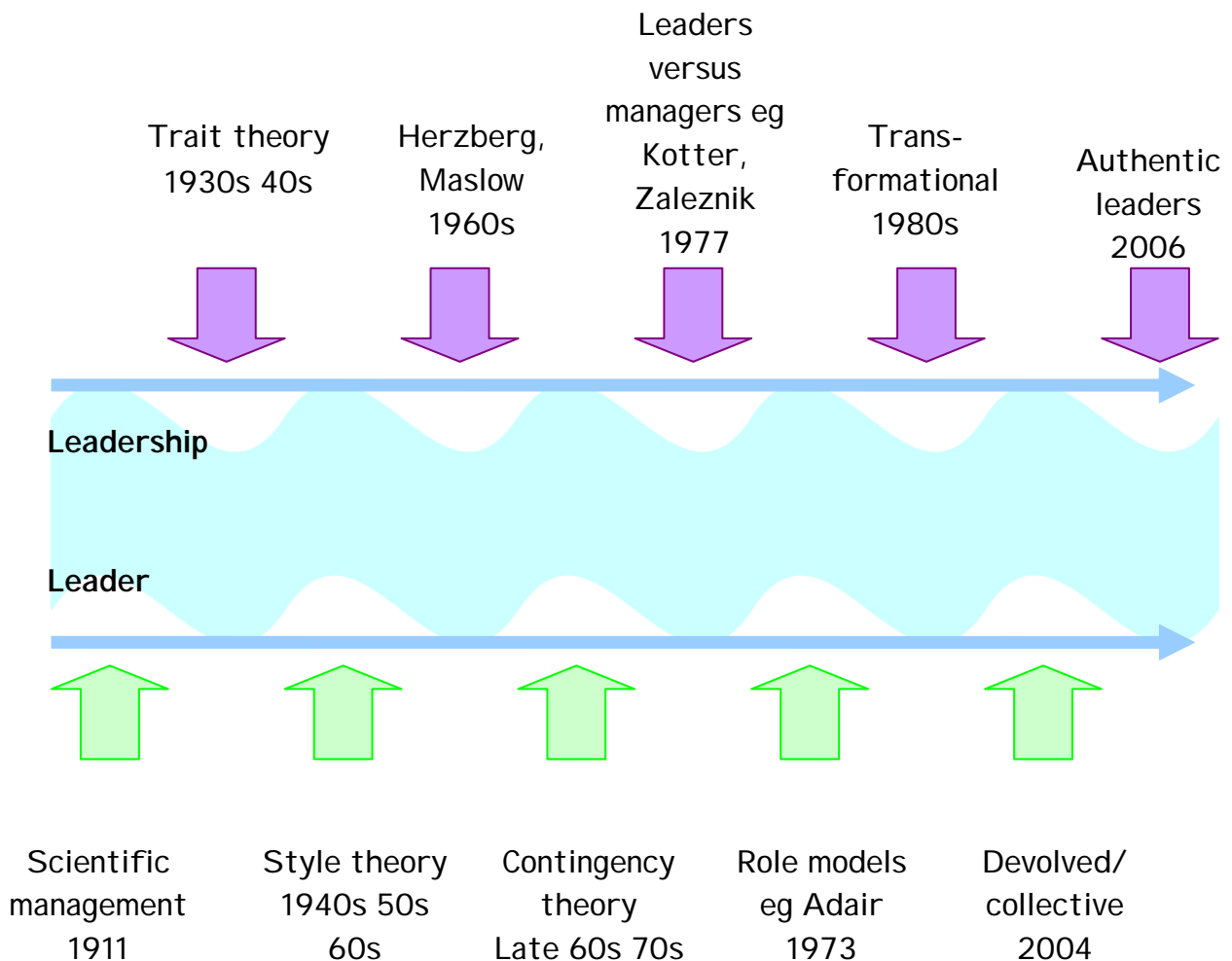
The problem is that in most cases these thoughts about leadership are not empirically derived rather they are conceptual. In fact it is really rather striking that what we know about leadership is on the whole derived from informed belief. That is not necessarily a bad thing and sometimes these theories have inspired research to test them (occasionally with rather disappointing results as in trait theory which failed despite years of effort to identify a consistent set of traits of great leaders) but it would be refreshing for leadership theory to start with an empirically derived view of leadership. It was this gap that led us to do just that and to explicitly see if we could explore outstanding leadership through a rigorous investigation.

3. Objectives and methodology

Our programme of research consists of two distinct phases.

- Phase I is a qualitative examination of leadership thought and practice to identify whether there are any distinct differences between how good and outstanding leaders conceive of leadership and implement it.
- Phase II is the testing phase of these findings. We will be seeking to test out whether outstanding leadership is developable and we are designing development activity based on our findings, and engaging participants who will be tracked as they go through the programme to measure performance improvement. Phase II begins in early 2010 and will report towards the end of the year.

Figure 1: The focus of leadership theory over time



We focus here on the findings from the first phase.

What we did

We were in search of outstanding leadership and so we began with organisations that were either market leaders in their field, or which had shown remarkable longevity. We approached a range of organisations to help with the research and agreed with seven that they would sponsor it. We wanted our sponsors to become engaged and to be willing to discuss leadership in their organisations openly and so sponsors were deliberately chosen from different sectors so that they would not be competitors. Six of our seven sponsors also took part in the research and they were BAE Systems, EDF Energy, Guardian Media Group, Serco, Tesco, and Unilever. Each sponsor provided us with 10-15 senior leaders that they identified as good (or better). In total some 77 leaders (15 women and 62 men) took part in this research.

Much of the existing leadership research looks at what leaders do, some at what the outcomes of leadership are, and some explores through questionnaires how personality traits link to performance. We wanted to get beneath the skin of leadership, we wanted to understand the world of leadership from the perspectives of those who practice it and therefore we explored both beliefs about leadership - leadership philosophy (or 'leadership being') - and the practice of it (leadership 'doing'). These were in-depth interviews – each leader was interviewed twice – once for being and then again for doing – for between 60-90 minutes each time.

We also interviewed their line managers to understand the context within which they were operating, along with their direct reports to explore the leadership they experienced.

In total, we conducted 262 interviews – see Table 1 on the next page.

We conducted a full content analysis of the interviews using a grounded theory approach. All discussions were recorded and the transcripts were entered into a qualitative data software package and coded. As with all qualitative data the analysis was a painstaking exploration of what leaders were telling us, looking for threads, concepts and themes mentioned by several leaders in their conversations. The first stage of the analysis highlighted 111 such themes which we then grouped into broad conceptual categories to simplify and crystallise the emerging findings:

- Vision
- Environment
- Relationships
- Power/Control
- Performance
- Communication
- Contextual Factors (organisational culture, systems & processes)
- Self

Table 1: A breakdown of the interviews conducted with leaders, direct reports and line managers

Organisation	Leader interview 1	Leader interview 2 ¹	Direct report ²	Line manager ³	TOTAL
BAE Systems	14	14	12	3	43
EDF Energy	12	12	14	8	46
GMG	16	15	16	5	52
Serco	11	9	10	5	35
Tesco	11	11	12	7	41
Unilever	13	13	15	4	45
TOTAL	77	74	79	32	262

Figure 2: A representation of the coding frame broken into key categories



¹ Some leaders left their organisations between the first and second interview which were held 3 or 4 months apart

² Some direct reports were also participating as leaders in the study so these interviews were combined

³ Line managers were often common to several of our leaders

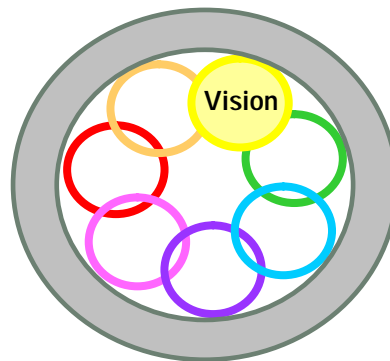
Once interviews were complete and to understand the qualities and philosophies of outstanding leadership, we identified with the help of our organisations, which of our leaders were judged to be outstanding. Performance data was not available for all leaders but we were able to get data for three quarters of our leaders (78 per cent). An analysis of attributes across our sample of leaders showed that performance rating was not skewed by gender, length of service or hierarchical position in the organisation.

The next step was to see if outstanding leaders thought about leadership differently or acted differently. In essence we created three populations of leaders 'outstanding', 'better than good' and 'good'. We explored the comments leaders made, along the spectrum of good to outstanding, in both their being and doing interviews, against each of the themes and rigorously investigated whether there were any differences in their responses. For clarity we focus on the differences between good and outstanding leaders.

The next two sections report our findings. The first section explains our analysis process and does a deep dive into the differences between good and outstanding leaders' philosophy and practice in each of the code categories. The second section looks across all code categories and draws out the nine major themes that have emerged through the course of the analysis to paint an overall picture of outstanding leadership.

4. Analysis of leadership capabilities

Vision



Ask leaders 'What is Leadership' and the large majority of them will mention vision at some stage in their response. Would this have happened before the lively debate on leadership which unfolded in the late 1970s and 1980s? It is difficult to know. But it was at that time that we started to define leadership as something different (eg Zaleznik 1977⁴ used the vision of leadership as an artist who uses creativity and intuition to navigate chaos and Kotter 1990⁵ who focused on the role of leaders in establishing direction). At the centre of much of this emerging view was the concept that leadership is fundamentally about change and vision and that mantra was quickly taken up by others (such as Kouzes and Posner 2002⁶, and Bennis 1999⁷). So vision is something of a leadership staple and that might mean that it was less likely for it to be a differentiator of outstanding leadership.

Our analysis of the comments on vision show that there are indeed a number of areas in which all leaders speak similarly regardless of their performance rating:

- Direction: the role of vision in providing clarity of direction for individuals and organisations;
- Engagement: the importance of vision in engaging with people throughout the organisation;
- Passion and purpose: the use of vision to provide the frame for an enthusiastic and emotional connection with the organisation and what it exists to do;
- The meaning of the organisation beyond its own boundaries to its various stakeholders.

The key differences between good and outstanding lie in the detail. Good leaders often talk about alignment of vision as achieved through a cascade of objectives and targets:

⁴ Zaleznik, A. (1977,). Managers and leaders: Are they different? Harvard Business Review May-June

⁵ Kotter, J.P. (1990), A Force For Change: How Leadership Differs From Management, Free Press, New York

⁶ Kouzes B and Posner J, The Leadership Challenge, Jossey Bass, 2002

⁷ Bennis, W. 1999, 'Five Competencies of New Leaders', Executive Excellence, 16(7), pp. 4-5.

It's basically what are we trying to achieve, what's the agenda for 2008, where are we taking this group, what do we want to see at the end of it. But it was really that involvement and listening and understanding of what the guys wanted, where they wanted to be, what we wanted to be. And then just trying to distil that down into some simple key objectives and now we're currently working out how we're going to deliver those objectives.

Well first and foremost you have to be clear about what it is that you've got to achieve. So you have to be clear, and when I say 'clear', I mean you certainly have got to understand what you've got to deliver in the year. So that's trading plans, your sales margin, order intake, cash, you need to understand what it is that you've got to deliver there and how you're going to deliver it. So you have to be very clear about where you are in your market and your customer and what he expects from you over a period of time.

Outstanding leaders are more interested in the alignment of now and the future and in the emotional alignment of people to vision. When talking about their practice of leadership they are more likely to comment on how they move teams or people. Outstanding leaders show more concern for how vision will be received and the impact it has on people.

Well at its simplest it means having a long horizon view, vision, of what you're trying to achieve, what you want your part of the business to be and feel and look like and being able to communicate it in such a way that inspires people to want to join. The fun of the challenge is in creating the cohesion between, the consistency between this leadership vision, the brand, the people, the product and joining it all up in a way that is sincere and visibly sincere to the public, your customers.

I think the benefit of trying to set a clear direction early on in role means that seeing that people buy into it and it's shared... that drives a degree of alignment about what gets done in the team. So you don't have to fuel it constantly, because people get it and they start to align their action.

The final thing very clearly was to ensure that we have a clear plan that we are all signed up to the plan and that all our targets are focused on delivering that plan of improvement. I've typically taken the whole team away right at the very beginning of the year. I've asked the team to review and reflect on what went well in the previous year, what didn't go so well and what they'd learnt from it. Then have a clear overview of what I think we should be doing, so leading in terms of again painting a very broad picture and then asking them to actually go away and develop their own team plans to actually try to deliver it.

All leaders talk about the importance of engaging others in vision but outstanding leaders are clearer about the why and the importance of co-creation.

The reason why the people I'm leading are motivated is because they understand it and they feel able to share a part of it and they want to be supportive of it and I'd like to think that [they are] much more driven by that than...by a hierarchical 'I've got to do it because 'my boss [said so]' type of piece.

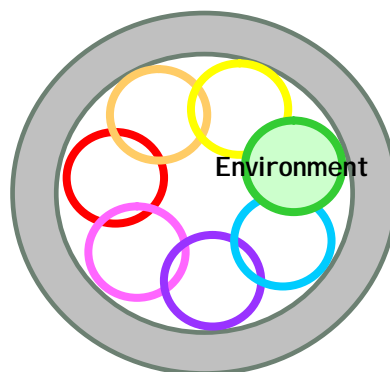
I'm a real believer, if it's co-invented and co-created it lives. If it is imposed, it tends to take a long long time to embed and it's not always as healthy in terms of living and breathing as you want it to be.

Finally outstanding leaders convey an emotional depth to vision and a higher purpose. They tend to see the importance of both.

I fundamentally believe in the people, and giving them careers, empowering, motivating, I want them to look forward to coming to work, because for us in what we do, passion and belief in our brand is what allows our sales guys to translate that personal passion and belief to their clients.

We need the technical people to operate in a role where they're not doing a transactional job but they're doing a job for a customer and that puts some other responsibilities on them – it means that they have a responsibility to do the technical job very well – it means they have a responsibility to represent the brand in our company and therefore it means that they need to be able to talk to the customer about other things that the company and the brand have to offer.

Creating an environment



Our leaders speak of two elements to creating a work environment. The first is the need to develop an open and supportive atmosphere to create the conditions for trust and respect and the second is to ensure the workplace enabled success and satisfaction.

Open and supportive environment

Trust, respect, honesty and consistency were understood to be important by leaders irrespective of their performance level:

- Trust is an important mechanism for maintaining a good relationship between a leader and their team;
- It is a two way process and important both that leaders trust their team members to go and do things, but also that team members trust the leaders to do what they said they would, when they said they would;
- The breakdown of trust would result in the bond between leader and team weakening or breaking and a detrimental impact on motivation and performance;
- It is important to treat people as you would want to be treated yourself, and only ask them to do things that you would be prepared to do;
- Acting consistently through time and, in particular, being consistent from day one sets expectations;
- Consistency is an important part of being fair to people.

But there are interpretations, beliefs and actions that set them apart. Good leaders hold personal values around trust, respect and honesty whereas outstanding leaders understand how they weave together to create the conditions for exceptional performance and articulate their appreciation of how they weave together to facilitate engagement. Similarly outstanding leaders see consistency as part of the challenge of being seen to be transparent, fair and trustworthy. For outstanding leaders personal consistency is not the same as personal honesty whereas good leaders are more likely to see the two as one and the same. As a result outstanding leaders express the need to maintain a steady demeanour and to acknowledge their responsibility as a mood leader. In this way they are careful to remain consistent in their behaviour, not necessarily betraying their particular mood at any given moment in time. This is not about being inauthentic but rather an awareness that by being authentic to a fluctuating disposition you may be inauthentic to your best self.

Loyalty is another important differentiator. Good leaders focus on their team when they speak of loyalty; outstanding leaders speak of loyalty to the direction of the organisation.

Openness and honesty were similarly understood to be important elements in the mix of factors that create engagement and performance for outstanding leaders whereas these links were not made by good leaders who again will be more likely to speak of them as values.

These beliefs are then reinforced by leaders' behaviour. Because outstanding leaders make the link between their actions and consequences they act in ways that demonstrate this understanding. One of the key areas was in responses to failure where outstanding leaders act in ways that maintain and build trust whereas good leaders may unwittingly fail to connect these issues and may not think about the systemic impact of the way they react.

Outstanding

...and it was bringing a reality check to the individual, realigning their focus... reminding them what they're great at. There were occasions when I would do a one on one presentation to an individual...I would go and get my PA to pull out all the stats, and show, since the day they came in here, everything they've achieved.

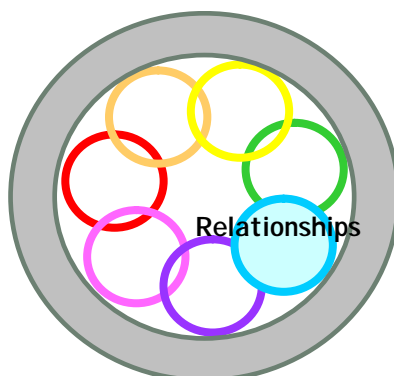
Good

... 'so can you explain to me why we were unable to do this?' And then if they couldn't come back with a sensible reason why - they were unable to do that, - so then I took them through the consequences if we don't. And my expectation that we don't have a situation like this again.

Enabling success

All leaders understand the importance of celebrating success and of people being happy at work. As a result all leaders speak of recognising hard work, creating a fun environment, and rewarding success. Outstanding leaders are however more explicit about the role of self and team belief in success. They understand that again, as mood leaders they can help raise the optimism in the team, that they can help people recognise qualities in themselves that they were unaware of.

I try and get them to see that each of them are valued in their own way and that they are individual and can contribute in their own way, they can't all be the same but it doesn't mean they are any less valued. They can do well within their spheres.

**Forming
relationships**


Closely aligned to our theme of creating an open and supportive environment was a strong emphasis on building relationships. Within this sit a number of sub themes:

- Getting the best out of people;
- Developing others;
- Supporting individuals and teams;
- Understanding people.

Getting the best out of people

There is a common focus on getting great people into organisations or teams and in filling skills gaps through recruitment and development. All leaders also comment on the importance of team spirit, confidence and on engaging people. Outstanding leaders however also identify seeking out those whose attitudes and values match what they seek and are more flexible regarding resourcing – finding roles for great people to fill rather than seeking the right person for a particular role. For outstanding leaders team spirit can be fostered through creating an environment and through creating effective relationships. Team spirit is seen as being susceptible to hierarchy and so outstanding leaders seek to remove the hierarchy of status and value within teams focussing instead on valued contribution. Outstanding leaders also think of ways of demonstrating to their team that each individual is valued in their own right, they ensure that the team all own an individual's problem, and they understand that the way each individual member is treated has a knock on effect to how they relate to each other. They form deep relationships.

I value the relationships I have with all my team...I will always strive to have a relationship with all the people that work for me and I don't think everyone does, I think some people focus on their direct reports or focus on a couple of people they like and don't take the time to ensure that kind of connection and that desire and willingness amongst everyone to want to go with you is there.

I think there are naturally people who you can connect with easier than others. Because of hobbies, because of interests, because of personality traits, because of many things. There are definitely people who, if I'm honest, I find it easier to connect with than others. But I think as a leader of people you have to be very very careful not to let that show.

Outstanding leaders speak about how they get teams to start thinking as a team, how they bring them together and discuss options and let them decide on solutions. They talk of discussing development needs as a group, encouraging people to be candid about behaviours that irritate or act as a barrier to success.

So having rolled that process out over a year ago we have got again quite a close relationship, as a matter of fact we discussed our developments issues collectively as a group of six people, me and my five guys and shared with each other the type [of] things, the behaviours that might cause friction, you know, 'you talk over me, or you go on too much, or you never make your point clear'. So I had already got in a position where I could talk very candidly.

Outstanding leaders also have a complex appreciation of confidence seeing it as an important ingredient of success and therefore focus teams on what can be achieved rather than what failure might look like.

Well I think a lot of this, there's a lot of people [who] fail because they've not had their confidence improved by their boss, in fact quite the reverse, quite the reverse. And that I think is really crucial around the place. So people that feel supported by their boss, and trusted to make mistakes and make decisions; take decisions and can be a bit risky. People that haven't got that support and trust don't do that, so they shrink rather than grow. And they get their confidence mainly from their boss or their leader'.

Most people are capable of performing at the required standard. But for whatever reason, typically it's confidence... explains why someone is beginning to fail. So helping them manage how they're feeling about themselves, their self belief and their self confidence. I tend to use short term targets just to bring confidence through delivery.

Good leaders speak of the role of the leader in supporting empowerment through asking people what they think, through supporting their team to achieve results and in listening to people and their ideas. Outstanding leaders however place the emphasis on the team; on the team finding a solution and on a team that takes on leadership.

The clearest difference is that whilst good leaders see the need to engage people and seek ideas that will help finalise thinking, outstanding leaders more frequently want teams to help co-create thinking. Whilst good leaders will focus on developing a vision and then discussing and selling it, sometimes explicitly saying that a vision developed by a committee is impossible, several outstanding leaders mention their role as getting their teams to come up with a plan, of catalysing others through 'throwing a pebble into the pond and channelling the energy'.

Developing others

All leaders see development as adding value to people and maximising potential both for individuals and for the organisation. Regardless of performance level leaders say they enjoy developing others and see challenge as a key means by which they can help people grow.

Outstanding leaders however are much clearer on the value of development in unleashing tremendous energy seeing it linked to human flourishing. They also see it as a careful balance of challenge and support. They are careful that confidence is not dented by failure unless they are facing arrogance and even here they might let the lesson be learnt but will support individuals through it. Outstanding leaders focus more on what development can do for the individual in terms of their management of others and their own aspirations. Good leaders focus more on what development can do for the job.

Outstanding

So I am putting them into a position where they have the opportunity to increase their role, responsibilities but I am trying to do it in an environment where, I would aspire to put them into an environment where they don't feel that they are being set up. If they have got a problem I can support them, find a way around the problem. So I think the most important thing is giving them the stretch but giving them the safety net. I think that is the most important thing.

So I [have] got this guy....No-one listened to him, you know? He's a very clever lad and he's all over the place getting himself educated, but they thought he was lazy. But they didn't listen you know. And all he wanted, he was bored and they weren't stimulating him, giving him enough to do and so the worse he did, the less they gave him and it was a downhill slope all the time. I just keep giving him more and more and he's never let me down.

One of the discussions you have with a high performer is look, you've got to do this in a way which doesn't alienate your colleagues. ... when you've been blessed with the notion that you're going to go all the way, it's really important that you practise building and sustaining outstanding relationships with colleagues. For fear that actually, the green envy starts to kick in and before you know it, an individual's performance suffers. Not because they are unable to get things done themselves, but because they don't have the support of people around them.

Supporting others

Again, all levels of leaders see supporting others as key to effective leadership and understand that it needs to be tailored to the individual. All leaders also see support as a means of caring and demonstrating understanding. Outstanding leaders have a more fluid view of coaching, not so much about transmission of skills but as a conversation and allowing people to use them rather than imposing themselves on others. They use terms such as 'facilitating', 'nudging' and 'questioning' to provoke different ways of thinking and guiding people to their own solutions, as opposed to providing the answers or showing how to do things differently. Outstanding leaders are keen to ensure their people learn and grow through the support they offer, and where possible, arrive at the answers themselves. They are also explicitly out there on behalf of their team, understanding the political nature of the organisation and ensuring the team has a champion.

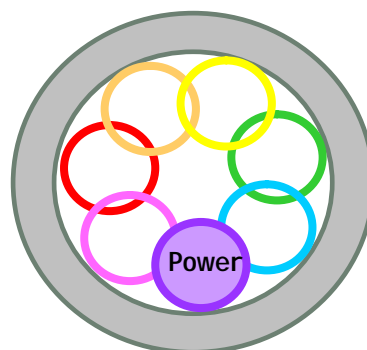
I'm good in those areas, because again I think that's about pulling people with you and stimulating the ideas around. [I had a team] that used to meet monthly and it was generally quite an information flow meeting and, and a lot of the decisions are made between the director and the head of department whereas I'm bringing in a weekly consult, a much more consultative meeting where, the [team] are presenting their thoughts or changes they want to make to the group so that the group discusses it, feeds back and makes the decision because I want more consultative and communicative decision making but also it's the point where there's more of a spotlight on it.

Understanding others

All leaders appreciate the importance of understanding others in order to get the best out of them. For outstanding leaders there is much greater intensity and sophistication with regard to their beliefs and approach to building relationships with direct reports and others. They appreciate the time it takes to do so, the importance of contact, of the need to reach out to people of finding points of connection and maintaining them. Outstanding leaders focus on trust and rapport, and of using trust, passion and vision to create the climate for high motivation and concern for the customer. These leaders understand how to create the conditions where ideas and innovation will flow.

I give them loads of freedom, they know that. If they thought I was checking up on them they would probably be devastated because they'd thought I'd lost some trust, so I'd rather not check up, I'd ask them. So they know very clearly where they stand in terms of this 'money in the bank' stuff I call it. What will happen in a long career, two or three times they'll go off the tracks and they need your understanding. A marriage might break down, or someone's ill, someone may die, they need some support and understanding. They need to know that someone won't be looking over their glasses at them whenever they need to have a bit of time off for something. So in return they'll give you what you need.

The use of power



Regardless of performance level good and better than good leaders believe that giving people freedom, empowerment and support to make decisions is desirable. However the most striking difference that sets apart our outstanding leaders is the degree to which they felt that the leader's role is one of facilitation rather than leading from the front.

The thrust of the philosophy of outstanding leaders is that they should be facilitating others to take control. They see leadership as something that should be widely dispersed. For other leaders although empowerment was still considered important, their view was that this was something that leaders took control over ie the involvement and influence of the leader was an important concept. Outstanding leaders view leadership as a collective possession embedded as far as possible in others.

Outstanding

In a way it is keeping your distance and saying you guys have got skill, you've got all the abilities. You don't want me poking you in the ribs saying 'where are we? Come on, move over there.' Because like all jobs, there's no one solution, there are many solutions. So invariably when you go and start giving advice, you advise on the narrow tunnel vision that you might have to the end solution and if you're not careful you cut out alternative means of getting there to the answer. So it's nice to be able to say 'get on with it' because I suppose in many ways that's how I will learn because I've only got a certain amount of experience.

Good leaders are more likely to articulate that there comes a point when the debate has to end and it is they who make the decision at that point. They are also more likely to be ambiguous about empowerment.

Good

I think you do have to accept that an organisation that devolves a lot of responsibility, that kind of gives people a bit of a free rein in certain areas also can be accused of being a little bit soft and a little but unfocused sometimes and that happens.

At the end of the day I do like to draw the line at a certain point in time and stop the managing-by-committee part of the phase shall I say and get on with the delivery.

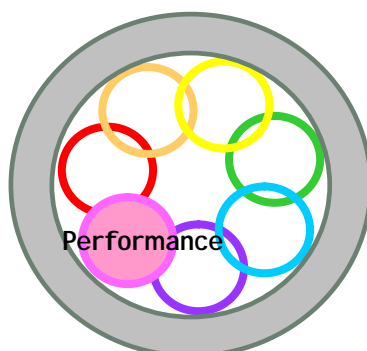
You lead from the front as it were. I'm not the sort of leader who sits in the background, the sort of deep thinker, intellectual thinker, I'm more a heart on sleeve and getting in, probably too much.

To sum up, what seems to be different about the way in which the majority of outstanding leaders speak about empowerment and collective decision-making, compared to the rest of the leaders, is a greater sense of allowing others greater autonomy and independence. They have less of need to control things from the outset but rather maximise empowerment within bounds – they set parameters as widely as they can but allow people freedom within that space. Their notion of leadership in the collective runs deeper than it does for other leaders, and their own sense of presence is more subliminal and supportive than that described by the rest of the leaders. They tend to create a space for others rather than pass on a particular role or task.

I think, part of the art of leadership ... is about taking your team on a journey where ... they're driving the car. And you're map reading. I think that's a really good analogy for me. So you're navigating... but they are choosing the vehicle, they're driving the car. And I think that's really hard sometimes because when you've got a big team and new-ish remit it can be very easy that you put them all in a bus and you drive it yourself. And I think that's really really the wrong thing to do.

All leaders comment on the need to adapt their leadership style according to the situation they find themselves in and the capability of teams and individuals. The difference is that for our outstanding leaders their philosophical preference is to maximise the degree to which they can pass responsibility and ownership to others and to steadily work towards this even if current circumstances do not permit it as fully as they would like.

Leading performance



Our analysis on performance subdivided into three main categories:

- Leading for improvement – the organisation or individual performance of direct reports;
- Drive – the emphasis leaders place on hard work and success;
- Leading for delivery of organisational goals and objectives.

Leading for improvement

All leaders want to leave a legacy of good work and to make a positive difference. All speak of group discussion of any issues being faced. All leaders consider how to create the right environment to encourage creativity and the importance of benchmarking against competitors and being alert to changes in the external market. Outstanding leaders however were much more likely to focus on the style of leadership needed to deliver sustainable performance.

There's something which is more required if you're leading something for a longer period of time – it's around sort of integrity i.e., you need to be consistent and to come back to being honest and fair I think, if you want people to engage with you over a long period of time you need to build some of that credit with people.

And some of them do it on purpose because they know, and in the short term you actually probably get quicker results by being a bit of a tyrant but in the long term you lose a lot of loyalty and you lose a lot of great people but they can't see it.

The most marked difference was with regard to the approach to change. Although all leaders speak of the need for change and see it as a necessary part of organisational life, outstanding leaders are much clearer on the role of others in change, how to engage colleagues as change agents.

How I change the culture is I identify two or three key individuals who will become disciples. Because if I try and speak to, say there's 50 and I try and get them all to change their interpretation of my culture or the interpretation I want them to have, you could end up with 50 different cultures if you try and speak one to one with them.

Partly because we've got a lot of people who've been...doing the old job for a long time and I'm trying to get them to do a slightly different job now. And so it's quite difficult to do that, so we're trying to find some people that can start to be the catalyst if you like, that we can start to get to do it differently, to start to share that across.

Outstanding leaders are both more passionate about change and more realistic. Good leaders are likely to be motivated by delivering the numbers but for outstanding leaders it is change itself and getting people committed to the change that engages them. They also fully appreciate the effort change takes to embed. Outstanding leaders are more likely to acknowledge that they are good at change, able to make it happen and understanding the importance of urgency and action.

Good

I would be satisfied to hit the kind of targets and objectives that I've got, perhaps from a financial perspective. So to grow the business that I've got above the expectation that we have for that business is ultimately my target...So if I do my job properly those people who have invested in this organisation get the return that they're due for their hard earned pennies. And I would expect that if I was putting my money behind a particular business. So that would be a key part of what I am trying to achieve.

Outstanding

Just to run an organisation [so] they're delivering against those targets is – falls much closer into that management piece to me so that would be interesting but it wouldn't really motivate me... the piece for me is around getting that message across, getting people to understand it, getting people to believe it... and then getting them motivated enough to do something about it.

Drive

All leaders understand the importance of energy, commitment and excitement to helping things happen. All also understand the need to be flexible in approach when dealing with potential problems and difficulties and recognise the importance of hard work and effort in success. All find pleasure in seeing others succeed and take pride in achievement.

Outstanding leaders however are all this and more. They tend to be much more vocal regarding their enjoyment of a challenge and dealing with adversity. They understand the difference between driving to be best and maintaining excellence. They also articulate a more emotional attitude towards passion, humour and energy. Reflecting some of our earlier findings outstanding leaders understand the impact of success on others, on pulling together, on team working and team achievement.

So, going forward, we've...built a fabulous reputation in the industry now, all these awards are what our ...team's won. So we've come from a very poor position in the industry to almost industry leading in terms of getting accolades for improving standards.'

Delivery

All leaders recognise the importance of effective performance management, the value of regular meetings, providing clarity of expectations and accountabilities and the need to agree achievable and important targets and goals.

However outstanding leaders talk about performance management quite differently. Whereas good leaders stay close to the detail, track performance and are task focused, outstanding leaders are philosophically quite different. While they use meetings to monitor performance, for them performance is not just the outputs but the inputs too. They will talk about behaviour as well as targets, and they will focus on development and support. The systems and processes are used not because they are compulsory organisational practices but because they enable leaders to give time to people, to listen, to explore, to play to others' strengths. Performance management is an opportunity to inspire and to have/create dialogue.

Good

So they have that deliverable and they will commit to me on a Thursday what they're going to deliver me the following week. And then every night I ask them, 'give me one issue that can help me to help you to deliver your commitment'.

What I then do is add on top of that effectively a monthly review, so it's a drum beat review that goes on throughout the year, which is a dip check on a monthly basis. Are we still doing okay, are we lined up or not? And then with a couple of individuals it breaks into a weekly review which takes it right down into the let's go, do stuff.

Outstanding

Well again I suppose it comes back to connecting, if you are going to get them to open up they never seem to do it if you get a very heated formal meeting talking about things like objectives. So I always like to explore how they are feeling, how they are doing, and then it is 'right, let's relate that back and remind ourselves what we are here for and what we are looking to achieve'...I know whether they are going to be achieving their objectives or not, for me it is just a bit of quality time because with the normal cut and thrust of what goes on in the week, they don't get time and nobody pays them any attention is how I feel.

Of course it is very easy to spend the one to one's simply talking about task and what we are doing. So I have this discipline with them of doing the 'how's' first.

Inevitably leaders sometimes have to deal with underperformance and all will seek to understand why that is the case, give people the opportunity to learn, used informal processes first, encourage self reflection, give honest feedback and act fairly. But whereas good leaders seek to be firm and fair, making it clear that they will monitor carefully, offer support and deal with the issue, outstanding leaders will go to extraordinary lengths to understand the reasons for underperformance; exploring work and non work related issues to help find a resolution and offer appropriate support. Outstanding leaders are also much more thoughtful about the impact of negative elements and how to resolve them quickly. Debate is welcome, moaning is not. They are acutely aware of the role of leaders in underperformance questioning if someone has been stretched too far or under-supported. As individuals outstanding leaders bring conflict out into the open and encourage people to air grievances.

Good

Go and do the analysis, they're the facts, you can then debate why it happened. Why did we lose process, why did we do these things in a particular way? So try and take the emotion out of it as much as possible, but actually put enough anxiety in there for people above and below to question themselves...and actually get them to a point where they're actually into, I wouldn't call it guilt but – 'we better put this right'.

Outstanding

I had one case where I was verbally abused by one of my members of staff ...we work in quite a stressful environment dealing with pretty complex issues...and I just...said to him 'I'm very sorry you're irrational at the moment, we'll deal with this when I'm back in the office' and...then I spoke to him and asked him what his problems were, because this was someone who normally worked very well, who delivered, but he was someone who had been promoted to a new role, he was taking on additional responsibility, he perhaps wasn't ready for it, not only did he have additional responsibility at work but he also had personal problems ...so it was a case of actually getting him to chill out somewhat and to actually take things in perspective and to actually put him back onto the right track.

So eradicating negativity or any individual who didn't buy into it, it's something I look at very closely. If I see someone who's negative, I'll get to the root of it as quickly as possible via their manager and the individual. And if it's a negativity that can't be eradicated I'll eradicate them - in the nicest possible way. But there is no point in having someone who can spread that negativity because all you do is you stop the forward motion of that block. And you stop the speed at which you can operate.

So some of it can be your own fault I think. The first place to look is not it? Because sometimes they feel a bit uncared for, and think 'well, I know I haven't been doing that, but no one's noticed' is the sort of comment you get when you analyse. Usually when you analyse someone's got better, say 'I didn't think that was important because you hadn't spoken to me about it for 3 months', things like that.

An important part of performance management is the development of people and there are considerable commonalities in how all leaders think about getting the best out of people and growing them to better things. All leaders use performance management systems to discuss development opportunities and longer term aspirations, all encourage learning widely from colleagues and peers too, all contemplate what the team or organisation needs in terms of skill, all are honest about career opportunities and capabilities giving honest regular feedback.

There are two areas where outstanding leaders are noticeably different; in their reactions to failure and to building confidence. For good leaders mistakes are either something that shouldn't really happen but can be learnt from and hopefully avoided in the future. For outstanding leaders they are inevitable and something that can be learnt from for the benefit of the individual and the organisation. Outstanding leaders acknowledge that greater empowerment is likely to increase the risk of error but that the benefits outweigh the risks. They also understand that how you respond to mistakes is an opportunity. If mistakes are inevitable then how you respond won't stop them but might stop people telling you about them – a much greater problem.

Good

I think they do respond better to that and me having an open and honest conversation with them about where they have gone wrong, how it's gone wrong, where it's failed and actually more about what are you going to do different if it happens again and that's the key for me. If people can give the answers to what they would do differently if it happened again then generally they have already learnt their lesson.

Outstanding

Giving them lots and lots of feedback, encouraging them to have a go, and it doesn't matter if they make mistakes, I'd much rather people make mistakes than not try at all. So I don't get cross when things go wrong and I don't criticise, we just say I'm sure you didn't get up this morning and hope to make a cock up, I don't think anybody does. So what can we take from it, what can we move on and learn from? So being really encouraging I think, I hope, but at the same time being dead honest when stuff goes wrong and saying well that was a disaster, let's pick ourselves up and have another crack at it.

Linked to this careful understanding of the impact of response to failure is outstanding leaders' view of confidence. They think about levels of confidence carefully, they try on the whole to maintain and grow it understanding it as something that makes a big difference to peoples' performance.

I do think it is corny but I do think your role as a leader or manager is to make people think they're better than they are, not to instil arrogance but make them to feel they're even better than they are and I think you have to pick people up occasionally and you have to talk up what they do and remind them what position they're in and what people expect of them and how important the role is

Occasionally they recognise that confidence is unearned and damaging and in those circumstances they seek to adjust it downwards and help people understand their own weaknesses. Even here this is carefully done.

I'll let them [fall], but the minute they fall and hit their chin, and they're maybe sobbing a little bit, I'll come along. Towel, damp them down and say 'look, you have not failed. All you're doing is trying. There is nobody learned to ride a bike without falling off, [and] there's nobody learns without failing before they learn. If you get it all right it won't work because you will never have experienced failure. That's you failed, but you've only failed on the road to succeeding'.

Talent is a key resource in organisations and leaders attend to it carefully. Good and better leaders all use the systems available to them to identify talent, all discuss with peers the talent pool, all will try and retain talent until they can no longer offer what the individual needs and will support them in moving on, all will recognise good performance as a means of saying thank you. However good leaders don't appear to make clear distinctions between good performers and especially talented in their approach to development.

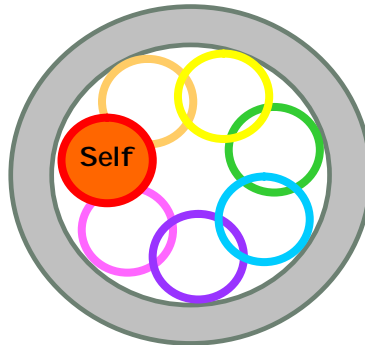
Outstanding leaders are more likely to manage talent in a distinctly different way. They may give them more space and autonomy, enable them to play to their strengths, give them more time or greater access to them (if they are a couple of levels below), recognise talent by their ability to relate to all types of people (whilst also having the necessary skills and intelligence) and harness the talents of those individuals by encouraging them to become influential change agents within the team.

When I recruit people I will typically go for people who are very bright, who have the capacity to actually excel. You know, I've never had any one of those guys who have been offered more money, better rewards at other organisations and ... left. Is it just down to stretching the role? No, it's stretching roles, it's inter-personal, it's coaching, it's, you know, with virtually every member of staff I ask them where do you want to be in ten years' time?...Where do you want to be in five years' time? Is what you're doing now the stepping stone to where you want to get to? What training and development do you actually need to get there and how can I help you to get there?

I really passionately believe in developing people. And one of the biggest thrills I get is when my people make progress and they move on and do brilliant work, and they get acknowledged for that. Because culturally I think that then breeds succeed and it's cyclical. So that's really important.

...a few years ago I dropped the grades of some of the roles in my team so that I could take people from a work level below to give some progression within the organisation. It's a much higher risk and a lot of people said 'that's a really naïve, stupid thing to do'. Those people without exception absolutely blossomed and had the right attitude. They didn't have the experience but they had the right attitude.

Understanding
self



There are two key aspects to self – what leaders think and understand about themselves and where they have come from.

Self awareness

All leaders recognise their own weaknesses and acknowledge they are not perfect and also understand what has shifted their own behaviour. All leaders speak of moments of success and a belief in their own abilities but outstanding leaders are much more explicit and direct about their own sense of confidence, self acceptance and the importance of these as tools for their performance. Good leaders may indirectly allude to it but they do not recognise it as an important part of them and their achievements.s.

Outstanding

I'm quite self-aware and I try to communicate that to the people I work with, so there's that real honesty ... but it's also about this sense of confidence, of ...I've got nothing to hide. I don't believe I have to be impregnable or flawless ... or perfect!

As a result outstanding leaders are comfortable with the leader they are and not nervous or intimidated by those who might be considered better than them. In fact they actively seek out great people.

I'm really happy to have, and really confident to have people that are better than me at their chosen skills, working for me. And I do my bit, which is the leading and setting the direction, and they do their bit which is the fantastic management of their different areas. But that allows me to empower them because I know they're good at their jobs and they know they're good at their jobs. So I try to work in partnership rather than telling people what to do. It's much more look, I think this is where we need to go. Tell me how we get there.

It's definitely very collaborative. I think that my style is partly to gather experts round me. I think my team is particularly a high skilled team because I feel really comfortable having people who are really good ... and better than me at their jobs, around me.

Developing leadership

All our leaders reflected on the experiences they had learnt from and talk about important people who have helped shape them. Outstanding leaders are however, much more likely to have learnt something about themselves from their experiences whereas good leaders focus much more on other kinds of learning. Outstanding leaders are also more likely to mention their learning about how to treat others. For outstanding leaders this appeared to be a personal insight. Good leaders were less likely to make the leap from their own personal insights to a deeper understanding of the impact on others.

Outstanding

The legacy of the style of management here for years and years and years has very much been a sort of command and control, direct and tell, and people and systems and ways of working and practices have evolved, I think, that are about covering your back and keeping your head down and not sharing bad news, and so I think there is a reluctance...and I've been in that place myself, I think, where it takes quite a bit of reassurance from people around you before you feel brave enough to adopt some of these principals and start living by them.

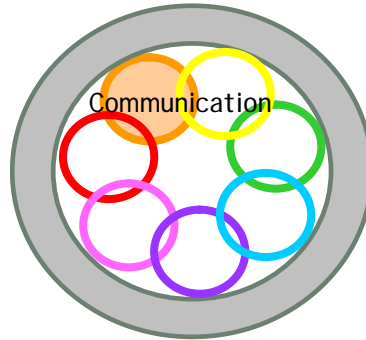
I think my understanding of what people can do is greater – I think that you need to get your head around the power you – you don't control it, but the power you can point, is really significant because normally the people that are in the team are really capable people and actually if you put them in an environment where they can get on and do – then you can do a lot of stuff ...once the penny finally drops that you haven't got to do this on your own and you've got people engaged – the difference it makes ... I always remember one particular time on one particular project I was on where it was really uncomfortable because it was really big ... and I felt isolated from everybody else and thinking 'God this is not going to work' and then suddenly it all got sorted and the only thing that was different is that I told the people that that's how I felt and people were just there straight away.

Reflecting the importance of confidence for outstanding leaders, they are also keenly aware of how this confidence has been developed from interactions with others and how it is evolutionary.

People have said 'I'd like you to go and do that', and sometimes I have said to people 'I'm not sure I can do that job, I think that's just one step beyond for me' and people's confidence has been greater than my own confidence in being able to do something. I remember one person who told me that '[it's] actually not your problem whether you can do it or not because you're not giving yourself the job, I'm giving you the job so that's my problem'...It's one of those little snippets you take from people and it made me feel a lot better...It's been about people having confidence that got me to end up in leadership positions – other people's confidence in me more than I have confidence in me to do it.

In fact this ability to draw and reflect on experiences is much more developed amongst outstanding leaders who are generally more deeply reflective on their experiences and what they take from them.

Communication



Communication is an attribute of leadership that is reflected across all the areas we have examined in this study and therefore unsurprisingly leaders in both good and outstanding groups acknowledge the underpinning importance of communication and its far reaching impact.

The essence of good leadership

All leaders recognise that effective communication needs to be simple and understandable. They consider a large part of their role is to bring clarity and to engage people in the vision and they spend a great deal of time clarifying, reinforcing, distilling and refocussing to ensure their people are clear on the organisation's direction and priorities. All leaders encourage effective communication amongst their teams, leading to create an environment which values team working, where people feel they can air their differences, resolve problems together for the common good, and collectively own the highs and lows of success and failure. Leaders at all performance levels also consider how they share information honestly and encourage others to do the same. All leaders talk about listening as a vital part of communication and how this encourages open debate, collaboration and the sharing of new ideas.

Given the unity across all performance levels on the importance of effective communication and open and honest interaction, what were the differences between good and outstanding leaders on communication? One subtle difference is that outstanding leaders see the links between building trusting relationships in order to encourage honest interactions. They appreciate that the offer of trust must start with them, they must demonstrate through their own actions and communications that they can be trusted and people can be open with them.

Outstanding

There are three or four things that we just picked up on, the sort of behaviours, the way that we treat people, reinforcing that and painting a picture of what that means, what's a responsible set of behaviours. Linked to that is honesty in reporting...so we've had someone covering off some misreported work done. So we've uncovered that and people have seen that we've reacted responsibly with that.

I think what works with me a lot is to share a bit of my experiences...There's nothing like a bit of exposing yourself to get people to [learn] from that. Whether it's a trade or not, I'm not sure, so I think just - you've got to generate enough of the perception, and reality and visibility that people know that this is a guy or these are people worth talking to, 'I'm Ok to say this without fear of reprisal or being overlooked in the future.'

It's very much about backing your team and [being] trusted from both a personal point of view and a functional point of view. So enabling or having a relationship with your team where they can speak honestly to you, either about personal issues or in terms of feedback. So one of the things that I strongly encourage and expect from my team is really direct feedback because it is harder to give your boss feedback than it is your team. I reckon if you can give your boss good feedback then you're much better at giving your team feedback

Whilst good leaders reflect on trust, they do not talk about how they would deliberately act or behave in order to create it. They are more likely to say that it is good to have and that it evolves over time.

Another clear difference between good and outstanding leaders was a sense of humility or vulnerability that was conveyed in a few examples which illustrated how open they would be in describing their own foibles.

Outstanding

I think it's also about honesty and humility with your team...When you get something wrong, putting your hand up and being accountable, not just to be the sacrificial scapegoat. If you're not doing things which have an element of risk to them, of which not everything will go in a seamless manner, you're not pushing the boundaries in your area.

So loyalty is implicit in my, not only my own values but in the way I lead and manage, I talk about it, I talk about it frequently. It's in my language when I described myself when I came here, when I talked to the people I met, [I was] very explicit about it. Honesty goes with that. It's a companion of that and

that's emotional honesty as well as factual honesty...I had a bit of a go at one of my guys the other day, two days ago, about a product that hadn't been very well managed and I rang up later and I said 'look I'm sorry I had a bit of a rant at you...why I behaved like that was because I recognised I had failed in something, I'd not spotted a risk, I hadn't got involved, it was an error of my judgement...It was my transferring my own disappointment in myself onto somebody else and that's inexcusable

In contrast, when good leaders talk about such explicit honesty there is not the same depth of sensitivity and humility

Good

I think my basic operation is honesty, and that's not always the easiest sort of strategy to employ because sometimes people don't want the complete truth...[but] that's my basic philosophy and always has been, and it gets me into trouble as much as not, both up the chain and down the chain but it's the way you are I guess, and it's something that I wouldn't trade on.

I'm quite open as well, if I've got a problem I tell everybody because that makes it less stressful for me rather than hold it myself. So I am quite open, probably, to the point where it's quite disturbing at times in terms of, I try not to keep things internalised...And whether that's me solving my own problems using other people's free consultancy or other, it's just the way I am

Formal Processes

There are some core processes that all leaders use to give their leadership structure. These are:

- One to one meetings (weekly/fortnightly/monthly);
- Team meetings (weekly/fortnightly);
- Departmental meetings (monthly/quarterly);
- Away days (quarterly/bi-annual/annual).

These three levels of interaction (individual, team, wider team) typically allow leaders the opportunity to provide clarity on where the organisation is heading, what it wants to achieve and what role the individual/team/wider team plays in helping the organisation succeed. All leaders also give credence to organisational processes that help develop their people, and improve the organisation such as employee engagement surveys, people development processes and talent identification/mapping tools. These meetings and processes are not new, radical ways of working. But what is striking is the fact that our leaders give these mechanisms such time and attention and demonstrates that leaders see systems and processes as having a valuable part to play in enabling high performance leadership.

The key difference is the emphasis good leaders place on the tools, techniques and processes themselves, whereas the focus of outstanding leaders is very much on people. They talk in terms of inclusion and collaboration, making connections and building relationships, providing development and support, tending to the climate, encouraging team spirit and cohesion, and moving between a strong central role to a collaborator and listener. For outstanding leaders formal processes provide time and space to explore, investigate, listen and see what emerges. They often explore how people are feeling in 1:1s and team meetings and are content with the fact that such open questions can lead anywhere. Discussions therefore are less clear cut.

Good

We'll speak to everyone every Monday as a sort of update on where we were, what did we achieve last week, what are we going to focus on this week – so keep it nice and tight working on sort of three monthly performance objectives as well so...from a day to day operation probably we have to be much tighter because most things that happen, happen in very small time periods... we've got to think next week because everything is so time sensitive – so we drive people in very tight frames that way so the weekly updates it's constantly communicating with people in terms of where the priorities are, where we need to switch priorities because as I say we might feel we're going down the right route and then something happens, we have to then switch.

We've then got, as I say, lots of reporting mechanisms which is feedback from them to me largely, I've got to say. So on a weekly basis – the direct reports and some of their team leaders that work within their teams – just a simple sort of one or two A4 sheet update document back to myself, so at least we can keep all the key points and have some clarity about that and we share that around the team...So yeah, the generic overarching, the weekly reports come back, the weekly meetings and then beyond that there are any number of smaller meetings with sub sets of the teams to look at the individual projects of which there are many, many, many.

Outstanding

In our one to ones every week, we're always talking about the projects, how is it going, what's this, how does that look? How do you think last week went? Was that alright, how are you feeling? And I will always, I hope, use the opportunity if I need to, to say either, which is most of the time, 'look that was magic, that was brilliant that piece of work or that meeting, that was fantastic'. Or alternatively, 'you were a bit strong in that meeting last week, what was going on, how did you feel?'

The first agenda item on our team meeting, is called 'How are you Feeling?' And it's [there for] a couple of reasons, one of which is to share anything big that's happening in your area. But how are you feeling? So it's a little way of downloading what's in your head before you start the team meeting. But also to get, it can be great getting people to support each other. So they may have a personal issue to share, which is affecting their work. Maybe they've got a workload issue that somebody else can help with a solution on. So again it's a simple structure and depending on how open people are, how willing they are to share, we'll do that.

I am just sitting listening really then I might make a few notes of questions to come back [to]. So if they are clearly struggling with an issue or felt that something didn't go particularly well, I will wait until they have gone through everything and then I will say go back to that, what do you think you could have done differently or could you have handled it differently looking back on it now, or if it is going forward, something that they are pretty anxious about and not sure how to handle we will talk about that, and then say what will be a good way...I expect we get into a bit of personal territory about how they are feeling, how they are coping and dealing with situations. Then there is a formal bit because we have this document and I always pull that out at the end and run through what the objectives were to make sure we are still on target with that, so we go from quite specific and then I tend to go into the softer areas and then I close it more along formal lines.

Informal communication

Formal communication by itself is not enough. Leaders are aware that it is not only at these key points in the calendar that people are going to want to talk, or that they need to reach out to their people. Outstanding leaders prioritise the need to be visible often by walking around and chatting to people, taking the temperature of the organisation and showing that they are accessible and approachable.

I am a wanderer, in fact...I'm immediately outside my boss's office and he must think I'm an awful manager because I'm never at my desk. I'm virtually never at my desk. I'm either on the floor or in meetings.

Walking around there, you can spend ten minutes really talking to half a dozen people and they've seen you're here, they know you're about... They might mention a few things. You know, 'dog's been ill' or something. Just things that they know that last time you spoke to them, you listened. And you kind of recognise them.

My style naturally is management while walking about...This afternoon once we've finished, I've got two sessions with two different managers where...I'll be down with them. Them showing me something that normally they could show me in the office but 'come and show me'. So [I will] go and look at the bit they're talking about or the issue they've got, talk to the guys about whatever it is...So I do a lot of that and therefore there's direct feedback opportunities.

Inclusion and collaboration

At the heart of communication for outstanding leaders is the desire to collaborate and listen. They appreciate that working together to shape and achieve something will be far more engaging than simply following a set of instructions. In addition, they appreciate that several heads are better than one and ideas need to be sought from the many. This was less common amongst good leaders although some did echo some of these sentiments. For the majority of good leaders vision and strategy are formed by the leader and their emphasis is on securing buy in. Co-creation, where it is mentioned, tends to be at the next level down ie at the target and objective setting stage.

Outstanding leaders are very aware of the importance of their acting in ways that do not stifle debate. Connected to this self awareness was a common expression that there was a limit to what the leader could achieve by themselves. Certainly there are times when they can publicly address large numbers of people and restate, clarify and communicate core business messages. However, communicating in depth, giving the messages meaning, and allowing time for response has to be done on a more local basis and through others and it is extremely important to have trust and faith in those people delivering those messages.

...and arguably, you could say from a leadership perspective, I could only really influence a) myself and b) the eight guys that in real terms, that I spend most of my day with I guess. Because I've touched lots of others, so as long as I'm looking out - and I keep saying to the guys, you sort yourselves. So if I work right with you eight, you work right with your eight, before we know it we've got 360 people that are trying to do things right. And that's the sort of simple logic that I apply really.

When I started in the organisation, I could get that whole group from me down to that first line of people together, and it was a 100 odd people, and it was just manageable. And it was really good, you'd get everybody in a room and then you could do a nice message and it was good. You could get your arms around it, I could look everybody in the eye and do it. What we've found is that the organisation has now got too big to do that and we were struggling...So now the directorates can have their conversations and conferences, get to that level of management, so get everybody engaged. And we just do more of them, so we just split them up.

Cohesion and team spirit

All leaders see the value in social or team building events that allow the team to relax and gel. They use meetings to enable people to share what they are doing, present on areas of interest, and learn, support and challenge each other. However, outstanding leaders were particularly strong around the notion of healthy and unhealthy conflict, useful challenge and obstructive negativity. They tend not to let conflict or negativity fester. Instead they encourage some sort of resolution or behavioural change.

Outstanding

I had a personal conversation with him actually and I said 'I value what you do. I think you have done a lot of good things' but I did say to him 'you are going to have to make your mind up which side of the fence you are going to sit on. You can either shoot us below the water line or you can shoot us above the waterline' and I defined what I meant by shooting below and above. So 'if you have got a problem you come and talk to me about it and we can understand it then lets work our way through that. If you in public then start shooting I regard that as below the water line' and actually I think from that point on he is now an effective leader within the business. So I suppose it was back to valuing the diversity again. I didn't dive for cover when I had a difficult customer. I see him as a huge asset now.

I think one of the things I do is I make sure that everybody sees that by pushing this block they make a difference taking the business forward. I also let everybody see that if someone goes against it, just out of devilment, they won't be around for long. So I think everybody understands the parameters to operate within and I think that's important. I think that's important in terms of leadership, strong leadership.

I had to sit the two of them down and bash their heads together in a way and describe the pair of them as male tom cats who were coming in and marking out their territory and really creating a lot of adverse chemistry in the team and that I wasn't having it and literally almost like a teacher with two school boys particularly I laughed a bit about it but it was a very serious message to the two of them that they had better shape up or they weren't going to stay around...and [I] forced them to go out and...spend time getting to know each other but that they didn't have to like each other but they had to find a way of working, had to understand each other sufficiently to be able to work and to be able to get on with it.

So rather than waiting for formal reviews, do it in a live environment. And that's when it's hard, so when tempers are fraught, giving feedback in that type of environment, you can quickly diffuse a situation. So you can say, 'This is what happened. This is how it made me feel'. Then you can try and listen to that feedback and then understand the impact you've had or the impact they've had on you. And you can do it really quickly. It's not a long drawn out conversation, it can literally be 5-10 minutes. [If you] don't nip it in the bud, [you've] got a festering issue for quite some time. That's one of the things I really try and encourage.

Contextual factors



Culture

All leaders share common frustrations and desires with regard to organisational culture. They rail against the failure of organisations to live up to the values, are frustrated by overly hierarchical cultures stifling meaningful relationships or overly bureaucratic cultures which restrict independence, and are irritated by passivity, lack of performance or negativity. Our leaders seek to work in organisations whose values complement their own. They wish for humanity in dealings with others, respect for what people contribute rather than their role, honesty, integrity and trust, consistency between behaviour and values, empowerment and a connection between leaders and the front line.

There are some subtle differences in how outstanding leaders address issues of corporate culture. Outstanding leaders:

- Go beyond describing the current culture – or even criticising it – and seek to really understand culture and where it has come from and whether this is an inevitable consequence of the kind of business you are in. They use acute observation of the behaviour of others to try and understand the culture. This understanding is used by the strongest leaders to contextualise their internal models of business and leadership.
- Are more likely to say something about the consequences of an aspect of culture they do or don't like – so it's less a matter of pleasure or preference and more a matter of business effectiveness for them.

- Are aware of the things they don't like about current culture but do not moan about it too much. They work out ways of working well within the current culture, and modifying their preferred behaviour if necessary to get to successful outcomes. The literature would use the term 'cultural agility' for this behaviour.

Outstanding

So as an organisation, we are quite geared to deliver against metrics, and actually one of the ways I've found of delivering the strategy is just turning it into metrics. So as I say, the organisation is culturally aligned to give it a target and it will gear up to do it...So that's how it operates on one side. I'm sitting on the other side, saying that I want to change the dynamic, the way our operatives work and engage with customers and they're real representatives of the company and they have a different conversation with the customers. That's my sort of strategic challenge over here. The way to get it to work in my organisation is just to say 'right, I'm going to measure that now, and I want to give everybody a target as to how many service enhancements we deliver'.

This is a very collegiate environment and I have grown up here, I'm pretty good at it. I understand the beast. If and when I go and work somewhere else I will be very aware of needing to understand the culture and not necessarily behaving in the same way I behave now because it may absolutely not be the right thing to do.

However, the starkest difference was how outstanding leaders considered they might influence the culture, at least in their part of the business. They were much more likely to talk about what you can do rather than just describe it. They made explicit connections between individual behaviour and action and how it shapes a culture, whereas good leaders were more likely to reflect on culture in the abstract.

Outstanding

The organisation is no-one, between what we believe as individuals, what's right for us, what we support, what we desire, where our passions lie. And that's not driven by policy...What has more impact, a policy that sits on the shelf or the view that I have as a manager?

When I joined...I had lots of sessions with the coach and I kept saying 'I am just not like this organisation... I've got a decision to make...Do I flex my style to be more like the [organisation's] culture, do I just plough on as I am or I do I actually leave? And I thought hard about all three actually, and in the end working with a coach we decided that I just plough on as I am and actually that's why they recruited me and that would get me even more cut through and it would work, if it's worked historically why wouldn't it work in [this] organisation?

The other point on this strategy development and this realisation that I didn't want to, or couldn't, or shouldn't write it was that I would then be ignoring that piece of cultural insight that I had received into my people from the top and reinforcing it and I didn't want to do that and there was this part of me that thought 'oh cripes, no that would just be a further consolidation of that way of working. Don't do it that way, don't role model that that is right, that is how things are going to continue to be here.'

When leaders talk about the changes they have made to the organisation there are many more examples given by outstanding leaders on the impact they have had on the culture of their team. When good leaders describe changes they have led, they are more likely to focus on organisation led changes such as restructures, redundancies, outsourcing or improved systems and processes.

Outstanding

I want us to work differently – I want us to work more like a business and less like a number of independent departments that just happen to be grouped together...I've been telling them to think like a Board and act like a business because I think...there's benefit to encourage the people to think more like a business, so that's attention to detail,...understanding the wider ramifications of decisions that you make and what's the benefit to shareholders or stakeholders...Hence they're called now a department Board, hence there's only a small number of them, hence they're all responsible for different departments besides their own, so I'm trying to make that team feel different.

I hope my legacy will be that we turned a reactive and scared piece of business into a respected force to be reckoned with. They were a team that was chasing its tail to a confident group of professionals who are well respected.

Most noticeably it is the outstanding leaders who gently push the boundaries. In various ways, outstanding leaders have challenged the status quo of their organisations, whether that be in recruitment, development, performance management or having a more external focus for innovative ways of working, they are dropping a pebble in the pond and hoping to have a ripple of influence on the wider culture.

Outstanding

We developed a behavioural tool to go with the [performance management tool]. We involved the development team at Head Office in it to make sure that we weren't doing anything that was out of step with what they had got planned. And lo and behold they've actually taken on board the process that we've developed and now use it across all units.

I suppose I've taken what the business has felt like risks on people. I was the first to ensure that we brought people into the organisation [who] were near misses on the graduate programme. Lots and lots of excellent people who weren't quite good enough to get on to the graduate scheme but I've been a vanguard in bringing those people into the organisation and growing them through.

A few years ago I dropped the grades of some of the roles in my team so that I could take people from a work level below to give some progression within the organisation. It's a much higher risk and a lot of people said 'that's a really naïve, stupid thing to do'. Those people without exception absolutely blossomed and had the right attitude.

Systems and processes

There are some key systems and processes which focus on planning and reviewing that leaders use to effect change that receive greater attention than others.

- Meetings or dialogue with others: making sure these happen, being clear what they cover and how they are managed;
- Planning work priorities and activities;
- Managing individual performance and development.

Outstanding leaders tend to focus on these three sets of processes whereas other leaders would talk about more processes and were also less likely to see them as linked to crucial outcomes.

Leaders tend to talk about two kinds of meetings; regular one to ones with their direct reports and meetings with their immediate team. It is noticeable that outstanding leaders do give significant priority to these meetings using them as a cornerstone of how they reach out to people and influence them. They see these meetings as a way their direct reports can raise issues and therefore outstanding leaders will try to engage their people to set the agenda or 'lead' the meeting. Outstanding leaders give clarity to individuals through the processes but, as we have discovered in the analysis of communication, it is the discussions and the relationship building which is of greatest importance to them, not the targets themselves.

I used to, when x launched, and even up to the point when there were 20 people, I used to have a weekly meetings at which everybody spoke. And I didn't chair it, I used to ask other people to chair it, actually I've just made [my direct report]... do this and it's been a revelation to him to have a meeting once every three or four weeks with all his staff and let them chair it, at random almost.

Outstanding leaders are also more likely to talk about another kind of meeting which reaches beyond immediate reports or teams eg gatherings of larger groups such as roadshows, town hall meetings etc. These can either be with their own workforce or also involve people who do not report to them directly. These meetings are seen as a way of reaching out to the wider workforce and involve them in business priorities and to engage with them and listen to their views and concerns.

In terms of communicating it, there's a number of mechanisms for that...So I have a twice monthly meeting with my immediate team...it's all around how are we doing about delivering it and what's the operational performance like. We have a quarterly session which is with the top 24, so my direct reports' direct reports if you like. That is almost always a bit of vision in there because it's almost repeating the story again. So there is a tendency of we say the same thing a lot of times, and we show the same picture to the point it becomes a joke almost in terms of 'he's got his bloody PowerPoint up again'...So we do that, and then each - then there'll be an annual conference say for the top 100 which is always a big piece of where are we, where are we going, what have we done.

In some of the case organisations, other processes are especially important. One example is safety procedures. The highest performing leaders take such processes very seriously, but also recognise that the process itself is no guarantee of execution. They use the company processes but try to instil a mindset which is about people knowing what is happening on the ground, not on a piece of paper.

Well we put some practical steps in place so things like we want everyone to do a risk assessment on their site so when they go up and do a job...we're expecting them to do a written risk assessment... But the risk is, you can lull yourself, if you're not careful, into thinking just by having procedures and risk assessments that you're operating safely. Procedures or risk assessments are things that are written down on pieces of paper, it's how people operate, how people comply to it, and it's all of those checks and balances you need to have in the field that really determine whether you're safe or not.

Outstanding leaders:

- Are more aware of the use they make of processes – thinking about them as means to an end not an end in themselves. Less strong leaders sometimes see the process as the important thing and do not remark so much on why they are using it and what it achieves for the business.

- Use a very small set of formal but simple processes extremely consistently, such as their cycles of meetings. This helps them structure their own leadership but also helps their teams to know how to raise and resolve issues;
- Use systems and processes to empower others rather than to control them;
- Check that actions agreed are really achievable for people and then set them free to achieve them;
- Use company systems where they are useful, but don't waste time on systems which do not help. They are also happy to develop their own systems and processes where needed. Even in using corporate processes, the best leaders 'make them their own.' Good leaders describe corporate processes but do not see them as part of their own leadership;
- Do not trust systems of any kind to deliver outcomes in themselves. They see systems and people as both vital – people rather more than systems. They also see formal and informal processes as working together. They do not think writing down things is as important as internalising them. They are worried by systems which become 'tick box' exercises and divorced from what is really happening.

Summary

Throughout this report we have concentrated on the variation we have seen in our conceptual framework by performance rating. This has highlighted a number of key differences (see Table 2).

Vision

- Outstanding leaders speak about the role of vision as being to emotionally align people to the organisation and to face them towards where the organisation is heading;
- Good leaders are more likely to see vision as aligning people through a cascade of objectives;
- Outstanding leaders articulate the importance of engaging people with strategy and vision because of the impact it has on their commitment and engagement with it;
- Outstanding leaders are more passionate and emotional about vision and purpose.

Create environment

- Outstanding leaders have a more complex and holistic view of the importance of climate characteristics such as loyalty, trust, respect and openness in creating engagement;
- Outstanding leaders are more aware of the importance of personal consistency in setting the tone of the organisation and in creating the conditions for trust;
- Outstanding leaders are more likely to attribute success to their teams;
- Outstanding leaders seek to create a strong sense of optimism within their teams and organisations and help others celebrate their successes and strengths.

Table 2: Key differences between outstanding and good leaders

	Good	All leaders understand	Outstanding
Vision	<p>... align people through objectives and targets</p> <p>Understand the what</p> <p>Involve people in creating vision</p> <p>Vision enthuses</p> <p>The customer is important</p>	<p>... the need for vision</p> <p>... the what</p> <p>... the need to provide focus</p> <p>... the need to create sense of common purpose</p> <p>... the use of vision to engage and involve to enthuse</p>	<p>... align people to now and the future and emotionally</p> <p>Understand the how</p> <p>Involve people in creating vision because of the difference it makes to them</p> <p>Vision inspires and creates passion</p> <p>Articulate the higher purpose</p> <p>The customer is critical</p>
Environment	<p>Trust, loyalty, openness are personal values</p> <p>Recognise the value of trust but do not reflect on how it can be deliberately built</p> <p>Loyal to team</p>	<p>...trust is important, two way and maintains motivation and performance.</p> <p>...respect has to be deserved, do unto others</p> <p>... the need to be consistent and fair</p>	<p>Trust, loyalty, openness are essential for engagement</p> <p>Give clearer examples of how to work to build trust and awareness of actions they can take to develop trust</p> <p>Loyal to vision and direction</p> <p>Consistency to personal values</p>
Relationships	<p>Find people for roles</p> <p>Manipulate environment through team structure</p> <p>Ask people what they think, support team and listen to people</p> <p>Engage</p> <p>Understanding of what development does for the job</p> <p>Coaching transmission of skill</p>	<p>...importance of team spirit, confidence and engagement</p> <p>...development adds to people and maximises potential</p> <p>...supporting others key to effective leadership, means of caring</p> <p>...importance of understanding others to get the best from them</p>	<p>Look for attitude, find roles for people</p> <p>Manipulate environment through team spirit</p> <p>Remove hierarchy, value individuals in their own right</p> <p>Form deep relationships</p> <p>Focus on confidence</p> <p>Place emphasis on team finding solution</p> <p>Co-create</p> <p>Value of development in unleashing energy</p> <p>Importance of challenge and support</p> <p>Understanding of what development does for the individual</p> <p>Coaching conversation, power to the coachee</p> <p>Pay greater attention to relationships, focus on points of connection, trust and rapport</p>
Power	<p>The leader is responsible</p> <p>Leaders take control</p> <p>Locus of control with the leader</p>	<p>...giving people freedom empowerment and support to make own decisions is desirable</p>	<p>The leaders role is facilitative</p> <p>Leadership is collective</p> <p>Locus of control with the team</p>

Analysis of leadership capabilities

	Good	All leaders understand	Outstanding
Performance	<p>Stay close to the detail, track performance, task focused</p> <p>Seek to be firm clear and fair</p> <p>Monitor carefully, offer support and deal with issues</p> <p>Mistakes can be learnt from and avoided in future</p> <p>Attend to capability</p> <p>Treat good and talented the same</p>	<p>...importance of co-creation and group involvement</p> <p>...need to create environment that encourages creativity</p> <p>...understand need for change</p> <p>...the importance of energy commitment and excitement to help things happen</p> <p>...the need to be flexible</p> <p>Take pleasure and pride is achievement</p> <p>...the importance of hard work</p> <p>...the importance of performance management, meetings, clarity of expectations</p> <p>...importance of dealing with poor performance, giving opportunity to learn, encouraging reflection and being fair</p> <p>...the importance of discussing development and aspirations, of encouraging learning, being honest</p>	<p>Focus on style of leadership that delivers sustainable performance</p> <p>Engage colleagues as change agents</p> <p>Deeply passionate about change</p> <p>Realistic about effort of change</p> <p>Positive about their capability to create and embed change</p> <p>Enjoy the challenge deeply</p> <p>Emotional engagement with passion, humour and energy</p> <p>Understand what success does to the confidence and engagement of others</p> <p>Track behaviour, focus on development and support, use to inspire and dialogue</p> <p>Seek to understand the reasons for underperformance</p> <p>Consider own role in failure</p> <p>Mistakes are inevitable and should be positively explored to aid learning</p> <p>Empowerment raises likelihood of error but is worth the risk</p> <p>Attend to confidence</p> <p>Manage talent distinctly differently, play to strengths, give time, harness them</p>
Self	<p>Allude to confidence indirectly, not a tool</p> <p>Learning focuses on the job</p>	<p>...their own strengths and weaknesses</p> <p>...what has affected them</p>	<p>Much more direct about own confidence</p> <p>Not intimidated by those better than them</p> <p>Have learnt about themselves and others</p> <p>Have gained confidence</p>

	Good	All leaders understand	Outstanding
Communication	<p>Focus on the opportunity to track progress against performance objectives</p> <p>Walk about primarily to monitor performance</p> <p>Cascade vision and strategy and co-create objectives and targets</p> <p>Tend to be more instructive about how a task should be carried out, or more willing to step in if it is perceived to be going off course</p> <p>Speak little about conflict, less inclined to get the issue out in the open</p> <p>Show consistency through being true to their values, regardless of the impact that has on others</p> <p>Will share what is troubling them because they need to be true to their principle of honesty and authenticity at all times</p>	<p>... good communication is a fundamental element of effective leadership</p> <p>...both formal and informal methods need to be employed to ensure visible, accessible and that information can be exchanged both ways</p> <p>...leaders cannot communicate everything themselves</p> <p>... sometimes formal systems and processes can be side-stepped if they hinder progress or are too rigid</p> <p>... listening is fundamental and demonstrates desire to work collaboratively</p> <p>...open debate encourages engagement.</p> <p>...honesty is crucial. Openness is necessary when going through difficult times</p>	<p>Focus on the opportunity for interaction and depth of conversation</p> <p>Use management by walking about to take the temperature of the organisation and build relationships</p> <p>collaborate on vision and strategy</p> <p>Very careful before intervening</p> <p>Speak of need to resolve conflict</p> <p>Won't stand for negativity</p> <p>See the importance of consistency in communication, bring rhetoric to life with actions</p> <p>Reveal weaknesses or vulnerabilities but with great care that others are not unsettled by it.</p> <p>They do so in the spirit of openness to encourage the same openness and personal responsibility from others</p>
Systems and processes	<p>Speak of many processes, unlikely to link to outcomes</p> <p>Use systems to give clarity</p> <p>Focus on ensuring compliance with process</p> <p>Concern with elegance of process</p>	<p>...frustrations of culture, annoyed by failure to live values, frustrated by bureaucracy</p> <p>...the importance of key systems and processes</p>	<p>See culture as embedded in own actions</p> <p>More likely to see link between behaviour and outcomes</p> <p>Use observation to understand culture</p> <p>More aware of negative effects and work within culture to make a difference</p> <p>Focus on key processes</p> <p>Give priority to systems that provide touch points with individuals and teams</p> <p>Engage people in agenda or chairing</p> <p>Use systems to provide the space for conversations</p> <p>Speak of how to reach to larger workforce</p> <p>Understand process is no guarantee of compliance</p> <p>Concern with good enough</p>

Build relationships

- Outstanding leaders are highly people and relationship focused and place people at the centre of their efforts to improve performance in organisations.
- Outstanding leaders seek to develop others in appreciation that this is part of their individual journey to fulfilling potential and releases great energy and enthusiasm.

Power

- A majority of outstanding leaders seek to maximise the autonomy and power of their teams and ultimately place the locus of control towards the collective.
- They do so carefully ensuring that people own the space in which they work, are fully capable, confident and supported.

Leading performance

- Outstanding leaders are more passionate about excellence and reflective about the importance of their own style in maximising performance. They are also more passionate about change, more confident about leading change and more thoughtful about how to implement change; reflecting on the time and commitment required and speaking of the role of change champions within their teams.
- Outstanding leaders are more emotive about the drive for change and the pleasure in facing a challenge.

Understanding self

- Outstanding leaders are conscious of their own self confidence and its importance to their performance. They speak directly of a self acceptance of who they are and how they work.
- Outstanding leaders reflect more on what their learning experiences have taught them about themselves and about how to relate better to others.
- Outstanding leaders are more likely to speak of someone in their past who gave of their time and who demonstrated a confidence in them.

Communication

- Outstanding leaders focus on the content of communication and think carefully how it is pitched to ensure that both implicit and tacit messages are desired.
- Outstanding leaders share their weaknesses and discuss with others their vulnerabilities in a way that sets out a transparent way of working and encourages a spirit of openness.

Working in context

- Outstanding leaders are more aware of the impact of corporate culture on people and the effect it has, are agile at working within it and yet will also be clear how they can influence it.
- Outstanding leaders see systems and processes within the organisation as a means to an end and tend to focus in on a very small set of processes which they use with great consistency to structure their own leadership and to touch those around them.
- They use processes to empower rather than control whilst checking that people are able to deliver.

So category by category there are key differences that separate outstanding leaders from their good and better than good peers. What is striking is that these differences begin to rise above the categories themselves and can be distilled into a number of persistent themes that define outstanding leadership.

A summary of these differences is illustrated in Figure 3

Figure 3: Summary differences between good and outstanding leaders



5. What sets outstanding leaders apart

When we look across all these areas of capabilities and the findings that emerge, we believe there are nine key themes that cut across all aspects of leadership which are of significance in understanding what defines and separates outstanding leadership.

Outstanding leaders:

**Think
systemically
and act
long term**

'Look before you leap, for as you sow ye are like to reap.' – Samuel Butler.

'Sow a thought, and you reap an act; Sow an act, and you reap a habit; Sow a habit, and you reap a character; Sow a character, and you reap a destiny.' – Charles Reade.

If you see your leadership as purely the people that have lines into you it's limiting I think, you have to look beyond there and I categorise it as, you've got your team which you manage which you've got to lead, you've then got a stakeholder base that you've got to lead, and then you've got issues which you've got to lead, and I talk to my team about issue leadership as much as I do about people leadership. How do you take something, an issue, with all the business or a project or a challenge or anything and lead that in the organisation? And that requires sometimes a different way of thinking because it's about engagement influencing, the ability to take some personal risk as well, and people are quite reluctant often to take personal risk... unless you've got people who are prepared to stand tall and take personal risk, ...with issue leadership in a business it means you've got to go and engage people and stand up and fight for what you believe in. But the ability to do that is really important.

I think we've struck a good balance actually at a senior level, and we've started to invest in the whole workforce in various ways, and to reassure people that we care about them as human beings and individuals. So I think...that if people can see that you care about their safety and their wellbeing and their quality of life by investing in their pay...and conditions and so on, then it's a bit like grabbing their attention to able to say 'well if they care about me as an individual then maybe I should, I can or I ought to contribute more' or 'it's a better place to be in' all of these things have a relationship.

We live in a complex world and one that has become steadily more difficult to negotiate. In this world all too often we are in thrall to the immediate, the problem, the hoped for solution, and therefore the knee jerk response. In all this complexity it can be difficult for leaders to act with care and consideration for the longer term. All too often leaders, by their very actions, create the future they are trying to avoid. How often have you heard a leader say that they wish their workforce would be

more innovative or would like their workplace to be more exciting, and yet the same leaders rubbish or ignore ideas people have or shut down excited debate. These leaders might genuinely believe these fledgling ideas have no merit but if such tentative ideas are not allowed some time to establish, innovation will never flourish.

It is also true that many good things in organisations take time and yet time seems to be in short supply. Leaders frequently demand quick answers and speedier solutions, they are impatient to see results and lack the foresight to invest for the future. But growing great individuals and developing effective cultures are all long run activities. They depend on many actions over time gradually moulding outcomes. Patience and consistency are the hallmark of slow burn change. The outstanding leaders in our study understand this, and either tacitly or explicitly, they act with the future in mind. What does this mean? It means that they see their world as interconnected – a reflection of Paul Senge’s classic ‘The Fifth Discipline’ (1990):

‘I see systems thinking as a way of seeing wholes. It is a framework for seeing interrelationships rather than things, for seeing patterns of change rather than static snapshots.’ (P 68)

Achieving sustainable high performance requires leadership that is able to navigate through complexity, appreciate nuances within a sophisticated world and make decisions in often unpredictable situations. Outstanding leaders do this using systemic thinking that recognises the interconnected nature of their business environment. What is especially clear is that outstanding leaders recognise the systemic effect of actions on people. One of our outstanding leaders understands this perfectly. They see their world as deeply connected, they understand the way in which their actions set in chain something akin to a nuclear reaction where activity builds on itself to create a self sustaining, self propagating effect.

I spend an inordinate amount of time trying to understand what makes someone tick. So right back to the interviewing process, I’ll look to see if that individual has a strength that will benefit the business and as long as they can understand their weakness, and I know what it is, it’s like a jigsaw, I’ll fit the strength with the business requirement and the weakness with someone else’s strength. So what I try and do is I say to someone, “I’ll build you to the stage that will allow you to showcase your strengths to the best of your ability.” What that will do is that will get that person to take a pride in what they do which will in turn allow me to give them more responsibility, which will in turn engender loyalty, and it’s a forward motion for the individual. They feel great about themselves, what they’re doing, how they’re doing it, they feel rewarded on so many levels, not just in terms of the salary. But what that individual does... they drive the department. And it’s forward motion for the department. And what that department does is that department drives the business.

The other side of that is you have to give clear focus. You have to let someone see what job, what part they play in that business's development. So what I try and do is be as transparent as possible... We will show the whole process of business planning. We won't go into the nitty gritty of everything, but we'll show top line figures. And what we'll look at is what does the business have to achieve... They then hand it to the Heads of Department who then hand them to their managers who then hand them to their teams. And those key issues will basically break down into the individual's objectives, so that when the objectives are all added up and you come back the way, they meet that key issue. And ultimately, the business, key issues are going to be attained by the objectives of each individual person, depending on the level they're at. And again that's like a jigsaw, when you cut that together so they've got focus and belief, belief in themselves as much as belief in the business

Seeing the connections is only part of the story. What this example shows us is that these leaders also understand that their actions have results. Our outstanding leaders are not blind to the potentially negative effects of their behaviour either. They truly understand that the way you treat people can have long-lasting impact for good or ill. Because they think systemically, they are careful and when things go wrong they are willing to consider the role they might have played in error. This is the opposite face of another characteristic that Senge suggested endangered systemic thinking:

The enemy is out there'. "There is in each of us a propensity to find someone or something outside ourselves to blame when things go wrong" (P.19).⁸

Two of our leaders reflect similar sensitivity and realisation of systemic negative effects: one was a deeply reflective leader - an outstanding leader sensitive to the impact their approach to people had and how they needed to adjust it as their responsibilities grew.

In the old days of managing a team of six people and we all knew each other really well and although...I was the boss...it was quite clear, I could say things to them and they would say things to me that, in other work environments...wouldn't fit the culture but this fits this culture, and as I've got further and further up you know, I can't be like that because someone who doesn't know me and I'm their Director it, it ...it, crushes is the wrong word, but it freaks them out completely and it's very de-motivating so, I've had to learn to stop doing that. So I think you have to be quite self-analytical as a leader because I think... the further up you get the easier it is to think, (a) you're always right and (b), you're always right!

⁸ Senge P (1990) The Fifth Discipline: The Art and Practice of the Learning Organization, Currency Doubleday

This ability to unpick problems was also illustrated by someone who managed a highly technical group and commented on a negative impact caused by their attempts at focussing on their managerial skills.

I think we had actually disenfranchised that group of people that felt that not going out there and sharing technical discussions with them meant we weren't interested in [their areas]. The reality was that we believed the guys had got the ability to deal with [them], we were more concerned about dealing with the emotional side and development side of that and somehow the two didn't come together, we have ended up with this kind of morale [problem]. As a result of that I personally made an effort to be seen not only with my own teams on a monthly basis...that was the monthly management meeting the team leaders had with their team, ...not necessarily to be there for the whole of the meeting, but to go and at least be there for the...end and withstand the questions and grilling and some of the anger I suppose about what might be part of the low morale. But I also did it for the other teams that I wasn't responsible for and also the commercial teams. So I got out there... So I am positive I did good. The guys...my own team said they were pleased that I had turned up there and taken on the difficult issues that they had problems with.

This same deeply felt realisation that you may create negative effects through your actions doesn't have to be personal either, it can occasionally be understood by leaders that their organisational culture may be having unwanted impact and our outstanding leaders placed great effort in turning such cultures round. A senior manager in one of our case studies commented.

Shooting the messenger is a big one, and I think this place definitely had a culture. There was a guy I was...asking him how are you doing, how are things? And he said, 'when I came in on a Monday, first thing I'd be doing was gathering data around me to prepare for a meeting that I had on a Tuesday afternoon. If I wasn't ready for that meeting on the Tuesday afternoon, and I had to stand up in front of 'the bears' (as he called it), I knew I was going to get embarrassed, ridiculed'. He says that's not the case any more, for a start we don't have that meeting, because it was just literally an opportunity to chuck rocks, it wasn't constructive, so that's gone, which he saw as a help. And whether he's saying this just to me because he wants me to hear it, he knows I'll go 'oh that's great'. But he genuinely felt it and he's the sort of guy that would tell you what he thought, and so I was quite impressed. He said 'I don't need to do that any more, I'm OK to stand up there and say "well we've done pretty well on that but I couldn't tell you why but I'll find out". And I don't feel the need to protect myself any more'. So I think that sort of feedback...it's hugely valuable...he's going to talk to four or five guys, they're going to find out. So at that level, the messengers get through.

This ability to think widely means these outstanding leaders can be thought of as playing a game of chess where each move and its potential repercussions need to be thought through rather than reacting to events. They know why they do what they do; they understand what reactions might be and if they do something wrong they do what they can to recover.

Finally outstanding leaders act for the long-term benefit of their organisation. Outstanding leaders think and act in harmony, as one without the other is both unsustainable for the organisation and often damaging for their people. One of our outstanding leaders who regularly dealt with contractors spoke about finding a positive outcome in dealings with them so ensuring a long term relationship rather than short term gains.

Obviously in negotiation it can be different, depending on what you go in about, and some of them have been pretty hostile. But...I tend to go in there pretty level-headed and I want a fair outcome, I have this very strong sense of fairness. And I won't drive it just for the sake of it, just to get a short term victory; I'll go for the longer term really. And I think they pick up on that really rapidly.

Another of our leaders illustrated the problems of balancing the needs of the future with those of the present and ensuring one doesn't suffer at the expense of the other.

If we can't deliver today's targets right and if we can't do today's business safely then we can kiss goodbye to all the bits of investment in this future – so [that] gives me, if you like, the strategic reason why delivering today's performance is really key – because it's like the key that unlocks the future of the organisation.

Bring meaning to life

'The companies that survive longest are the one's that work out what they uniquely can give to the world – not just growth or money but their excellence, their respect for others, or their ability to make people happy. Some call those things a soul.' – Charles Handy.⁹

If you take leadership out of an organisation you don't stop that organisation necessarily doing a good job for today. What I think you start to stop is the ability of the organisation to adapt and move to something different in the future. So for me – I always have a concept of a journey and so leadership is around engaging with people to work out a journey, getting some clarity around it and being able to articulate it clearly enough for people and then engaging and motivating people to move from where you are today – it's almost trying to give people the reason, a catalyst to change what they're doing today move from where you are today – it's almost trying to give people the reason, a catalyst to change what they're doing today.

⁹ Handy, Charles "The Search for Meaning" Leader to Leader. 5 (Summer 1997): 14-20

At the end of the day, leadership is all about attracting, retaining and motivating people to actually perform for you, and to deliver against goals. So it's about, it's almost about giving people something that they want to believe in, and to make them feel that what they're doing is worthwhile. It's also about ensuring that people enjoy what they do and have a sense of fun in what they're doing.

We noted that vision was a leadership staple, with all leaders keen to develop clarity of direction for people. Outstanding leadership takes it further; it enables a strong and shared sense of purpose across the organisation as sustainable high performance comes from a shared determination to overcome challenges for the long-term benefit of stakeholders, staff, customers and society. Outstanding leaders tangibly demonstrate this sense of purpose in their work, bringing meaning to what they and others do. Contributions are connected to the organisational purpose, people are respected for what they offer and what they aspire to so that they feel valued and purpose-full in their work.

One of our outstanding leaders perfectly captured this need to define purpose and bring it to life for people.

I think leadership is the ability to be able to explain something – explain a journey or explain a reason for something and have the ability to engage and motivate people to participate in it and I think the ability to engage people and motivate people is something which is greatly helped by personal characteristics so if you're believable – if people perceive you to be honest and fair I think your ability to engage and motivate people on the journey or whatever it happens to be...is helped by some of those personal characteristics.

They go on to explain how important it is to build bridges of understanding for people.

I'm not sure you'd have to get to the detail [to] make you [more credible] – I think...it shows a level of understanding – it shows that you're not so far removed from reality...because you've got to build the bridge between where people are today and where you want people to go in the future. If you're spending all your time in the future it's too big a bridge for people...they can't see how they get from one to the other so being able to...painting a big picture of where you want to go...is really key and unless you can connect that back with people today it just ends up for me being a big picture out in the future.

This understanding that sometimes people need help to make the vision come alive for them is seen in many of our outstanding leaders - for example one leader spoke at length on how they turned vision so that it enabled people to understand their impact on colleagues.

My role here is to describe to people [how] their efforts are going to impact on the population of people in the [frontline], that they probably know very little about. So when I'm talking to them about something they come to me and say 'we want to do this'...then I need to give them a clear vision, not necessarily a motivational vision at this point which says imagine that in the [frontline], the impact it's going to have. So you've got to think about why you can't do that and why you need to change some of these things...So it's kind of painting the picture of 'yes, it's a great idea, you need to consider this'.

Two other leaders described how the whole language of vision and strategy can disenfranchise some that you want involved.

I talked quite openly about creating a vision and about creating a plan for the future of the business because I think the word vision is a bit frightening for people and especially middle and junior managers don't think they have a right to contribute to vision. It is a bit like strategy so I talked about plan as a softer word and planning and the versions of the 'p' word effectively to try and make it more accessible to them.

I think there's another thing...to try and make it tangible and to make it real for people. Because the trouble is with strategy and business, if you're not careful, it gets all bogged down in really big complicated words and documents and all that sort of stuff. And it's trying to translate it down to what we want people to do. And for our managers, where there's lots of things we want to do... actually we've said 'focus on performance, focus on customer experience, focus on health and safety. And actually, if we do those things, that will be what you have to do to contribute to the strategy happening'

What we see in our outstanding leaders is an interplay between vision and engagement. These leaders seek engagement in vision because it makes a fundamental difference to people's understanding and passion. There are echoes here of systemic thinking – outstanding leaders involve people because they know that if they fail to do so, vision can be hollow and fail to connect with people. The importance of shared determination is captured perfectly within one of our sponsor organisations that had placed particular importance on engaging with its workforce.

There's a bit of a cascade to this, a distillation whichever way you want to look at it. The business, from a director level, has established 10 common objectives, things that we want to deliver. We, from a function, were asked to contribute into that planning process what are the 10 or 11 things that we believe are important to us. And arguably my more intrusive intervention is into making sure that the leadership team are happy with the 10 or 11 things that we're feeding in. Thereafter the process is 'OK then, go away with your teams, you work out what it is that you want to do that plays into that, let's have a conversation and then we as a team sign it off'. And whilst it's bloody hard, that was probably three or four sessions over the stage of two months to get to the point where we'd signed off because they sort of know what they want to do anyway. It was more about the process of sharing, peer review, and collective 'we're all signing on the dotted line to help each other' sort of thing.

Management feels like 'we've got a plan, and we have to achieve it'. Leadership feels like the engagement of the people who are going to deliver the plan, and the individual leader's ability to motivate people to do it to the best of their ability. So it's engaging people and motivating them to want to do it, rather than 'I'm the manager and this is what we're going to do'. So it's a 'we're in it together' type of approach rather than, 'here's the budget and we have to achieve it'.

Another of our leaders was particularly passionate about ensuring a highly facilitative approach.

Because leadership to me is not about someone that stands at the front, it's [not] someone that leads the way, someone that determines the parameters by which one operates, and very concisely dictates what the target is or what the route is. I think it's more facilitative than that....So in other words, we need to know what our objectives are; we need to know which way we're going. But there is...a danger, if leadership is applied in a slightly simplistic manner...that you tell people what to do, where to go, where we're heading for, that people really become followers and that to me, leadership is really about aligning the vision of people within a team....As a leader of managers, my objective is to make sure that people are going in the right direction, that they have a common goal that is the right goal. But my job is not to tell them what that goal is and to lead them to that point. So rather than standing at the front and dictating, it's about trying to share some ideas and some vision with them that they actively endorse and want to achieve.

But more than this shared sense of purpose, outstanding leaders find an emotional connection for people; they focus on passion and on ethical purpose to create a vision that people can feel pride in. They see the creation of vision as a means to raise the emotional temperature in organisations and to energise people. This relates again to the systemic capability of leaders; they understand that vision and purpose provide a focus for effort and help create the kind of organisation where everyone

understands their role, believes in the organisation and wishes it well. Such organisations can be led rather than micromanaged because people can be trusted. Sometimes this is about making connection to higher purpose, sometimes around a niche that provides pride and sometimes around community and the positive impact of the organisation.

I believe in a diversified economy and I believe that industry plays a role in our economy, I don't lament the days when...industry was the economy...but I believe that having industrial skills within the country,...it's a valuable thing for the country for its economic wealth and...to protect itself against the uncertainties of world politics and economics, so I think the country needs an engineering capability...And I've found, I came here eighteen years ago...I've come here and I now believe in the locality in the community, so I now believe that the business has a key role in the community, so I believe in the business, I believe in the community.

We are in a business where we deliver an essential commodity to the community that we serve. So we help to keep people warm, we help to keep the tube running, we help them to switch the lights on and keep them going to work. And what we do, and what the team does is it's looking at how can we ensure that that continues in a good way, into the future? And that's the sort of woolly vision out there. So a better world in a cleaner, safer, more efficient way.

Underpinning this desire to create genuine meaning and connection for people is an understanding that mutual gains are immensely important in fuelling engagement and driving behaviour.

I fundamentally believe in the people, and giving them careers, empowering, motivating, I want them to look forward to coming to work, you know, and, and because for us in what we do, passion and belief in our brand is what allows our sales guys to translate that personal passion and belief to their clients to justify why, why we are a premium product. And it works. And we are. And if they don't have it, if they don't get that from within, then they'll never, never translate it out.

What is also clear is that outstanding leaders have great clarity on how to do things, of how to translate what is on the inside to create impact on the outside, they have a toolkit to create change and plug away at it understanding that growing individual and team capability takes time and effort.

Back in January I did something rather radical and briefed all ... of my division in a series of sessions... groups of 250 at a time and I took my management team out on the road, we did 32 sessions and we briefed them on our strategy, our vision, [our] safety commitment...and made a very explicit contract with them what we would do for them and what we expected from them in return and it was very very well received...Everybody, had the same thing, none of this sense of you know you're not big enough, or old enough, or senior enough

So I may have a very fixed picture, so that picture to me may be very clearly defined but the way that I would approach that would be to just give a suggestive outline of what could work. And then, ask people to explore that in their own minds and discuss it as a team. So what we're doing is we're filling that picture in, we're starting to define that picture. Now what you tend to get is you know, you may get some people say well I don't want a seascape, I want a landscape. And you explore all that and normally through that process of discussion, the picture generally evolves through the willingness of the people to paint that picture. So to try and put that in more tangible terms, what I would like to do is sow the seed for what I believe is the solution and then try and ensure that the people who are going to be a party to the application of that solution or that change go through the process in their own mind of recognising and defining that solution as being the best outcome.

Outstanding leaders also recognise that vision is not a one-off, it is a constant process of renewal and emphasis. The focus is not therefore on the process of creating and disseminating but the outcome of understanding, committing and enthusing.

It seems to work on almost like a renewal sort of process. I have those pictures which I use to describe a journey, and there is just a natural requirement that when you get towards the end of one, you need to develop the next one. And it sort of goes through a bit of a cycle which is - so the picture sort of has an end in itself and then when you get to it, or get towards it, there's a requirement to then start articulating the next one. There's no real time process for that necessarily, there are some formal time mechanisms we have, ie we need to go through and articulate medium term plans, etc. But that for me doesn't often correlate with the time to generate the vision because hopefully that's a bit more enduring.

I think if you as an individual manager or leader think that you can paint a vision and adopt a 'I've done that now so I'll move on to the next thing. I've done the vision bit and tick that', but you're always painting the vision, you're always painting the context. You're always trying to find ways to articulate what you're after and where we should be striving and give it meaning for people so they can relate to it. But I think I always started with that premise in mind and yes, I need to be sharing with people what I, we as a group feel is important to us. But we should never assume that we do that through a series of briefings and then walk away from it, we've got to keep going back to it.

Apply the
spirit not
the letter
of the law

'Rules are not necessarily sacred, principles are.' – Franklin D. Roosevelt¹⁰ quotes.

'There are three rules for running a business; fortunately, we don't know any of them.' – Paul Newman.¹¹

I think we need to be careful that there's nothing wrong with us having a vision of where we want to get to, providing we accept that others must be a party to the creation of that vision, and therefore that vision must have a degree of flexibility about it. Because it's great for leaders to have a definitive vision that they paint a very clear picture of, but the danger with that is that whilst it's great to have a vision and somewhere to go and a solution, that has to be shared and the people that are going to deliver that vision have to be absolutely passionately embroiled in the delivery, the desire to achieve it, the creation of it, the road along to get there. And not just that 'well that's where the end of the road is, that's what we're looking for, go away and find it'. Because if that happens, the desire to get there is lost.

The common thread is what the mind state of the person that you're talking to. So I suppose almost what one's doing is reversing the whole sort of management process, and performance process, because what you tend to do is, I suppose the book says well this is how we manage our staff. This is management or leadership, or whatever you want to call it. And maybe what I'm saying is actually, it's completely converse, it's completely reversed to that. It's not about what we do to the people and about what we tell them, what processes we put in place or how we manage their performance. It's about how we respond to the way in which they're performing.

So it's about being clear about what I think the gaps are and then developing specific plans behind them in effect and depending on the size of your team you can look at general elements where you think the capabilities are in the right place, but then you have to get it down to individuals and that's where you get down to having a clear process for development plans for every individual in the team and making sure that my directs and their line managers, etc. treat it seriously and make it live, because otherwise it's just a dust-gathering exercise...I always believe that you can't force people to want to develop themselves, you've just got to create an environment and mindset that people want to and so I always do...a lot of workshops around personal responsibility...because I actually think that is absolutely the key to unlocking anything – team development, personal development, achievements – everything is around people recognising it starts with themselves.

¹⁰ Franklin Delano Roosevelt, Address to Young Democrats Clubs Aug. 24, 1935, in FDR Speaks (Henry Steele Commager ed., Washington Records, Inc. 1960) (LP) (available at <http://www.bartleby.com/66/88/46988.html>)

¹¹ Newman P, Hotchner A E (2003) Shameless Exploitation in Pursuit of the Common Good: The Madcap Business Adventure by the Truly Oddest Couple, Nan A Talese

What sets outstanding leaders apart

Outstanding leadership is fundamentally enhanced and supported by organisational systems and processes and can be strengthened and embedded by organisational culture. But it can also equally be stifled and inhibited by the same. Organisations have enormous power to help and hinder so the ways in which leadership operates within the constraints and enablers that organisations provide is key to effectiveness. Outstanding leadership finds a route through this game of snakes and ladders; focussing on the few key systems and processes which help and paying real attention and effort to them

I'm not very good at planning, well actually I probably am pretty good at planning, but I'm not very good at planning...so for example I'll tell them all that I'm not very good at doing paperwork, but I'll be the first in the branch to complete all of the staff appraisal forms. I'm not very good at setting targets and, in fact, in my last team the tasks and targets for the year were not formally written down until May which you would say is pretty poor and I was one of the last. However, I took the whole of my team away in the first week of June and we all agreed what we were going to do together. So there's one thing about setting the direction and giving people very clear targets on what you expect and the level of performance that you expect, another thing about formally documenting it and sometimes I'm better at documenting it than others, sometimes I'm ahead of the game and sometimes I'm woefully worse than the game but at the end of the day I get what needs to be done done and in the right way.

They are also not afraid to develop processes that they need to support them if they do not exist. Their focus is on the practices that provide clarity, give people structure, provide the opportunity for feedback, give time for discussion and enable the crafting and honing of vision. In effect they work with relationships; systems act to support them in this but are a means to an end not an end in themselves.

I have a few sort of routines that I put under the management heading. One to ones, we sit down every month, at quality time invested in them as an individual to talk about what's gone on, what's coming up, those sort of things. And I religiously try to make sure that they know that that's a couple of hours or whatever, usually it's about an hour but, that's theirs and it's important for me because I have prepared for it and I'm listening. So that's one routine.

The second part is really spending time with groups, getting them to talk about the challenges that they're grappling with. The things that are working and the things that aren't. So I tend to do a top down and bottom up approach and recently I've spent time in 2 hour meetings with groups of 20 or 30 talking to more than 200 people in some functions. And from that you end up with a very clear sense of what needs to be done. ...And of course that means in the process where you're trying to synthesise what already exists and what you've heard into something compelling. You're off to a flying start because immediately people sense their own feedback in what's presented.

Their attention to systems is to fulfil purpose, not process. These are the touch points that facilitate leadership. Outstanding leaders seek to minimise any negative effects of process by keeping in mind the purpose they are trying to achieve and diminishing anything that is unnecessary.

Another thing is treacle. So bureaucracy and admin that we needlessly have to go through, things that hold us up from making quick decisions based upon the right facts at the right time with the right people and so it's a case of changing and eliminating treacle and it's not just the treacle that's imposed upon us, but the treacle that we impose upon ourselves. So it's actually trying to overcome the treacle.

We have, I guess, three other vehicles that we use. We are a predominantly field based activity which gives some challenges in terms of communication. So we are very rigorous around every team must have at least monthly, what we call face to face, meeting...So that's a sort of a pretty orchestrated briefing that goes out....that's one vehicle. We have a monthly magazine that gets posted to people, so it's another opportunity to try and keep on really getting the messages across. And there's much more if you like what I would classify as the less formal way of doing it...which is normally me talking to about 20-25 people in a very unstructured way. So there is not a session of 'I'm going to talk about strategy now', but it's an underlying theme of 'why we're doing this, what do you think about that'. And then there is myself and my direct reports' attendance at team meetings... But the risk is...that you can lull yourself, if you're not careful, into thinking just by having procedures and risk assessments that you're operating safely. Procedures or risk assessments are things that are written down on pieces of paper, it's how people operate, how people comply to it. And it's all of those checks and balances you need to have in the field that really determine whether you're safe or not.

Leaders always keep in mind the person and will put flexibility and humanity before the consistent application of rules.

One of my new team...was diagnosed with a very serious [illness] and needed to go off for treatment and it was pretty clear that the treatment was going to be intensive,...that really his ability to work at the same time was just not an option. One was the way the company treated him which went far beyond the requirements of an employer to, you know, cover your sick pay...that was just brushed away, you know, 'you'll be on full pay for as long as it takes' and there was, 'look don't be silly this is done, whatever the policy is we've got policies for good reason, but we also have the discretion to waive them' and so there was this tremendous sort of enveloping around this chap to say look, whatever it takes, ...you have been a loyal servant to this company and we will return that loyalty now'...and it was just no nonsense, straightforward, there was no messing, no discussion about it, it was just this and it was straight into the practicalities of what we could do.

So having an understanding of people's personal situation again is absolutely essential from a leadership point of view. From a management point of view, you may say well sorry you've got an annual entitlement of 25 days, the policy on compassionate leave is 3 days for a parent or for a spouse or child, sorry you're outside of policy. Leadership is far more about judgement. What's the impact on this individual? How can I help them? Not how can I help them to help me because you know that they will help you anyway.

They are culturally sensitive, working with rather than against the grain but are not afraid to seek to change culture if they believe they need to.

Without going into business dynamics, business economics are glaring. It really is a no brainer. We cannot compete effectively. We are competitively disadvantaged and our customer experience is dire and I am passionate about customer experience...What an opportunity to create a better chance of the culture change, that I am fascinated by and passionate about and needed to be done evidently given the cultural insight and the performance issues that we have, with the opportunity to actually make it stick more as a result of being able to create upheaval and change in process and ways of working.

So we're actually addressing some of the people issues and one thing is just being open and fair. Another example, I had within my first week in the new job I had a very good member of staff resign and tell me they were going to join a competitor. I asked the manager why is so and so leaving?... 'much better offer doing a new role with the competitor organisation'. I said well have we spoken to that person and have we asked them if they would like to do that role with us because I personally know my colleagues in IT are screaming out for business people with those skills and experience who would be prepared to apply and I spoke to the individual concerned and I said 'well would you be interested in me making a few calls and seeing if I can arrange for you to be interviewed by someone?' and she said 'yes' and within forty eight hours she was interviewed. The next day she had a job offer on the table...and on the Monday she chose to stay and so it was again demonstrating that things will be done differently.

In essence outstanding leaders are culturally agile and savvy, they use what the organisation provides that they find helpful, minimise what is not and avoid what is potentially detrimental.

Grow people
through
performance

'The growth and development of people is the highest calling of leadership.' – Harvey S. Firestone (American industrialist founder of the Firestone Tire & Rubber Co., 1868-1938).

'The teacher who is indeed wise does not bid you to enter the house of his wisdom but rather leads you to the threshold of your mind.' – Kahlil Gibran.¹²

In some ways I find it easier because it's more about, often a lot of putting aside [time] to fast track careers and things like that, I think I find that easier because a lot of that's more personal so it's making sure I spend time with people like that – making sure they know they've got direct access to me although, I may be their boss's boss's boss it's important I think without destabilising what's going on around them...It's easier also when you've got opportunities for people – so you can plop them in and you can give them some new experiences which often we have quite a lot going on, so there's quite a lot of new product development with the commercial development team going on so we can say to [someone]...who's really really good 'oh, we're bringing in a new product, can you manage it?' so you'll get a flavour of what it's like to lead and run an area. So we tend to use those opportunities as much as possible.

So I will know in every level within my division who's on the cusp of being able to move on, who's got the potential and I will include different people in different things on that basis and if I run workshops for senior team, I might bring some people from the level below into that as well, because they're the people we've deemed to be high potential and want to move on. So I'm absolutely committed to knowing and doing something about potential and stretching it, you know, you've got to push those individuals.

Outstanding leadership recognises that corporate resilience, doing more with less and making breakthrough changes for long-term success, relies on the strength, commitment and initiative of people. This placing of people in the centre of the drive to performance means outstanding leaders passionately and constantly invest in their people and use the challenges presented every single day to encourage growth, learning and engagement. Attending to these things affects performance and climate. Their appreciation of capability and engagement operates at the level of individual, team and collective; it means building on triumphs and disasters to unlock people's potential and nurture their long-term value to the organisation's ultimate success. It also means engaging people's enthusiasm, energy and curiosity to achieve more than they thought possible. Outstanding leaders seek to create opportunities for growth and conditions of trust because in these conditions excellence is possible. is possible.

¹² The Prophet <http://leb.net/gibran/works/prophet/prophet.html>

One chap was very competent and capable and I took him over at a time when he was quite disaffected. And because he'd applied for a job within the structure at a more senior level, but because of where he lived, he was constrained by the jobs that he could do because he didn't want to move....I sat down and spoke to him and said 'well what is it you want to achieve?' And it was about, 'we've got to have a journey, we've got to go somewhere and we can go to a new job for you, we can go into retirement, we can go to doing the same job that you're doing at the moment, but we've got to go somewhere'....My objective was to manage him out of the role he was in at the moment and get him in a better role and whether that was within [the company] or outside, it was up to him to decide whether the plan that we could put together within [the company] will work for him. If he wanted to go outside I would support him to where he wanted to get to go. Fortunately we managed to create a position for him he does travel around the portfolio so he's got a bigger job, he's got promotion. And he would have left the organisation I'm sure, had we not had the conversation about it.

In some cases doing so means overcoming cynicism and distrust or pushing people to stay in the limelight and helping them hold their nerve.

I try and portray that to my guys, that there's somebody sort of looking over your shoulder and looking out for opportunities. I had a conversation earlier this week with a guy that works for me, I'd put his name forward for a course and he came and said 'what, why have you done that?' a cynic, you know. 'Well nobody's ever done that to me before.' [I] said 'yes I go on these high potential programmes so well why not, you know, go for it?' 'Oh okay thanks', you know he's away, so I think somebody who may have done the same for me, encouraged me, previous bosses have, colleagues as well, you know, a couple of guys on the board when this opportunity for [this job] came up, I'm sitting there thinking 'Should I? Shan't I?', they go 'no go for it, you know, it'll be great...we've got faith in you'.

Well I had a specific case last year on a pretty important negotiation where the lead negotiator kept on saying 'you'd be far better than me, I want you to take over as lead negotiator' and I said 'no you're doing an excellent job, I want you to continue to do it, and if it's OK with you, you continue to do because you're doing an excellent role and I'll just step in for the bits that I have to'.

Outstanding leaders love to grow people. They often speak in deeply emotional terms about the pleasure they received from helping others. They understand that growing people beyond their own expectations and helping them succeed unlocks something immensely energising for individuals and creates intense loyalty.

I think my own personal values around the development of individuals, about them achieving the best for themselves, enables a lot of people to grow and I personally have seen and have developed numerous individuals through my career.

It's about creating the strongest possible management team and ... I see my leadership role as very much one of coaching and developing them to not just deliver results because in a sense, that's the secondary aspect, it's about being the best they can be, about personal growth and so I have commonly advised people to leave businesses even if it's not necessarily in the best interests of the business but because it's in the best interests of the individual. I blend my role between coach and mentor and leader quite a lot. I have a very specific leadership clientele in my direct reports because I feel as though I'm here to contribute to them, you know as I said, help them be the best they can be, it sounds a bit like a Nike advert doesn't it, but personal growth, development, you know, move on to bigger and better things as they're starting to do now because I've got an incredibly strong team and that's wonderful.

I think you find something, you find a way to add value, be that through coaching, be that through encouragement, etc. You find a way to acknowledge their strength of skills set so that you bolster their confidence. You find ways to stretch them. You find ways to give them new experience and ultimately you find ways to promote them out of your team so that they can go on and do other things. And that gives me tremendous joy I must admit, I like that, I like that very much.

These leaders understand the importance of support, challenge, and providing a net, and if they do let someone fall they make sure it is with compassion and the lesson is learnt.

I have in mind this one guy who I think really does have the makings of brilliance so I give him more autonomy or more than anybody else and I have still been feeling my lines on that and I have got it wrong a few times and actually it has been quite an interesting learning for us both. So for example in practical terms I have left him quite a lot to his own devices, he is bloody good, he needs a lot of freedom, he has got a huge job so I have stretched the elastic a bit further deliberately with him for example. Then it has come to pass that a couple of times we have been going into a sponsors meeting where we are both on show if you like and he hasn't taken the time to fully align with me beforehand and ...we have come a cropper a couple of times. We have performed less well than we should have done and he has been damaged by it, so have I probably but it has been very noticeable to him that he has had a really rough ride and he has had to go away with his tail between his legs and repair a few things; nothing permanent, nothing profound but it has damaged his reputation and knocked a little bit of the polish off him because he is a pretty confident guy as you might imagine. So I have been able to use those instances again to illustrate how we could do that better you might imagine. So I have been able to use those instances again to illustrate how we could do that better.

What sets outstanding leaders apart

In part outstanding leaders are creating the conditions for success; they understand confidence is very important to make sure people will be willing to take risks and will develop the self belief that gives the extra organisations need. They fully appreciate the role of confidence in their own success and seek to grow it in others. This makes them sensitive to the importance of both challenge and support in its development. They also appreciate how the attention a leader pays to others can itself help confidence grow and strengthen.

I spent a lot of time talking to [my team] one on one and then realised I quite enjoyed it. And then I liked the way they responded to me and it gave me kind of a bit of a warm glow. And then having put all that time and effort in with them, the results that we delivered a) as a department and b) as a profession, those people then blossomed...If you inspire somebody, you're giving them the courage and the confidence a) to believe in themselves and b) that they can do it, and probably outside of parameters that they ever really thought possible...It's almost you give them a sense of confidence, and the confidence from somebody that actually cares whether they succeed or fail or do a bad or indifferent job. And that's quite a responsibility...I see it as...an obligation I have to that person if they work for me. And therefore if they realise their full potential...[they will] as a by-product, deliver for the business and exceed.

I get them fit by...you know, a day out with them...it would be really...challenging. So every [frontline] visit is my opportunity to get them technically fit, every meeting I have with them is to get them technically fit, they have a development programme, they have a bridging programme that they have to go through and get it signed off so I know they're technically able...so that's how I technically do it. In terms of getting their brain fit it's really about teasing and testing...it's being really honest, watching them all the time, teasing and testing, and supporting it...Where do we want them to get to? What do they need to be? And actually what are the bits that are stopping them getting there in terms of their brain power? And I would, it's really, I describe it as I listen to every word everyone says...I kind of do that with my team, my people, I kind of really try and get to know them.

**Self-aware
and
authentic to
leadership
first, their
own needs
second**

'Whatever words we utter should be chosen with care for people will hear them and be influenced by them for good or ill.' – Buddha.

'A senior manager who buries his mistakes will one day face a night of the living dead.' – Sir Liam Donaldson.¹³

¹³ Sir Liam Donaldson speaking at a conference on improving working lives for doctors in London, 18 April 2002, http://www.dh.gov.uk/en/Aboutus/MinistersandDepartmentLeaders/ChiefMedicalOfficer/CMOPublications/QuoteUnquote/DH_4102564

You've got to have patience with your people so I'm patient with them and sometimes I can be getting incredibly frustrated inside but you can't let that come through. They've got to feel safe and got to feel calm and they've got to think that you're looking after them and then you get the best out of them.

Now, I have a natural fervour for life and that stands me in good stead. Going back to the first time we met, I said that the best thing my parents gave me was that. So I don't struggle as much as some people do, but I have down days but I can't let anyone see me having a down day. Then the most cynical will look at it and say, 'he's on drugs or he's just a fool, he's actually simple, he's never unhappy'. So when you've set that level there, you've got to be at that level. And that's hard...I think that's one of the hardest things about being a leader.

Instilling a cultural change doesn't happen quickly...I mean, I'm under no illusions that it's [going to be] a couple of years before it's where I'd want it to be, being honest ... There's no quick fix to culture and from a leader's perspective you have to be incredibly committed, you have to have limitless energy to change a culture in the right direction, you really do, you've got to want to do it. It's for me personally something that I get most reward from as an individual, so I will give it the passion and commitment it warrants, but there are days when you think 'cor blimey', you know, because you're forward one step and back three sometimes and it's, yes it can be quite hard.

Outstanding leadership requires a combination of adaptability and consistency as sustainable performance means responding to the ever-changing context in the pursuit of organisational purpose. Outstanding leaders unite a deep understanding of others, high levels of self-awareness and a systemic appreciation of their symbolic position to become a role model for others. They understand that people look to them, will be watching them and will pick up cues on culture and acceptable behaviour from them. This means leaders have to be both careful how they act and act with care. By this we mean that leaders need to be attentive in what they say and do in the day to day, and to think and plan through carefully any major initiatives or interventions.

I think you can demonstrate, you can role model and influence behaviour more deeply in the organisation even in one of this size. People clearly observe subconsciously the way things are done and intuit from that, that that is the way things should be done and that if you want to be successful round here those are codes to and cues to correct and valued behaviour, so I think we have to be very cognisant of those signals and the effect they can have often with unintentional consequences.

One of our previous chairmen said to us all once 'you are all famous and people watch your every move. So whatever you do, people will read things into'. So I think it's probably, I guess it's ...making sure you've got an up to date personal awareness in terms of how people see you.

This is equally about the behaviours they demonstrate when they are acting positively, it is also just as importantly about what they do not do, what they let be. Outstanding leaders understand the duty they have to act and respond to anything that is not the kind of behaviour they would wish to see if it is not to spread.

I think that's an important leadership challenge setting standards and not accepting substandard behaviour and I do feel that if I pass an instant which is clearly what I would regard as abusing the employer, I'm condoning it and I do feel sometimes you're in a bit of a spot like 'how's x going to react to this?' and that's not just the guys, that's my managers too, 'what's he going to do about this one?' and that's part of the leadership role and that's the deal.

Outstanding leaders understand that the conditions for trust and transparency depend on their personal behaviour, they are the best leader they can be, and they watch themselves closely. This means that personal emotions and needs are balanced against the collective requirement, actions taken are in keeping with what is expected of them in their capacity as outstanding leaders, the long-term impact of their decisions are considered to minimise inconsistency and incongruence.

I think consistency for me is that they see...I can see all the behaviours that I want and the way that I want to operate. But I've got to make sure that I'm living what I preach and that they don't see one thing coming out of my mouth and a contradiction...[and] it's not just when things are going well but that behaviour's demonstrated when things aren't going so well.

This raises interesting issues for authenticity as a quick reading of our findings might suggest that outstanding leaders are inauthentic, wearing a mask whilst at work. We believe the reality is much more nuanced than that. Outstanding leaders are authentic to their core sense of leadership rather than their transient mood; they are authentic to the best they can be, in the full awareness that they bear a responsibility for the reactions of others. They understand the symbolic effect of their actions and the importance of remembering this. In essence, their sophisticated approach to how they act with others suggests that outstanding leaders work very hard to avoid acting in haste and repenting at leisure. For some this realisation is cognitive – it is almost a logical outcome of systemic thinking.

What happens is, when you're the manager and you've got five or six people working for you so you get the Board member or your boss or someone else walk around the [place], and as soon as they're gone these five, they come romping up like puppies, 'How did it go? How did it go?' Now you can't say, 'got a big bollocking, everything's wrong' can you? Right, because that's just shattering. Now the clever managers understand this and the poor ones don't. So what a bad manager then does...is take those five people and probably a collection of the rest...and then starts laying into them about why [it] wasn't good. I mean who's the fool? He's there all day. So what he should do is take it on the chin, and then go and have a think about it and then if he's been told to fix things, over the course of the next two or three weeks, he can say, 'now I think what we're going to do is this' and lead it so they think he's clever then because he's spotted something, but they don't...well some of them do but most of them just [say] '[it's] terrible, got to get that sorted out, got to get this cleaned, got to do that' and then the morale of the whole [place] is drained...because it knocks the stuffing out of everyone, so don't tell them.

For others it is more intuitive and natural.

Some people say 'well it's about being confident and telling people what to do and, I've always thought getting on well with people is really important so I've personally have always got on, I've always been very sociable so I have high inclusion levels, can't stand being in a room on my own. I've always loved what I've done for a living and because I show that quite visibly, people have found that motivating so it's not, I didn't set off thinking 'oh I tell you what if I'm quite up-beat and friendly and passionate, then other people will feel', they just did, they started doing that quite early on, I started getting that sort of positive feedback from people so that reinforced the behaviour I suppose.

Outstanding leaders are not automatons with an absence of feeling. They are both passionate and dispassionate. They care about people but see clearly, they make decisions based on what is best for the organisation and the individual, they deal with problems with respect and courage, they throw themselves into work but are self disciplined. When they deal with difficult situations they retain their authenticity, staying close to those who are affected especially if they judge the problem to be about circumstance or capability rather than about attitude, being honest with them and seeking to act according to principle. In fact outstanding leaders are frequently conscientious, hard working and with strongly held core values and ethics which they return to when in difficulty.

You've got to decide who you want in the squad and so you might not want them all in the squad actually and you've got to decide who are the people that aren't going to help you in the journey and either you've got to be very clear with them on expectations, or at some point decide whether you just move them on and that's quite a hard thing, but I do occasionally there are some people when you're trying to lead a team who are so negative and destructive to what you're trying to achieve for the greater good you've got to take the call to move those people, the individuals on and that's quite obviously the hard parts of leading, but you have to.

I always think of will, skill and budget. So you have to make sure they've got the budget, you have to make sure they've got the skill. So providing I've done that, then if it's poor performance and it's a will issue and they're in the wrong job...I'd get to a point where I'd keep highlighting issues until I felt that they kind of were getting it and I'd get them to try and say to me 'look I may be in the wrong job'. If it's a will issue that they were just being lazy, I would find, it sounds really callous but, I would think about their role, think about what's not going so well, think about how dangerous that is. I'd go and identify it to them, let them have a think about it and then I'd go back and say 'it's not working. So you've either got to significantly step up, or you can talk to me and we'll find a way of you getting out'...So...it doesn't really go beyond that. I don't really have to go through disciplinary procedures.

The way my predecessor was managed out of the business...one of the things you look at is how that's going to be handled...It's a very powerful clue, very powerful clue, especially at a senior level... and how it's communicated in terms of the formal communication and the informal communication, the corridor chat, the non-verbal stuff, you know, how all of that is done and that was very impressive and then I watched a few months later another member of the Executive effectively being managed out of the business but you wouldn't have known it. It was handled with tremendous sort of dignity and gentlemanly conduct and in all of my day to day dealings with, well week by week dealings with [the CEO]...they are always focused on the people, they will always be focused on what it will mean for them, how it will be received by the organisation, what the signals are, where the consistency is to other things we've said and promised. It's just inbuilt into the way they approach everything, whether it's our staff, our stakeholders...they just do that as I'm trying to do.

They are self confident without being arrogant. They have a deep rooted and resilient self belief which gives them an inner strength and yet they understand their weaknesses and work with them to generate success. In many ways these leaders understand themselves well enough to be able to manage themselves as effectively as they do others. They appreciate their strengths and use them whilst ensuring that their weaknesses are managed rather than eradicated. In fact they have a rather realistic view of weaknesses believing it is easier to cope rather than eradicate.

I don't take all the figures home at night. I want to hear stories. I tell stories, so I want to listen to stories and then I do some basic sense checks on the numbers but I'm not one of these individuals who is wedded to their laptop and will analyse everything to the 'nth degree. There are more capable analysts in my team who can do that.

I do believe that I'm a...bit unbeatable. I really do believe in myself. And I don't mean that...I hope it doesn't come across as arrogant, it's not, it's just that it's an inner strength that I've probably developed from my parents and from the life I've had...I don't really look back on anything with any regrets...So, I've transferred that whole experience into how I interact with people...Now, I'm not great at everything...I certainly don't embrace new technology. I have a penchant for missing detail. I'll skim read and cut to the chase. And those are really really bad weaknesses as far as I'm concerned because I can miss things or I could be a lot more efficient. And so what I do is I surround myself with people who compensate for my weaknesses...but what I am is a people director and I spend an inordinate amount of time trying to understand what makes someone tick.

Naturally I'm a team player so I'm quite comfortable with people around me who are better than me at certain things, I've never had an issue with that, so that I think means it's been quite easy to have people around me like that for many years because they know I'm not threatened by them and they know if I can build their career then fantastic. You know I don't proactively go out of my way to get myself into situations that will benefit myself, I'm not into that because I'm arrogant enough to believe that people see me for what I am and I think I'm good enough anyway, and also I'm confident enough in what I do that if doesn't work out here I'll go and do it somewhere else, although I love it here, but there's always other places to work.

I think it's a state of mind more than anything. It's a belief that you can do anything, you know, you're very rarely in a place where you think things aren't achievable, it's just how quickly you can achieve them and how fast you can move on and it's a level of confidence. I think 60/70% of people's careers is to do with confidence and when you're in a team of people that are doing incredibly well, your confidence grows and, therefore, your ability to develop and your ability to move on in an organisation grows as well. 30% of it comes back to your innate ability and your innate kind of intelligence and you're smart, but the rest I'm absolutely convinced is about confidence and confidence is infectious if you get in a team that's in the right state of mind a big part of that team will set you up so well for the future.

Understand
that talk
is work

'Time is the most valuable thing a man can spend.' – Theophrastus.¹⁴

'Few things will pay you bigger dividends than the time and trouble you take to understand people. Almost nothing will add more to your stature as an executive and a person. Nothing will give you greater satisfaction or bring you more happiness.' – Kienzle and Dare.¹⁵

It's all about communication. So it's knowing, it's over a quiet coffee in a stressful situation, it's knowing who they are, what they're interested in, what their football team is. It's about personable, you know little insignificant facts about individuals that you remember that helps you to actually have a good idea of what are the attributes of the individual. What do they want, what are their aspirations, what are their goals, what are their motivations? And again, assessing whether those aims and aspirations, beliefs, actually align with what you're trying to achieve...I have a fundamental belief that if people are going to excel at doing something, they have to love what they do. And so therefore, it's absolutely essential to find out the motivations of individuals of what they want to do.

One of my most enjoyable meetings every month is my breakfast or afternoon tea meeting which is just 20 random people coming and us – we just have chat about anything that they want to ask... There's something about being a leader of a large group of people and having time for people and I'm terrible with names which is real shame because that's just one thing I wish, if I could just be better with names it would be a lot better but...a bit of that doesn't feel that hard...actually I say nothing in those meetings that anybody else wouldn't normally go in and say at those meetings and talk to people just like anyone would talk to anyone.

I just talk to the guys really. I mean I have senior team meetings all the time and I'll, you know, I won't in every one but I will say how are people are feeling? You know, go out to individual groups, talk to people, just talk directly to a lot of people and say 'how do you think things are going at the moment?' And you can get a lot just from one on one's actually you can get a sense of what people are doing. You find out the people who are going to be honest with you as well and then you get their view, because some people just tell you what you want to hear...I'm a very big fan of getting people away two or three times a year doing something different, getting away, getting people in a slightly relaxed different state of mind and then you can uncover quite a lot at those times and also get people to give feedback to you in smaller groups.

¹⁴ From Diogenes Laertius, Lives of Eminent Philosophers, Greek botanist, humorist, & naturalist (372 BC - 287 BC)

¹⁵ Kienzle G J, Dare E H (1950) Climbing the Executive Ladder, McGraw Hill

Outstanding leadership depends on trusting and positive relationships that are built over time for the long-term benefit of the people and their organisation. Outstanding leaders therefore recognise the importance of finding opportunities for dialogue with their colleagues at every turn, using them to discover individuals and nurture social capital. They create social environments that value people and respect them and this is because they recognise the value of a few carefully chosen words in terms of binding people, creating an atmosphere of care and creating loyalty and a personal bond. Other leaders might be nervous of talk that would appear to be unrelated to work and see it as a 'waste of time', outstanding leader share no such qualms.

I think because of my background, it's what makes the difference in the [frontline] and it's come from that. So I, as the manager, [I] talked to people, not mentioning the customers, but the staff they come from all areas – young, old, women, men, youths, all sorts of people, so you get the opportunity to talk to, mix with people on all different levels. And from that you either, if you jump in and do talk to people, you then build a bit of an ability to talk to anybody. So, over the years, I think you can have it naturally or you spend a while developing it. That shows you care. You can't cheat that either. Because if you don't [care] it won't work. You have to be genuinely interested. Because they see through it otherwise. I remember a manager was terrible at it, in fact he didn't do it. I remember getting hold of him one night, it was a Friday night, I remember it really well. I took him out and I said, 'what are you going to do about this [taking time to talk] then?' and he says, 'I'm not really that good at it.' So I said, 'I'll show you.' So I went up to see this lady...and I said, 'how are you doing' and she said, 'Oh, it's been busy today. I was a little late because I had a problem with one of my boys.' I said, 'oh how many boys have you got?' She says, 'I've got three boys', I said, 'I've got three boys', and we ended up having this conversation and this man was just standing there with his mouth open. He'd never spoken to this woman before. And it was literally five minutes, and by the time I came away I knew more about this woman than I did about him.

More specifically, outstanding leaders use dialogue and discussion liberally as a tool to action. Outstanding leaders know this doesn't mean creating 'talking shops' in order to avoid taking action, instead they view dialogue as the pre-cursor to acting effectively, efficiently and with commitment.

You have to share things with people that they might think is a bit of inside information if you like. So you can, without giving too much away, you can trust them to understand why. So most of the things people get upset about or clam up about is when you say 'this is what we're going to do because it's right for the business' or 'this is what we've decided' you know 'us big blokes'. So they don't like that. They don't say but they keep it in their mind. Eventually they might say, so if you don't let out

of the bag a bit what and why; 'So why are we doing that then?' and describing it to them, they're much more likely to buy into it. And I think if you start to give some of the reasons why decisions are taken they then give you feedback on it. They can say 'well what do you think of this'. You can have a conversation rather than an instruction. And I think then that fosters an open environment where people feel they can feed back on stuff that's not quite worked or they feel it could have been done differently why decisions are taken they then give you feedback on it. They can say 'well what do you think of this'. You can have a conversation rather than an instruction. And I think then that fosters an open environment where people feel they can feed back on stuff that's not quite worked or they feel it could have been done differently.

They want people to enjoy work, to feel the passion they feel, to understand why they do what they do and share in that sense of purpose and achievement. Outstanding leadership means that leaders spend huge amounts of time talking with people to share stories of success and aspiration, encourage ideas and possibilities to emerge, discover hidden potential and/or problems and learn what inspires and engages others.

The most important thing I do every day is what I call my walk round. And that walk round is basically just that. I go around and see everybody. I talk to every single person that's in the office, first thing in the morning, mid-morning and afternoon, and when I can any other time. But I like to get every single person...I want to understand how they're doing, how they're getting on, as much as I can, in their life without prying. Because what it allows me to do is judge the mood and the temperature of the business. I can tell if a department's off, and then I'll speak to the manager. I won't make that evident when I'm walking round, but I'll just bring the manager aside and say, 'what's wrong with X or Y because there's something not quite right'. Now whether I get it right or wrong, I'm not some kind of guru that can read people's minds but...I think that's really important and I think from a staff's perspective, I think that gives them confidence in me as a leader that I'm not that distant.

One of the secrets to managers, they're funny blokes, I remember when I first got the job about ten/twelve years ago, it struck me as funny, the first couple of times I went to visit the units I'd have a look around and give them some feedback...and leave...and there'd be this funny scenario where they'd say, 'I'll walk you to your car,' like something was going to happen to you. And they'd then start having a real conversation about issues and it'd probably take you another 40 minutes to finish the visit which used to muck me up in the early days because I wasn't prepared for it. And they'd have a personal chat, they might have a personal problem or a problem with one of their individuals so I then had to start building time in. So when we'd finished I'd say, 'right, let's go and have a cup of tea' so we'd sit down somewhere, just the two of us, and all that would come out. But the interesting thing is, if things weren't good they wouldn't have that conversation, that walk to the car, because they'd feel vulnerable, not relaxed enough to have that private chat – not 'til they got to know you.

Fundamentally they seek to create relationships as they appreciate that the strength of the relationship will influence the degree to which individuals will follow and take risks and will underpin their ability to deliver to the individual something that they aspire to and will value.

So it's more about relationships and I think the degree of, I suppose respect, integrity, that you have with that group of people, which is a mutual thing, the degree of trust, helps determine their acceptance of the overall goals, ambitions, commercial objectives that you're trying to achieve... We all have different reasons for doing things, and the way in which I operate is to understand the individual, and try and understand what is important to them... somewhere that they want to go... Because that becomes the motivator. So to understand all those things, it's a relationship building exercise. I couldn't sit down with you for half an hour today; understand all of that from you because you might not want to be honest, because you don't know me from Adam, so there might be things you wouldn't want to tell me. And I couldn't gauge the depths of that understanding from the words that you were using. That would have to be repeated over a period of time and I would have to see some of that demonstrated in your character to really be able to understand that. So, in my opinion, when you understand what those are, that then enables you to align their own objectives with the company objectives. And if you can draw a parallel between the two, I think that is what empowers them and motivates them to deliver the performance.

The only way that in my opinion that you can effect change successfully is by starting with that individual. So in other words, one cannot stand in isolation as that designated leader and say 'well actually, I've seen how you are. What you've got to do is this'. It's about shadowing that individual, about building the rapport with that individual on the basis on which they operate. And then, once you have that degree of trust...and acceptance I suppose, you're then in a position to start steering them in a different direction. Because they become adhered to you. Psychologically there's nothing unusual about that, but it's, I think it's very important to go through that process, because if you don't do that, your ability to get them to change becomes limited. It then becomes well there's an instruction, are you telling me to do it because you're the boss?

In essence outstanding leaders see people as the route to performance and therefore understand that performance is firmly bound to people. They see the route to performance as lying the other side of people, to get it you have to go through others. In this sense they are fundamentally people centred placing people first.

I focus much less on...the results directly than about the means to getting the results and for me that is through people. I'm firmly of the view...that our people are our competitive distinction and I have to find ways of saying that so people really believe it rather than just think it's a phrase, because so much management speak has become, you know, we've become fatigued by it and we've heard it so many times but I'm certain, I'm absolutely resolute in the view that here in this...our people make it human and therefore make a reason as to why you should choose [us], why you should stay with [us].

**Give time
and space
to others**

'The best executive is the one who has sense enough to pick good men to do what he wants done, and self-restraint enough to keep from meddling with them while they do it.' – Theodore Roosevelt.¹⁶

'It seems to me that whereas power usually means power-over, the power of some person or group over some other person or group, it is possible to develop the conception of power-with, a jointly developed power, a co-active, not a coercive power.' – Mary Parker Follett.¹⁷

Each of those five, I'm making them, encouraging them, coaching them to become bigger people. There is a tendency in [this organisation] to manage down and do the person-beneath-you's job too much and I've been encouraging them to actually grow in the job and push themselves. They lack a lot of confidence I've found. [Which is] a difference to my old career...here I find them a little too easily hiding in shadows rather than standing up for themselves and saying 'I can do it'. I'm encouraging them to take more on, take on things that they would have probably thought I would want to do. And obviously I don't drop them in it. I'll help them but give them as much freedom to do their job and take more on than they've been used to.

One of the techniques that I picked up from that training course...I said, 'what if I was to say you have got my full support and my delegated authority to go and deal with it, what would you go and do differently?' and invariably they go away and think about it and I am loving it, because they know I am here if they need my help and support...I suppose I have revolutionised the place since I have been here, I have changed the role and how they do it, changing the way they think and now I am saying 'do you have the authority to sort it?' and previously they would have worked very much in a silo and then after that they give it to the manager to sort. Now they are seeing they have much more authority and you can see by and large...starting to grow in confidence.

¹⁶ Maxwell JC (1998) *The 21 Irrefutable Laws of Leadership*, Thomas Nelson, Nashville

¹⁷ Graham P (Ed) (2003) *Mary Parker Follett: Prophet of Management*, Beard Books

But my style has been very much [one] of, 'you're responsible'...and then allowing them, rather than them saying 'well this is what I want to do', and me going 'no, no, no, no'. Actually 'Ok, go, and come and show me, I'll be back in a week, we'll talk about it'. Just basically take off the shackles, open up the bag, let these guys really go and...fix things the way they think they ought to. Around the context of some principles we hold dear and some routines we want to hold dear, a production system, a way of working we want to work to. And it's a bit of the old classic, set the parallels and allow people to play in the space.

Outstanding leadership frees people to feel enabled and valued so that they can attain and maintain peak performance levels for the long-term good of the organisation. Outstanding leaders demonstrate a deep-rooted appreciation of this and transfer some of the time and power bestowed in them to those they lead. They see power as belonging with the team and will do all they can to pass it on. Their locus of control is with the team not with themselves.

*[The] biggest thing I'm doing is getting out of the way, I think. So...trying to get to a place where it's not my strategy, which was a problem I was having...So we had an external coach come in, that would almost normally do the one to one coaching but we did it as a team...And it was a really good turning point in terms of people saying 'no, no, hold on, we're fed up actually with you saying it's your strategy. It is our strategy and we want to do it as well'. So like a frank sort of discussion around buy in.
My biggest task is to make myself redundant.*

Academic commentators have observed that empowerment programmes often fail and Chris Argyris¹⁸ declared that 'managers love empowerment in theory; but the command and control model is what they trust and know best'. Argyris also believed that employees are sometimes ambivalent about the opportunity to take more responsibility (and accountability). Argyris wisely noted, that there can be no empowerment if the environment is foolproof, when organisations or leaders create tight systems and processes they also create compliance – the antithesis of empowerment. Transferring power to others is therefore not always easy. Sometimes employees are unwilling and reluctant or they have been schooled in complaints. For managers and leaders too, there are risks that they need to hold, sometimes this requires significant biting of tongues understanding that the process of involvement is more powerful than the details of the outcomes.

¹⁸ C Argyris – Empowerment – the Emperor's New Clothes, Harvard Business Review, 1998

The overriding culture in the organisation is one of more empowerment. And specifying the differences, not specifying...how the targets are going to be hit. But for example we're trying to do some things and X is saying that - he's got a number of his managers, field managers, who are coming up with different concepts for their teams about how they're do it. And there is an element of which me in my purist hat on wants everybody to do everything the same way and so everything is consistent. And I'm sort of fighting against that and thinking well actually, buy in is more important than consistency to start with. So when he tells me that, my instinct is to say, (and I've been able to stop myself from doing it)... 'well why don't you get them all together, find out who's the best one and get that deployed across'. That's what I want to say, actually I've been trying to get them to buy into this for about two years, the fact that they are buying into it, even if it's all different, is first step, we worry about consistency a bit later on.

Sometimes they need to manage themselves in the process.

In the individual one to ones which I have with my direct reports we are essentially focussing on their area of course and their personal growth, personal development and coaching. When we come together on a monthly basis we spend a day and a half together including an evening which is very important, the social, semi-social part of that and in those...meetings that's where we have been developing and testing and moving, never in quite the perfect balance, between operational decisions and reviews of projects and budgets and stuff through to strategy and planning of strategy and through from strategy a little bit into vision...When I first arrived I made a bold statement to them that I felt I was responsible for the strategy...and that I needed to take a very strong ownership in it and actually I realised that...I evolved quite quickly in less than about three months from my arrival to wanting this strategy of the [division] to be developed collectively.

Outstanding leaders go beyond delegation and empowerment in that they philosophically believe that the power to initiate and act must belong with others. They appreciate that sometimes individuals and teams are not in the right place (a question of capability or confidence) to be as autonomous as they would wish and they adjust their behaviour accordingly but they never lose sight of their philosophical ideal which is to diminish their role and importance and to free those they work with to grow and mature. They work consciously to achieve these aims.

They're very used to being told what to do rather than deciding what to do and I really want to change that. I want people to make their own minds up and make their own decisions and get hold of the agenda rather than have it set for them. I want us to own the agenda and feel ownership, having control of our own destiny and I think the culture's very much a done unto thing. So I want to

change their mindset around here's the plan we set it and this is what we're going to do...at the end of the day we're setting our own agenda and I think that's really important for a team. The climate I want to give is...this should be the proudest team, one of the proudest teams in the company and it should be the most aspirational team to work in, so because it's so important to the business and the business will openly say how important it is and yet people just don't feel a senses of pride necessarily around what they do...it's still quite hierarchical, there's still I observe a lot of poor behaviours, there's not enough respect, there's not enough dignity at work, there's a lot of macho crap, there is not the level of trust, respect, team working and ambition that I'd want to see in the team. So culturally it's nowhere near where I'd want it to be, but it's not just about what I want, it's what the team wants...Instilling a cultural change doesn't happen quickly, you've got to start off by people wanting to change, all the people have got to want to change. Then you've got to get to the process of moving all the blockers to change, you've got to get everyone's mindset in the right place, you've just got to get a belief that it can be different and fun and great again and that is quite a long journey. I'm under no illusions that it's a couple of years before it's going to be where I'd want it to be, being honest.

Much of what outstanding leaders do can be seen as moving people towards maximising their self actualisation.¹⁹ Their focus on development, on confidence, their support for others, their interest in team and individual engagement is designed (explicitly or tacitly) to ensure individuals fulfil their potential and in doing so deliver the best work of which they are capable.

There is something of a conundrum here; outstanding leaders both give significantly more time to people than non-outstanding leaders and allow their people considerably more freedom and influence over the work they do and how they do it. Giving more space is not about keeping away, quite the opposite. It is giving more authority and autonomy and more support. They do not abdicate nor do they intervene, but rather create the conditions for others to succeed.

I think with a decisive style, one has to be assured that the individuals affected by that decisiveness within your management ...are comfortable for you to be decisive. [And how do you gauge that, whether it's the moment to be decisive?] I suppose I would probably ask the question what do you think we ought to do?...Because the moment you take that decision making capability away you're saying 'you can't make the decision, you're not capable of making the decision, you'll make a wrong decision'. So that to me is very damaging, extremely damaging psychologically..

¹⁹ Self actualisation was the highest state of Maslow's hierarchy of needs in his 1943 paper *A Theory of Human Motivation*,

Another major component of that is basically engaging all our people, empowering them and getting the most that we possibly can out of them. You know, I have a number of skills but I know that I've always been better and achieved more when I get the most out of others and in terms of certainly the new role that I have I'm not going to be the expert and I realised that some time ago that there are actually many people within my team who understand things far better than I do and in far greater detail than I do, but my role is actually to listen, to understand and to advocate their case and to actually promote them in what they're doing.

Put 'we' before 'me'

'The leaders who work most effectively, it seems to me, never say 'I.' And that's not because they have trained themselves not to say 'I.' They don't think 'I.' They think 'we'; they think 'team.' They understand their job to be to make the team function. They accept responsibility and don't sidestep it, but 'we' gets the credit. This is what creates trust, what enables you to get the task done.'
– Peter Drucker.²⁰

'When a team outgrows individual performance and learns team confidence, excellence becomes a reality.' – Joe Paterno.²¹

I try and get them to see that each of them are valued in their own way and that they are individual and can contribute in their own way. They can't all be the same but it doesn't mean they are any less valued...If they are all valued and have had that time with you then they all go back together and bring it altogether in the monthly team meetings and in the office.

And probably one of the points where it went from theory to practicality for me was when we did the integration of the two departments where we very early on agreed that we needed wider group involvement and we needed to pose the questions but not have the answers ourselves and seeing the answers coming through and the quality of the work absolutely convinced me that the best thing I can do is make sure that I've set up an environment that allows brilliant people to ask and answer the right questions and [we] will succeed and it doesn't have to be about me.

Outstanding leadership means that everyone is committed and connected to the long-term goals of the organisation. Outstanding leaders appreciate this and work hard on issues such as team spirit, shared decision making, collaborative working and a strong bond within and between teams. Our outstanding leaders were acutely aware of the importance of creating a climate of high performance with a sense of belonging. Their attention to relationships and social capital make them aware of the importance of

²⁰ Drucker P (1990) *Managing the Non-Profit Organisation; Principles and Practices*, Butterworth Heineman

²¹ Joe Paterno born 21 December 1926, in Brooklyn, New York is the Head Football Coach at Penn State University

ensuring that hierarchy within teams is diminished and all team members have an important role to play. One of our leaders described his own experience of creating this in a culture that was previously a considerable distance from this state.

We evolved if you like a management structure that was three layers. You'd got senior managers, you'd got team leaders, and then you'd got the actual team members. And the team members would be anything from the lowest order toilet cleaner...to a very high level engineer. But you were only called a team member, and you actually brought to the team your skills sets that made that team tick. And you got rewarded by, alright in salary the guy who cleaned the toilet got less than the guy who was a senior engineer, but your reward about being part of that team was the respect you gathered from the rest of your team members by delivering as a team. And we got people to work together for the first time, not hierarchically but team based and recognising that the lowest order guy, if you didn't have him in your team, actually the team wouldn't deliver.

Another spoke passionately about the power of community:

I'm going to talk quite a lot about communities and the power of leadership in communities as opposed to leadership from on high which is the old-fashioned model here of, you know, who is a God...and respect and you didn't dare cross his path and so on, all sorts of nonsense, which really right up until recent times has been I think the sentiment and I think one of the transformations I'm trying to start is leadership needs to be all through the organisation, it's not about something that is status-driven, that you know leadership is the domain of those at the top of the hierarchical tree, you know, it isn't, everybody can be a leader and we want everybody to be a leader and you don't even have to be responsible for people to be a leader. You can be a role model and you can lead the values of the company through everything that you do even if you're not a manager of people.

Outstanding leaders constantly put the collective needs above their own, encourage others to take actions for the common good and enable their people to shape their future at every possible opportunity. Sustainable performance comes from a people-centred perspective that values collective wisdom and intent, encourages people to get involved in what really matters, gives them voice and autonomy over their work and recognises the limitations of the individual leader compared with the possibilities that come from a collective endeavour.

[The nub of leadership] would be a belief in the people around me, knowing that however difficult this is, however unclear we are at the moment, a belief that we will get the right answer, maybe not on our own but with stimulus from elsewhere, but we'll get the right answer. Because I think I work with some very, very good people...at the moment we've got a very strong team... together we'll get through it.

I'm pretty flexible, [my personal style] probably it's better suited to stimulating a change with consensus as opposed to telling people exactly how it goes. So I don't own the outcome for me the process is one of say, 'right we need to do something differently what do you think about that? Have you seen this? What are you doing next year?' I'm not going to tell you what you're doing but I'm going to stimulate you to answer the questions. And then I haven't got to own the answer necessarily I can have an opinion, and I will push people and challenge them but I don't set off with a preconceived idea about what the answer is.

When people talk to me, it's almost tangible, the passion I have for the business...There's a spirit in the building that hopefully people can touch, feel and experience...So that's not me, that's the collective sum of all the parts.

The belief in community, the emphasis on the power of the collective is closely aligned with true empowerment. Leaders who genuinely empower don't just do it for the chosen few, the talented star; they seek to empower all of those they work with to the degree that each is ready and able. In the same way as they firmly believe they do not have all the answers and even if they did they cannot answer all the questions, they also believe that the collective is potentially stronger than the individual. The process of transfer is carefully thought through.

Well I think it that a lot of it's about questions, so it's about asking questions that haven't been asked before. And a lot of it's about consistency, so I really believe that you can come up with all these great plans and great visions and we've done a lot of change management in the last two years, but actually it's the day-to-day attention to detail all the way through the organisation that makes the change happen or not. It's not me standing on a platform telling sixty managers 'we're all now doing it this way guys', you know, it doesn't work, the sixty people need to have told me the best way they think it can work and those sixty people have got to make the two hundred and eighty do it on a day-to-day basis so...I just nudge, nudge a question I've had that done to me as well we talk about inspiration...I've had some managers in my time who've always done that to me, and it can be infuriating but it's also really challenging and really motivating actually because...you think a bit different then.

The content of that was not written by me, it was written by my team... They co-authored it and they co-presented it. So not only did they write it but they fronted it with me. We weren't all there at every one but there were four or five of us and so on. So it was very powerful in terms of delivering to the recipients effectively this sense of 'oh we have actually got quite an impressive leadership'.

Take deeper
breaths and
hold them
longer

'Few things help an individual more than to place responsibility upon him, and to let him know that you trust him.' – Booker T. Washington.²²

'Jay Forrester (of MIT) once remarked that the hallmark of a great organisation is 'how quickly bad news travels upward.' P 226 – Peter Senge.

If someone's really arrogant about their ability, but I know within themselves their values are sound, they've just maybe had a little bit of success too easy, they probably think they're a bit better than they are. I'm not saying I put them in a situation where they'll fail, but I would hold back on a situation that is going to bite them... But the minute they fall and hit their chin... [I'll] say 'look, you have not failed. All you're doing is trying. There is nobody learned to ride a bike without falling off... nobody learns without failing before they learn. If you get it all right it won't work because you will never have experienced failure. That's you failed, but you've only failed in the road to succeeding'.

Primarily what I try and do with my team is get the balance between operational update because we never have enough time, there is a lot to do and they need to get practical sign offs from me and steers from me on things and I try to reinforce their confidence very quickly in the early days about why they don't need that... So I have had to sort of educate them by actions and saying 'no you don't need me to sign that off, it's yours' and to do that both factually and also emotionally so I have done a lot of 'I trust your judgement. I am perfectly happy to abide by your call on this' and those sorts of words and they know I do. So they have seen me say that, they have seen me act on that so even if then ultimately it has been proven wrong I will stand by my support of them that 'it was your judgement, I backed it, it was wrong but never mind let us learn from it and move on' and of course that starts to embed.

I allow people to make mistakes and actually celebrating a couple of cock ups in the company that have gone wrong is quite important and your reaction to decisions they've made, how you react to things is really important... I think you have to pick people up occasionally and you have to talk up what they do and remind them what position they're in and what people expect of them and

²² Booker +T Washington (1900) Up From Slavery: An Autobiography <http://www.alcyone.com/max/lit/slavery/>

how important the role is that they have and occasionally I think that reminder to people is quite important...because when we work at our best in this business or any business it is [when] you believe you can unlock as much change as anyone else irrespective of kind of level and it's worst if you get into the whole camp of 'you'll need that signed off' or 'this needs to go through this person or that'. It just doesn't work. So I often work about seeking forgiveness not permission, and I do encourage my team to do that and occasionally it goes wrong, but it doesn't matter, you know, most people won't do anything completely daft at the end of the day.

Trust is well understood in practice but actually difficult to define. In many ways trust is elusive – certainly academically trust is viewed differently depending on discipline and with an array of definitions and views:

- Trust as an expectation of outcome in the face of personal vulnerability (Deutsch 1958²³);
- Trust as a psychological state;
- Trust as choice behaviour;
- Economic exchange;
- Embedded in social relationships.

An economic perspective suggests trust is a rational calculus of risk (eg Shapiro et al 1992²⁴). Psychological perspectives place trust within the individual who will decide whether to trust or not depending on a combination of personality, experience, and the situation that confronts them (eg Barber 1983²⁵), and sociological perspectives place trust within group relationships and norms (eg Butler, 1991²⁶). Outstanding leadership facilitates trust at all levels in organisations. It understands the power of trust to act as if it were a thin layer of oil throughout the organisational system, speeding up interactions, enabling people to take risks, diminishing arguments and disputes and underpinning innovation. When our leaders speak of trust (or rather more commonly allude to it) they are acutely aware of their role in creating the conditions for trust to thrive both individually and to become a social norm. Sometimes this realisation is built on experience of low trust environments and heart searching about the role of leadership in contributing those conditions of low trust.

This understanding of the importance of leadership behaviour is however not only because of the direct experience of being confronted by significant problems but was also tacitly appreciated by many outstanding leaders. Again linked to their systemic insight and their 'feel' for people they understand that there are certain moments that are seminal in the shaping of trust. Key amongst these is the

²³ Deutsch M (1958) Trust and Suspicion, *Journal of Conflict Resolution* 2

²⁴ Shapiro D L, Sheppard B H, Cheraskin L (1992) Business on a Handshake, *Negotiation Journal* 3

²⁵ Barber B 1983 *The Logic and Limits of Trust*, New Brunswick NJ Rutgers university Press

²⁶ Butler JK 1991 Toward Understanding and Measuring Conditions of Trust: Evolution of a Conditions of Trust Inventory, *Journal of Management*, 17

reaction to mistakes and failure. Our outstanding leaders see error as inevitable and the real damage to organisations is not in the failure itself but in the way it is responded too. They understand that innovation, empowerment, development are all inherently risky, and therefore court failure, but also enormously beneficial and they all therefore depend on trust and confidence.

I think they can certainly expect that I wouldn't ask them to do anything that I wouldn't do myself, a bit clichéd but it's true. I think they can also expect a reasonableness, a guy that will listen on the basis that...if I asked the question 'why did that not happen the way we thought it would?' instead of me then saying 'well just let me tell you why I think it didn't happen' I'll listen...I try and do more with the ears and less with the mouth, you know?...Having heard that...we'd be able to [offer] reasonable support where it's needed, but also a fairly firm bit of feedback if I feel that they could have done better, but given in that spirit of 'and let's do better next time' type stuff as opposed to 'that's your third strike and out you go' you know?

I've got a level head that makes me treat both [good and bad news] with the same measure and I don't scream and shout.

So we see that they consciously preserve trust through exploration of failure and acceptance of errors, acknowledging that people will only achieve great things if they are given the opportunity to try. There is another element of trust which is more focused on how leaders display trust in others, how they make themselves vulnerable to error. What we see is that outstanding leaders demonstrate their trust in others by liberating them to act and by 'holding' the element of risk involved and by supporting and providing space in times of need.

I'm certainly not one for detail and I'm certainly not one for needing to know, for me the nut, the kernel of ...if the guy in front of me who I trust, whose job it is to worry about things, assures me that things are as they should be and there's enough of an indication that they are from our conversation, that's enough for me I don't then need to do that individual's job for them by looking at the statistics and the metrics.

I'm not one, when immediately I hear, we have an alarm system on the site that identifies whether we've got a fire, a first aid incident or even a major catastrophe where we need to actually clear the site. I respond to them, I don't go phoning every Tom, Dick and Harry to find out what's happening. I know that when the alarm's gone off, the first aiders and the operators need to be there first. They need to sort it out. When the dust has settled, that's the time for me to intervene and say 'are we Ok,

is it all settled?’ Because if they wanted me urgently, they’d phone me anyway, I know when to take distance, and similarly, the same with guys who are struggling with delivering a project to time. I’ll ask them have they got any problems, I’ll help them if they share with me what their problems are, where I can. But I don’t phone them every other day then and say ‘are we still on target, are we still on target.’

Trust is also influenced by the personal behaviour of the leader. Outstanding leaders actively build trust by delivering on promises and acting with consistency, which in turn, leads to a sense of security and greater freedom of expression. They invest time building strong relationships so that others place their confidence in them and the direction they are heading.

There are...several fundamental things that I think you need to establish, regardless of the individual. And that is that I think there has to be a degree of integrity in the relationship. So fundamentally, whether you get on or not, as a manager, you have to be trusted, you have to be trusted to do what you say you’re going to do, be it good or be it bad. You have to be respected to act with integrity. So all the things surrounding integrity, doesn’t mean to say you’ve got to be nice to them all the time, but you have to be honest in what you say and what you do.

I start with loyalty and I give loyalty, I demand loyalty and I choose that word carefully and I expect it and I behave on the assumption of loyalty, so I’m very trusting, I’m very open, I’m very transparent with my people, very collaborative, very collegiate. I confide in them quite a lot.

Summary of
the nine
themes

1. Think systemically and act long term

Achieving sustainable high performance requires leadership that is able to navigate through complexity, appreciate nuances within a sophisticated world and make decisions in often unpredictable situations. Outstanding leaders do this through a combination of systemic thinking, that recognises the interconnected nature of their business environment, and acting for the long-term benefit of their organisation. In essence they can be thought of as playing a game of chess where each move and its potential repercussions need to be thought through. Outstanding leaders think and act in harmony, as one without the other is both unsustainable for the organisation and often damaging for their people.

2. Bring meaning to life

Outstanding leadership enables a strong and shared sense of purpose across the organisation as sustainable high performance comes from a shared determination to overcome challenges for the long-term benefit of stakeholders, staff, customers and society. Outstanding leaders tangibly demonstrate this sense of purpose in their work, bringing meaning to what they and others do. Contributions are connected to the organisational purpose, people are respected for what they offer and what they aspire to so that they feel valued and purpose-full in their work. Outstanding leaders find an emotional connection for people; they focus on passion and on ethical purpose.

3. Apply the spirit not the letter of the law

Outstanding leadership focuses on the few key systems and processes which help. They attend to the practices that provide clarity, give people structure, provide the opportunity for feedback, give time for discussion and enable the crafting and honing of vision. They do so to fulfil purpose, not process. These are the touch points that facilitate leadership. Outstanding leadership minimises any negative effects of process. Leaders always keep in mind the person and will put flexibility and humanity before the consistent application of rules.

4. Grow people through performance

Outstanding leadership recognises that corporate resilience, doing more with less and making breakthrough changes for long-term success, relies on the strength, commitment and initiative of people. Outstanding leaders passionately and constantly invest in their people and use the challenges presented every single day to encourage growth, learning and engagement. Achieving sustainable performance means building on triumphs and disasters to unlock people's potential and nurture their long-term value to the organisation's ultimate success. It also means engaging people's enthusiasm, energy and curiosity to achieve more than they thought possible.

5. Self-aware and authentic to leadership first, their own needs second

Outstanding leadership requires a combination of adaptability and consistency as sustainable performance means responding to the ever-changing context in the pursuit of organisational purpose. Outstanding leaders unite a deep understanding of others, high levels of self-awareness and a systemic appreciation of their symbolic position to become a role model for others. This means that personal emotions and needs are balanced against the collective requirement, actions taken are in keeping with what is expected of them in their capacity as outstanding leaders, the long-term impact of their decisions are considered to minimise inconsistency and incongruence. In essence, their sophisticated approach to how they act with others suggests that outstanding leaders work very hard to avoid acting in haste and repenting at leisure.

6. Understand that talk is work

Outstanding leadership depends on trusting and positive relationships that are built over time for the long-term benefit of the people and their organisation. Outstanding leaders therefore recognise the importance of finding opportunities for dialogue with their colleagues at every turn, using them to discover individuals and nurture social capital. This doesn't mean creating 'talking shops' in order to avoid taking action, instead they view dialogue as the pre-cursor to acting effectively, efficiently and with commitment. Outstanding leadership means that leaders spend huge amounts of time talking with people to share stories of success and aspiration, encourage ideas and possibilities to emerge, discover hidden potential and/or problems and learn what inspires and engages others.

7. Give time and space to others

Outstanding leadership frees people to feel enabled and valued so that they can attain and maintain peak performance levels for the long-term good of the organisation. Outstanding leaders demonstrate a deep appreciation of this and transfer some of the time and power bestowed in them to those they lead. They both give significantly more time to people than non-outstanding leaders and allow their people considerably more freedom and influence over the work they do and how they do it. Outstanding leaders go beyond delegation and empowerment in that they philosophically believe that the power to initiate and act must belong with others.

8. Put 'we' before 'me'

Outstanding leadership means that everyone is committed and connected to the long-term goals of the organisation. Outstanding leaders appreciate this and work hard on issues such as team spirit, shared decision making, collaborative working and a strong bond within and between teams. Outstanding leaders constantly put the collective needs above their own, encourage others to take actions for the common good and enable their people to shape their future at every possible opportunity. Sustainable performance comes from a people-centred perspective that values collective wisdom and intent, encourages people to get involved in what really matters, gives them voice and autonomy over their work and recognises the limitations of the individual leader compared with the possibilities that come from a collective endeavour.

9. Take deeper breaths and hold them longer

Outstanding leadership facilitates trust at all levels in organisations. It understands the power of trust to act as the oil in the organisational system – how it speeds up interactions, enables people to take risks, diminishes arguments and disputes and underpins innovation. Outstanding leaders actively build trust by delivering on promises and acting with consistency, which in turn, leads to a sense of security and greater freedom of expression. They invest time building strong relationships so that others place their confidence in them and the direction they are heading. They consciously preserve trust through exploration of failure and acceptance of errors, acknowledging that people will only achieve great things if they are given the opportunity to try. Outstanding leaders demonstrate their trust in others by liberating them to do so and by 'holding' the element of risk involved.

6. The wall of nuance

So what is it that distinguishes good leaders leading teams well, and leadership we can confidently call 'outstanding'? The answer is that the differences in individual areas, vision, or communication, say, can be subtle; but put them together across the nine different fields we have identified and the separation amounts to a profound divide – a wall of nuance. There are many different aspects to this wall. The two year research project that led to its discovery has explored it in exhaustive detail. But put very simply, outstanding leadership derives from three fundamental organising principles, from which behaviour flows and through which issues can be framed. This is just not the case with good leaders.

1. Outstanding leaders think and act systemically

First outstanding leaders think and act systemically on behalf of organisations. Sometimes, in order to make sense of organisations, we break them up into boxes and compartments, layers and units eg individuals versus teams, now versus the future. Outstanding leaders see wholes. They think and act in a way that joins up the different dimensions and are able to move fluidly from layer to layer. They connect the parts by a guiding sense of purpose. They understand how reaction follows action, how climate is bound and unraveled by acts, how mutual gains create loyalty and commitment, how confidence provides a springboard to motivation and creativity, and how trust speeds interactions and enables people to take personal risks and fly. Ultimately, purpose drives performance. Outstanding leaders respond very quickly to problems. Despondency can be fabulously sociable, but it is a mark of outstanding leaders that they won't let things that might be detrimental to the overall wellbeing of the organisation rest. They handle the politics.

Outstanding leaders act to enhance capability and engagement and this enables them to maximise the opportunities they provide for people. They are philosophically disposed to the radical empowerment of others, but they also understand that empowerment frees people to make a difference and this is a major driver of engagement. It also frees the leader to place attention elsewhere. If the people they work with are doing a great job, they can focus on the external environment. They can attend to the long term sustainable future only because they also take care of the present, others within the organisation, clients and customers, threats and opportunities. This is what great leaders do, they begin with ensuring that today is looking after itself and tomorrow is coming along nicely. They can attend to the long term sustainable future only because they also take care of the present.

It is not leadership or management, it is not do things right or do the right things. It is a deep rooted, indefatigable, confident understanding that it is both. For our outstanding leaders the divide between leadership and management is a false one, they act as if these are one and the same, the means to make a difference. Our outstanding leaders live in a connected world.

2. Outstanding leaders perceive relationships as the route to performance

Outstanding leaders are not just people oriented. They are deeply people and relationship centred. They give huge amounts of their time and focus to people and the climate, understanding that the 'social capital' that connects people and the 'human capital' the skills and attributes that sit within people are essential. This is completely different from anything that good leaders do. For good leaders, people are one element of achievement among many. For outstanding leaders, human beings are the group that really matters. So they are able to adjust their focus between individual, team and wider organisation. They attend to those for whom they are responsible, but they also consider those beyond their direct line of influence: customers, suppliers, partners, peers.

Outstanding leaders are constantly exploring how others are doing and how they are feeling, picking up on signals and comments and following through on them. Of course outstanding leaders do this in part because they like and care about people. But they also do it because they realise and have come to understand at a deep level that their relationship with people is enabler to achieving exceptional performance. Good leaders understand the need to persuade, influence and engage. Outstanding leaders know that the ability to persuade someone to embark on a journey with them is directly related to the stickiness of the relationship. The organisation is founded on bonds that will be stretched from time to time. If the bonds are weak, the organisation is weak. Outstanding leaders understand that relationships are the stuff of human bonds and therefore the means to deliver performance. They also realise that achieving a shift from a relationship with followers to a relationship with fellow leaders; individuals who take up the opportunity and challenge of autonomy and responsibility; also requires bonds of trust and with them the willingness and confidence to be stretched and to take the risk.

3. Outstanding leaders are self-confidently humble

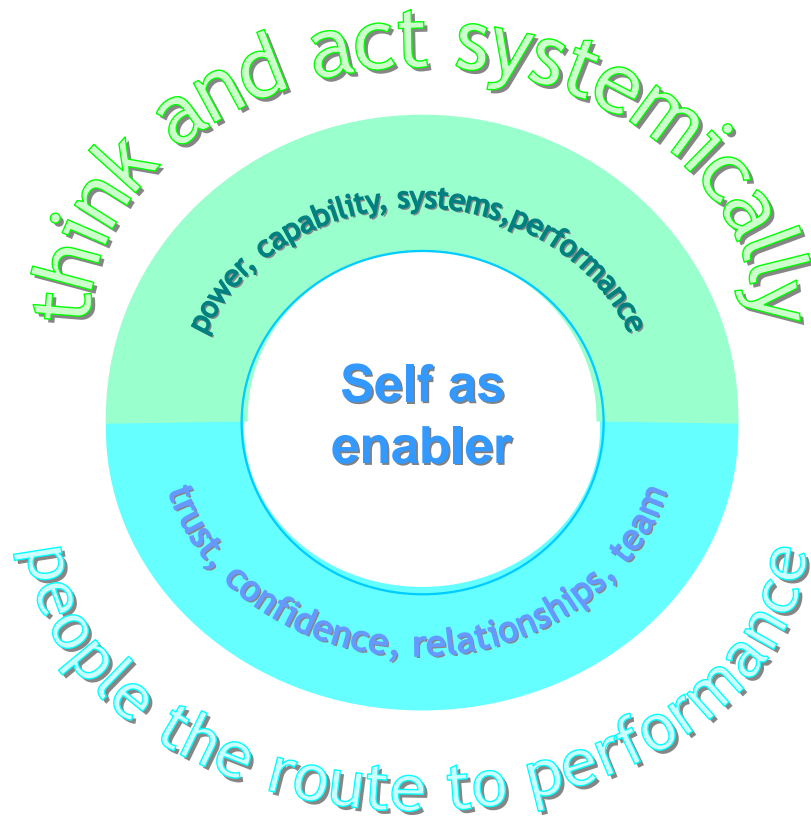
Self-awareness is one of the fundamental attributes of outstanding leaders. They are highly motivated to achieve excellence and ultimately focused on organisational outcomes, on vision and purpose. However, they also understand that they cannot create performance themselves. They personally cannot attain excellence; they cannot create quality; or great customer service or any of the outcomes that they strive for. Rather they create conduits to it through their impact on people. They can only hit the target through influencing the hand on the trigger. Outstanding leaders do not see targets and objectives (or indeed pay) as the means to influence and motivate people, although they can help clarify aims. Instead they influence through the relationships, through the trust they create, through the opportunities they challenge people with, through the space they allow people to fill, through their attention

to capability and confidence. The key tool they have to influence people is not systems and processes; it is themselves and their impact on others.

Outstanding leaders fully appreciate the difference they make in organisations. This sense of self is not ego driven, it is not self for self's sake, it is self in service of an end. It is both humble and confident, it is reflective and self aware. This is why leaders watch themselves and act consistently to be the best leader they are capable of being. This awareness is lightly applied. They attend to where their focus is most needed, nurture excellence, build independence and step back.

So three key and fundamental concepts – systemic thinking, relationships as the route to excellence and conceiving their role as impacting others. These three elements are the essence of outstanding leadership - it is a deeply connective leadership, connecting events and activities in the organisation to maximise performance, connecting people - to each other, to purpose, performance and passion and connecting themselves to people and through them to outcomes. The result, perhaps surprisingly, is not just outstanding leaders but outstanding leadership, a collective, connective, and purposeful endeavour.

Figure 4: The three organising principles of outstanding leadership



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