

Leadership Update Third Quarter 2010

Finders' Keepers!

Some years ago I was consulting to a major manufacturing organisation in Sydney. On my first morning on-site, the Managing Director took me for a tour of the factory to show me some of the areas about which he was concerned. Right from the outset of the tour I was impressed with the cleanliness of the place. Although the manufacturing process in this location involved lots of 'messy' items, the place was spotless.

As we walked through it was clear that my tour guide knew all of the people working in the factory (several hundred) and could address them by name. That in itself was very impressive and, in part, it explained the obvious respect with which he was greeted by the people we met. What really impressed me, however, was when my host saw some rubbish lying on the floor.

Having previously been escorted by Managing Directors and other senior executives as I walked through factories, I expected the usual response to this piece of rubbish – a quick look around then a terse instruction to someone "get that cleaned up." This time my host surprised me. "Excuse me for a moment," he said. "Finders' keepers." He walked over, picked up the rubbish, placed it in the nearest bin, and came back. "We have very few rules here," he then told me, "but one of our cultural norms is that if you see something that needs doing and you are able to do it, then do it." He made it clear that this did not mean a person tried to do tasks for which they were not qualified or trained, but that, with things like rubbish, it didn't matter what your job: if you see it, you have the responsibility for dealing with it – personally.

Over the subsequent weeks that I worked with this organisation I had myriad opportunities to see that this approach was adhered to by everyone. No wonder the place was clean, tidy, and had a very enviable safety record.

First Generation Leaders and Second Generation Leaders have a different approach. In a First Generation Leadership or a Second Generation Leadership organisation the problem or issue is seen by someone senior but, rather than dealing with it himself or herself, an instruction is given so that someone else cleans up.

Or what about a different situation? How often do you see things like the start of a meeting being held up because a relatively junior staff member hasn't yet appeared with whatever it was they were supposed to bring? I have watched General Managers and other senior people sit, wait, and complain at the delay. A Third Generation Leader would go and see if the person needed any help or, better still, ensure that he or she actually took responsibility for bringing whatever it is for which they are waiting.

Based on your behaviour as those around those around you see it, what generation leader are you?

All too often I meet people who will enthusiastically adopt the principles of Third Generation Leadership yet continue to show the behaviours of First Generation Leadership or Second Generation Leadership. No wonder there are so many questions relating to integrity when people "walk the talk" without making sure they "walk the walk"!

Re-creating leaders and organisations



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When Leadership Generations Clash

Of course conflict arises when Third Generation Leadership approaches encounter First Generation Leadership or Second Generation Leadership beliefs.

I recall a situation in which I was talking with the Chairman, a newly appointed director, and the Chief Executive Officer of a major Australian manufacturing and distribution company that employed some 2000 people. The new director was very well known and had a formidable reputation for achieving results. The media saw this new director's appointment to this very successful, very profitable company as a sign that the company intended to do even better in coming days. I had been consulting to this company for some time and I had an excellent relationship with both the Chairman and the CEO. I also knew the way in which the company operated and, I believe, I knew much of the reason for its success.

The company had a very flexible policy in relation to starting and finishing times as well as to overall hours of work and to the arrangements by which any employee could get another employee to "cover" for them while they dealt with urgent private issues – even in the factory areas. As long as the operation was obviously open during specified hours and as long as all key areas were always adequately staffed, people were free to deal with dental appointments, family emergencies, and other personal matters by liaising with their work mates as to who and how necessary task covering would be done. The success of this approach was seen in the fact of more than half of the employees having been with the company for 10 or more years and that it was not uncommon to see people returning outside of normal working hours in order to make up for time they had lost. The fact that this approach worked was seen in the returns paid to shareholders and the international credit rating that the company enjoyed.

The new director stated that he believed the company employed too many people and that those it did employ were not working hard enough. He complained that if he called the company at 7-30 in the morning or at 6-30 at night it was unlikely that the person he wanted to speak with would be at work and that, frequently, when he tried to call them on their mobile phone, it was switched off or diverted to a messaging service. He argued that by reducing staff and making everyone work harder there could be greater profits and even better returns to shareholders.

I asked him how the current profits and dividends related to competitive operations. He replied that, as I knew, the company was in the top 15% of all Australian businesses. I asked him if the shareholders were pressuring the directors for even better returns. He replied, again as I knew, that there was no such pressure – in fact at the recently held Annual General Meeting (at which he had been elected to the Board) the shareholders had expressed their total satisfaction with the way the company was being run. The Chairman then, with a smile, stepped into the discussion and made it clear that there was no current belief that things should change.

Two years on the new director became Deputy Chairman and a year after that he became Chairman. Within 6 months the CEO had been replaced and steps were afoot to institute tight controls in all areas of staff matters. Within a year staff levels had been significantly reduced and working conditions were strictly according to new policies set by the Board. In the subsequent years, staff turnover soared, quality and quantity of output reduced and profitability dropped – and this was before the 2008/9 Global Financial Crisis and at a time when the company's competitors in Australia were experiencing great growth and profitability. A Second Generation Leadership approach had triumphed over a Third Generation Leadership approach – and everyone was worse off.

There is an old quote that says "If you love something set it free; if it returns its yours forever, if not it was never meant to be." This is part of the ethos of Third Generation Leadership.

First Generation Leadership and Second Generation Leadership are very strong on control. In a First Generation Leadership or a Second Generation Leadership world it is necessary to know "who is in charge" and to ensure everyone complies with rules and regulations. Freedom to think and/or act independently is seriously curtailed as was seen for many years in assembly line operations where, if a worker stopped the line for any reason (including a perceived emergency) instant dismissal was imminent. Only a suitably senior person had the authority to stop production – and even then he'd better have a very good reason! Compliance and conformance were demanded and only those who give this would last.

Engagement Isn't Control

Third Generation Leadership is based on engagement. And engagement requires that people do things – that they follow the leader – because they **want** to rather than because they **have** to. Engagement requires that the leader has developed sufficient levels of trust and respect with the followers that the followers are committed to the same course of action as is the leader.

This is something that those talking about “engagement” from a First Generation Leadership or a Second Generation Leadership perspective miss completely. “Engagement” in a First generation Leadership or a Second Generation Leadership environment may contain an element of fear – if I don't get involved with this there may be some unpleasant consequences. Alternatively, “engagement” in a First generation Leadership or a Second Generation Leadership environment may arise because I am totally wrapped up in the task itself – I want to show how good I am in this role or with this task. By learning more about this and by showing how good I am here I will improve my chances of recognition as a true professional or as one who is worthy of promotion. “Engagement” in a First generation Leadership or a Second Generation Leadership environment is almost invariably “me” orientated. In most areas today such as education with its emphasis on “student engagement” (which means using better pedagogical techniques so that students are engaged with the content they are learning), in business with its emphasis on engagement with the company, or even in religion with its emphasis on engagement with the local religious community, when people talk of “engagement” it is this type of engagement about which they are speaking.

Engagement from a Third Generation Leadership perspective is quite different. Engagement in a Third Generation Leadership environment is because people are first of all engaged **with the leader**.

This was the sort of engagement I saw when I toured the factory with the Managing Director who picked up rubbish that he saw lying around. This was the sort of engagement I saw in the company that allowed large degrees of freedom among all staff members to organise their work so that both the company's and their own personal needs were met. This is the sort of engagement that engenders a true “team” approach because the emphasis is on “us” and what “we” are doing rather than on “me” and what “I” must do. This is the sort of engagement that brings about individual and organisational performance that is well above that which is normally expected. This is the sort of engagement that “delights” customers or clients. This is the sort of engagement that makes an organisation truly great.

But to get this level of engagement we need to have leaders who have made significant changes in their own behaviour. It is only leaders who are sufficiently self confident so that they can risk everything who are able to engender this level of commitment – and you cannot have this level of true self confidence if your brain's locus of control is operating out of the red zone. As Jonathan Livingstone Seagull said of self confidence: “You have the freedom to be yourself, your true self, here and now - and nothing can stand in your way!”

Lessons from Politics

The amazing developments in the Australian Government over the week ending June 26 are eloquent testimony to what happens when a leader has Third Generation Leadership language but shows First Generation Leadership or Second Generation Leadership behaviours.

The Australian Labor Party lead by Kevin Rudd swept to power in 2007 partly because of a total disenchantment with the Coalition Government under John Howard, but also because Kevin Rudd gave the impression he wanted to engage everyone—to bring about a situation in which results were achieved because people were committed rather than because they were coerced. But the “talk” wasn't seen in the “walk” and eventually the Australian public made this message extremely clear through the various opinion polls. The result? The spectacular demise of a leader under circumstances that, a few months ago, would have appeared unbelievable.

All political parties—and all “leaders” should take note.

News and Updates

My new book ***Third Generation Leadership*** is progressing well. I have been offered a contract from one publishers' agent in the USA and, in addition, I am still in negotiations with 3 major international publishing houses. I'll need to make a decision soon!

My work on ***Third Generation Leadership*** is receiving quite a bit of attention through the articles I publish on Evan Carmichael (<http://www.evancarmichael.com/Leadership/5178/summary.php>) and now for over 6 months, I have been rating on the first page of Google for searches relating to this topic.

Group 8 Education is still doing exciting things in the education arenas of Victoria Australia and in England. I have an interest in Group 8 Education because it is a wholly owned subsidiary of Group 8 Management Pty Ltd—an organisation of which I am a director. John Corrigan of Group 8 Education is currently back in England and is addressing a conference on education reform there this week

The book ***The Success Zone*** of which I am a co-author (with John Corrigan and Andrew Mowat) is selling well to those who are interested in shifting their brain's locus of control from the red zone to the blue zone. Detail at <http://www.thesuccesszone.com>.

Don't forget my blog—<http://douglasglong.blogspot.com>

How Can I Help You?

Organisational surveys, analysis, and development
Change Facilitation
Leadership Development Workshops & Facilitation
Team Development Workshops & Facilitation
Personal Development Workshops
Performance Improvement
CEO and Executive Coaching and Mentoring
Board and Director effectiveness assistance

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