

## Maintaining the courage to lead

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*In 2009, we published a two-part series on the significance of leaders having the courage to lead through stewardship. The concept of stewardship has been validated over and over again in our own practice—and by looking at other successful organizations in the world today We're revisiting the keys to setting up the guardrails by which managers lead and follow to become true organizational stewards.*

By design and even by nature, a business leader's instinct is to take the reins and lead. However, many mistakenly believe they can succeed without the support and enrollment of their organization's key influencers and staff. Time and time again we see this behavior in our consulting practice, but we have never seen this approach work. As leaders, we have to have the courage to deliver our vision through the organization by enrolling our people to bring the vision to life. In a discussion we recently had with a leader, he said, "My vision will become a reality through my will and determination. I will make this happen." And we had to give him the bad news: not without your organization.

So how do you enroll your people? We make it one of our most important business disciplines. When we are successful, our leadership vision and values not only become visible, but quantifiable. When we can take our values and break them down into behaviors, we create accountability in the organization. As leaders, we become more accountable not just to the marketplace, but to the people on both ends of the transaction; the employees and the customers.

The first step: Decide what values are important to us. Once those values are clear, we have to live by them. Accountability for these values starts at the top of every company and then filters down into the organization. This means that leaders have to begin by renewing their sense of ownership of those very values. Focusing on the leadership value of "integrity", which most organizations have embraced today, was unique until companies like GE adopted this approach and proved it was good for business. That took courage to instill in a company so large, but it revolutionized the company's business environment.

The second step: Define the values in behaviors the organization can embrace. It is easy to say the organization values "teamwork", but it is hard to define and hold people accountable to actions that make teams work. When we embrace the idea that leadership is more than our business skills—it includes vision, insights, and enduring values—we find new ways to grow and develop our companies. The available options for our business actually improve as our people help us achieve higher goals.

### **The concept of stewardship**

So now that we've set up the guardrails by which managers lead, how do you, as a leader, work within the structure you've created? We suggest you lead through stewardship—meaning that leaders act as "stewards" of the business and of the people in their organization. As stewards, leaders are responsible for setting the tone for the overall environment within which people work. There are multiple meanings of the word *steward* but we think they can all apply; leaders should be servants, guardians and shepherds of their organizations.

When we think about the organizations we've led, the ones that were most successful, in good times and bad, were those where people accepted accountability without the

requirement for controls or tools for compliance. Peter Block, in his book *Stewardship* offers this definition of stewardship, "The willingness to be accountable for the well being of the larger organization by operating in service rather than in control of those around us." Said differently, when we lead from a focus of "service" versus "self-interest", our organizations perform better.

### **Leaders as stewards of the business**

How can you lead as a steward of the business? We have discovered five key ways:

- By driving accountability, through clear rules of governance, to the lowest levels in the organization so that people can make and own their decisions.
- By maintaining scorecards which measure those critical accountability items and allow people to see and self-manage performance.
- By establishing a clear set of priorities in the organization so people always know what is most important.
- By making sure our compensation systems are based upon performance and we reward (individual and team) business success at all levels in the organization.
- By clearly defining "success" in the context of the risks associated with the business and the choices we have to make to be successful.

### **Leaders as stewards of the organization**

Stewardship is not a new concept. A century ago, leaders of organizations openly discussed and practiced caring about and for their employees. This value has largely been lost in recent decades. While we don't suggest that business leaders take complete care of people, we do believe that leaders are responsible for creating an environment where people can take care of themselves as they serve the business.

Stewardship is built on the belief that one individual is holding something in trust for another. Said differently, we are stewards of the people's lives that work in our organizations, businesses and corporations. Once embraced, these values become an accountability platform for the behavior of leaders who then teach by example, daily. Walking out values in front of people takes courage, but it builds credibility as a leader. Stewards must therefore be able to communicate the organization's values and actions as they live them out daily.

### **Becoming stewards of the organization**

Finally, we find that there are three critical steps to transforming leadership. They form the foundation for leadership as "stewards" of the organization.

#### **1) Take Responsibility:**

Leaders must take responsibility for identifying stakeholders, their needs, and the cultural elements that are required so our employees can deliver on expectations. As stewards, leaders set the tone for various teams and people to work together. It must be clear to them what cultural norms will ensure success.

#### **2) Establish Discipline:**

Leaders need to define the set of regular disciplines around leadership values that demonstrate to the organization our commitment to those values. Leaders must together define the rhythms and routines that solidify their commitment.

#### **3) Build Accountability:**

Leaders must hold each other accountable to the appropriate behaviors. Values are demonstrated in the conduct of daily business. This reinforces the culture and builds "esprit de corps" for the entire organization.

Based upon our work with a number of leadership teams, there is a simple process to gauge where your organization is:

1. Take an objective, quantitative look at your leadership culture.
2. Define the values that your leaders are willing to live for.
3. Link those values to visible behaviors you are willing to communicate and demonstrate.
4. Hold each other accountable to them daily as a leadership team.

The “value of values” is not to be underestimated. We shy away from them because they can be nebulous, and we sometimes feel as if they do not consistently apply in the executive ranks. Courageous executives lead and motivate by way of their values, and in the process, they build a company whose culture can outlast the bad times.

Leaders who embrace ideas of stewardship—meaning they believe they have a sacred trust to protect both the people and the financial performance of the business—leave a lasting legacy. We see many organizations talking about these ideas around the boardroom table, but few taking decisive action.

Now is the time to have the courage to lead.