

Age Old Leadership Paradox Desperately Seeks Update

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There is an age old paradox searching for an update that unfortunately isn't as easy as downloading an app. It varies based on who you talk to but goes something like this: leadership used to guide and manage large organizations remains in short supply. The war for talent is either over or just getting started. At the same time, there is an abundance of eminently qualified managers achieving results, some of which have been incredible considering economic conditions of the past five years.

Yet while many are called, few end up being chosen when it comes to the top job. Even fewer succeed or move from 'good to great' to quote what now is a dated book title. Why is this so?

The first reason has always been pretty obvious but never completely accepted despite factual basis. Not everyone can be a chief executive or even a c-suite member. Sheer geometry and career progressions don't always lead straight to the corner office. Many executives are simply living and working longer, making the coveted prize of a previous generation now simply a stopping off point along the career journey.

Every year hundreds of CEO jobs are filled yet more than four times that number of individuals are seriously considered. Do the math and it's not difficult to see why the numbers create scarcity. This helps explain, in part, the disparities in pay but only from an analyst's point of view.

The paradox is compounded by a second reality. While a large percentage of those who do secure the top job succeed, more attention is paid to the ones who get paid a lot, and more importantly, the ones who fail. Why do they not succeed? In his capstone work, "The Fifth Habit," the late Stephen Covey attributed three-quarters of all failure to character flaws, or serious errors in judgment based on lost values. This conclusion was based on researching nearly 50,000 examples over the course of a long career.

**"Success is not final; failure is not fatal. It's the courage to continue that counts."
-- Winston Churchill**

There's another more complex reason why leaders don't fulfill their potential, and it's one that we at Diversified Search see regularly when we review the market for talent. While someone may be qualified or even have strong relevant experience, they may not have the core required for what organizational psychologist and writer Tim Irwin calls "leading with great impact." This is perhaps most applicable in mission-critical organizations, such as not-for-profit relief groups, colleges and universities, foundations, and health care providers as well as hospital systems.

Irwin defines the core as the third level below style or typical actions or behaviors. It's a metaphor for the person or voice inside us, according to Irwin. The inner person acts, feels, thinks, speaks, makes decisions, and has identity based on an intentional spirit. How our voice dictates beliefs that are sound and true make the results of our actions sound and true, says Irwin. And, when those

beliefs are errant or not aligned with the right behaviors, the results can be very damaging. Following 9/11, which preceded the heyday of large corporate business activity, headlines were filled with examples that reinforced this truth. Many boldfaced names either didn't know or lost their sense of right or wrong or 'True North Compass,' as Bill George coined the term.

What has been historically referred to as non-essential talents, or soft skills, are now primary needs when an organization is going through change and transformation. Egon Zehnder's Claudio Fernandez-Araoz, in his book, "It's Not the How or the What but the Who," restates an age old truth: we hire based on the hard skills, but we fire for failure on the soft.

Put in my own words, it is leadership from a forgotten place called the heart. Character or heart issues aren't generally discussed until after the fact, but that seems to be changing. Boards may express a desire to know a leader's core, but far too often expediency and willingness to overlook the soft versus hard for the sake of performance rule the day. Our future state as trusted advisors will rely on whether we can adequately report on issues related to core, or voice.

How can you spot someone with excellent qualifications who also has a record of leading from the heart? The first indicator is authenticity -- or what's real about their purpose that manifests itself throughout a career narrative. Can the individual connect their story with THE story that has gone on around them? Does he or she have courage of their convictions? Are there experiences and achievements closely aligned with beliefs and desires that exceed their own interests?

Second, leaders from the heart are compassionate and relational. What types of relationships have they held throughout life? Who were, what Irwin calls their background influencers, such as parents and teachers? Incredible pressure exists today to transact business rather than relate to the source of the business. It's a pressure that has to be alleviated in the short term to avoid long-term relationship break down. Leadership is personal, management is positional.

How has resilience played (or not played) a role in their trajectory? When they've failed, and we all have in this life, how did they respond? Though interviews are rarely places where failures are shared, in this new model of increasingly transparent decision-making forming around us, there needs to be a safe way to share openly and honestly. Otherwise we are never going to be as real as what we seek. Remember -- we generally judge others by our own intentions, not necessarily their actions.

In his 2008 campaign for president, then candidate Senator Obama talked about being the change in addition to the change to believe in. We must now be the change in leadership hiring and retention circles. Old behaviors need to renew, adapt or give way to new ones.

Or to quote an older president that the younger generations may not recognize,
"We either need to lead, follow or get the heck out of the way."
-- Harry S. Truman.

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