The Leadership “System”

Leadership “Activities”
for Leading Transformation

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Leading Transformation Framework (detailed)

Forces and Facilitators of Change ($f$)

- $f_1$ - Tension
- $f_2$ - Resistance
- $f_3$ - Alignment
- $f_4$ - Criteria for Performance Excellence (CPE) Model
- $f_5$ - Subject Matter Experts (SMEs)

Behaviors ($b$)

- $b_1$ - Role Model
- $b_2$ - Respect
- $b_3$ - Collaborative
- $b_4$ - Communication
- $b_5$ - Persistent
- $b_6$ - Accountable
- $b_7$ - Systems Thinking
- $b_8$ - Personal Involvement
- $b_9$ - Personal Learning

Approaches ($a$)

- $a_1$ - Stakeholder Value
- $a_2$ - Compelling Directive
- $a_3$ - Focused Strategy
- $a_4$ - Enable, Empower and Engage (E3) People
- $a_5$ - Deploy and Execute
- $a_6$ - Measure Performance
- $a_7$ - Review Performance
- $a_8$ - Reinforce Behavior
- $a_9$ - Learn and Improve

Culture ($c$)

- $c_1$ - Culture Change
- $c_2$ - Values Driven
- $c_3$ - Teamwork
- $c_4$ - Excellence
- $c_5$ - Valued Employees
- $c_6$ - Customer Focus
- $c_7$ - Trust

Individual Leader Characteristics ($i$)

- $i_1$ - Purpose & Meaning
- $i_2$ - Humble & Confident
- $i_3$ - Integrity
- $i_4$ - Systems Perspective
- $i_5$ - Attitudes & Motivations

Design Framework - Big “Picture” Questions

1. Purpose and Requirements
   understand and empathize with the stakeholders and their experiences

2. Nature of the System
   understand the nature(s) of the system (e.g., physical, knowledge, creative)

3. Theories and Concepts
   understand what we already know about this type of system (empirical evidence)

4. Inspiring Examples
   understand how others have done it in order to inspire and creatively adapt ideas and concepts

5. Unique Context
   understand the organization's current and desired unique culture and context

6. Design Principles
   understand the applicable design principles and how they apply to this particular system

7. System Integration
   understand how the system fits into and interacts with the other organizational systems

8. Diagnosis
   understand how the current system addresses the insights from the first 7 steps (optional)

Organizational Systems Design Framework

1. Purpose and Requirements
Understand the purpose(s) of the system. Why do you need this system? What are the expected benefits?
Understand the multiple stakeholders' and their requirements for the system.
Identify the key system capabilities that are needed.

2. Nature of the System
Understand the “nature” of the system.
Identify the physical, knowledge, information and creative components of the system.
Identify the level of customization (bespoke) needed when executing the system.

3. Theories and Concepts
Understand the empirical evidence applicable to this system.
Understand what works, what doesn’t work and in what contexts.
Understand the leading-edge ideas that could inform the design of this system.

4. Inspiring Examples
Understand how others have done it.
Review example conceptual designs during the first round to clarify concepts and inspire creative thinking.
Review example detailed designs during the detailed design phase.

5. Unique Context
Understand the organization's unique context and culture.
Identify the key internal and external organizational factors that impact the design of the particular system.
Understand the organization and external environment as a system.

6. Design Principles
Identify the desired role model characteristics to embed into the design.
Understand the established design principles (e.g., balance).
Identify additional principles unique to the organization, strategy, etc.

7. System Integration
Understand how the system “fits” within the other established managerial systems.
Identify key inputs, outputs and interconnections and relationships with other internal and external systems.

8. Diagnosis
Understand the current system design.
Identify the strengths (technical and human).
Identify the opportunities for improvement (technical and human).
Identify the maturity level of the system.

9. Design, Develop and Deploy
Ideal Design → Doable Design → Detailed Design
Prototype → Develop → Deploy → Reflect and Improve

“leadership system refers to how leadership is exercised, formally and informally, throughout the organization; it is the basis for and the way key decisions are made, communicated, and carried out”

NIST (2011) p. 59
1. Purpose & Requirements - Leadership System

- Set vision and values
- Deploy vision and values - employees, key suppliers and partners and customers
- Personal actions reflect commitment
- Promote environment - legal and ethical behavior
- Create a sustainable organization
- Create environment for performance improvement, accomplishing the strategic objectives, innovation, and agility
- Create an environment for organizational and employee learning
- Personally participate in succession planning and development of future leaders
1. Benefits of a Leadership System

- Drive positive change in the organization
- Establish new boundaries, roles, and responsibilities
- Provide a constant reminder of their focus and purposeful leadership approaches
- Enable the development of leaders and employees throughout the organization
- Provide a systems perspective for leadership
- Drive results.

1. What Do **You** Want in a Leadership System?

**As a Leader?**

**As a Follower?**
## 2. “Nature” of a Leadership System

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Physical</strong></td>
<td>Typically many engineering and scientific knowledge constraints. Often requires a high degree of standardization and focus on conformance (control) to reduce variation and/or ensure safety. Often good candidate for automation. Examples: nuclear power, aviation, space, etc.</td>
</tr>
<tr>
<td><strong>Knowledge and Information</strong></td>
<td>Typically requires humans to make decisions. Portions of the system that do not require human decisions are candidates for automation. Design to enable and engage human minds as a key component in the system. Provide necessary and accurate information to the decision makers with the least amount of effort and cost. Example: A loan process is an example of a process that includes components of information transfer that do not require a human decisions and components that do require human decisions such as the decision to loan, interest rates, etc.</td>
</tr>
<tr>
<td><strong>Creative</strong></td>
<td>Requires creativity or innovation to be effective. Most effective when the degree of process specificity and standardization are low. Structure can enhance the level of creativity but only up to a point and then additional structure beyond that point impedes or reduces creativity. Examples: strategy development, product development custom services, etc.</td>
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<tr>
<td><strong>Custom/Bespoke</strong></td>
<td>Often requires some creativity or innovation to be effective. Standards and structure are enough to gain efficiency and effectiveness but not so specific as to unduly constrain variation needed to satisfy the customers. Needs assessment is a key element of the system design. Examples: tailored clothing, experience-based services, custom products and services, etc.</td>
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3. Theories and Concepts - LTPE Framework

3. Theories and Concepts - Examples

- Leading Change - John Kotter
- Level 5 Leadership - Jim Collins
- Deep Change - Robert Quinn
- Individual Change - Richard Beckhard
- Servant Leadership - Greenleaf, van Dierendonck, et al.
3. John Kotter’s Change Management Concepts

- Establish a sense of urgency
- Form a powerful guiding coalition
- Create a vision
- Communicate the vision
- Empower others to act on the vision
- Plan and create short-term wins
- Consolidate improvements and produce still more change
- Institutionalize new approaches

3. Performance Excellence Concepts

- Visionary Leadership
- Systems Perspective
- Focus on the Future
- Societal Responsibility
- Customer-Driven Excellence
- Agility
- Focus on Results and Creating Value
- Valuing Workforce Members and Partners
- Organizational and Personal Learning
- Management by Fact
- Managing for Innovation

3. Theories and Concepts - Leadership

• Using the Mulllins 9th ed. (Chapter 10, etc.) identify the key concepts and theories applicable to the design of a PMS.
4. Boeing Airlift & Tanker - Leadership System

4. Clarke American - Leadership System

4. TATA Chemicals - Leadership System

4. Bronson - Leadership System

Demonstrate Performance Excellence  (8)

Commitment to Workforce Excellence  (7)

- Set Strategic Plan & Goals  (3)
- Communicate, Align & Deploy  (4)
- Learn & Innovate  (6)
- Medical Staff Partners
- Employees
- Patients
- Community
- Suppliers
- Plan for Excellence
- Measure, Review & Adjust  (5)

Plan for Excellence

(1)

4. Themes from Role Model Examples

- Structure includes parent organization
- Two-way communication - many methods
- Lead by example
- No tolerance policy - ethical and legal violations
- MBWA - Senior leaders spend a portion of each day in the departments
- Mission, Vision, values prominently displayed - Visual!
- Deployed down to each department - with performance plans, measures, etc...
5. Context - Factors

- Purpose, Mission, Vision
- Ownership structure and organization
- Products and Services - tends to drive the types of employees.
- Workforce profile
  - Key input to developing, deploying, and reinforcing the vision and values.
  - Key input when creating the organization environment for innovation, agility, etc.
- Culture - values
- Strategic Challenges
5. Context - Notes
### 6. Design Principles - Leadership System

<table>
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<tr>
<th>Balance</th>
<th>The degree to which the system creates value for the multiple stakeholders. While the “ideal” is to develop a design that maximizes the value for all the key stakeholders, in the end, the designer often has to compromise and balance the needs of the various stakeholders.</th>
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<tr>
<td>Elegance</td>
<td>The degree of system complexity vs. benefit. System includes only enough complexity as is necessary to meet the stakeholder’s needs. In other words, keep the design as simple as possible and no more while delivering the desired benefits. Often requires looking at the system in new and innovative ways.</td>
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<tr>
<td>Congruence</td>
<td>The degree to which the system components are aligned and consistent with each other and the other organizational systems, culture, plans, processes, information, resource decisions, and actions.</td>
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<tr>
<td>Human</td>
<td>The degree to which the participants in the system are able to find joy, purpose and meaning in their work. Provides sufficient flexibility for system participants to integrate their unique identity into their work. Work is personal!</td>
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<tr>
<td>Convenience</td>
<td>Degree to which the system is designed to be as convenient as possible for the participants to implement and execute (a.k.a. user friendly). System includes specific detailed processes, procedures and controls only when necessary.</td>
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<tr>
<td>Learning</td>
<td>The degree to which opportunities for reflection and learning (learning loops) are designed into the system. Reflection and learning are built into the system at key points to encourage single- and double-loop learning from experience to improve future implementation and to systematically evaluate the design of the system itself.</td>
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<tr>
<td>Coordination</td>
<td>The degree to which the system components are integrated and work in harmony with the other (internal and external) components, systems, plans, processes, information, and resource decisions toward common action or effort. This is beyond congruence and is achieved when the individual components of a system operate as a “fully interconnected unit.”</td>
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<td>Sustainability</td>
<td>The degree to which the system effectively meets the near- and long-term needs of the current stakeholders without compromising the ability of future generations of stakeholders to meet their own needs. Dimensions include the economic, environmental and societal needs related to the system. Requires systems thinking.</td>
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6. Design Principles - Leadership System

- Balance
- Congruence
- Convenience
- Coordination
- Elegance
- Human
- Learning
- Sustainability
7. Systems Integration - Leadership System

- Senior Leadership and Board Performance Review process.
- Legal and ethical behavior consistent with the stated values, directions, and expectations.
- The mission, vision, and values are all key inputs to determining areas of emphasis for community support and involvement.
- The mission, vision, and values are key considerations when developing strategies.
- The actual strategic objectives and the timetable for accomplishing them is an important input to creating an environment to foster the accomplishment of strategic objectives.
- Leaders participation in the performance reviews is also important for reinforcing the direction and priorities.
- Succession planning
- Leadership development
- Integrated with the listening and learning approaches to improve employee learning
- Integrated with the employee recognition program
8. Diagnosis - Leadership System

- How well does the current system fulfill the **purposes and requirements** identified in step 1?

- How consistent is the current design with the **nature of the system** identified in step 2?

- How consistent is the current design with the relevant **theories and concepts** - step 3?

- How does the design compare to the **inspiring examples** identified in step 4?

- How well does the current design "fit" and "support" the **unique context** of the organization identified in step 5?

- How does the current design reflect the **design principles** identified in step 6?

- How well is the current design **integrated** with the other related management systems identified in step 7?
8. PRO-TEC Leadership System

8. Diagnosis - PRO-TEC Leadership System

- Identify system \textbf{strengths}: 
8. Diagnosis - PRO-TEC Leadership System

- Identify system opportunities for improvement:
9. Design - New Leadership System
9. Design - New Leadership System
Discussion and Reflection

• Identify three things you learned from this workshop:
References


http://www.johnlatham.info/publications/journal_papers/2012_qmj_design/2012_qmj_design.html


http://www.johnlatham.info/publications/books/bug_5th_ed/bug_5th_ed.html


