
Leadership Capabilities

Hello again. Just a short summary of topics covered so far in this series of SME business issues.

The December 2004 edition focussed on ensuring that your business has a clear and well thought out Strategic Plan.

The February 2005 edition outlined the importance of being able to assess your progress towards success through Key Performance Measures.

This month we wish to concentrate on Leadership Capabilities and the traits of a good leader.

If we can highlight one trait that you are currently not exhibiting in your own leadership style and you take that onboard and address it, then we have achieved a real advantage for you and your business. You will also need to reflect on the people you have leading your teams within your business.

As we have outlined before in previous issues, the topics we choose to write about are not in any ranking order, they are simply areas of your business that if you allocate the necessary time to address, **will** provide you with a better chance of success.

So why do we see Leadership as a top 10 issue? Each and every Managing Director and Managers out there are terrific leaders running well balanced businesses each and every day, right?...well, if that was that case, we would not see this as the issue we constantly see that it is. It rears its head time and time again, even when people think they are being good leaders providing strong leadership. The perception from their staff tells a very different story.

What is Leadership?

Leadership at CEO or Managing director level includes having a well thought out vision and being able to communicate that message to everyone within your business/organisation. Not only is it spoken, it is truly understood. For the staff within your organisation who lead groups or teams of people, it is also the ability to communicate a vision, although with a more precise objective. It is being able to engage staff in the journey to achieve this vision.

So, how often can you honestly say that this is this done well in your business?

As you read this article we want you to stop and reflect on your own team, your own managers/supervisors/leading hands/team leaders and how they stack up against the ideal leadership qualities. Most importantly though, we want you to reflect upon your own capabilities, your own leadership style, and how your actions may be impacting on your people. Your style of leadership will greatly influence how your people respond to your businesses vision.

The following descriptions are of various leadership styles. They are by no means exhaustive, but are a reflection of styles we see quite often, particularly in SME type businesses. We would be very surprised if you do not recognise some of the listed characteristics in your current leaders, previous bosses or your own leadership style.....

“I’m The Boss”

Many people believe being a “tough manager” of people is the only way to ensure that work is completed on time, particularly in production and manufacturing environments. When a Leader adopts a “stand and deliver” style of leadership with the threat of harsh penalties for non compliance or achievement he may be able to get the work done. This style of leadership however, will only work for a short period of time. It creates an “us vs them” between management and worker.

After a while the threats are taken as a challenge towards non compliance and then resentment will settle in from both parties. High staff turn over is an output of this simply because they get sick and tired of being told what to do. (Note...it costs your business approximately 9 mths salary for every employee that leaves your business, so it is a major cost to have high attrition)

“Glass is half empty”

For this leader, every minute must be accounted for, every detail is documented with the results being conveyed to each employee about what they and the staff have done each day, incorrectly. This person is incapable of seeing anything other than what people are doing wrong and focuses all of their energy of telling staff off. He chooses to ignore the fact that for 99% of the time they are doing a lot of good for the business. He takes great joy in highlighting the so called deficiencies of everyone. He cannot look on the bright side because it is easier to focus on the negatives. There is no time for praise, coaching or recognition for what has been done well.

Quite obviously you can only kick a dog so many times and people will rebel or bite back. Again this will show up in attrition, sick days taken and lower levels of productivity.

“The Best Friend”

This person is not a leader or manager, but he is every employee’s best friend (or thinks he is). He needs to be seen as being friendly. He is not able to address burning issues because he does not want to upset these “friends/colleagues” . He is unable to resolve issues particularly if someone will think less of him as a result. He does not differentiate those who do the majority of work, and praise them any differently than those who do very little, again believing people will think less of him. This person also chooses to sweep hard decisions under the carpet and then focuses on smaller issues to deflect attention from the real issue. But, in his mind, as long as he is perceived as being a “good bloke” everything is o.k.

The effect of this style of leadership is that the hardest workers feel the most disenfranchised. Dedicated employees will not feel appreciated enough, and will not work as hard and quite likely seek more fulfilling work elsewhere.

The “Lack of discretion” style

This leader is very comfortable “sharing” his thoughts on other members of staff to you. He then ensures everyone hears what he doesn’t like about you or your performance. In other words nothing is sacred, nothing is confidential. Everyone ends up knowing everyone else’s short comings, because the leader is happy to share the information with anyone and everyone.

This creates an air of distrust. What is he saying about me? You are less likely to have staff coming to you with queries and seeking your feedback if the information is going to be conveyed to others at a future date.

A leader should have some of the following traits. If you objectively assess your own leadership style, and determine what you do well, then you will have an opportunity to add or amend current behaviour. This will stand you in good stead for future leadership requirements.

Must clearly articulate what the vision and make it as easy as possible for people to understand it. Continually reinforce and seek reinforcement from others.

Open to Feedback -Must be able to give and receive both positive and negative feedback. You must be able to take the good with the bad. Use the information to develop your style. If your people have been brave enough to highlight some of your development requirements, reward them with an attempt at addressing it.

Be Inclusive - When making a decision, seek input from others, let them know you are utilising their input and show them you respect their knowledge. No one has a mortgage on good ideas and by showing this you are proving you are vulnerable. This makes you human. Which means you will have a closer relationship towards those business goals. If you do make a decision on your own and it turns out to be the wrong one, admit it. Then seek the support from others and address.

Actively Listen- You must be able to actively listen and take on board issues your people raise. Never underestimate the value of making an employee feel that they have been heard. If you pay lip service, and it comes across as not being sincere, you will lose the trust of that employee.

Be Creative, Challenge the System- Think outside the square and do things differently as often as possible. Let your team know it is o.k. to experiment and as a result it is o.k. to make mistakes as long as the idea was for the betterment of the business. Ask “why?” do we do this, can it be done better? Is there another way? Engender an air of change.

Be positive – You must back up your words with actions. You become an advocate for positive change and must “live” this ideal. This will also assist with your credibility and ensuring you have a team committed to the journey.

Be Accountable- No matter how much trust you put in others, remember it is you who must be responsible and accountable for the outputs of your people. By taking on this mantle you show your people that no matter how tough the going gets, they will have your support. They will recognise you as their leader and driver of change.

Historically, many SME businesses have hired Production Managers, Leading Hands, Team Leaders and Warehouse Managers into leadership roles based

upon their technical expertise in performing tasks rather than their ability to inspire others towards required outcomes.

We trust that with this short article we may have opened up your eyes to other traits you should be looking for as well as reviewing your own leadership style.