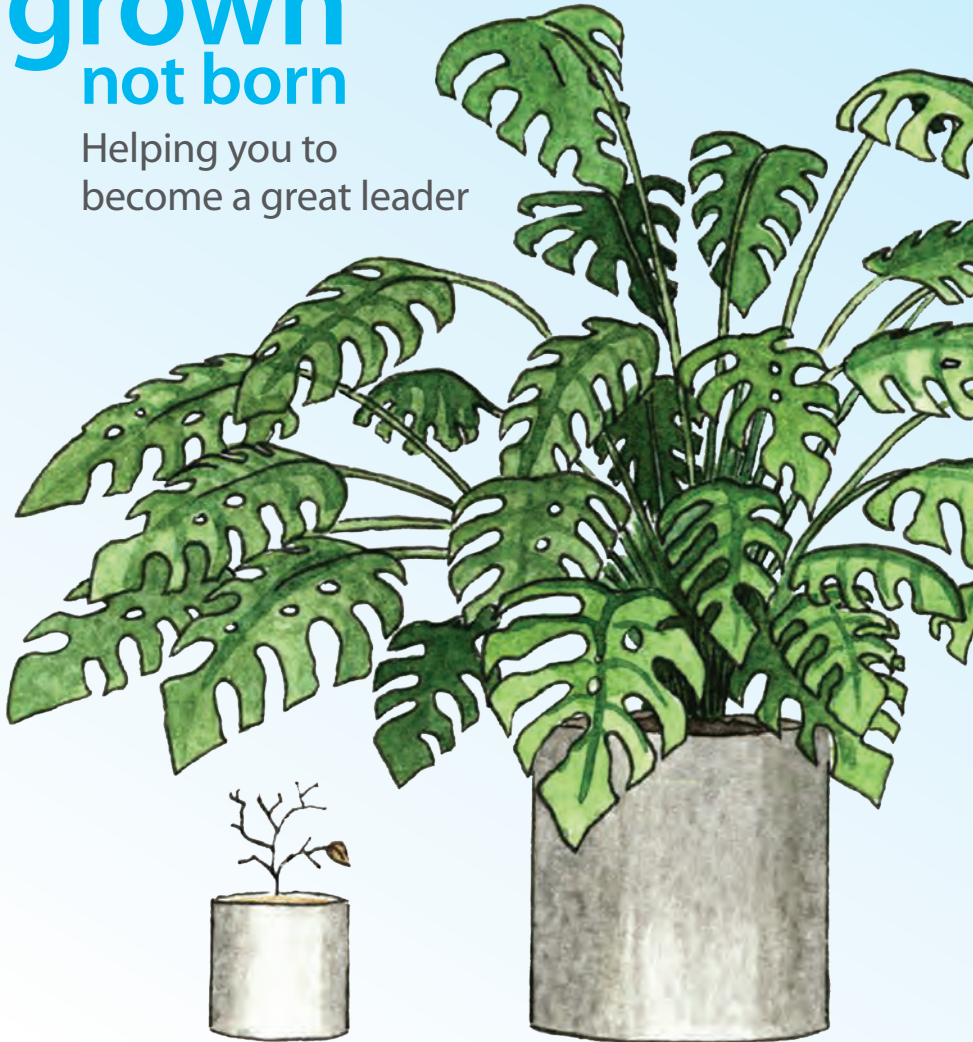


Leaders
are
grown
not born

Helping you to
become a great leader



The move from worker to leader is tough. You need to be able to...

- ...handle conflict...
- ...hire the right people...
- ...train new recruits...
- ...manage performance...
- ...hold people accountable...
- ...give constructive feedback...
- ...promote your people to other areas...
- ...make sure your employees turn up...
- ...fill in the gaps if they don't...
- ...deliver on quality standards...
- ...motivate your team to provide great service...
 - ...produce more with less...
 - ...manage costs...
 - ...implement change...
 - ...respond to each situation appropriately...
 - ...deal with each team member appropriately...
 - ...be 'the company' for your team...
 - ...maintain your own motivation...

The good news is that great leaders aren't born great; they become great

Some people start with the fear of failure. And the fear is a real one. A leader impacts team performance more than any other factor.

Poor leadership equals poor performance. So if leadership capability in your organization is low, your competition will either win your business or steal your best workers.

However, you are more likely to survive the journey if you start with a desire to be the best leader you can be. Then find the motivation that will keep you going. Seek out feedback and support. Take risks and experiment. Grasp opportunities to learn. Review your successes. Repeat the cycle...

The truth is a great leader is measured by one criterion – team performance. And having looked at thousands of leaders across the world – in business and in government, in industry and in healthcare, in retail and in education – we can tell you the four aspects of leadership that will make a difference to your team.

Great leaders:

- Create a great atmosphere to work in
- Don't have one style of leadership; they have several
- Know when to use the appropriate style of leadership
- Know exactly what their role is in the team

Becoming a great leader doesn't happen overnight

It's a process that you will work on in the months and years to come. Feedback on your leadership behavior and impact can speed up the process and help you to focus your efforts.

And it's worth it. Leadership is about bringing out the best in others. It's about delivering far more than you could deliver as a worker. It's about making a real difference.

It's easier to get people to do things when they want to do them

Your leadership directly affects the way people feel about working for you. You create what we call a 'climate'. This climate affects the amount of effort that people in your team will contribute.

Our research shows that up to 70 per cent of the variance in climate can be explained by leadership behavior. And a positive climate will increase bottom-line performance measures by up to 30 per cent. So the more you improve their climate, the higher the performance of your team will be.

How do you do it?

How can you create the best climate for your team? And how do you know when you are doing it? After 40 years of study we know which aspects of climate make the most difference. And our Organizational Climate Survey helps you measure the climate you are experiencing and the one you are creating for your team.

Six things that will make your people give their best

1 Clarity

They are clear about where the organization is going and what their contribution is

2 Standards

There is a continual emphasis on improvement and excellence

3 Flexibility

There are no unnecessary rules and procedures and good ideas are acted upon

4 Responsibility

They are empowered to get on with their job and held accountable for it

5 Rewards

They receive appropriate recognition for their level of contribution

6 Team commitment

There is pride and trust in the organization

Why does climate feedback matter so much?

A poor climate indicates poor bottom line performance. Your team members' climate feedback helps you to identify actions that will create the right conditions for them to give their best. And this will help you develop as a leader.

Now you know what climate is, what do you do to improve it?

The next step is to look at how your behavior affects the climate for your team.

Are you doing the right things, at the right time, with the right people, in the right situations?

We have identified the six styles of leadership that have the biggest impact on climate. And our Leadership Style diagnostic helps you measure how you think you lead and how your team members experience your leadership.

Would your team agree that you are a great leader?

Remember leadership styles impact climate. Your team's feedback on your leadership styles helps you to challenge your habits and assumptions. Developing your styles makes you more flexible in the way you lead. And you will get more out of your team by choosing the most appropriate style for each situation you face.

We have identified the six styles of leadership that have the biggest impact on climate.

Six styles to choose from

Authoritative

A leader uses this style to provide long term direction and vision. It provides clarity. It helps team members to understand what they need to do and how they need to do it. And – most importantly – it enables team members to understand why their work matters.

Affiliative

A leader uses the affiliative style to generate a warm and friendly atmosphere – to create harmony. It makes team members feel valued as individuals, not just workers.

Democratic

A leader uses this style to generate commitment and consensus among employees and generate new ideas. It enables a team to build a shared vision. And to discuss ideas, make decisions and share responsibility – together.

Coaching

A leader uses the coaching style to build long term capability. It involves understanding team members' strengths, weaknesses and aspirations. Through coaching, a leader helps each team member to be the best they can be.

Pacesetter

A leader uses pacesetter to get tasks done to a high standard of excellence. When team members don't know what to do, or how to do it, the leader who steps in and does it is using this style.

Coercive

A leader uses this style to direct a task – and to demand immediate compliance in its completion. It gives the team clarity on what needs to be done and how. But it doesn't explain why.

But what makes great leaders do what they do?

So you know what the climate is like in your team. And you know which leadership styles you tend to use. But to broaden your choice of styles, so you can use them flexibly, you need to understand your own habits and resources. You need to start asking two questions...

Why do I behave in that way?

Our behavior is driven by our motives and values. Understanding these inner drivers allows us to predict, monitor and manage our behavior. And developing our ability to manage our natural responses gives us time to choose the right leadership style, at the right time, with the right person.

What helps me to behave differently?

A bit of self-awareness goes a long way. When we know our strengths, we understand our choices. We can see how to apply a familiar skill to strengthen an under-used style. Understanding our emotional intelligence makes our choices clearer to us.

“What do I do?
And why do I do it?”

Are you an emotionally intelligent leader?

Your emotional intelligence is the mix of personal abilities that make you an effective leader. Pioneer Daniel Goleman captured the essence of EI by stressing the importance of these four areas:

Self-awareness

Knowing your emotions and their effects. Being confident in your abilities – and knowing their limits.

Self-management

Knowing how to manage your emotions, how to keep disruptive impulses in check and stay poised and positive, even in difficult situations.

Social awareness

Being sensitive – and responsive – to other people's feelings, needs and requirements. Reading the mood of a group.

Relationship management

An ability to influence others, handle conflict, develop, lead and work with others.

These are the attitudes and behaviors that great leaders use to drive personal and team performance. They go beyond academic qualifications, technical skills and experience. And they support and sustain your use of the full range of leadership styles.

What does your job demand of you?

It is impossible to think about leading others without understanding the demands of your own job. What are the expectations of your boss, your team members, your peers, your customers? What does your role deliver to the team that no other role does? What does fulfillment of your role look like?

Don't expect a perfect match. There is bound to be some tension, at some time, between you and your role. It's valuable to understand what you strive for, what you enjoy, what you tend to avoid. And to identify the areas where you feel

confident, as a person, an expert and a leader. Comparing yourself with your role enables you to seek out the satisfactions, anticipate the frustrations and manage your performance regardless.

What are the expectations of your boss, your team members, your peers, your customers?

Paul's story

The same styles, two situations, very different results...

Paul was the head teacher/principal of the most successful school in his area. Then he took on – in addition – the leadership of a failing school nearby. Using climate, leadership styles and competency assessments we collected feedback from both schools.

The results were surprising

The data from the failing school painted a picture of a motivating climate. The data from the successful school pointed to low morale. Yet Paul's leadership style was the same in both schools. He was pacesetter and coercive. So why were the climates so different?

When we looked at what Paul enjoyed doing, it became clear that his strengths were in dealing with crises, rolling his sleeves up and setting very clear directives. To the staff at the failing school this was a real benefit. They were glad to be told what to do and how to sort out problems. But the people in the successful school were tired of being told what to do – they were ready to take responsibility for their own improvement.

So Paul had a choice. Should he develop leadership styles that would be good for a school that had achieved success? Or should he move regularly and be the person who helped failing schools to turn around?

There isn't a right answer. But the feedback offered Paul insights into his behavior and choices about change, when the circumstances changed around him.

Alex's story

As the general manager of one of the most important business units in Belron, Alex was shocked when she received her first set of leadership styles and climate data.

It showed she was relying heavily on two leadership styles: coercive and pacesetter. The result, unsurprisingly, was to create a demotivating climate for her team; the feedback showed big gaps between what the team needed to perform to the best of their abilities and what they actually got from Alex. So Alex set a two year plan, working with her line manager (the CEO) and an internal Belron coach, to change her behavior in a way that would drive a positive climate.

Great leadership doesn't happen overnight...

But she found what many executives find – that behavioral change is difficult to achieve. A year after her initial feedback Alex retook the leadership styles and climate survey and found that whilst she had started to improve the climate through a more balanced set of leadership styles, she still had considerable progress to make.

Undeterred Alex refined her approach. And her new plan was also typical of those executives who make genuine progress – it addressed her own attitude and behavior as much as a list of tasks. She decided to 'step back' rather than believing "I know what to do"; she planned her interventions with her team, reflecting on which leadership style would be most effective; she sought opportunities to experiment with different styles; and she constantly looked for feedback on her behavior and its impact.

...it takes time to change a habit...

Two years after her initial feedback Alex retook her leadership styles and climate survey again. This time it showed a significant swing in her leadership style to the four styles that link to high performance – authoritative, affiliative, democratic and coaching – with the coercive and pacesetting styles diminishing to a background level. And what was the climate created by these styles? High performance – with no significant gaps between what the team needed in order to perform and what they received from Alex.

...and persistence pays

But what about business performance over the two years? The business unit had been focused on achieving significant expansion over the two years – both through organic growth and through a complex acquisition. These required a wide range of leadership skills from Alex to drive change and growth whilst taking her team with her. The result? Operating profit increased from €3.1 million to €4.8 million, with €1.7 million profit added to the bottom line. The CEO's view was very clear – without this focus on Alex's leadership this level of growth would simply have been unachievable.

Great leaders make the difference

Leadership styles and climate has been used by over 200,000 leaders across the globe, representing every major industry. And their organizations use it because it helps their leaders to deliver results. Here are just a few examples of what some of them have achieved.

In a large UK retailer, leaders creating the best climates delivered:

- 17 per cent lower staff turnover
- 40 per cent lower absenteeism
- 12 per cent higher sales growth
- 10 per cent more operating savings
- 35 per cent lower stock loss

In a financial services organization, bank managers who improved their climate delivered:

- A £9.5 million increase in revenue
- A one per cent reduction in staff turnover
- A 25 per cent reduction in sickness levels
- An increase in customer satisfaction

In a global technology firm

A study of 33 MDs found that those who created high performing climates outperformed their peers by \$711 million in profit.

In the UK's National Health Service, hospital wards led by high performing leaders with good climates had:

- 40 per cent less drug errors
- 36 per cent lower staff turnover
- 57 per cent reduction in absenteeism

How Hay Group can help you to become a great leader...

It's hard to be great in the heat of the moment. Keep this booklet in your pocket. Whenever you're thinking about what to do, and how to have a positive impact on your team, use it to refresh your memory.

And, if you haven't already done so, get some feedback. Delivered by Hay Group or your own in-house facilitators, feedback is a critical component in your leadership development.

And don't stop there. Work on your leadership for a year, and then re-assess your leadership styles and your impact on climate. A fresh look at the data can help you to track your progress, build on your strengths and measure the positive impact you've had on your team's performance.

...and to grow great leaders

Attend one of our two day programs where we will give you everything you need to run a leadership program within your organization. This includes accreditation to use the Inventory of Leadership Styles (ILS) and the Organizational Climate Survey (OCS).

You can also purchase the following tools and appropriate accreditation directly:

- Leadership Styles and Climate e-learning modules
- the Emotional and Social Competency Inventory (ESCI)

For more information visit
www.atrium.haygroup.com or
contact your local Hay Group office.