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*Mastering*  
**LEADERSHIP**

*An Integrated Framework  
for Breakthrough Performance and  
Extraordinary Business Results*

**WILEY**

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## Introduction

# A Universal Model of Leadership and the Leadership Circle Profile Assessment

*There is nothing so practical as a good theory.*

—Kurt Lewin

If you tend to skip introductions, we plead with you: *read this one!* In it, we introduce a complete leadership development model, system, and process designed to be powerfully transformative and take your leadership to the next level of effectiveness.

Sarah returns to her office from the meeting and drops her head into her hands. She wonders if she and Matt took on too much when they decided to launch a new product line and globally expand at the same time. Matt walks in looking as shell shocked as Sarah. The two sit and stare into space, questioning themselves, their leadership, and their decisions. Meanwhile, emails roll in, text messages ring out, and the phone silently vibrates, but goes unanswered. Suddenly, their silence is interrupted when someone stops by to let them know they are late for their next meeting.

This book is written for all those who, like Sarah and Matt, feel this way or who suspect they will soon. This book is for leaders swimming in complexity, wanting and needing to thrive, knowing it could be different. There has to be a better way, one that does not just require working more, harder, faster. This book is also for leaders who are thriving in complexity

and are hoping to teach others how to do the same. It is for leaders who want to produce great results, impact the world, be better mothers, fathers, partners, friends, sisters, brothers, sons, and daughters—and do all this with a lower energetic cost.

This book elevates our understanding of what makes for effective leadership and how to accelerate its progressive development. Using the first *Universal Model of Leadership* to emerge in the field, this book comes complete with a Development Framework and Leadership Effectiveness Assessment.

In this book, we address the new Leadership Imperative: Senior leaders today face such rapidly escalating complexity, uncertainty, and market volatility that to stay competitive they must accelerate their own development. The pace of leadership development, individually and collectively, must match or exceed the pace of change in business conditions. Individual effectiveness is necessary, but not sufficient. Individual development transforms business when it catalyzes a team of leaders who, together, can effectively navigate the whitewater of changing market conditions and the rapidly evolving needs of customers and stakeholders. Developing leaders who can navigate complexity is now a strategic priority—and, if done well, a competitive advantage. Beyond developing competency and capability, we need to develop leaders with courage and compassion, consciousness and character.

Leaders set the agenda for the future. Their influence is so pervasive that our global future is intertwined with their development. We need better leaders at all levels—leaders who are dedicated to creating a thriving business *and* our sustainable collective welfare, leaders who exhibit the creative capacity to invent the future *and* the capability to hold the delicate balance between short-term profitability and the long-term common good.

## HOW THIS BOOK CAME TO BE

To build the context for the promise of this book, we feel a need to introduce ourselves as colleagues and co-authors.

**Bob:** Early in my career, I arranged to have dinner with a world-renowned Trappist monk who was involved in leading-edge work focused on developing leaders within the Catholic Church. Upon meeting



him, I was surprised by his colorful character. He was a sailor before he was a monk, and he still had a sailor's mouth, drank scotch, and smoked cigars. As we talked, I learned his story. While a monk, he developed a rare blood disease that could not be cared for in monastic life and was forced to leave the monastery. For a while, he did not know what to do with himself. Eventually, he decided to return to the university and study psychology. As fortune (or providence) would have it, he studied Developmental Psychology and worked directly with Laurence Kohlberg, an early pioneer in what became a body of research on the progressive stages through which adult development proceeds.

I will never forget this monk sitting across from me with a Scotch in one hand and a cigar in the other, saying: "They are finding out the same damn thing we monks have known for millennia: that human beings can grow, and if they do, they grow through predictable stages of consciousness all the way up to union with God. They are learning how to measure it!"

This conversation would define my career. I have been a student of how human beings develop, how they grow in wisdom and personal effectiveness. This passion and central focus of my life led me to leadership. Not only have I studied what makes for great leadership and how it develops, but I have had to put everything I learned into practice as an entrepreneur. Along the way, I discovered that leading is much harder than all the theory, research, and models portend.

After meeting this monk, I decided to meet, learn from, and work closely with many of the leading thinkers and researchers in the field of leadership. I noticed early on that the field is a random collection of great stuff: a plethora of models, research studies, theories, and bodies of work, each aimed at explaining some aspect of human behavior, capability, or awareness that when applied to leadership promises greater effectiveness. Yet the field wasn't integrated. None of the various models, theories, and research related to any of the others. Each used its own framework and language. There was no universal model that tied everything together into one complete framework that explained what constitutes great leadership and how it develops.

Without fully realizing what I was up to, I set out to integrate it all. I began to weave together the threads of the best theory and research from the fields of Leadership, Organization Development, Psychology, Success Literature, and Human Potential. I also wanted the integrated framework

that was developing to be aligned with the wisdom of the world's great spiritual traditions. I kept asking, "How does all of this fit together into a better model of leadership effectiveness and its development?"

I worked on this model for 20 years and field-tested each phase as it evolved. I applied it to myself and used it in my work with leaders and their teams. As the model matured, it gained traction. Its impact became more profound for my development and for that of my clients. Leaders were finding it unique, business relevant, and helpful in guiding their development.

The model underwent various transformations as I struggled to integrate what I was learning, and it went through a final metamorphosis when I remembered my conversation with the monk. After 20 years, I finally realized what he was trying to tell me, and I turned to the research on Adult Development, particularly the work of Bob Kegan, one of the foremost researchers in the field. Upon reading Bob's book, *In Over Our Heads* (Kegan, 1994), the model completely reorganized itself in my head, and I immediately knew it was complete.

My next step was to create the *Leadership Circle Profile* (LCP), a 360° leadership assessment that measures and provides leaders feedback through the lens of the entire model. Three years later, when this was complete, I launched The Leadership Circle, a leadership assessment and development company.

One of my early clients was **Bill Adams**, who owned a consulting company called Maxcomm. He and his partners had a 20-year history at the forefront of the Business Transformation field, redesigning whole systems for breakthrough performance.

After completing the LCP certification training, Bill took me aside and said: "I want to give you some feedback. Having been at the forefront of this field for two decades, I don't believe you're aware of what you have created. This is the first fully integrated and universal model of leadership in the field. I have never seen anything like it."

I was dumbfounded by Bill's comment because I was simply following my passion and curiosity. "Really?" I said, as I fell into a chair. During that conversation, Bill helped me see that the development model associated with the LCP is the first integrated model of what constitutes leadership effectiveness and how it develops, complete with ways to measure and track progress against that model. Bill eventually became my business partner and co-author.

**Bill:** In June 1973, just before my 18th birthday, I attended a five-day leadership retreat held in the Rocky Mountains. The retreat was designed for student body presidents who were seen as emerging leaders. It was my first experience going to a “development” session.

After the five-day retreat, I had a prompting: *This is what I want to do the rest of my life*. From that point forward, I oriented myself toward a career in leadership development. I knew that I had discovered my passion. What I did not know until years later was that this passion went hand in hand with a passion for business, stemming from being raised in our family business.

I have devoted my adult life to this work, focusing primarily on business performance and leadership effectiveness. The center of my work is personal transformation and leadership development. I have started, run, and sold multiple businesses over the last 30 years. I have practiced applying these principles, and know from experience how hard and rewarding the practice of leadership is. The level of challenge that we face today is unprecedented, and the principles apply more now than ever. Leadership is both a very private and public journey. It is private because it requires personal transformation. It is public because leaders have to *learn out loud*. This book is a very personal journey, for both of us.

I had heard of Bob, but did not meet him until 2005. That year, we were working on a multi-year transformation project for Yale University, and we needed to find or create a model of leadership that enabled us to deepen and scale our work with leaders to sustain transformational change.

I assigned Gayle Young, one of our senior consultants and our best researcher, to find a leadership model with assessments that we could adopt and use with our clients. Honestly, I doubted that she would find such a thing. However, after about three months, Gayle came back and told me with her contagious enthusiasm that she had found a model, *The Leadership Circle*, that would transform the way we thought about and developed leaders.

When I studied the model, I was astounded by its breadth and depth and immediately agreed to have our organization complete Bob’s *Leadership Culture Survey* (LCS). After completing the assessment, we phoned Bob to debrief the results. During that 40-minute conversation, I could see that Bob understood both our culture and me as the CEO. Having never met us, his insight was amazing. His assessment revealed to us our

strengths, what was most important for us to work on, and where we needed to make changes.

Frankly, this assessment was one of the most impactful things we had ever done. It changed the way we led, improved our performance, impacted our business model, and influenced how we consulted with our clients. From that day forward, we went from tool- and model-agnostic to tool- and model-centric. We adopted The Leadership Circle as our model of leadership. Eventually, we merged our businesses, forming the Full Circle Group.

Bob and I became instant colleagues, best friends, brothers, and business partners. We share a joint vision, common purpose, and business mission. Bob's life work has changed the way I navigate within, as well as lead and influence, the world.

## A BETTER MODEL OF LEADERSHIP

Models help explain how things work. Once a good model gets inside you, it can inform and guide you throughout a lifetime. For example, the model of supply and demand explains the movement of price in any market. If supply expands and demand remains constant, price falls. If demand increases and supply does not, price rises. This simple model enables us to make sense of what is happening in markets and more effectively manage our businesses.

A good model is dynamic; it moves. That is, as one aspect of the model varies, another part moves in predictable ways—price goes up when supply contracts. A dynamic model explains how changes in one thing cause changes in something else. Once you understand the dynamics, you can manage and lead more effectively.

A better model of leadership means more effective leadership and better business results. Our efforts at developing effective leaders often fall short because we do not understand what leadership is and how it develops—our maps and models are inadequate to the challenge. *What if* there was a *better* model of leadership—one that:

- Integrates the best theory and research on leadership, human, and spiritual development, and is as complex (and elegant) as the complexities that leaders face today?

- Radically shifts our understanding of what extraordinary leadership is and how we can champion its development?
- Is dynamic, such that, if we change a limiting belief and its associated behavior, certain predictable effective behaviors and results naturally emerge?

What if there was a better way to measure effectiveness in leadership and assess progress as it develops?

*The Universal Model of Leadership is a breakthrough.* We know that this is a bold claim, but we have experimented with the best our field has produced. While much of it is useful, we can assure you that, until now, there has never been a comprehensive model of leadership that integrates the fragmented field of leadership development; that is business relevant; that is supported by metrics, measurement, and research; and that has been applied with a track record of success.

## THE PROMISE OF THIS BOOK

This book is for CEOs and senior leaders who know that leadership effectiveness drives organizational performance and that there must be a better and faster way to develop effective leaders. It is also for the leadership practitioners, Human Resource professionals, and Organizational Development professionals responsible for bringing to those senior leaders new and innovative approaches that can fulfill the promise of developing leaders for the future.

This book promises to:

- Develop the Universal Model of Leadership, the first fully integrated model of leadership development. We develop the model progressively as the book unfolds.
- Show how the Universal Model pulls together the best theory and research in the fields of Leadership, Organizational Development, and Psychology over the last half-century. Table I.1 shows the key thought leadership integrated into the foundation of the Universal Model (see Appendix 2 for a much more extensive list).

**TABLE I.1** Foundational thought leaders who form the core of the Universal Model of Leadership

Thought Leader	Theory/Research	TLC Unified Model of Leadership
William and Cindy Adams	Whole Systems Approach	Systems Awareness Dimension, Creative and Integral Level Leadership
Peter Block	Authenticity, Caution, Control, Political Scripts	Authenticity Dimension, Reactive Dimensions
David Burns	Cognitive and Rational Emotive Psychology	All Reactive Dimensions; Underlying, Self-limiting Beliefs and Assumptions and associated behaviors
Robert Fritz	Creative and Reactive Orientations	Two Stages of Development; top half and bottom half of the LCP circle
Karen Horney	Character Structure; Three Core Types	Heart, Head, Will Types; Complying, Protecting, Controlling, Relating, Awareness, Achieving
Robert Kegan and Lisa Lahey	Developmental Psychology; Stages of Adult Development; Immunity to Change	Kegan's Development model is the vertical axis of the LCP; <i>Immunity to Change</i> describes Reactive Structure's pattern of Performance
Peter Senge	Systems Thinking and Systems Dynamics; Personal Mastery	Systems Awareness Dimension; Reactive Structure and Creative Structure
Ken Wilber	Integral Model	The Unified Model of Leadership is an Integral Model. Ken's seminal work has greatly influenced its development

- Show how the Universal Model integrates all we have learned about *what extraordinary leaders do*—their competencies—into a comprehensive model that explains *how they have developed* into a person of such mastery.
- Reveal the link between *leadership effectiveness* and *business results*, and between the level or stage of a leader’s development and organizational performance.
- Present breakthrough research and metrics, with light psychometric/statistical touches, that relate book content to business performance and leadership effectiveness.
- Explicate a complete Leadership Agenda—self, team, and organization—that can turn leadership in your organization into a distinct competitive advantage.
- Provide a complete Leadership Development System for cultivating leaders in your organization and show you how to deploy it so as to develop leaders for the future.
- Approach the leadership development and the business conversations as one, allowing you to have one simultaneous, rather than two separate, conversations.
- Provide a compelling pathway to a comprehensive, long-term, and systemic approach to developing individual and collective leadership effectiveness.
- Argue that senior leaders need to modify the way they go about changing their organizations; that, unless leaders do their own development work, they are not likely to create business transformation; that businesses do not transform, people do; that leaders must commit to doing their own work; and that they must own the organization’s Leadership Development Agenda from the top.
- Share stories of some of the courageous leaders with whom we have worked and how they advanced the Leadership Development Agenda for themselves and their organizations.
- Help both leaders and practitioners enter the field of play, treating leadership as a professional field of practice. On this field, leaders become skillful practitioners, as skillful as those they hire to coach and consult. Practitioners step up to leadership.

- Help you enter into your own leadership transformation, one that improves every aspect of your life—personal, family, and professional.
- Help you fulfill the Promise of Leadership by providing a pathway for you to make the *highest and best use* of yourself, your life, and your leadership.
- Help you more fully and meaningfully deploy all of who you are and leave a leadership legacy consistent with your highest aspirations.

## TWO BOOKS IN ONE

This is two books in one. The first half is written for the business leader. In it we emphasize the importance of embracing an expanded, more focused, and rigorous *Leadership Agenda*, one that consciously evolves the organization's leadership system. We provide the business case for developing effective leaders and present the *Universal Model of Leadership*, metrics and research on the model, and case studies describing how organizations benefit through the systemic application of the model.

In the second half of the book, we describe the deep inner work we must all undertake to mature as human beings and as leaders. We develop each stage in the leader's journey toward greater effectiveness and describe the practices that evolve higher-order leadership.

Successful entrepreneurs and senior leaders often resist discovering that they still have much to learn. The higher they go, the less feedback and formal development they get; hence, when leaders try to transform business results, they usually need to do most of the changing. Admittedly, *transformation* is an acquired taste—not for the faint of heart. However, significant culture and performance shifts require it. That's the deal.

Our hope is that this book will stimulate a transformative journey in you. Our goal is that this book will have the same transformative impact on you and your team that it has had for us.

## TAKE THE LCP SELF-ASSESSMENT

To receive the full promise of this book, we strongly encourage you to plug yourself into the Universal Model now by completing *The*



*Leadership Circle Profile Self-Assessment.* The *Leadership Circle Profile* (LCP) measures and provides feedback on your leadership. It enables you to receive feedback on your leadership through the lens of the Universal Model and guides your personal leadership transformation. It provides a reliable pathway for increasing individual and collective leadership effectiveness.

To take the LCP assessment, go to [www.theleadershipcircle.com](http://www.theleadershipcircle.com). There you will see a link to this book and your self-assessment. Then simply follow this link. It will log you into the assessment. It will take about 20 minutes to complete.

After you complete the LCP assessment, you will be taken to your own personalized TLC web portal. There, your LCP report will be waiting for you, along with an interpretation manual. You can reference this report at any time online, or download it for future use. We refer to the assessment throughout the book. Having your own self-assessment will enhance the personal and business relevance of this book and deepen reflection on your own leadership as you read. Taken together, the book and the assessment comprise a thorough Leadership Development System.

## **GOING FULL CIRCLE**

The LCP is designed to be a 360° feedback assessment. We do not make the 360° portion of the assessment available with this book because it is so powerful that it requires a coach to work you through the feedback. To learn how key stakeholders (bosses, peers, direct reports, and others) experience your leadership, simply request a consultation by clicking the link provided in your TLC web portal. Using the 360° portion of the LCP as you read this book will greatly accelerate your learning and take it full circle.

We promise that if you take the LCP assessment, dive into this book, and use it as your leadership development system, you will become much more effective and masterful in the art and practice of leadership. This book will serve your leadership development for life.

## Chapter 1

# The Promise of Leadership

## *Meeting the High Bar of Expectations*

When we step into positions of leadership, we make a whole set of promises we may not know we are making. These promises are profound and come in the form of high, often unspoken expectations. Understanding, managing, and living up to these promises defines our leadership.

We all expect great things from our leaders, and these expectations constitute the *Promise of Leadership*. Leadership expectations come in two forms:

1. **Explicit:** Expressed expectations for certain outcomes that come with the role and that show up in the leader's job description (things like fiscal responsibility, accountability, strategy, and execution).
2. **Implicit:** Unspoken expectations that stakeholders have of their leaders (things like competence, fair treatment, commitment, engagement, listening, acting on suggestions, and providing inspiration, meaning, and direction). Leaders rarely understand the impact these implicit expectations have on their perceived effectiveness.

Stakeholders judge their leaders' effectiveness on both explicit and implicit expectations, even if these expectations are unrealistic or not understood. When you take on a leadership role, followers silently believe and expect that *you will fulfill both my explicit and implicit*

*expectations*. However, since these expectations are sometimes unrealistic and often unexpressed, leaders may feel that they are set up to fail in their efforts to fulfill the perceived Promise of Leadership. Leaders succeed or fail depending on whether or not they clarify role expectations and keep their promises. Organization success or failure likewise depends on leaders fulfilling the Promise of Leadership.

How can leaders discover the explicit and implicit expectations that people have of them? The obvious answer is to ask. We often find that leaders don't ask those who work with and for them about their expectations of them. All leaders can accelerate their progress toward effectiveness by asking, learning, and then managing expectations, thus allowing the clarified expectations to become the bar by which they are measured.

## **HIGH BAR OF EXPERIENCE AND EXPECTATIONS**

When we ask people to identify the extraordinary leaders they have worked for or with, most cannot identify more than one or two, suggesting that we hold leaders, and are held as leaders, to very high standards. The expectations are so high that few leaders meet or exceed them; in fact, only 5–10% of leaders are seen as fulfilling the Promise of Leadership.

Given these violated expectations, we might wonder why anyone would *want* this job. Leaders carry enormous responsibility and operate in a world of increasing change, complexity, and connectivity. They are asked to work with more transparency and disclosure as they endure greater scrutiny. Despite these challenges, many leaders love their jobs and see what they do as a calling. They relish the chance to influence people, create positive results, and change things.

## **LEADERSHIP MATTERS**

Leadership makes a difference in the results we create and the quality of life we live.

**Bill:** My first corporate job out of graduate school was as a Management Development/Organizational Development Consultant at Blue Cross Blue Shield of Florida. In my role, I was primarily responsible

for improving the effectiveness of managers and their teams across the organization. It was a dream job because the company was hiring high potentials out of college to fill the talent pipeline. This aggressive recruiting effort resulted in a group of about 100 young, high-potential leaders. As you can imagine, we bonded as a group of new hires and developed relationships that last to this day.

I worked across this group of high-potentials in every area of the company, and over 18 months, I noticed a pattern. About 12 months into their employment with the company, many of these new hires started to move around the organization, searching for a position where they could grow, have impact, and have a life. In many cases, they moved to areas that they had not previously considered their primary career path; however, the leaders who ran these areas were considered to be the best, and these high-potentials wanted to work for them.

The conversations went something like this: “As soon as you can transfer into Aubrie’s organization, you should do it—she is really a great leader.” These high-potentials started to refer to these zones of great leadership as “refugee camps” because these groups provided refuge from the culture of compliance that permeated the organization. The best and the brightest were escaping poor leadership. They were voting with their feet and moving to work for great leaders.

Eventually, I found myself in the same position. After three years, I went to work for a leader named Larry L. Payne. I wanted to report to someone who would help me learn and grow and to work in a productive, fulfilling culture. Larry created a life-sustaining, high-performing culture. Our group produced great results and we loved our jobs. It was my refugee camp.

Of course, not all new hires could move into one of these refugee camps, there simply were not enough to go around. The number of great leaders was limited to a handful. Due to this dearth of quality leaders, many high-potential hires chose within three or four years to move on to another company. In their exit interviews, they listed *poor leadership* and a non-productive, *harsh culture* among their reasons for leaving. Thus, much of the investment in building the talent pipeline was wasted because of poor leadership and a dysfunctional culture.

This lesson early in my career has influenced how I assess leadership effectiveness. It was a firsthand experience with why leadership matters. Often as leaders, we have a tendency to pass on the predominant culture,

rather than changing it into an effective one. I learned that great leaders create great cultures regardless of the dominant culture in the organization. As leaders, they know that they can sustain what works or change what does not in the culture every day.

The Promise of Leadership highlights the Leadership Imperative and puts a premium on leadership development. We know that leaders are not just born—they are made. They learn and develop over time. Great leaders can be cultivated to meet and exceed our high expectations of them. In order to fulfill the Promise of Leadership, leaders must know what people expect of them, manage those expectations, and develop into the person who can perform against them. When this happens, execution is extraordinary—performance is high, stakeholders are engaged, and work is fun and fulfilling.

#### **FOUR UNIVERSAL PROMISES OF LEADERSHIP**

From our research and field experience, we have identified *four universal promises of leadership*: 1) Set the right direction and create meaningful work; 2) Engage all stakeholders and hold them accountable for performance; 3) Ensure that processes and systems facilitate focus and execution; and 4) Lead effectively—maintain relationships of trust to achieve and sustain desired results (see Figure 1.1).

We often explore these promises in our early conversations with senior leaders. While most are familiar with them, few see them as *promises*. We now describe each promise from the perspective of a CEO (L1) and their direct reports (L2).

##### **Promise 1: Set the right direction and create meaningful work**

L1 and L2 leaders come together on the Executive Team. They are responsible for setting direction, defining the vision and strategies required for sustainable growth and profit. They also identify markets and products, and establish the mission, vision, values, and culture. These elements constitute the essential components of *meaning* in the organization. Setting direction and creating meaning are vital if the organization is to thrive. Stakeholders hold leaders to this promise.

From direction and meaning flow the organization's *identity* or brand. Executive Leaders need to define how the organization creates value and



**FIGURE 1.1** Four promises of leadership

answers the question, “What is it that you uniquely as an organization can contribute to the world?”

When we work, we invest our life’s blood (time, talent, and energy) into an organization. Therefore, we want to readily identify the meaning of the work we do, see rewards beyond money, and contribute to the organization’s higher purpose. Leaders set the context and create the conditions in which individuals and organizations thrive. When the Executive Team ties the company’s direction to the work at hand in meaningful ways, every employee then has a clear line of sight into how *their* contribution makes a difference. This *shared identity* provides the foundation for corporate meaning—a requirement to fulfill the second leadership promise.

**Promise 2: Engage all stakeholders and hold them accountable**

When direction and meaning are confined to Executive Leadership, value is minimized. With this promise leaders are expected to fully engage employees in owning the company's direction. They are expected to earn trust and the commitment to perform by providing the *why* behind the *what* of work.

The *why* comes from directly connecting the value created by the organization with the personal contribution of each individual. Employees expect that *leaders* will draw forth their *inherent potential*—the hidden talent, discretionary energy, and passion that people put into their work—by creating a culture where people thrive, strive to contribute, and are valued for their contribution. When leaders, for example, set challenging goals, they specifically address the reasons to work toward those goals, each individual's role, and the significance of each person's contribution. They also recognize individual and collective contribution toward the goals because there is a strong link between recognizing individual strengths and talents and capturing their potential as full, committed participation.

This leadership promise can be difficult to keep. While Executive Leadership (L1 and L2) and even Senior Leadership (L3 to L5) often clearly understand the direction of the organization and why work is critical to that direction, they often underestimate the energy and commitment required to create meaning throughout the organization and fully engage everyone. Sadly, clarity and commitment often end at the leadership team level. We see evidence that this promise has been broken whenever employees cannot answer the question, "How does what I do make a difference?" Sadder still, is when employees stop asking the question altogether and resign themselves to work that provides little meaning beyond their paycheck.

**Promise 3: Ensure that processes and systems facilitate focus and execution**

An employee's well-being is ultimately tied to the organization's performance, which itself is directly related to the organization's ability to execute. Underpinning every stakeholder's commitment is the belief

that the leadership “promises” to deliver results in the marketplace by successfully executing on key initiatives. Hence Promise 3—*keep the organization focused on execution*. Effective execution systems efficiently channel action into results and provide feedback on the work the organization is doing; action provides clarity; effort is linked to results, which gives individuals a clear line of sight to long-term, meaningful success.

Leaders break this promise in four ways: 1) by not providing the resources (time, people, and money) necessary to ensure execution; 2) by allowing the organization to be distracted by yet another “silver bullet” or “bright shiny object” (an attractive lower priority); 3) by having too little or an ineffective process in place so everything is done “for the first time” every time; and 4) by being so process-bound that execution becomes secondary to the process. Steve Ewing, the President and COO of Michigan Consolidated Gas Company and DTE Energy Gas, said it this way: “Results without process can’t be replicated and process without results is worthless.”

When these issues are the case, any line of sight to the results of the work, or to higher purpose, is lost. Breaking this promise exhausts the organization and robs it of discretionary energy, enthusiasm, and performance. When this happens, the organization operates beyond its capacity, activity takes precedence over results, and short-term fixes are substituted for long-term success. Repeatedly breaking this promise creates a culture of frustration, resentment, and hopelessness. Then, *cynicism-by-experience* regarding all strategic change initiatives poisons the well—even for new leaders.

#### **Promise 4: Lead effectively**

We expect our leaders to be effective, very effective, and the bar by which we measure them is high. Furthermore, we expect our leaders to be more effective this year than last year. We expect them to be so committed to enhancing their effectiveness that they become the most effective leaders they can be by engaging in ongoing personal and professional development. We expect all this because we know that failure to lead effectively virtually ensures violation of the other three leadership promises.



Leadership development must proceed at a pace consistent with what it takes to stay effective and relevant in today's complex, rapidly changing business environment. Leaders who are committed to improving their performance must commit to growing as individuals, becoming increasingly more competent, self-aware, and conscious.

We recently started working with the extended leadership team (top team and level 3) of an iconic brand. As part of this company's succession, three members of this team have been identified as a potential successor to the President. One of these leaders is viewed by everyone as an exceptional leader who continues to grow year in and year out. When we asked him about his own leadership practice, he explained to us that he had been keeping a journal for over 20 years, noting when he witnessed extraordinary leadership and what was done. By now, he has filled up several journals of effective leadership moments and incorporated some of these elements of "effective leadership" into his own leadership practice. Needless to say, he is one of the most effective leaders with whom we have ever worked. This conscious and deliberate development process has made him an extraordinary leader. His leadership continues to develop and improve year after year.

Leaders must also recognize that leadership effectiveness is more than individual effectiveness. Collective leadership effectiveness drives business performance. Therefore, critical to keeping all four leadership promises is *keeping them with one another*. Leadership teams must work deliberately and unflaggingly on the quality of their own engagement. They must tell the truth, especially when it is hard to do so. They must persevere together through the often excruciating exchanges required to create shared meaning, direction, and viable strategy. They must work together in a way that focuses their individual and collective leadership energy on ensuring that they, and the organization, have what is needed to be successful and fulfilled.

Operating individually and collectively at this level of mastery describes the high bar that is set by the Promise of Leadership effectiveness. Since this promise underpins the other three, this promise requires ongoing development. For the best leaders we know, the desire to be an effective leader serves as strong motivation to developing both as an individual leader and as part of a leadership team.

## BROKEN LEADERSHIP PROMISES

Leaders who keep their promises boost their credibility and build trust; those who break promises to their employees lose credibility and trust. We are all too familiar with the consequences of broken leadership promises. We often hear about leaders who fall from grace because of egregious behavior, but trust is usually broken in far simpler ways. Leaders who claim to value the talents and contributions of individuals, yet lead as if intelligence resides only at the top, are breaking a promise. Leaders who seek near-term profits at the expense of sustainability and long-term growth are breaking a promise. Leaders who avoid discussing potential pitfalls during a change initiative are breaking a promise. Leaders who do not make it safe to fail are breaking a promise. Leaders who are unclear in their messaging, avoid difficult situations, or react defensively to feedback are breaking a promise. When a Promise of Leadership is neglected or unfulfilled, trust is broken, engagement erodes, and performance suffers.

When Promise 1 is broken, the organization lacks meaningful direction, fails to be competitive, and declines. When Promise 2 is broken, employees are disengaged. They underperform, turnover increases, competition wins market share, and the organization declines. When Promise 3 is broken, dollars, human capital, and time are wasted as execution suffers. The organization declines as it becomes mired in a culture of resentment and hopelessness. If Promise 4 is broken, there is no chance of meeting Promises 1, 2, and 3.

## KEEPING THE PROMISE

Employees, as well as other stakeholders, depend on leaders to keep their promises, to set the right strategic direction, to keep the organization on track, to execute efficiently, and to effectively lead the organization to produce results that sustain the business. All of these expectations exist on the *transactional* side of leadership. On the *transformational* side, leaders are expected to set a vision that captures people's imagination and provides inspiration, to engage employees in meaningful work, and to set the tone for the way people are treated and valued.

To meet explicit and implicit, transactional and transformational expectations, leaders must increase both their competence and evolve in consciousness. This means becoming just as committed to their own personal development as they are to developing the people they serve. As leaders increase in competence, they become more effective. As they increase conscious self-awareness and act upon it, they become more cognizant of the messages their actions, communications, and behaviors convey, as well as how others perceive these messages. Once promises have been acknowledged, and leaders are aware of how they are “showing up,” then they can act authentically from their position of responsibility and authority.

Consciously competent and authentic leadership engenders credibility and trust. The relationship between leaders and followers then becomes reciprocal. Leaders have the right to expect that others will compassionately recognize them as fallible human beings. When leaders openly acknowledge their weaknesses and mistakes, constituents reciprocate by seeing these as opportunities to learn and grow. Credibility is earned with time and experience; grace is granted to be human.

The best leaders identify what promises they are being held to, manage expectations, and honor those promises. In so doing, they create a rich and inspiring culture, one in which the organization’s values, beliefs, ethics, contribution, and results are aligned. They create an organization and culture that makes a difference in today’s world. They ensure that individuals find meaning in the work they do. They realize the hope that business can be a place that matters in the lives of all involved. Great leadership is its own reward and returns a multiple on the effort expended.

## **THE LEADERSHIP AGENDA**

In the next few chapters, we will make the argument for the breadth and depth of development required for leaders to fulfill the Promise of Leadership, individually and collectively, over the long haul. These four promises and the level of effectiveness (if not mastery) that they require—individually and collectively—constitute the Leadership Agenda for the organization. This Agenda, mastering the art and practice of leadership, needs to be held by the Top Team and led as a key strategic priority and business imperative. The performance of the business—as well as the

meaning and value creation of everyone associated with the business—depends on it.

### TAKING STOCK

- What is possible and who cares?
- Are you creating an organization you would want your children to work in?
- Do you demonstrate love for those you are leading? How?
- How do you model the courage that you want from those around you?
- If this organization no longer existed, what would be lost to the world? Would that matter? Can you articulate why?

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