

Authentic Leadership: Reducing The Gap Between Lived And Espoused Values
By
Daniel D. Elash, Ph.D.

The gap between what a company says it stands for and what actually drives daily decisions creates a significant source of lost potential for any organization. All organizations pursue a purpose. Yet, lofty mission statements are often subverted by the decisions made for short-term crisis management. Value statements are often discredited by how people are treated day to day. Strategies are often abandoned as unexpected events threaten the numbers attached to budgets, bonuses, or personal performance targets. In all of these instances, the credibility of the leadership is weakened; the focus of the organization is fractured; and the ability to rally people around a necessary change initiative is diminished by the discrepancy between what we say and how we act. You may not be able to attach a monetary cost to any of these outcomes but the cost is substantial never the less. A cynical workforce, individuals pursuing personal agendas, conflicting agendas across boundaries, and recurring problems are all symptoms of a lack of organizational authenticity. Reducing this gap is vital for a company seeking to be an effective competitor in the business arena.

In highly effective companies there is a commitment to aligning stated beliefs with actual choices. In this article we will consider a company's strategic planning process to look at how the gap works in many ways to weaken capability. We will diagnose problems in the traditional planning process. Finally, we will recommend a positive approach that leaders can take to reduce the gap.

Company XYZ's Traditional Approach To Planning:

Once a year, the CEO takes a handful of people aside and develops a plan for the coming year. They generally set aside a handful of days to articulate their plan. They discuss recent developments. They refine their mission. They think about how they can best accomplish their goals given what they expect will happen. Of course, they tend to do it quickly because time is flying and there is much to do back at the office. As a result, conversations are time-limited. Deep disagreements are papered over for the sake of getting on with creating a plan. The most aggressive talkers usually force superficial agreement with their points of view, but a real change of opinion seldom happens.

Once a plan is developed, the members of the planning group are tasked with developing the budgets they will need to do their parts. They are tasked with sharing "the" plan with the people who work for them. In turn, they assign tasks and objectives to their people.

The CEO offers the plan to those who have governance responsibility for the organization. He or she shares the plan's logic in a strong presentation. S/He argues, usually compellingly, for the plan's point of view. Once s/he receives their blessing, the plan is placed on the shelf, focus turns on the quantitative targets; people put their heads down and go to work.

Several things are wrong with the current scenario:

1. For one thing, there isn't *a* future coming...there are multiple possible futures. A plan is a set of steps that will be taken as expected conditions unfold. When unanticipated events occur the plan is typically abandoned and people focus on hitting their numbers by doing whatever it takes. The plan becomes irrelevant because it isn't really a strategy for achieving the business imperatives; rather it is a vehicle for arranging the budgets and numerical goals for the coming year. Everyone knows it. It is obvious in how quickly the numbers, not the strategy become the driving force. When the plan lacks authenticity the focus of the organization becomes fractured. Functional goals supplant enterprise goals.
2. When a plan is static, particularly in today's environment, it is doomed to mediocrity if not outright failure. A discrete annual planning event is simply insufficient to anticipate today's tomorrow. The disparity between our assumptions and unfolding events grows quickly over time. There is a disconnection between our version of the marketplace and what is actually transpiring. This gap makes it difficult for the organization to respond effectively.
3. A third problem arises from the fact that planning with a select cadre of managers marginalizes too much of the organization's intellectual talent. No one is as smart as everyone, and few thinkers are not as good as many. When people are not included in anticipating the events that will befall them, they take little ownership of the plans, particularly in times of stress. "The" plan becomes "their" plan in the minds of the people doing the work. Often the line workers have no idea what are the main elements of the company's strategy. Even if they know what they should do, they tend to attack their work from their own perspectives and fall back into usual habits and patterns. Synergy is lost and strategy is the concern of someone else.
4. Another problem stems from the fact that this approach to organizational planning simply doesn't allow the organization to rehearse for multiple, possible futures. Department heads and functional leaders focus on their parts of the plan and staff members often see a fractured picture, one that is limited to their work and their goals. The bigger picture is missing.
5. Finally, as the people in the workforce receive lists of goals, they focus on the numbers rather than the strategy, and they are seldom prepared to understand and interpret events from an enterprise point of view. They don't hear the stories that let them see the world as their leadership sees it, as it affects their particular teammates, nor as it affects the enterprise as a whole. Under pressure these people opt for what works for them. It's everyone for themselves and the gap between what we say we believe and how we act in the day-to-day grows. Cynicism is the end result.

Authenticity In Planning Should Set The Stage For Outstanding Performance:

Savvy organizations today know that they have to use as much of the potential of their people as they can harness. Highly effective competitors have to operate in an environment of trust:

- Trust that what the bosses say they believe is what they actually believe.
- Trust that there is a reasoned plan driving the choices that are made.
- Trust that others are working for shared goals and mutually beneficial outcomes.

This trust is built upon the foundation of authenticity. When the gap between what we say we value and what we really value becomes too large synergy is lost. To optimize enterprise performance, planning process has to:

- Focus people on a common definition of success.
- Help all of the people involved understand the core assumptions about the company's environment and their implications for how they have to do their work.
- Turn everyone into gatherers of intelligence as events unfold.
- Turn co-workers into co-thinkers, collaborators rather than competitors.
- Create a flexible game plan that enables everyone to adjust to unexpected developments while still being focused on delivering the promises of your brand.

What can leaders do?

Let's look at a process that you can institute that delivers on the usual goals but that also serves to strengthen your organization in the process. You want to move the organization from thinking of your strategy as an abstract statement to thinking of it as a framework for on-going conversations throughout the year. The goal is to use the planning process to ensure an effective shared focus, one that fits what you collectively believe. The essence of the plan becomes the focus of the workplace conversations.

A. You can start by surfacing and assessing your assumptions:

Your organization pursues a purpose everyday, deliberately or haphazardly. Your people have their individual mindsets about how they should do their work to achieve the organization's goals. These are the realities of every organization. Leaders have to align those mindsets with the company's strategy for competition.

Pull together a group of your best thinkers. It should be a cross functional, multi-level group. It should look at the basic assumptions you're making about your business idea. You want to start the process with a thorough consideration of what you are trying to do?

As a leader, you will want to listen deeply, not talk constantly. One goal is to blend the best thinking from various perspectives across your people. A second goal is to have the people in the group think collaboratively, as thought partners, enabling a common understanding to emerge.

Start with these questions as your focus. Distribute them well before the meeting. Expect that they will be well considered before the meeting convenes.

1. What is our purpose as a company? What is the promise of our brand?
2. What do our customers/consumers feel are the most valuable things that we can do for them? (Consider this as the basis of your brand promise.)
3. What is the unique value of our organization ...the competitive differentiator in our minds and in the minds of our stakeholders?
4. Where is our competition coming from and what are their perceived advantages?
5. What's our strategy for employing our resources to create our desired results?
6. What are our key 3 to 5 strategic imperatives...the things that we feel we must accomplish to create the future outcomes we want to create? (These imperatives are the building blocks of your plan.)

At the end of that meeting you want your people to:

- Align the assumptions being made about work in the current environment.
- Share a common set of priorities.
- Begin to see how they need to work together as one team to generate success.
- Finally, you want to put your thinking into the form of a story that they can take and share with those not in attendance.

B. Identifying multiple possible futures

At a follow up meeting you want to begin to identify the key drivers that affect your mission, those factors that, by changing, can most affect your circumstances. These can be financial issues, evolving customer needs, customer options, your current capabilities, etc.

1. You will then want to consider how these key factors are likely to change in the next year and how those changes would affect your strategic imperatives. (This will take some research and preparatory work.)
2. You will want to begin to identify early warning indicators of change in those key factors. This takes some educated "what ifting," using the organization's imagination.
3. You will want to identify what changes you'll have to make in your plans and procedures to adjust to those changes while staying on mission.
4. You will then want to describe those scenarios in some detail so they can be shared throughout the organization.

Remember, the goal is not simply to have you or a few key managers know what the issues will be. You want your entire organization to know what to watch for. At the end of this step, you want to have a few critical, probable futures identified as well as their implications for your organization's mission.

C. Developing a game plan tied to possible futures:

This step is similar to your typical strategic planning efforts, only with a few twists. You will want to have a broad group of your best thinkers begin to set the key elements of your plan to fulfill your strategic imperatives over the next year. (This group should continue to meet periodically throughout the year to keep your thinking current.)

At each level, collect input from everyone in the organization. You'll want to start with a review of your last plan. Follow the parameters of a typical after action review.

- What did you set out to do?
- What did you actually do?
- Why is there a difference?
- What should you do more of?
- What must you do differently?

Align the answers with the idea that conditions will surely change in the coming year. You will also want people to consider how you might have to shift scarce resources and rearrange personal priorities in the face of potential changes.

At the end of this session you want to have a core plan for the organization and several possible adjustments identified.

D. Turning Co-workers into Co-thinkers

The next step is to align functional activities with the evolving goals of the organization, its strategic imperatives. This means that you want one game plan for the entire team. Within that plan, you'll want your staff to know several things:

- How their daily work needs to support your strategic imperatives.
- How their daily work needs to fulfill the promises of your brand.
- How their individual initiatives can impact the work of others on the team.
- How to alert key people when they notice barriers, threats or opportunities.
- What they are empowered to do within their roles and when they need to ask for help.

The goal of these efforts is to create a team that is able to think together when the ball is in play. It requires collaborative thinking. One way to do this is to have managers provide you with regular debriefings about how their work is supporting the strategic imperatives. Another way to do this is to provide inspiration, guidance, coaching and training to ensure that all of your people are able to deliver what is expected.

E. You Must Create a Culture of Rigorous Thinking:

The effectiveness of this effort depends upon everyone in the organization being mindful both of the strategic imperatives and how the future is unfolding. This is a change for most people who are used to thinking only about their own tasks.

You want them to do two things from this changed perspective. They must act to fulfill their roles *and* they must simultaneously act to fulfill the goals of the organization. The goals of the organization take precedence.

Leaders must act to ensure that rigorous thinking becomes standard in the organization. Remember, “What you tolerate, you validate.” Rigorous thinking means that:

- People prepare.
- People identify and validate assumptions.
- People work together to build ideas, that is, acting as thought partners.
- People engage in databased decision making.
- People think from an organizational perspective.

F. Turning the team into action workers:

Recognize the critical elements for successful collaboration:

- Shared definitions of success.
- Synergy – common good trumps personal benefit.
- Familiarity – the ability to think from each other’s shoes as the game unfolds.

You will find that you can use the on-going work of the organization for continual practice and rehearsal.

In Conclusion:

On-going strategic conversations are required for your people to apply as much of their potential as possible to fulfilling the strategic imperatives of the organization. These on-going conversations serve as the vehicle for reducing the gap between what you say and what you do. These conversations become the ways that disparities are surfaced and addressed. The more that your plan is a living story in the minds of your people, not a document on a shelf, the better the chances that they will adapt to changes while staying focused on the few most critical factors for success. Leaders can nurture the necessary changes by how they act and where they place their focus. You have to ensure that your strategy is fluid rather than sclerotic. You have to ensure that your people are collaborative across boundaries. You have to ensure that your organization is an effective competitor. You can accomplish these outcomes. It starts with the authentic intention to do so.