

Do strong leaders destroy leadership?

If you enter "leadership" on Google there are 172 million entries. If you go to Amazon for books about leadership you'll find more than 37,000 listed. A search for leadership articles takes you into the millions. Leadership isn't a concept, it's an industry.

(Posted:28.01.2009)

The modern business press have glorified leaders and leadership. Leaders have, in many cases, become the modern equivalent of Roman Emperors, elevated to the status of gods – and they're treated in a manner befitting gods, with private jets, penthouse apartments, country mansions, and lackeys attending to their every whim.

One is hard pressed to read the business section of any major newspaper and not find some executive "profiled" – a euphemism for being praised. Society has been led to believe that an organisation's success and failure rest almost entirely on the shoulders of one individual. When teams perform badly it's not the players who get fired, it's the coach or manager. When corporations stumble the focus of attention is the chief executive (although, organisational politics being what it is, they often seem to be able to deflect the blame onto others).

CEO turnover is quite rapid: a CEO of a company in the largest ten percent of organisations in the world loses his or her job every five days. But companies learn nothing from this exercise. In spite of the fact that one individual has been unable to achieve what's wanted, a new CEO is appointed to the job, and with the same products, the same technology, the same finances, the same markets and the same people he or she is expected to perform the required Herculean feat. We know that's impossible. Changing the performance of a large organisation takes the efforts of thousands of people, not a single individual, even if they do change into their work clothes in telephone booths and wear their underpants over their trousers.

However that doesn't stop people from trying, or believing, they can succeed at it. Being on the cover of Fortune, being fawned on by The Harvard Business Review, having articles about you in The Financial Times and The Wall Street Journal, to say nothing of receiving remuneration that's more than 300 times what the lowest paid employee in the organisation receives tends to reinforce the feeling of being somewhat superhuman.

But the real problem of very strong and powerful leaders whose opinions and decisions determine much of what an organisation does is that they kill off leadership in the rest of the organisation. The more powerful the leader, the less people in the organisation are willing to put forward their ideas and suggestions. What's the point of expressing an opinion when it will be completely ignored? When intelligent and capable people are prevented from initiating and doing things that make a difference, given no say in how things operate, and are simply told what to do, they become disengaged. Instead of taking initiative they become increasingly passive and wait for the dominant leader to provide the direction and make the decisions. The cry from executives, "Why can't anyone in this company make a decision? Why does everything end up on my desk?" has a simple answer: "Because you don't let them".

Leadership in virtually any group of any size is not something that only one person can, should, or does provide. Everyone has a role to play. Toyota is said to get a million suggestions a year from its employees about how to do things better, more efficiently, cheaper, quicker, or easier. Making a suggestion

is an act of leadership. In Toyota the suggestions come from people at every level in the company. Everyone is encouraged to show leadership. The company subscribes to Peter Drucker's dictum that the person doing a job knows more about it than anyone. So if you want to know how to do things better who's the best person to ask? Strong, centralised leadership believes it knows how to do things best and it doesn't ask others.

Leadership in General Motors has always been very highly centralised. GM even has its own university, the General Motors Institute (GMI) that produces its engineers. The accepted wisdom has been that General Motors' engineers know how to make a car, and the job of the assembly plant people is to put it together. The message is pretty clear: don't bother making any suggestions. GM is a Tell Them culture, just as Toyota is an Ask Them culture. Toyota is the most profitable car company in the world and General Motors is in the process of cutting brands, closing plants and trying to avoid going bankrupt. Is this telling us something?

Strong, dominating leadership overpowers people. It kills leadership and cultivates followership. As Jeff Pfeffer remarks, "For the talents and ideas of others to emerge, leaders need to step back and provide the space for this to occur."

Robin Stuart-Kotze
Senior Advisor

strategy people performance

Penumbra is a strategic business consultancy. We bring clarity by using research to drive understanding and direction. We deliver success by balancing experience and innovative thinking.

Whatever your aspiration, we'll provide the tools, information and analysis to turn your strategy into operational reality, in a way that motivates your people to outperform the market.

Overview

As a strategic business consultancy, our expertise is in helping our clients executing strategies and delivering results.

We achieve this by combining a robust management planning system with a focus on people which drives alignment and commitment

We work in partnership with talented and committed leadership teams to help organisations build corporate value with a wide range of customised, cross-functional advisory programmes and services delivered from four complementary service groups:

Strategy

(Development, formulation, implementation and alignment)

Our innovative **Penumbra Balance** approach creates dynamism, drives and sustains momentum and makes strategy real for stakeholders

Organisational Development

(Behavioural issues)

We call our holistic approach **Balanced Motivation** which encompasses activities that improve performance both for the organisation and the individual

Research and Insight

Our stimulating **Clarity** approach draws on our business consulting skills to deliver a mix of business analysis and market research which

provides compelling insights for winning decisions.

Operations

The Operations practice brings all of our hands-on practical experience to bear on execution and delivery of results.

Our technology enabling approach called **Totality** facilitates business focussed services and solutions, aligned to business needs, for people, processes and tools.

Why Us?

Organisations turn to us when they:

- Want to find a new strategic direction
- Have created a strategy and now need to execute it
- Need to drive more value from existing initiatives
- Have a big issue to resolve, usually dependent on lasting employee buy-in
- Need to explore new ways to drive value
- Need a breakthrough result
- Are seeking measurable results

Our Experience

We have real world experience spanning 20 years with our clients. This includes working with:

BP, Citibank, Morgan Chase, WestLB, RBS, UBS, Bankers Trust, Kleinwort Benson, Coutts, Natwest, Intel, Nokia, Adobe, Kall-Kwik, Glaxo Smith Kline,

Dupont, Pfizer, Savills, British Council, Clifford Chance, British Airways, Gillette, Unilever, Shell, Volvo, Vauxhall, British Gas, TradeStation, MWB Business Exchange, Investors in People, University of Cambridge

On projects such as:

Strategic Planning, Strategy development and implementation, Culture change, Post-Merger Integration, Vision, Purpose and Values, Current State Analysis, Organisation Re-design, Transformational Change, Client Focus Strategies, Perception Studies, Client and Staff Engagement surveys, Global Rebranding, Know your Customer, Market Forecasting, Consumer Insight, Market Segmentation, Process optimisation, Lean/Six Sigma, Project Management, ERP Systems Roll-out, Market Research, Financial Modelling, Franchise Start-up Evaluation models, Cost Benefit Analysis, Implementation Alignment, Strategic Alignment, Complex Database development, Custom Application development, Supply Chain Optimisation

Covering diverse sectors such as:

Financial Services, Pharmaceuticals, Manufacturing, Energy, Mobile Telecoms, Travel and Tourism, Aviation, Property, Hi-tech and Business Services