



# Without leadership there is no change

**Most organisational cultures evolve by default rather than by design, implying that organisations can adapt faster and more effectively if they are led through the process. By Philip Atkinson and Robert Mackenzie.**

In this article Philip Atkinson and Robert Mackenzie demonstrate that high quality performance cultures can be shaped through aligning leadership with strategies based on a careful selection of continuous improvement lean strategies. Their contention is that 'without leadership there can be no strategic thrust, change and improvement'. Ultimately, they believe 'the degree to which your organisation will succeed or fail is dependent on your leaders 'actions and behaviours.'

Organisations in both the public and private sector are going through some difficult times. There are still many who have to bite the bullet and focus on improving efficiencies and performance. These changes will not happen by accident nor will they happen by adherence to a 'flavour of the month' programmed instruction. Effective change has to be led by committed leaders who are focusing on changing behaviours. Leadership is not something that simply occurs it has to be led

by the top tiers and delivered and sustained through personal commitment.

#### **No leadership, no vision and no direction**

Strategies available for influencing and forming a strongly focused performance culture come down to one effective option: concentrate almost completely on the dominant style of leadership in driving, installing and sustaining continuous improvement. In these difficult post recessionary times, we have to rethink our 'organisational capability' to operate in a highly unpredictable environment. This is true in all sectors. Many have not yet taken those extremely challenging decisions in order to structure their organisation for change.

#### **Structure yourself for change: Change is transformational not transactional**

In today's business environment you have to anticipate the

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next transition, prepare for it, and build a culture and the capability to make it work. To do that you need to enlist the support of leaders who want to create that culture. The old transactional role of 'manager' is replaced by the requirement to lead teams to build a strong and resilient culture. The command and control bureaucratic model of organisation with its 'silo mentality' will no longer survive, even in the most outmoded of public service organisations.

A leader portrays a much stronger position and role than the traditional role of manager. Leadership requires ownership of issues, concepts, taking charge, being action-oriented, positively influencing events, displaying a personal mission with responsibility, as well as being a role model for others. Organisations driven by leaders with strong positive values will take their organisations where mere managers can only dream.

### Quality management starts with quality of leadership

The charismatic qualities of those who lead the organisation ultimately influence the quality of your achievements as a business. How can we have a culture focused on continuous improvement if we don't encourage staff at all levels to demonstrate that they are high calibre individuals? And just as a sports coach gives careful consideration to the composition of her or his team, so the top team of any organisation should pay attention to the composition, the development, and to the core attributes and characteristics of its key people in the business.

### Create internal capability to drive change

You need your own internal capability to drive and sustain change. The key players will either be a combination of direct reports to the top team, or middle management who report to the most senior level within the organisation. With an organisation of 2,000 people, if you can positively influence the top 100 staff, then you are in a very strong position to impact business performance for the better. This means that by focusing your efforts on working with just 5% of staff, ie the top team and their direct reports, the natural outcome, if well designed, is to significantly shift the performance of the whole business for the better.

### Total business transformation

If you don't have the right leadership in place, it matters little how much you invest in lean, continuous improvement, technology, telephony, process improvement, systems development etc.

Fundamentally, how people are led and managed is central to building a robust business. When the management of people is designed to make a difference to performance, there

is a strong cause-effect relationship between great leaders and their teams achieving much more than those who demonstrate poor or confused leadership.

Informed and targeted investment in shaping leadership behaviour will translate immediately to performance efficiencies, including providing best practise and best value. In this post recession economy it is vital for organisations to commit to the fundamentals of developing a performance enhancing leadership style to drive significant business transformation.

### Mindset change – creating a legacy

In large successful business giants such as General Electric, Apple, Microsoft, Toyota, 'transformation' means far more than just managing and administering daily transactions. It requires a pioneering mindset of focusing on strategic goals and translating these into their business operations. Leadership has to be reflected in the behaviours and actions which ultimately impact the customer for the better. What enables this to happen is a shift in leadership from focusing 'internally' on administering and transacting day to day operations, to 'outwardly' transforming the business to achieve a state of customer focused self-renewal.

### Leadership behaviour shaping culture and performance?

The two most important factors in shaping any business culture are both derived from the behaviour demonstrated by those who lead and control the business. The first is 'what do leaders pay most attention to'. When leaders invest time in their people and deliberately improve quality and customer responsiveness, that's seeing leadership behaviour in action. It signals what is important – and what is not.

The second driver of effective performance is 'how leaders respond to critical incidents', such as crises and difficulties. People notice this and it strongly signals to staff what is a priority and what is not. Leaders and senior staff often fail to recognise that 'grapevine comments' are generated, circulate and grow because of what others see and feel and interpret from their leaders behaviour and actions.

### People are boss watchers

Everyone does it – most of us spend time observing the behaviour of others more senior to us and we assess whether or not they are living the values they espouse. Be careful, because others will be also be observing your behaviour – because you may be their boss or have an authoritative position to uphold. 'Doing what you say and saying what you do' is critical in establishing a consistent management style which will spread throughout the organisation. We all devote time to focusing upon 'what the top people pay most attention to' because that is what shapes the culture, teamworking and the performance of every single organisation.

### What do you see in that reflection in the mirror?

Take the test. What is it like to receive your behaviour as a leader on a 'bad day?' We encourage organisations to streamline swiftly by examining the dominant values and leadership behaviours presented intentionally or otherwise in

how leaders communicate with their people – ‘top to bottom’. The purpose of this is to establish the behaviours which lead to significant and enhanced performance and differentiate them from those which do not. Unsurprisingly, dominant behaviours from the top tiers of the business determine the dominant style of management that will flow throughout the organisation. For new people joining the organisation these are clear signs of how to behave.

### Neuro leadership and emotional intelligence

Most behaviour is ‘unconscious’. Although people are conscious of what they are doing, they may not be conscious of their motives and the impact this has on others. They may not be conscious of how their behaviour is received unless they have a high degree of sensitivity, seek feedback on their style.

We talk of neuro leadership. Our approach is to focus on improving the interpersonal competence of people in leadership positions so they can best associate, align, motivate and enthuse their staff and teams.

For this reason we regularly design specific 360 degree leadership assessments looking at leadership behaviour not only from a managerial standpoint through self-assessment – but also by winning the support of others. We ask for feedback from co-workers, peers and colleagues as well as direct reports and others involved in any direct or indirect supply chain relationship. In a sales or B2B context we often seek feedback from customers or business partners so that managers can take a ‘reality check’ on their personal performance.

This activity also helps to assess the potential of managers and leaders and is a powerful way to structure a succession process within an organisation. Huge returns can be experienced when tailoring training and all development activities towards adding value to all team workers. Often this exercise will generate a whole list of questions – here are the top five.

#### QUESTION 1 Who is a leader?

Anyone who manages someone is a leader. Anybody who has responsibility for the performance of others is a leader. If you have staff reporting to you, your results are determined by how well you lead your people. A manager can leave today and a new recruit takes over the tomorrow. The style of leadership of that new recruit (for good or ill) will significantly shift how she or he leverages people to deliver the results. Leadership has a major impact on the performance of teams.

Also, consider the solitary individual with a more technical specialism – is there a role of leadership for this person? Of course – he or she is part of an internal supply chain and needs to demonstrate strong team behaviour to ensure that the supply chain is strong, firm and delivers to expectations. This person will influence how others operate.

*‘Leadership is the significant factor in impacting upon organisation performance and one which many organisations need to address as we work through the early years of the next decade.’*

#### QUESTION 2 Is there a difference between a manager and a leader?

There is a major and fundamental difference. We consider

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managers to be more transactional in nature – that is, dealing with processes and protocols focusing upon the administration of the system. Managers may do the job right – but leaders will do the right job. Leadership is about transformation and is largely to do with challenging the way business objectives are achieved.

Leadership requires an enthusiastic manner and focus for creating a strong vision for the organisation and ensuring that they inspire others to achieve. Transformational leaders will devote time to ‘thinking out of the box’, taking thoughtful risks, and building strong teams of people to work across boundaries and silos.

### **QUESTION 3** Can you have too much leadership?

We have yet to find an organisation which does – although there are plenty of businesses that are making great strides in how they drive for change. The real focus should be on ‘what can we do better, quicker, in a more customer focused manner?’ Leadership can soon be created and the effect of a strong leadership programme will be instant. Just think now – in your organisation, what percentage of those who manage others are true leaders in how they behave? Now, consider if it were possible to increase that by a factor of 10 -15% – to create those with the attributes to drive sustained change and improvement – what effect would that have on your business performance?

### **QUESTION 4** What benefits can you expect from a strong leadership programme?

1. Leadership will exist by design rather than by default and will quickly highlight desired ways of working and team building, moving from the strictly task led behaviours to become more creative and strategic.
2. Behaviours will be clarified which will immediately lead to improved team performance.
3. Clear signals will be given to new recruits or those new to a managerial position.
4. Development activities can be designed specifically to support managers as they manage the transition to the strong transformational model of behaviour.
5. Morale within teams will increase because team members will be expecting and experience a freedom to succeed – simply because trust will take over from control.
6. Performance management will be taken seriously and new measures can soon become tangible.
7. Most importantly, those who are ‘early adaptors’ will be able to support those who take a little more time to practice the skills.

The focus of the organisation will be on ‘achieving the best from teams.’

It is pretty obvious that the real benefit accrues to organisations seeking to attract and retain the top talent in their field. In 2015+, new recruits of high calibre are a scarce resource for many organisations. To attract such quality people, organisations will require to demonstrate a positive, healthy culture in which people can grow and prosper. Those companies that fail to develop sound strategies to attract and retain strong leaders, will not have the best choice of the market.



*'The leader is not employed to be a super independent and sole performer but, rather, committed to achieve results through others – so that ultimately, leadership is about creating an empowered culture which is self-sustaining through extensive influence and persuasion.'*

#### **QUESTION 5** What are the personal characteristics of effective leaders?

Effective leaders pursue transformational type behaviours but what specifically do they need to do more and less of in terms of driving change through team work?

#### **Energise self and others**

Leaders must be able to energise themselves and others. They must display a high degree of energy to demonstrate their resilience and their ability and stamina to contribute in a demanding business. Energy means being positive. It is unlikely that someone who displays inactivity and a lacklustre desire to improve things will be able to work closely with challenging projects.

Energising others demonstrates a consistent way of behaving which illustrates some positive actions which hopefully others can emulate and master. The leader who understands how important it is to get their team to express themselves confidently and with pride, will probably commit to improving their influencing and persuasion skills with others.

#### **Enthusiasm**

Self-confidence is key to effective leadership. If a leader fails to display self-confidence, and has a less than positive image and self esteem, it is unlikely that they can inspire others to superlative performance. The major factor holding people back

from achieving their potential is their personal beliefs about what they can and cannot do. The oft quoted statement from Henry Ford perfectly reflects this sentiment.

#### **'Whether you think you can or you think you can't, you're right'**

#### **Execute**

Leaders have to be decisive after taking in relevant data, comparing the 'pro's and con's', and then deciding. Here execution of the decision becomes the norm. People who fail to take decisions, fail to learn from their experiences.

In many ways good leadership comes from 'experience', some of which has involved some degree of failure. Good leadership comes from learning about things that did not go so well – not just success. Managers who fail to make decisions – until they have every piece of the jigsaw puzzle – will never make anything happen in their organisations.

#### **Edge and continuous improvement**

The top ten percent of people in any profession or business will never need to look for a job – they will always be in demand and will be highly valued. Understanding where the 'edge' is in improvement is critical when looking at current problems, and thinking creatively for new solutions.

Always being alert and open to new ways of working is what characterises sharp people who live at the 'Edge' of improvement. They challenge the way things are done to improve performance and are wise in how they use their time to best effect.

Our research indicates that there are multiple behaviours that demonstrate effective leadership behaviour. These behaviours

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are pivotal to leadership performance and from our experience the key is to develop the person 'inside out' – so that the benefits accrue to both the individual and the organisation.

### Summary

Leadership is a critical issue for many businesses. Talent is increasingly a scarce resource, and the methods for sustaining the flow and retention of good quality people are not in abundance. We are half way through the second decade of this new century, and competition for the best people will intensify, implying that potential recruits have a choice of working with a strong leadership culture or someone else. Our experience is that high flyers choose the former.

Organisations and their top teams committed to developing a strong culture composed of high quality people, know that Leading by Example is a critical competence to display outwardly and in the policies, strategies and processes that hold the organisation together. Many management teams today do not realise they face a 'leadership challenge.' It is worth knowing

that those organisations that can implement strategies for continued and sustained improvement will be those peopled by high flyers. These high flyers don't just evolve and gravitate to your organisation by accident. They have to be developed, coached and ultimately retained and groomed for senior positions and challenges.

By now you'll be aware of the numerous benefits of developing a strong leadership style which is fundamentally based on transformational behaviours. We think you'll agree that it is surprising that many organisations neglect or fail to fully commit to investing in their most senior people – those who Lead others. Transformational leadership is within the grasp of most organisations. For those committed to this approach, the results for the business can be immense once your business has established and aligned a strong leadership style with strategies for continual improvement. Those who achieve and develop a strong internal leadership capability and culture will be able to sustain any drive for change and guarantee a competitive edge for the future.

### About the Authors

**Philip Atkinson** specialises in strategic cultural and behavioural change. For the last 25 years he has been engaged as a consultant supporting organisations in strategic development, leadership, organisational design, post-acquisition integration, lean six-sigma, quality management and culture change. He has partnered with a variety of blue-chip companies in industries ranging from pharmaceutical to genetics, and the automotive industry to finance and banking. He regularly presents at conferences and workshop sessions and has written seven books on change management. Philip is also Director of Business Transformation with Scott Moncrieff. He can be contacted through his website [www.philipatkinson.com](http://www.philipatkinson.com) or that of [www.scott-moncrieff.com](http://www.scott-moncrieff.com) Email [Phil.Atkinson@scott-moncrieff.com](mailto:Phil.Atkinson@scott-moncrieff.com) or T: 44 131 473 3500 M: 44 7999 799286.

**Robert Mackenzie** is Chairman and Corporate Consulting Services Partner of the Consultancy and Accountancy firm Scott Moncrieff. He has over 25 years' experience of organisational change, performance improvement, internal audit, computer audit, and risk management, and is a key member of the firm's Public Sector Audit Group.  
Tel: 0131 473 3500. Email: [Robert.mackenzie@scott-moncrieff.com](mailto:Robert.mackenzie@scott-moncrieff.com)