

# SHAW ACADEMY

Lesson 3 Course Notes

**Diploma in Leadership and Management**



SHAW ACADEMY



# How leaders have vision values and purpose

## Introduction

Perhaps the greatest difference between a leader and manager is their ability to explain why they work the way they do. In lesson 3, you will explore how leaders explain why they do what they do. You will learn how strategic alignment holds the key to helping managers create a winning culture.

## Lesson Pillars

Leadership and Culture.

Value Based Leadership.

Vision and Purpose.

Leadership and strategic alignment.

## Key Readings

Taken together, our Purpose, Values and Principles are the foundation for P&G's unique culture.

<http://us.pg.com/who-we-are/our-approach/purpose-values-principles>

John Mackey CEO Wholefoods <https://www.youtube.com/watch?v=CYJl3DOMGM8>

Conscious Capitalism the purpose of business, and the role of a company in its community.

Simon Sinek The Golden Circle

[https://www.ted.com/talks/simon\\_sinek\\_how\\_great\\_leaders\\_inspire\\_action](https://www.ted.com/talks/simon_sinek_how_great_leaders_inspire_action)

John C Maxwell The five levels of leadership <https://www.youtube.com/watch?v=aPwXeg8ThWI>

## Lesson Resources: Keep a Learning Log

It is recommended that you keep a learning log. Get a small personal notebook that you can use exclusively for this course. In it, you will record insights, thoughts, reflections on previous leadership and management experiences you may have had. During key learnings in the course you will be prompted to think about a time in your past when you observed, noted or reacted to a situation. The learning log will help to build a picture of your growing self-emergence as a leader and manager.

## Leadership and company culture

In this year's, Fortune's list of 100 Best Companies to Work For, they found that the companies which made the list were, in general, good at creating feelings of trust as well as maintaining real, sustained efforts to build a diverse workforce.

What's the single most important thing you do for company culture?



Steven Booth, CEO of Baird (ranked #4): talks about his employee-owned business model. Every Baird associate can become a shareholder and 67% of his employees are shareholders. This means they are engaged and have a stake in the business and succeed when our clients succeed.

James Goodnight, CEO of SAS (ranked #15) talks about wanting his employees to wake up every morning and be excited about coming to work. He states if they feel valued they're making a difference. He believes that happy and healthy people have a passionate engagement with life, and bring that to work.

### **The critical connection between a purpose-driven culture and business success.**

John Mackey, CEO of Whole Foods (ranked #58) speaks about conscious capitalism and the purpose of business, and the role of a company in its community. He speaks about people wanting to know that the work they're doing is contributing to the greater good. Whole Foods Market's clear sense of purpose and strong commitment to their Core Values helps employees connect their work directly to positive impacts on their local and global communities. This for John makes for a wonderful place to work.

Mackey contends that companies with a "conscious culture" and "higher purpose" inspire employees to reach their greatest potential. In fully aligning your organization's strategies, systems, and structures around a higher purpose, he states that it will almost certainly realize business results— "making more money than you thought possible."

John Mackey urges leaders to think outside the box and find a higher inspiration for their businesses. BEING A FORCE FOR GOOD. What he calls conscious capitalism.

- Contribute to the greater good
- Have a clear sense of purpose: "Whole foods, whole people, whole planet".
- Empowers his 62,000 employees

So how did this come about. "Whole Foods reinvented the wheel many times because we weren't stuck in a legacy way of thinking." He allows employees to basically run their own stores and teams almost independently from corporate. As long as employees meet Whole Foods' overall mission to sell the highest-quality organic food and improve people's well-being, there is no need for interference.

The main point with being a force for good is to embed a mission which is deeply rooted in the company culture. "Having a strong purpose and mission attracted a lot of idealistic people who probably wouldn't have worked for a traditional grocery store".



## Why culture matters

Corporate culture, like personal character, is an amorphous quality that exerts a powerful influence.

Employees who work for the same corporation, no matter what their jobs, are 30% more likely to exhibit similar leadership competencies—defined as the way a person learns, deduces, envisions, engages, and executes—than people who do the same job but who work in different companies.

- The potency of culture can be both a blessing and a curse for organizations as they ponder strategic and human resource issues.
- Changing the top leader is tough enough;
- Changing the entrenched behaviour of hundreds or thousands of other leaders to gel with the new style can be a mammoth task.

And while it's still tough to measure, an up-front understanding of how culture influences leadership can help corporations steer through choppy waters.

## What is culture

So, what is culture? Do any of you have an idea of what culture is or what it represents?

Adrian Gostick and Chester Elton make the case in "All In: How the Best Managers Create a Culture of Belief and Drive Big Results" that trying to get the illusive description of culture is "rubbish. If it's so excruciatingly hard to describe your culture, then you don't have a great one.

Culture isn't invisible, indefinable. When you walk into a great culture, it **smacks** you in the face with its concreteness."

Culture is the company's personality. Yes, vision statements, purpose statements matter, but it's your behaviors that determine the culture, it's who you are, for outsiders the first sense you see is behaviours, are we appealing to our customers, who we are, what is our DNA. If you don't like it --- you're the only ones that can change it. Must be worked every day

And so, the opposite is also true, if a winning culture is hard to pin down the opposite is true, a difficult culture can also be very easy to describe. Why because it's about behaviour.

So, as a developing manager and leader we need you to start applying these skills in your day to day jobs and start reflecting on their impact.



## How do you create a winning culture?

1. Company culture should flow from company vision, purpose and values. If you don't know them – you need to find them!
2. “Cast your vision long, but also make sure you provide a clear, short-term singular goal against which everyone can easily measure their individual contribution”.
3. Be accountable: look to improve at all times and focus on the results.
4. Set consistent goals, learn to speak the truth - Don't preach transparency, practice it. This speaks to trust and integrity
5. Spend time on getting in the right talent. Coach your interviewees as part of the interview process.
6. Encourage collaboration, across teams, department, Break down siloed thinking. Solve problems together. Allow time for critical thought to happen
7. Act when you see any wrong behaviour, take the person aside and ask them if their actions matched the company values, if they don't see it coach them if they don't live it then it's time to move them on.

Stop Gossip. Don't talk about anyone, or their work, unless they are physically present in the room. The point is, don't just have values – live them!

## Value Based Leadership

So were now going to look at an area of leadership that resonates inside of me and that's value based leadership.

Here we look for the answer to why we do what we do, are we happy doing what we do, or is there some purpose to it all.

Sadly, there are some managers around who still rule by fear and we look at this briefly to illustrate the difference between the good and bad.

### What is value based leadership?

If we go back to John Mackey I think he works on being **self-aware** – Our Friend John C, Maxwell notes that the starting point when leading other is to first know oneself. If you don't know yourself, how can you lead yourself? If you can't lead yourself, how can you lead others?

Leaders are **open minded**, they see things from a different perspective – walk in their shoes. They get down on the shop floor.

They have an innate **confidence** that comes from being easy in their own skin, they understand their own strengths and weaknesses.

Most of all they are **humble**, they see you. They don't forget who runs their business, its staff they treat everyone with respect.



SO, BIG Question: What do you notice about each of these tick marks? Each of these can be practiced by yourself. Can you imagine if everyone you worked with lived these principles?

- You don't have to—or want to—wait until you have hundreds of people reporting to you.
- You can always apply the principles of values-based leadership.
- It is never too early or too late to become a values-based leader...?

#### **How do you practice value based leadership?**

1. Communicate your values, your vision: people want to know how their effort/work matters.
2. Recognize effort: staff like to know that they count for something.
3. Be consistent in everything you do: if your staff see you do the right thing there's a good chance they will too.
4. Place trust high up on your agenda: employees cherish trust and fairness and expect to be treated equally.
5. Lead with integrity: employees are influenced by what they're leaders do. Be the leader they deserve.
6. Be accountable: employees will appreciate a leader who is true their word.
7. Coach and develop those who need it: by showing a willingness to develop those around you they will learn by example.
8. Communicate frequently and in many formats: employees will perform better when they understand the why, how and what we do.

Bottom line, the role of leadership is to add value to other people. True measure of leadership is influence; thus, a great leader must have the ability to change the attitude or behaviour of others.



## Examples of why culture and values improve performance

Here are some examples of why culture and value improve performance

### Values

Encourage whistleblowers to come forward

Be socially responsible people, planet, profit

Shared company values

Ethical sourcing

Making a real difference

Strong value base

### Impact

helps build an Enhanced reputation and trust

Consumers are demanding you act responsibly

Key driver of employee engagement

Great opportunity for firms to win market share

Driving positive change

Longevity and growth

Question: How many of you work for companies that live these types of values?

So, do you think you could start living these types of values.

The next job interview you are preparing for – find out what the company stands for. Typically, an interviewer will ask “why do you want to work for us”?

If you can explain what attracted you was their value this will have a powerful impact.

We will look at some corporation’s values in a minute - This is Sainsbury’s “Our values make us different”.

## Servant Leadership

First pioneered by Robert K. Greenleaf back in the 1970s. Greenleaf teaches that a servant leader leads by serving others.

- They place the interests and needs of others ahead of their own interests and needs.
- Servant leaders place others before self
- They are servants first and leaders second

Greenleaf work in ATT for 40 years and felt something was wrong in traditional authoritarian leadership. In his essay “Essentials of servant leadership” the servant-leader begins with the natural feeling that one wants to serve, to serve first. Then conscious choice brings one to aspire to lead. That person is sharply different from one who is leader first. The difference manifests itself in the care taken by the servant first to make sure that other people's highest priority needs are being served. Do those served grow as persons? Do they, while being served, become healthier, wiser, freer, more autonomous, more likely themselves to become servants?".



## Leading Others

So, the essentials of servant leadership are:

1. Value diversity, they cultivate trust, they develop other leaders, they act with humility. Yet they are committed, persistent, have a let's do it attitude and are tenacious.
2. Characters of these leadership traits include: the community, everyone matters, hold people to exacting standards, treat everyone with respect, show others by delegating, coaching, thinking beyond the job.

Example of servant leadership: Martin Luther King,

Servant leaders don't wear a title to show who's in charge.

They don't think he or she is better than everyone else, and acts in a way to care for others.

She may, in fact, pick up the trash or clean up a table.

They may set an example of service, the servant leader understands that it is not about the leader, but about others.

Servant leaders are not only more highly regarded than others by their employees and not only feel better about themselves at the end of the day but are more productive as well.

Servant leadership is only one approach to leading, and it isn't for everyone. But if servant leadership is as effective as portrayed in recent research, why isn't it more prevalent?

What do you think?

The key point about this type of leader is that they: be a

1. Service to others,
2. Holistic approach to work,
3. Promoting a sense of community, and
4. Sharing of power in decision-making.

## Flexible Leadership

1. The next type of leadership is one that blends elements of Value based and servant but is useful when leading others virtually, or where you see that the different personalities in a team demand that you be flexible when you can't bring to bear the full force of your personality yet you need to assist others get your message on how you lead.
2. SO, you start through setting some degree of direction and control. Control – provide specific instructions and closely supervise specific situations.
3. You then move to Teach – the desire is to share information or knowledge about what it is and why you're doing what you're doing.
4. You Guide – steer them in a direction away from a disagreement about the ultimate target or intent of the action





5. You promote Collaboration. This is particularly useful – when there is agreement about the desired outcome and when the leader’s experience and knowledge base is relatively strong.
6. Reinforce – most beneficial when the team needs positive reinforcement for their success.

Notice that the leaders here is also in service of other but it’s much more practically based.

### **Why fear still reigns**

Yet we still have bad manager who rule through fear.

Question: How many of you have experience this kind of manager? What did they do?

It’s down to three common traits:

1. Low self-esteem,  
  
Can’t support others to grow,  
Devoted to the bureaucratic infrastructure,  
Rules matter,  
Everyone is a friend or foe,  
They squash other people’s self-esteem.
2. Professional identity,  
Only source of personal power,  
Bureaucratic power becomes a substitute for self-esteem,  
Fearful of losing power,  
Amass job titles, trophies, big budgets  
They will teach you no matter what.
3. Looks to the past,  
Not prepared to learn new processes,  
Operate by quoting the rules,  
Know how to work the system,  
Makes the KPI/measurement work for them,

So here is a five-step process if you have ever felt that you might be that kind of leader.

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### **Overcoming your fears**

- Face, your fear. Recognize it, deal with the fear and don’t ignore it.
- Learn from making mistakes. It’s ok to fail it happens, it’s what we learn that important.
- Understand where there’s a fear of failure, that it’s down to past failures, FAIL QUICKLY.
- Sometimes WE ARE AFRIAD TO RISE TO THE CHALLENGE because of fear of past failures.



- The first step overcoming fear is to identify the root cause and bring it back to first principles – and focus on the desired end goal.

Does this make sense to you? Have each of you ever felt this way?

### **Creating vision, purpose and values**

“It’s tough being in the people business when people don’t like you”. John C Maxwell

The challenge of leadership is to create change and facilitate growth. We can do this by recognizing that leaders grow.

### **Five levels of Leadership**

Level 1: Position - Level of rights – Do it on their time

- The entry level.
- They rely on rules, regulations, policies, and organization charts to control their people.
- Position is the only level that does not require ability and effort to achieve.

Level 2 – Permission, first real step into leadership. Leadership is influence,

- They start to follow. And they do so because they really want to.
- Why? Because the leader begins to influence people with relationship, not just position.
- The old saying is true: people go along with leaders they get along with.

Level 3: Production

- Good leaders always make things happen. They get results.
- They can make a significant impact on an organization.
- They are also being able to help the team produce. No one can fake Level 3. Either you’re producing or you’re not.
- Why? They can’t seem to produce results. they lack the self-discipline, work ethic, to be productive.
- However, if you desire to go to higher levels of leadership, you simply must produce. There is no other way around it.

Level 4: People Development

- Leaders transition from producers to developers. Why? Because people are any organization’s most appreciable asset.
- They invest their time, energy, money, and thinking into growing others as leaders.
- Shift their focus from the production achieved by others to the development of their potential.
- 20% of their focus on their personal productivity. 80% on developing and leading others.
- This can be a difficult shift for highly productive people who are used to getting their hands dirty, but it’s a change that can give it a much brighter future.

Level 5: The Pinnacle

- Rare is the leader who reaches Level 5—the Pinnacle.
- it also requires both a high degree of skill and some amount of natural leadership ability.



- it takes a lot to be able to develop other leaders so that they reach Level 4; that's what Level 5 leaders do.
- They create a legacy of leadership in the organization they serve.

Level 5 leaders often possess an influence that transcends the organization and the industry the leader works in.

Recognition should be an opportunity to have fun and call out winning behaviours. When people get recognized they get more positive about what they do. So, introduce recognition into your regular team meetings. Make it personal as well. Take some time to select a gift that will be appreciated for your insight into what you think the employee might like. It's about that investing in your people and finding out what they like. I had a boss who recognised that an employee loved to go horse riding. As part of a reward program she organised a free lesson for the employee and the receiver was taken aback by the inciteful and meaningful reward.

Couple of other notes of importance You need to make all employees eligible for the recognition. You should never exclude any employee or group of employees. The recognition must be transparent. Supply the employer and employee with specific information about what behaviours or actions are being rewarded and recognized.

Design and communicate the criteria for eligibility for the award, the easier it is for employees to perform accordingly.

Anyone who then performs at the level or standard stated in the criteria receives the reward. Or, in an occasionally used approach, every employee who meets the criteria has his or her name added to a drawing.

The recognition should occur as close to the performance of the actions as possible, so the recognition reinforces the behaviour the employer wants to encourage.

#### **What's important: mission, vision, values or purpose?**

1. A Mission Statement defines the company's business, its objectives and its approach to reach those objectives.
2. A Vision Statement describes the desired future position of the company.
3. A Purpose expresses the organization's impact on the lives of customers.
4. Values are the organization's essential and enduring tenets - a small set of general guiding principles; not to be compromised for short-term financial gain or expediency. Values are the "proven, enduring guidelines for human conduct. "the Company exists to alleviate pain and eliminate disease" (Johnson & Johnson Credo

Question: Which do you think is the most important?

Need them all but if you start with vision and purpose you can build values and state how you will get there in your mission statement.



## Why mission, vision, values are important to leadership

Managers are given goals and objectives, measurements as to how we'll succeed.

So how does purpose differ from all the above, which emphasize how the organization should view and conduct itself?

Purpose states "This is what we're doing for someone else." And it's motivational, because it connects with the heart as well as the head.

Examples: The Kellogg food company ("Nourishing families so they can flourish and thrive")  
Insurance company IAG ("To help people manage risk and recover from the hardship of unexpected loss").

If you're crafting a purpose statement, my advice is this: To inspire your staff to do decent work for you, find a way to express the organization's impact on the lives of customers, clients, students, patients — whomever you're trying to serve. Make them feel it.

So, what's the difference between rewards and recognition

## Company examples of Mission, Vision and Values

Starbuck Mission: To **inspire** and **nurture** the human spirit – one person, one cup and one neighbourhood at a time.

Starbuck Vision: To establish Starbucks as the premier purveyor of the finest coffee in the world while maintaining our **uncompromising principles** while we grow."

Starbuck Values:

- Creating a culture of **warmth** and **belonging**, where everyone is welcome.
- Acting with **courage**, challenging the **status quo** and finding innovative ways to grow our company and each other.
- Being present, connecting with **transparency, dignity and respect**.
- Delivering our very best in all we do, **holding ourselves accountable** for results.
- We are performance driven, through the **lens of humanity**.

Coca Cola Mission: We're driven by three principles which are a standard for our actions and decisions:

Coca Cola Vision:

- People: Be a wonderful place to work where people are **inspired** to be the best they can be
- Portfolio: Bring to the world a portfolio of quality beverage brands that **anticipate and satisfy people's desires and needs**.



- Partners: Nurture a winning network of customers and suppliers, together we create **mutual, enduring value**.
- Planet: Be a **responsible citizen** that makes a difference by **helping build and support sustainable communities**.
- Profit: Maximize long-term return to shareowners while being mindful of our overall **responsibilities**.
- Productivity: Be a **highly effective, lean and fast-moving** organization.

Coca Cola Values:

- Leadership
- Collaboration
- Integrity
- Accountability
- Passion
- Diversity
- Quality

Notice the willingness to “make a difference in the lives of the customers. It’s that that resonates with employees.

### **Leaders live their values and purpose**

“Culture eats vision every time”. John C Maxwell

1. Leaders walk the talk.
2. Leaders are authentic.
3. Over time leaders build a culture that transmits behaviours that reinforce the vision, values and purpose.

Main point to get across is that leaders are authentic! Phony leadership is spotted at once.

Quote: Bob Keegan at HBS “single biggest cause of burnout at work is not ‘work overload’ but being too long in a work-setting without experiencing your own further unfolding”.



## Summary

So, to quickly summarise:

1. We've looked at the importance of leadership and culture.
2. We've seen that Values based leadership is about leading with purpose – that's what sustains.



Thank  
you

