

LEADERSHIP: FIVE FACETS OF GREAT GROWTH

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ABSTRACT

Advice and insight for great leadership abounds, yet leadership needs for growing an organization can be quite different than that required to sustain it. This paper takes a look at the unique challenges facing leaders striving to expand their organizations, and suggests a simple five-faceted approach for getting great results.

INTRODUCTION

Success. We all crave it. Leaders strive to cajole their organizations into it. Yet the management style required to excel in the start-up or strong-growth phases of a business may be quite different than that sufficient to sustain it.

In the early stages of a business, resources are lacking. Many great companies are founded on the exceptional capabilities of a single person, or of a small team of exceptional people. As the organization grows, the actions of the expanding organization create a vacuum of need that the founders are unable to fully meet. In order to fuel growth of a start-up organization, the great action of the current individuals must be coupled with agile leadership that supports, cultivates, and stimulates these abilities as it adds, integrates, and enhances the abilities of others added to the team.

Any leader of an existing organization desiring to initiate significant growth is faced with a similar problem, where he or she must take stock of the current capabilities of the team, support, stimulate and enhance these capabilities, and add, integrate, and enhance the abilities of newcomers to the organization.

In 2005, an insightful situation was encountered by the Commercial Aircraft Stress Department at the Boeing Long Beach facility. A decade earlier the group had been hundreds strong, with dozens of managers leading the team under the banner of the pre-merger McDonnell Douglas Corporation. Yet closure of the MD-XX program in 1997 [1], along with a cessation of all new aircraft development at the plant, initiated an exodus that placed the team on a slow road to obsolescence. Fortunately, merger of the McDonnell Douglas Corporation with the Boeing Company shortly after closure of the MD-XX program opened the door for opportunity, and by 2005 leadership at the plant had developed a new vision for the team by simultaneously expanding it and organizing it around the needs of the mother company in Seattle. In early 2005, the Stress Department at the Long Beach facility had diminished to about 20 individuals. Yet a new manager was brought in who was able to somehow transform this small team into an efficient organization of 240 engineers and 9 managers in just seven years. This growth was a crucial element paving the way for Boeing's recent announcement of moving 300 jobs to Long Beach to provide the engineering support to out-of-production commercial aircraft [2],[3],[4],[5],[6].

How did he do this, and what were the facets of his approach that enabled this success?

His approach can be broken down to five simple focus-items that provided the impetus and support that resulted in the growth and success of the organization under his care. We can call these focus-items

Five Facets of Great Growth, and these include Leveraging Leadership, Optimizing the Organization, Monitoring Metrics, Inspiring Individuals, and Customer Care. Each of these will be outlined in more detail below.

FIVE FACETS FOR GREAT GROWTH

Leverage Leadership

The first facet of great growth is to leverage leadership. This involves maximizing usage of the leadership capabilities of the current team, as well as adding the right kind of leaders to the team.

Leadership is usually critical for success. It is critical for the development of great people and for the production of great products. Unless an organization is very small and very gifted, it will rarely find success without solid leadership, and a great yet small organization will often suffer with growth unless that growth is managed by great leaders. Therefore, leveraging leadership is critical for great growth.

The first step in leveraging leadership is to take stock of the current organization and to maximize usage of its current leaders. Every organization has leaders. Many are very effective. All have strengths. All have weaknesses. A great leader first must know and understand the people in his or her organization. He must know their strengths and weaknesses. Strengths should be encouraged and supported. Weaknesses should be bolstered and developed. A great leader will cajole and nurture these leaders without stifling their uniqueness or their freedom to do things in a way that may be unique to that leader relative to others. Some of these leaders may be acting outside of their natural giftedness. This is fine if they are developing and improving and if it does not create too adverse of an impact on the organization as a whole or on the individuals assigned to their care. However, if they are not developing, or if their actions are having an adverse effect on the team or are stifling the abilities of the folks assigned to their care, then this leader may need reassigned or removed. Often, a slight shift in their responsibilities can return this leader to greatness, and a clever leader is ever-alert to identify alternate usages of people in order to keep each leader in an area where they are most effective, fulfilled, and motivated.

The second step in leveraging leadership is to evaluate the remainder of the team who are not currently in leadership. These folks will probably understand the products and processes of the organization better than an outsider would or could initially. A savvy leader is able to spot leadership capabilities in his or her team, to nurture them, and to develop and promote leaders from within the current organization. Effective leadership development from within provides the fastest path to increasing leaders. It also is very good for the morale of the team. It also is extremely satisfying to have a part in helping another person to achieve their full potential.

The third step in leveraging leadership is to attract and hire great leaders, or to attract and hire folks who have the potential to become great leaders. In order to hire great leaders and/or potential ones, a leader must be able to spot the characteristics of a great leader. Yet what are the characteristics of a great leader?

First and foremost, a great leader must like people. They must truly care for the people entrusted to their teams, and they must be willing and able to place the needs of those individuals above their own. This does not mean that a great leader lets people run roughshod over the organization, nor that employees are not managed, nor that performance issues are not dealt with. What it means is that for better or for worse, each employee is valued and given consideration in and though every employment action, including promotion and recognition, including daily work, and sometimes including termination.

Second a great leader must have initiative. They must be self-starters who will initiate action for their teams. A team can suffer greatly if its leaders do not have the initiative required to keep it effective, to keep it growing, to keep it healthy.

Third a great leader must be creative and tenacious. They must be able to formulate alternate ways of moving forward when standard methods and approaches do not work. They must have the tenacity to keep pressing forward when things do not go as planned or when each path forward appears blocked.

Fourth a great leader must be ethical. They must have a personal standard of ethics and morality that goes beyond the expectations of the company and beyond the mere idea that ethical leadership is profitable.

Fifth, a great leader must be able to develop their teams, both technically and managerially. The belief that a great manager can manage any team has some truth to it, but it is only marginally true. While it is *possible* for a great manager to manage a team well when they do not have the technical understanding of the product or technology of the team, this is the exception rather than the rule, and it is much more common that a leader without technical expertise in the area they are managing is much more likely to blunder the business decisions of the team, the development of the people on the team, and the output of the team. A great leader has *both* the technical understanding of the area they are managing, *and* the leadership abilities to manage that team well. This enables them to develop their team technically, and managerially. It enables them to accurately compensate the members of the team, and it enables them to push the right people forward and upward in the organization.

This is what leveraging leadership is all about. Regardless of whether a company desires growth or not, leveraging leadership is a crucial component of success, and it is also a fundamental facet of great growth.

Optimize Organization

The second facet of great growth is to optimize the organization. Some businesses flow in a manner that limits their options for organization. But usually this is not the case. The organizational structure of a business can have a significant impact on its success, or lack of it [7]. In fact, organizational structure can provide a competitive advantage to a company relative to its competitors. Yet the organizational structure is not a one-size-fits-all proposition, and changes to organizational structure can have a detrimental effect on a company, as it did at McDonnell Douglas in 1989 [8].

Organizational structure should be determined with a number of factors in mind. These include its products and the flow of its production, its technical areas of expertise, its geographic areas of influence, and the skills and capabilities of its people. There are no set rules, and what works for one company may not work for another company of similar type and product. Yet each of these factors should be considered, along with any additional considerations that are unique to the business.

The factor that may be overlooked most often is the skills and capabilities of the people employed by the company. People are different from each other. Their skills and interests differ, their abilities differ, and their vulnerabilities differ. The organizational structure should be developed with this in mind. At times this may mean that an organizational change is made to maximize the strengths and abilities of the leadership and/or of the team, at other times it may be changed to minimize the effects of weaknesses within the leadership or the team. Sometimes, if it appears that a certain organizational structure is best but a leader or team member is not found within the organization to fill the position, then it may be necessary to hire to fill the position.

The important thing to remember is that an organizational structure can be changed to optimize it to the situation at hand. It can be changed to meet emerging business needs, or changes in a company's focus, or to optimize it for the maturity of the work flow or the business market. In any case, it should be developed with a sharp eye to the abilities and capabilities of its people, and to the products and flow of production, to the company's technical areas of expertise, and to its geographic areas of influence. It also must be kept in mind that organizational changes can be motivating and inspirational to the team, but they can also be demoralizing and frustrating to employees. Often, the charisma and abilities of leadership to paint the vision of the organization and to communicate the reasons behind the change can be a pivotal aspect of whether the change is viewed in a positive or negative light.

Monitor Metrics

The third facet of great growth is to monitor metrics.

A good leader has a firm understanding of how his business is performing. To understand how it is performing he must have a method to measure and evaluate its performance and results. To do this he must identify the prime deliverables of his organization, determine which of these can be measured, determine if any of these can be broken down into component products or actions that can be measured, and then he must apply meaningful metrics that provide visibility to whether the organization is performing well or not. Well-selected metrics will not only tell whether an organization is doing well, they will alert leadership that performance is slipping long before the shortfall hits the production floor and before it affects the bottom line.

The best metrics are simple to understand, easy to update, and directly influence the flow of the product or technology produced by the company. The wise leader does not impose metrics carelessly or excessively. The more metrics in place, the more effort will be required to keep them up to date, and these updating efforts can distract employees and leadership from more important aspects of the business.

It is wise to review metrics periodically to ensure they are still effective and useful. A metric is not a good one simply because it was effective in the past. As a company and its direction, maturity, and employees change, its metrics may need to be changed as well. A good leader understands this and is ever-vigilant to ensure that the correct metrics are in place, and to add, remove, refine, or replace metrics whenever warranted.

Once a leader is confident that the right metrics are in place, he must measure, monitor, mentor, and meliorate.

Inspire Individuals

The fourth facet of great growth is to inspire individuals. One of the most important attributes of a great leader is his or her ability to inspire the troops.

A leader must provide and communicate vision for the organization, develop strategy for it, and provide the impetus to move it forward. Yet he cannot move alone. The difference between an employee and a leader is simply whether or not anyone is following.

People follow people that they trust, people who care about them, and people who are going somewhere. A great leader likes people, believes in them, cares for them, and cultivates a spirit of togetherness & shared ownership for results. This is what attracts people to follow someone. While employees will generally wander in the direction of a manager who has a measure of control over their compensation, they will charge after a leader that they believe in, that they like, that they trust, and that they believe has their best interests in mind.

All too often leaders care only about their own careers, their own reputation for getting results, and their own upward mobility. Employees sense this, and will not follow with the same intensity or interest that they apply to pursue a leader who believes in them, who is focused on helping them succeed, who is honest and open and who actively pursues the common good above their own,

Customer Care

The fifth facet of great growth is customer care.

Without customers, most businesses cease to exist. Leadership must be ever-alert to the moods and needs of its customers. The old adage, “The customer is always right” is right. Even when wrong the customer is right. A business cannot afford to be “right” at the expense of its customer. It must be willing to be “wrong” if that is what the customer requires. Great leaders understand this, and carefully monitor their customer’s needs.

Customer care involves cultivating and nourishing the relationship of the business with its current customers. Great leaders do this continuously, yet they also are ever-vigilant to identify, pursue, and acquire new ones.

Growth entails increasing the customer base. It entails meeting more of the needs of current customers, and getting more customers whose needs can be met. Great leaders never lose sight of this.

Conclusion

Leadership needs for growing an organization can be quite different than that required to sustain it, and the Five Facets of Great Growth can provide a simple strategy for producing great growth. The five facets are simply Leveraging Leadership, Optimizing the Organization, Monitoring Metrics, Inspiring Individuals, and Customer Care.

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