

SHAW ACADEMY

Lesson 3
Leading with Vision,
Values and Purpose

**Advanced Diploma in Leadership and
Management**



SHAW ACADEMY



Advanced Diploma in Leadership and Management

Lesson 3 Leading with Vision, Values and Purpose

Lesson Pillars

Leadership and strategic alignment.
Importance of vision in leadership
Why values matter
Why leaders have purpose

Key Readings

<http://www.georgeambler.com/5-reasons-purpose-matters-leaders/>

5 Reasons Purpose Matters to Leaders. By George Ambler, December 21, 2014

Simon Sinek: Why good leaders make you feel safe

https://www.ted.com/talks/simon_sinek_why_good_leaders_make_you_feel_safe

How to create a shared <http://seapointcenter.com/how-to-create-a-shared-vision/>

Leaders thriving amid uncertainty

https://www.bcgperspectives.com/content/articles/organization_design_human_resources_leading_complex_world_conversations_leaders_thriving_amid_uncertainty/

Personal mission statements of 14 CEOs

<https://www.forbes.com/sites/drewhendricks/2014/11/10/personal-mission-statement-of-14-ceos-and-lessons-you-need-to-learn/#203121971e5e>

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.



Introduction

In this lesson, you will learn how to build a vision, create a shared set of values that gives you purpose to better lead yourself and others. Leadership is all about providing direction and to do this successfully, you need to strategically align vision, values and purpose across the organisation. Great leaders communicate why their work has meaning and purpose. They can show others to find meaning in their work and by being successful are transformed by the accomplishments they achieve. In this way leaders truly inspire others to action.

Leadership and strategic alignment

Building a visionary company requires one percent vision and 99 percent alignment”

— Jim Collins and Jerry Porras

What does strategic alignment have to do with leadership?

It's no news to you that there is a leadership crisis in corporate America today, but some of the statistics that prove it may be startling: According to the U.S. Small Business Administration (SBA), only 10 percent of businesses actually grow, which means 90 percent of businesses are stagnant. The SBA also reports that 97 percent of all businesses fail within 10 years.

A survey by the Conference Board shows that two out of three employees do not feel motivated to achieve their employer's business goals and objectives.

A report from the Corporate Executive Board found that three out of four managers agree that helping their employees develop is crucial to success, but they spend less than 20 percent of their time on employee development activities.

- What does strategic alignment have to do with leadership?
- 65% of organizations have an agreed-upon strategy.
- Managers spend less than 20 percent of their time on employee development activities.
- 14% of employees understand the organization's strategy.
- Less than 10% of all organizations successfully execute the strategy.



Getting the alignment right

To be committed to the organization and contribute to its success, employees need a focus: a statement of purpose to believe in, a direction that they are willing to move toward, and a belief that their activities will lead to something meaningful.

It is senior management's responsibility to provide this focus by clearly articulating the company's purpose, values, and vision for the future. It is difficult to lead the troops if you don't know where you are going.

The executive team provides alignment by ensuring consistency of goals at all levels with the company's vision, values, and mission. When everyone is focused and aligned on the same goals, they gain the ability to get more useful work done in less time.

Your people must understand what you want done, to what standard, and by when. They need to know if you want a task accomplished in a specific way or how much leeway is involved. Reward performance that exceeds expectations; correct performance that does not.

To achieve alignment, the executive team must ensure that the company's vision, values, mission, and goals are understood and have buy-in at all levels. Those individual goals must be aligned with the organization's overall goal. In addition, senior management must educate the rank and file so that everyone knows how their actions contribute toward achievement of the mission and its goals.

When focus and alignment are achieved, the result is enhanced organizational effectiveness. Successful leaders create the conditions for achieving greater organizational effectiveness by accomplishing two critical tasks: (1) setting the course for the organization's future and (2) building the executive team. The leaders of great companies have determined why the organization exists as a company and what is important to them. One of your key strategic leadership tasks is to set the course for the company that inspires commitment and enables success.

Do you have agreement on where you are going as a company for the next 10 years? Do you know the goals you must accomplish to achieve this vision? Do you know who on the executive team is accountable for each goal? Achieving focus and alignment can give you the answers.

But how do you achieve focus and alignment? The process begins by defining the purpose of the organization. This purpose places everything else into context. Once we've established our organizational purpose, we must develop our core values, vision, mission, and goals.



How do you achieve this focus and alignment?

But how do you achieve focus and alignment? The process begins by defining the purpose of the organization. This purpose places everything else into context. A purpose statement is a broad definition of why your organization exists – in other words, the purpose it serves. Once we've established our organizational purpose, we must develop our core values: values describe what your people believe in and consider important. The vision is a realistic, credible, and attractive description of the future. Think of the mission as a short-term vision. The goals then become results-oriented outcomes that contribute directly to the accomplishment of the mission

The leadership pyramid shows the hierarchy of leadership elements, with purpose as the foundation followed by values, vision, mission, and the ultimate goals. Together, the values and purpose statement form the core ideology of the organization which remains fixed and unchanging. The core must be preserved. All other elements of the hierarchy – vision, mission and goals – should change over time as the business environment changes.

Steps to achieve alignment

Purpose: What purpose do we serve?

- What function does the organization perform?
- For whom does the organization perform this function?
- How does the organization go about fulfilling this function?
- Why does this organization exist?

Values: What are your core values?

- Focus on the right values.
- Set agreed-upon values
- Identify expectations in individual behaviour.
- Define it precisely and in writing so there is consensus on its meaning.
- Ensure employees behaviours fulfil those values.

Vision: Where do want to go?

- A reality yet to come.
- Acts as a driving force –compelling to action.
- Gives the leader power to inspire others.
- These other sensing purpose and commitment respond.
- Visions evolve over time.



Mission: What is it we do?

- Clear and compelling
- Stretch, challenge and be achievable.
- People need to understand it right away
- Requires little or no explanation
- It has a finish line.

Goals: what we do to be successful

- Leaders are goal oriented
- Leadership is about achieving these goals.
- Goals should deliver the mission.
- Goals should be SMART.
- Goals are results oriented and usually have a KPI

Approach to alignment

Being aligned, will dramatically enhance the progression of strategy creation, communication and execution. That critical element is ALIGNMENT. Let's apply this concept to each step of the strategy process, to help you profitably grow your business.

Step 1—Alignment and strategy creation. Some companies rely solely upon their internal mission, vision and values when establishing a strategy. "We are who we are!" they declare, "and if customers don't like it, too bad!" Other businesses try to accommodate every whim of each potential customer, too often at the expense of organizational identity. Both examples are from opposite ends of a strategic continuum, and neither makes much sense. A sustainable business balance can only be realized through the pursuit of alignment.

Step 2—Alignment and strategy communication. This is where things start to get complicated, as the statistics at the top of the page suggest. Assuming you have created a sound strategy based on the union of customer desires and company output, you now face the challenge of inserting employees into the mix—in a way that aligns their daily decisions and actions with the strategic direction of the company. Success rates drop by around 50 percentage points in this phase for a multitude of reasons:

Step 3—Alignment and strategy execution. This is the only step of the process that can produce desired business outcomes. Steps 1 and 2 are merely the means to this end. If you stop short of accomplishing this step you will not only fail to move forward strategically, you will also crush the expectations raised in the previous steps. This is why most organizations end up damaging important cultural components such as trust and employee engagement. At the end of the day, this step is just hard because the magnitude of change and innovation required to bridge the knowing/doing gap is so enormous.



Steps to alignment

Step 1—Alignment and strategy creation. At this beginning stage of your strategic quest two questions become extremely important:

What will your customers buy; and,
What are you producing?

Oddly, many strategy teams fail to ask these two fundamental questions, and thus end up neglecting obvious and devastating misalignments. If misalignments become apparent, you would be negligent in moving forward without making needed adjustments. The objective is to remain true to your core while at the same time making reasonable attempts to satisfy the demands of your target market. You may need to modify one or the other (or both) to achieve the alignment that translates into more paying customers.

Step 2—Alignment and strategy communication.

This is where things start to get complicated, as you now face the challenge of inserting employees into the mix—in a way that aligns their daily decisions and actions with the strategic direction of the company. Success rates drop by around 50 percentage points in this phase for a multitude of reasons:

The message from the top of the org chart can mutate as it cascades down through various layers of management, losing coherence at each level. Employees sometimes can't see what's in it for them, especially when management fails to connect desired behaviours with meaningful recognition and rewards.

The workforce may be unaware of the factors that can create misalignments, even as they unconsciously participate in generating them. Very few people, left on their own, can figure out how their individual job descriptions relate to the overall strategy. At times the largest challenge is presented by a plan that is too complicated to be easily understood by all. In this case simplification can be painful to, and resisted by, the executive team due to the fact that their understanding of the plan's nuances and complexities is crystal clear (and therefore, everyone else in the company should also be able to "get it").

Step 3—Alignment and strategy execution. Steps 1 and 2 are merely the means to this end. If you stop short of accomplishing this step you will not only fail to move forward strategically, you will also crush the expectations raised in the previous steps. This is why most organizations end up damaging important cultural components such as trust and employee engagement. At the end of the day, this step is just hard because the magnitude of change and innovation required to bridge the knowing/doing gap is so enormous.



To increase your chances of success, you will need to help your workforce support the following alignment behaviours:

- Make tough choices and difficult trade-offs that will deploy finite resources toward new behaviours, processes and practices (and away from older, less strategic areas).
- Innovate in ways that are responsive to the market you seek to serve. This customer-centricity is at the heart of alignment, and must become the focus of this change effort.
- Reduce operating costs while increasing sales. This will assure sustainability.
- Recognize and reward those who adopt new behaviours and decision-making approaches based on transcendent priorities.
- Differentiate your company's offerings from that of the competition, thereby becoming more attractive to prospects while making competitors less so.

Alignment empowers

Aligning is different. It is more of a communications challenge than a design problem. Aligning invariably involves talking to many more individuals than organizing does. The target population can involve not only a manager's subordinates but also bosses, peers, staff in other parts of the organization, as well as suppliers, government officials, and even customers. Anyone who can help implement the vision and strategies or who can block implementation is relevant.

Trying to get people to comprehend a vision of an alternative future is also a communications challenge of a completely different magnitude from organizing them to fulfill a short-term plan. It's much like the difference between a football quarterback attempting to describe to his team the next two or three plays versus his trying to explain to them a totally new approach to the game to be used in the second half of the season.

Whether delivered with many words or a few carefully chosen symbols, such messages are not necessarily accepted just because they are understood. Another big challenge in leadership efforts is credibility—getting people to believe the message. Many things contribute to credibility: the track record of the person delivering the message, the content of the message itself, the communicator's reputation for integrity and trustworthiness, and the consistency between words and deeds.

Finally, aligning leads to empowerment in a way that organizing rarely does. One of the reasons some organizations have difficulty adjusting to rapid changes in markets or technology is that so many people in those companies feel relatively powerless. They have learned from experience that even if they correctly perceive important external changes and then initiate appropriate actions, they are vulnerable to



someone higher up who does not like what they have done. Reprimands can take many different forms: “That’s against policy,” or “We can’t afford it,” or “Shut up and do as you’re told.”

Alignment helps overcome this problem by empowering people in at least two ways. First, when a clear sense of direction has been communicated throughout an organization, lower-level employees can initiate actions without the same degree of vulnerability. As long as their behavior is consistent with the vision, superiors will have more difficulty reprimanding them. Second, because everyone is aiming at the same target, the probability is less that one person’s initiative will be stalled when it comes into conflict with someone else’s.

The importance of vision

“If you are working on something exciting that you really care about, you don’t have to be pushed, the vision pulls you”.

Steve Jobs

What is vision and why does it matter to leadership?

- Lifeblood: It provides meaning to the day-to-day challenges we face each day in work..
- A billboard: It gets your ideas across powerfully, accurately, and quickly.
- Big Picture: It’s what are you working towards.
- A directional vision: It imparts a pathway for employees to follow.
- The way things could be better: It seeks to improve, to learn and create.
- The North Star: Helps to navigate through complexity.

Personalize your vision - Visualize your future

For leaders, a vision is not a dream; it is a reality that has yet to come into existence

- What do you envision for yourself in the next five years?
- How do you want to grow?
- What do you envision for your work?
- What do you envision for your family life or friendships?
- What do you envision for where you live?
- What do you envision for fun and recreation?
- What do you envision for yourself as a leader?

What should your vision convey?

- Be clear. Your vision should add clarity. Clearly set organizational direction and purpose.
- Be Inspiring: Involve everyone. Build loyalty by involving all employees. They are part of something bigger than themselves and their daily work.
- Unique strengths: Reflect what’s good. Display and reflect the unique strengths, culture, values, beliefs and direction of the organization.



- Inspire enthusiasm, belief, commitment and excitement in company members.
- Communicate: Share it. It must permeate all communication at every level of the organization.
- Be the reason: Live it daily. Serve as the reason courses of action are chosen, people are hired, markets are selected, and products are developed.

Why Values matter to leadership

“Personal leadership is the process of keeping your vision and values before you and aligning your life to be congruent with them”

Stephen Covey

Values matter and here's why

Values are most valuable when they are clearly understood and defined. So, in order to get the most benefit from what follows, your best first step would be to outline your values and write down those most important to you.

Values guide your decisions. As a leader you have many decisions to make – those that impact just you, and those that impact many others. Decisions, big or small, can be made faster, easier and with greater confidence when you start with your values. Run your decisions (consciously at first – and then after much practice it will remain intentional but more subconscious) against the schema of your values. It is the best place to start.

Values strengthen your ability to influence. When you communicate from your values you connect to your passions. When you speak with passion, people are drawn to you, are more likely to hear your message and you will be more successful in persuading and influencing. As a leader it should be self-evident why your values matter in this way.

Values create clarity. In so many ways when you are clearer your life becomes easier. Clarity helps you focus, be more productive and so much more. One of the quickest ways to gain clarity in your life is by first being clear about your values. When you work from this starting point, all the other benefits of clarity will follow.

Values reduce stress. Most people I know would like less stress in their lives. As a leader it is doubly important because your stress is contagious – it infects those around you. When your decisions are faster, communication is easier and you are clearer about things you will have less stress! You may not have thought about values in this way in the past; however, it is completely true that living from your values is a wonderful way to reduce stress.



Values guide your actions. It is one thing to know and understand your values. It is another thing to behave in accordance with them. This fact impacts all of the ideas shared so far because it is when you understand and then act on your values that all the benefits are gained. This is the most practical of these benefits. Your values guide your actions.

While having clear values helps define who you are, they can be so much more useful on a daily basis. Being clear on your values helps you be a more effective, productive and confident leader.

Values-based leadership

How values transform culture Brent Gleeson Navy Seal and Leadership Consultant
Organizational culture is the collective result of how people on the team think and behave, their shared values and how they react to internal and external stimuli. A company culture is either decisively created and nurtured from the very beginning or - more typically - it develops haphazardly over time through the beliefs and experiences of those on the team.

But when an organization is facing the need for some kind of change to remain competitive, cut costs, develop new products, become more efficient or improve quality, often times the culture is going to have to transform as well. Almost always. Because a new way of doing things requires a new way of thinking, especially from the leaders at all levels. And many studies show that the majority of significant organizational change efforts fail.

Leaders must lean on the values of the organization to drive performance, especially during times of change. An organization's values should be the bedrock of why the company exists, how it makes decisions and its true purpose. They must be authentic and relatively specific so they actually resonate with the team.

So what is values-based leadership? Essentially, this just means leading the team and evaluating performance - both your own and the team's - based more so on the organization's set of values rather than specific metrics and milestones. Don't get me wrong, managers still have to oversee their team member's ability to execute and be accountable for their role in mission success, but values-based evaluations can't be an afterthought.

Many organizations will charge ahead for years with relative success while not having ever truly defined - and written down - their mission, vision, values and purpose for existence.

Our values guide us. It is a part of us. It always had been really, but once values become memorialized on paper, they take on a whole new meaning.



Once an organization's values are clearly defined, they should also be the guiding light for how performance is evaluated - at the team and individual level.

Once an organization's values are clearly defined, they should also be the guiding light for how performance is evaluated - at the team and individual level. This is especially true when organizations are facing change. Usual performance metrics shouldn't be tossed out the window but when new behaviors must be learned, values-based leadership is required.

And values-based performance evaluation systems need to be put in place. If the team is being asked to learn new things and adjust to organizational and cultural transformation, their criteria for "great performance" needs to be adjusted.

Values-based leadership also requires the need for constantly communicating those values at every opportunity possible. In every company meeting, every time a person is publicly recognized and in every coaching moment when mistakes are made.

How values-based transforms culture

Values-based Leadership is at the core of all we do.

Values-based leaders effectively engage, motivate and equip their employees, creating a culture of trust that enables organizational transformation. The result: Professional growth, effective execution and higher performance.

Values-based leadership (VBL):

- Identifies and illuminates personal uniqueness and strengths by which individuals can bring value to an organization;
- Inspires individual understanding and commitment about the unique value they can bring in order to achieve organizational goals;
- Instils the right behaviours that motivate and inspire others to establish a values-based performance culture; and
- Delivers extraordinary results.

Values-based leaders create and lead values-driven companies that are energized, equipped and organized to achieve powerful goals.

Transformational, values-based leadership requires a specific thought process—it's about the way we think and what we believe—and what we believe is determined by what we value. Ultimately, our values govern our behaviour, and our behaviour determines our performance.

VBL is not about change—change merely fixes the past;
VBL is about transformation—it enables the future.



Why leaders have purpose.

“The very essence of leadership is its purpose... and the purpose of leadership is to accomplish a task”.

Dandridge M. Malone

What do we mean by purpose?

In October 2016, research into purpose from the training journal , looked to understand the processes and characteristics involved in leading with purpose, and how leaders with purpose define and direct activity to ensure organisational, follower and personal success.

It set out to identify what a sense of purpose means in the context of successful leadership, and use this understanding to develop a model of leaders with purpose, starting with the sense of purpose as the driver and goal to which success is referred.

They define purpose

“A meaningful mental model that provides a reason for being and a guiding set of personal goals and objectives. A sense of purpose provides clarity of direction, unifying people to operate beyond their business objectives. A sense of purpose evokes passion and commitment; it makes sense of the world and the person’s role within it.”

The results of the research broke new ground for a number of reasons. Perhaps most revolutionary, the research and resulting model show that a sense of purpose, not a specific set of characteristics, is the key to successful leadership. However, characteristics as well as timing and context can act as barriers or facilitators to purpose. For example, characteristics long associated as being key to good leadership, such as being upfront, honest and consistent, are considered to be facilitators of purpose.

The research shows that a sense of purpose is created throughout life’s journey and encapsulates one’s personal values, goals and identity. This allows the leader to see meaning in their purpose; meaning that often comes from having overcome significant challenges and as a result of being influenced by significant others in their life and career to date. A sense of purpose, is personal, internalised and self-imposed, it cannot (like goals and objectives) be given to you!

I like to think it as a suit of armour: it protects you, gives you confidence to handle challenges and most importantly helps you to inspire others with your leadership.

Why is purpose so compelling?

- Inspiration emerges from purpose, Knowing what you do and why you do it. Purpose aligns goals, mission, vision and values.
- A reason to believe. Giving your organization a reason to believe in itself.
- Customer benefits. Tie customer benefits to employee contributions, and linking work to results.
- Needs to be lived. Purpose is the spark for vision. It will die if not lived each day
- Needed in tough times. Staff need to feel the purpose. Workers need to know that they are having a positive impact on their customers lives.
- Connect the dots. The leader needs to connect the dots between what an employee does and why it matters to the organization.



Why purpose empowers everything

Purpose empowers everything. The most important thing a leader can do is to set direction and communicate it in ways that connect and compel others. Nothing commands attention and commitment quite like the right purpose and vision.

Most organizations meet employees' basic needs and expectations. The right purpose and vision meet deeper needs such as a sense of belonging, of being connected, and of doing the kind of work that stimulates creativity. Employees, inspired by seeing a clear direction forward, can better align their full energies and resources to achieving progress.

In the book *The Progress Principle*, authors Teresa Amabile and Steven Kramer cite a major study that reached this surprising conclusion: "Of all the events that engage people at work, the single most important – by far – is simply making progress at meaningful work."

Purpose answers the question "Why." Purpose is a statement of the difference or impact you're trying to make in the world, other than making money. As one astute observer put it: Money can buy you a dog, but you have to earn the wag of its tail. Purpose answers the question: Why should I devote my creative energies to this organization and not another?

Human beings perform better in the context of higher purpose and meaning. The right purpose releases energy and provides focus and relevance to a brand and to everyone who represents it. Start with an idea that makes a real difference in the lives of customers, clients, members or stakeholders: Disney's purpose is to make people happy. And if you've ever had a Disney resort experience you can feel that purpose present in everything they do.

Summary

So, do you think you can:
Lead and get strategic alignment.
Tie the importance of vision in your leadership
Explain why values matter
And ensure that you lead with purpose.



•

Thank you



SHAW ACADEMY

