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Equipping, Enabling, and Encouraging Marketplace Leaders

“Effective” Leadership

Employ, Equip, Empower, and Get Out of The Way!

As the Bob Dylan song goes, “*the times they are a changin.*” Managing a business in today’s world is an exercise in managing change. What worked phenomenally well in 2010 won’t work in 2020.

To meet the challenges that lay before us, leaders must learn new, more effective ways of managing rapidly changing, diverse groups of employees.

So how does the role of an effective leader of the future differ from the leaders of the past?

In the 80’s there were lots and lots of talented baby boomers with fresh faces and college degrees in hand to compete in the job market. Companies used the cannon fodder method of selecting future managers. In the cannon fodder method, dozens of employees are hired and trained for a handful of prospective jobs. They are packed full of corporate culture (much like fodder into a cannon) and in 90 days when their training period is up the company selects the top employees and fires the rest.

Regardless of their desires, and often regardless of their skill sets, these new employees would then be sent off to whatever assignment was open at the time. This, based on the premise that if they’re really good, they can learn and succeed at anything. Again, those less successful employees are fired.

By this time, the young manager had learned so much of the corporate culture that whatever individuality they might once have had was lost forever. They all even dressed alike; black wingtips, blue suits with white shirts and red ties. (Women’s attire simply called for the substitution of black pumps for the wingtips.)

Even if they did have a new idea, they wouldn’t dream of bringing it to the attention of upper management based on the premise that whatever was right was already being done.



These employees did what they were told, said what they were told to say, and worked when they were told to work. They accepted whatever environment they were asked to work in and whatever conditions were placed upon their employment.

Contrast that to the current/future environment:

- The global expansion of high technology led to global job opportunities.
- There is a severe global shortage of skilled employees.
- A few large international companies emerged as global behemoths.
- The rate of change continues to increase.
- Knowledge-based “smart jobs” replaced many “sweat equity” careers.
- The average employee will have several jobs in several fields. The life-time career employee will disappear.
- Technology has enabled small companies to market much like the “big boys.”
- Employees are more discriminating in their work environment.
- Diversity among work groups is a reality.

It's easy to see how a successful manager from 2000 will struggle to succeed today and be downright antiquated by the year 2020 unless he or she adapts and learns new management skills.

Way back in 1966 Peter F. Drucker wrote *The Effective Executive*, in which he makes the point that to be effective executives must learn how to harness worker resources like intelligence, imagination, and knowledge, and convert them into results.

How can a manager meet this challenge in a changing environment?

First, they will have a different view of the work to be done and their employees. Most of the work being done will be knowledge-based rather than labor-based so the average employee will be better educated and will continue their education throughout their careers. With a shortage of trained employees, employers will not have the luxury of the “cannon fodder” method of training and developing employees.

Second, they will continue to develop their own managerial and leadership skills. Man's knowledge is increasing at exponential rates. The manager who stops learning when they leave college will be out of touch in two years and obsolete in less than five years.

We are beginning to hear the rumblings of this new style of forward thinking leaders permeate even the staid boardrooms of the Fortune 500. (Nimble, entrepreneurial companies have been experimenting with these new concepts for several years.)



The “Effective” Leader

Simply put, the effective leader of today and beyond will find the best people and train them well. They will put them in the right jobs and empower them to get the work done. And finally, the effective leader will get out of the employee’s way!

First, finding the best people will continue to be a challenge as the demand for highly trained workers will exceed supply. Companies will offer increasingly worker-friendly benefits to attract the best people. While salary will remain an important lure, employees will be attracted to flexible hours, changes in job assignments, day-care, and other benefits tailored to the individual.

Second, the effective leader of the future will develop and provide training for employees that will harness the employee resources of intelligence, knowledge, and imagination, and convert them to results.

Training will have two focal points; one will be corporate, industrial training and the other will be personalized. Companies will not only keep employees trained with up-to-the-minute industry knowledge but will also encourage employees to develop their own personalized training programs.

Third, the effective leader will put people in the right jobs throughout their careers. American industry has had a nasty habit of pigeon-holing employees. If you start out in sales, you either make or break your career in sales. Companies simply did not make alternate career pathing available. In the future, effective leaders will work very hard to place people in the type of job that is best suited for the employee. And if the job changes or the employee develops new interests they will have the option to change career paths.

It will not be at all surprising to see future CEO’s who have worked in the sales, advertising, production, finance, and international departments on their way to the corner office.

Fourth, the effective leader will empower employees. Empowerment has gotten a lot of press lately, but most businesses have very little experience with true employee empowerment. Many companies who have tried to give employees more authority have met with mixed to disastrous results. Where empowerment has failed, it is usually because employees weren’t ready, willing, or able to meet management’s new expectations.

Finally, effective leaders will learn how to get out of the employee’s way. This is the second reason that employee empowerment has failed in many companies. After empowering employees, managers continue to second guess their employees like the proverbial “Monday-morning quarterback.”



Getting Started

So, what can you do to develop the future-oriented “effective” leadership style? You need to learn how to employ the right people, put them in the right jobs, give them the right training, empower them to get the work done, and most important of all, get out of their way so they can work!

1. Employ

The first step of the effective leader is to learn how to hire the right kind of people. In companies where employees are empowered, the employees are often responsible for the first one or two interviews. Team interviews that include employees and managers are becoming more common. After all, who knows the work better than the people doing it every day? Employees can be a valuable resource in hiring people who will fit the corporate strategy.

Companies that are still relying on just the Human Resources manager for all hiring decisions are not utilizing the employee assets within the company. A real disaster is set-up when upper management takes control of hiring decisions at entry levels, to the exclusion of input from employees and first level managers. Hard as it may be to believe, this is still being practiced by some Fortune 500 companies today!

2. Equip

The first step in developing personnel is to get the right people in the right jobs. Paul wrote to the Romans, “*We have different gifts, according to the grace given us. If a man’s gift is prophesying, let him use it in proportion to his faith. If it is serving, let him serve; if it is teaching, let him teach; if it is encouraging, let him encourage; if it is contributing to the needs of others, let him give generously; if it is leadership, let him govern diligently; if it is showing mercy, let him do it cheerfully*” (Romans 12:6-8).

Clearly, we need to be sensitive to people’s gifts and skills and do our best to match them to jobs that use their skills.

Let’s say you have a group of ten salespeople: some will be great with math, some will be best in interpersonal exchanges, some are better listeners, while some can “read” other people like a book. They are all salespeople, and to gain the most from them; you focus their energy working in the areas in which they have the greatest strength. If some are not really suited to sales, move them to a department that can utilize their talent. Remember, it costs the average company \$8,000-\$10,000 to hire and train an entry level non-management employee, and \$20,000-\$40,000 to hire a single entry level management employee. It doesn’t make sense to waste that investment!



Once you have your people in the right jobs and you are focusing their talents on their jobs, you need to train them to do the best job possible.

In a recent survey of training costs, it was found that companies had budgets for training that ran from \$50 per employee per year to \$4,000 per employee. Whose employees do you think are the best prepared to meet the challenges of the future?

Training your employees is a two-step process. First, there is the industrial training that keeps the employee up to date on your industry. Second, there is skill improvement training. Neither one of these is a one-time investment. Rather, it is a continual process that must be kept up over the life of the employee.

Ecclesiastes gives us an excellent view of the importance of training, *“If the axe is dull and its edge unsharpened, more strength is needed but skill will bring success”* (Eccl. 10:10). If you have ever chopped wood with a dull axe, you know how much work it is. You work harder, it takes longer, and it requires much more determination to get the job done. Training will keep your employees like sharpened axes; capable of doing more, in less time than your competition.

3. Empower

Companies are getting the word; teams can be more productive than individuals. The rebirth of America’s large corporations has upper managers talking about making their employees intrapreneurs; people empowered to make decisions without approval from five levels of higher managers.

In America’s small companies we are hearing about “virtual corporations” where a handful of employees run big businesses by outsourcing talent, subcontracting, and making decisions without the safety net of expensive layers of higher managers.

The crucial steps in empowering your employees include;

- hiring the right people, to begin with,
- making sure that they are in jobs that best utilize their talents,
- training them until they are the best they can be (and keeping them well trained), and finally,
- making them accountable for decisions that affect their work.

Employees who are responsible for the productivity of their work group are more likely to take an interest in the output of other employees. If they understand that all sink or swim together, as a team, they will fight to survive.



Management needs to understand that to be effective; empowered employees require more information than they have typically been given. How can you expect a group of factory workers to determine whether to replace or repair a piece of equipment, or change the flow of work in a process unless they understand the financial implications of their decisions?

4. Get Out of The Way

The biggest single reason that efforts to empower employees fail are that managers do not get out of the employee's way and let them get the work done!

The manager "mother-hens" the employees, second guesses them, and sets-up their decision making so it comes out the way he wanted all along.

According to Mr. Webster, *empowerment* means to give someone authority. The definition does not suggest that a manager is to abdicate responsibility. And it is between giving authority and maintaining responsibility that most managers fail.

You must start by giving employees the right information, giving them the time and the resources to analyze potential decisions, and the support of management to carry out plans.

What constitutes the right information? For every company and every situation, the answer is different. Think about what information you would need to analyze a problem and decide. If you are managing a factory, giving workers production and profitability numbers for their department would be a good start.

One caveat from companies who have tried this. Break into employee empowerment gradually if you can. This is a new skill area for most employees, and they will need some practice to get good at it. Let them work on a few focused issues to build their confidence.

One Last Thought

"Effective" leaders of the future have difficult shoes to fill. The world is a complex place, and the rules of the game are changing all the time.

As difficult as this work is, remember Paul's instruction to the Philippians, "*I can do everything through him who gives me strength*" (Phil. 4:13).