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## Value through Leadership

People invariably drive performance and given the right leadership, people will perform at very high levels. Understanding the dynamics and attributes behind leadership is critically important to overall performance for any organization. One of the best ways to understand leadership is to connect it to value-creation. For example, leaders who comprehend value take into consideration the needs and values of all stakeholders. They balance each stakeholder when making a decision – what's best for maximizing value for everyone. This tends to contrast sharply with non-value based leaders who are overly bottom-line driven, focused on a select group of stakeholders, failing to recognize how a decision positively impacts one group at the expense of another.

"There are two kinds of leaders: the ordinary ones and the visionary ones. Only the latter are truly successful." – The Visionary Executive: Strategic Planning for the New Business Leaders by Michael Z. Brooks and William Mills

In his book *Value Leadership*, author Peter S. Cohen outlines seven principles of value leadership:

1. Value human relationships: Treat people with respect so they achieve their full potential consistent with the company's interests.
2. Foster teamwork: Get people, particularly those with different functional skills and responsibilities, to work together to advance the interests of the corporation.
3. Experiment frugally: Harness accidental discoveries to create value for customers and partners.
4. Fulfill your commitments: Say what you intend to do; then do what you say.
5. Fight complacency: Weed out arrogance.
6. Win through multiple means: Use strategy to sustain market leadership.
7. Give to your community: Transfer corporate resources to society.

Leaders create value through their ability to bring about change through other people. Perhaps this is the best definition of leadership: The capacity to create change in others. Creating change requires that you effectively reach people. One of the drivers behind making this happen is something called emotional intelligence. The ability to convey things in a passionately or emotional way gets people to commit to the cause. High emotional intelligence also enables leaders to read people and situations better.

"Lasting success lies in changing individuals first and then the organization follows. An organization changes only as far or as fast as its collective individuals change. Unlocking individual change starts and ends with the mental maps people carry in their heads – how they see the organization and their jobs. And if leaders cannot change individual's mental maps, they will not change the destinations people pursue or the paths they take to get there."

- *Leading Strategic Change: Breaking through the Brain Barrier* by J. Stewart Black and Hal B. Gregersen

One of the greatest challenges confronting any leader is bridging the gap between strategy and getting people to execute. Leaders direct people to focus on the right strategic issues. Too often people cannot identify with an organization's strategy and likewise, too often leaders are disconnected from the realities that people must face within the organization. If the leader can properly bridge this gap (strategy vs. organizational capacity), then the leader should be able to create value.

An organization must be managed in such a way that a strong dialogue takes place between the leader and its people. If the right people are engaged, then everyone should be able to cut their way through the strategic jungle. If leaders fail to engage people in strategic execution, then creating value through leadership will be exceedingly difficult. Although it is true that most people are not good strategic thinkers, it is also true that people want to contribute to a larger purpose that only the leader can convey. Therefore, communication is at the cornerstone of creating value through leadership. And given great communication, leaders can close the gap between strategy and strategic execution.

"Above all, leadership communication entails nurturing and maintaining a workplace environment in which communication flows freely and quickly in all directions with minimal distortion or lag time. The leader of an organization is automatically the designated chief communication officer and is accountable for all communication in the organization – not only his or her own, but that of the entire workplace community. As such, communication demands a deeper understanding, and some new perspective." - *The Leader as Communicator* by Robert Mai and Alan Akerson