

Leveraging the Power of Simplicity

by Jack Zenger and Joe Folkman

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“I would not give a fig for the simplicity this side of complexity, but I would give my life for the simplicity on the other side of complexity.” — Oliver Wendell Holmes, Jr.

The thought that someone would give their life for a simple solution to a complex situation is overly dramatic, in our opinion. However, if there was any topic that would benefit from a simple solution, it is how individuals can become better leaders, and how organizations enable that process. For example, it is rather common for organizations to have a competency model consisting of 40 to 50 capabilities. We've seen some with more than 170. That is complexity. By injecting science into our study of

the art of leadership, we submit that Holmes' hope for “simplicity on the other side of complexity” can be achieved. We have called our simple solution, Leadership Levers.

It has the following properties:

- Simplicity. It consists of only six elements.
- Memorable. The mnemonic “I-RAISE” helps with remembering the components.

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- Scientifically derived. These ideas were not generated by slap-dash, off-the-top-of-the-head methods. Described below is the data-driven methodology that generated it. This answers the important question from many CEOs, “How do we know this will produce results?”
- Widely applicable. It works with leaders at all levels of an organization, as well as for all functional areas. A slight tweaking makes it applicable to professional individual contributors.
- Adapts to the organization’s current readiness. It can be implemented with the use of multi-rater feedback (360-degree instrument) or with self-assessments. The gold standard of assessment involves multiple raters—but we are pragmatists. Some organizations aren’t ready for 360s. Because doing something is far better than doing nothing, we make self-assessments work until the time is appropriate for the next level.

Science Behind I-RAISE

The use of the term “levers” was inspired by Archimedes, who famously argued

that if he had a lever long enough and a solid fulcrum, he could lift the earth. The I-RAISE acronym fits well with this metaphor. Powerful levers lift things up, and these levers elevate leadership.

We analyzed over one million assessments describing over 75,000 leaders worldwide. Using statistical techniques, we forced the analysis to give us fewer, broader factors. We determined that there were six factors that were highly consistent with our earlier, more granular analysis.

Upon further study, it became clear that effective leaders needed to have a minimum level of effectiveness in each of the six. Having a profound strength in any one of the levers (in the top 10% when compared to others) brought that leader nearly to the top quartile of all leaders. Having three of the levers as profound strengths predicted that the individual would be in the top 10% of leaders in virtually every organization.

The Leadership Levers Model

The model includes six capabilities:

Inspiration. Delivering results is often the “push,” but leaders also need to know how to “pull” by inspiring and motivating their colleagues.

Relationships. Working in a positive way with others, building trusting relationships, and collaborating all combine to produce exceptional results.

Acumen. When leaders understand how the business makes money and the technology underlying their products and services, their effectiveness is greater.

Innovation. The best leaders create an environment where people are encouraged to find a better way and work toward continual improvement.

Strategic/Broad Perspective. Leaders who help people focus on future goals and objectives and provide a clear vision, inspire others to peak performance. For the professional individual contributor, this lever is the clear line of sight between their work and the broader vision for the firm.

Execution. Leadership is ultimately about efficiently producing good results. That happens when the leader initiates important actions that are designed to create value.

Important Characteristics of Leadership Levers

- Strength-based. Highly effective leaders and individual contributors—those labeled extraordinary—do not achieve that status merely by being above average on all capabilities. Instead, 15 years of research confirms that having three levers at the 90th percentile accurately describes the best leaders.
- Realistic. While we emphasize building strengths, we know that there are some leaders who have a behavior that detracts from their performance. Such detracting behavior needs to be fixed.
- Malleable. Leadership characteristics are pliable. New habits can be formed. Behavior is not set in concrete at birth or in teenage years.
- Produce positive outcomes. Effectiveness in these six capabilities strongly predicts business outcomes.

- Efficient. Simplicity combats wasted time and effort. Lengthy assessments asking multiple questions about scores of leadership behaviors results in rater fatigue.

How Leaders Improve

Personal change occurs when a series of forces are simultaneously at work.

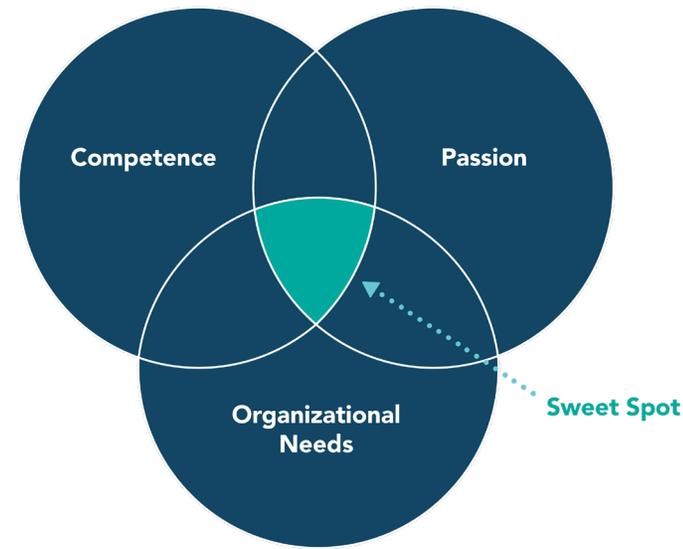
- Growth Mindset: A growth-mindset is crucial. Progression is attempted

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and possible only when leaders and individual contributors are convinced that they can improve.

- **Deliberate Effort:** Leaders don't improve their performance merely by experiencing more years on the job. Improvement requires deliberate effort. Effort pays off when a person is operating from a well-conceived plan that rests solidly on a base of accurate diagnosis.
- **Companion Behaviors:** There are development avenues that go far beyond the obvious. For example, our research discovered that for each Leadership Lever, there were other behaviors that went hand-in-hand with it. People who got high scores on that specific Lever, also got high scores on a handful of other behaviors. Sometimes a behavioral companion is obvious, but often, they were not. These "companion behaviors" offer multiple pathways to climb the leadership effectiveness mountain. They give the individual multiple choices for development activities.
- **CPO Development Process:** When deciding on what to improve, the best

CPO Model



decision is made by combining three important factors:

- What are your current strengths, capabilities, or competencies? (C)
- Where are your passions in work? (Ideally, those passions encompass your life purposes or causes.) (P)
- What does your organization most need you to do? (O)

An analysis of these factors enables a leader to make the most informed and

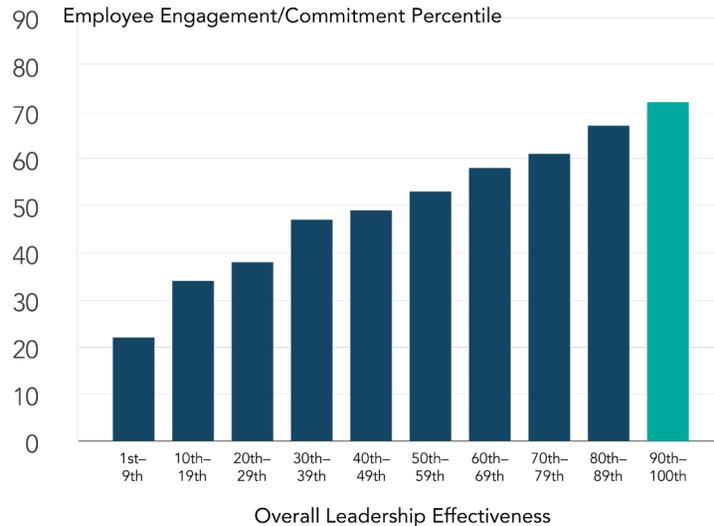
powerful choice of where to focus their development efforts.

What is the Organization's Role?

Achieve Critical Mass to Impact Culture

The organization has a huge interest in the successful development of individuals. There are several steps that organizations take that make a positive outcome more certain. One of the most important decisions is to have the scale and scope of activities that will address the genuine

Fig. 1 – Impact of Leadership Effectiveness on Employee Engagement



needs of the organization. If a firm with 100 people elects to have formal development for 30 individuals each year, that is a reasonable plan. But if the organization has 2000 people in various leadership positions, then involving 30 individuals each year is woefully shortsighted.

Involvement of Management has a Profound Effect on Outcomes

Our research, and that of others, has shown the remarkable power of having the senior management of the organiza-

tion take an active part in the development activities (Figure 1). Beyond that, simply involving the immediate manager of each participant makes a big difference in outcomes. A manager-participant discussion prior to any formal development program, spelling out the manager's expectations for what the participant will gain, makes an enormous difference. Meetings following any formal development also pay huge dividends as the two discuss what the participant gained and how they

intend to implement these new skills and insights.

Sustainment and Consistency Drive Change

Because leadership is fundamentally about behavior, any attempt to make a serious dent in changing leadership behavior requires that powerful methods be used. Such methods are always highly personal, specific, immediately actionable, and involve sustainment. Such development benefits greatly from being reinforced by the other human resources systems that impact individuals—including recruitment, onboarding, performance management, compensation, and promotion.

Extensive research over the past 15 years confirms that leadership effectiveness impacts every business result, such as:

- Employee engagement and retention
- Customer satisfaction
- Productivity
- Innovation
- Revenue
- Profitability

Every leader's behavior is also remarkably contagious (Figure 2). Leaders strongly influence the people who report to them, but it doesn't stop there. It flows down to the levels below. It percolates sideways to other functions in the firm. If a senior team has low scores on leadership effectiveness, it is virtually certain that all levels below them will fall well below that.

What Leadership Levers Does for Participants

There are several predictable, consistent outcomes from participation in Leadership Levers:

- Self-awareness. Participants gain insight into their most effective capabilities, as well as their needs and opportunities for growth.
- Concrete assistance in creating a personal leadership development plan. As a group, or with the assistance of a coach, every participant is guided on an efficient path to develop a meaningful plan.
- Motivation to improve. Knowing how you compare to others in your own organization on various leadership capabilities is highly motivating for most

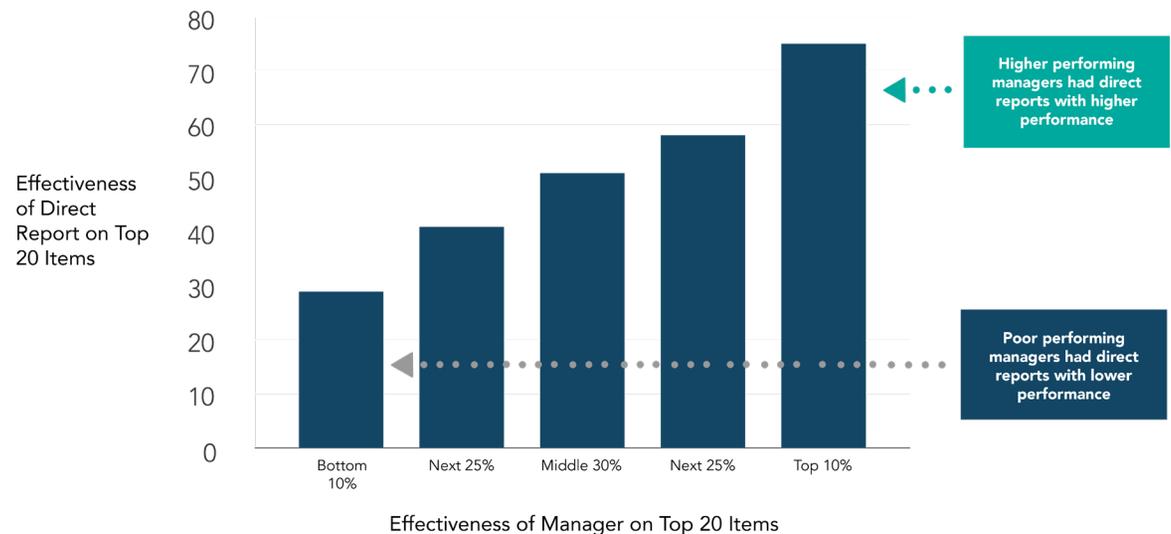
participants. By having the organization provide repeated assessments over time, this motivation is reinforced. Layering on an awareness of what the organization needs from you as a leader further increases that motivation.

- Ideas for creating new habits. New habits are developed one step at a time. We gain excellent ideas from colleagues about how to build those habits.
- Measurement. For those using

multi-rater feedback, there are opportunities for ongoing "pulse surveys" that measure progress on a chosen development target. Then, repeated assessments provide objective knowledge of genuine progress.

- Expanded view. Comparing your results with others in your company is valuable, but even more powerful is being able to compare your scores with others in your industry, other industries, and other firms around the world.

Fig. 2 – Managers' behavior impacts Direct Reports' effectiveness



Conclusion

Our experience utilizing this simplified approach has been met with great enthusiasm. Sponsoring organizations appreciated an approach that places fewer demands on respondents and makes the creation of action plans easier. Participants like the fact that Leadership Levers only covers the most predictive and impactful competencies. They like that great progress can occur from focusing on only one dimension.

When more competencies are measured, participants experience the “tyranny of

choice.” Many assume that more choices will provide better solutions and make them happier. The reality is that too many choices become confusing and cause leaders to be paralyzed. Worse yet, this results in them doing nothing. In many cases, many people have learned that simpler is better. We believe that in many organizations this simple leadership development solution will be a better one.

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About Us

Zenger Folkman relentlessly seeks to rise above the inconsistent, and sometimes misleading, nature of popular leadership philosophies and beliefs brought on by opinion. The discipline of leadership and those who pursue it deserve better. Our most valuable asset is the expertise of combining hard data and statistical analysis with logical explanations and actionable application that help individual leaders thrive and organizations succeed.