# LEADERSHIP AND SUSTAINABILITY: TIPS FOR LONG-TERM & SYSTEMIC RESULTS

A CWHP BLOG ARTICLE





# Leadership & Sustainability: Tips for Long-term and Systemic Results

As a recent leadership fellow at the Griffith Leadership Center housed within the University of Michigan's School of Public Health, I had the pleasure of speaking with the Center's namesake, John R. Griffith, about his work around leadership and health care management (GLC Fellow, 2019). We spoke about the notion of "servant leadership" and its continued applicability in today's increasingly interconnected and rapidly changing world.

There are many different perspectives around leadership and rather than add to the fray, this article centers on leadership that is oriented to long-term and systemic goals (Harvard Business Review, 2017). In reviewing a standard definition of leadership it seems the way one characterizes leadership varies based on the leader's goal. After all, a standard definition of a leader is "a person who has commanding authority or influence" (Merriam-Webster, 2019).

There are many examples in history of leaders who commanded authority and influence over people for the sole purpose

of furthering that leader's own position of power. For some, leadership could simply mean getting people to do what the leader wants them to do. Sometimes fear, extortion and other mechanisms can get people to do what is not in their best interest. This narrow casting of leadership is not the subject of this article. Stop reading now if you were looking for a treatise on oligarchic leadership (The Guardian, 2017).

Rather than focusing on the leader as bully in chief, let's focus on leadership that benefits others as a simple premise of prosocial leadership.

A leader should serve others, whether those others are shareholders, customers, employees and/or the communities in which the leader resides or conducts business.

## **Connecting Leadership Focus to Stakeholder Value**

Leadership Focus	Shareholders	Customers	Employees	Communities
Short-term	Stock Value			
Mid-term	Stock & Customer Value			
Long-term	Servant Leadership			
Long-Term & Systemic	Triple Bottom Line/Corporate Social Responsibility (CSR) Leadership			

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As the chart above depicts, when a leader is short-term focused on quarterly earnings or stock valuation, there tends to be an overemphasis on stock value sometimes at the exclusion of value to other stakeholders including customers, employees or communities.

The key to this chart is to think about the value produced for various stakeholders in the system. While the chart includes stock value, the short-term equivalent in the public or non-profit sector would be a focus on growing or holding steady year-over-year budgets without a broader focus on the value produced for those

served, for employees or the surrounding community. When an organization or business, whether for-profit or not, begins to focus on value to customers, clients or constituents, they begin to move from short-term financial concerns to mid-term value concerns.

When leaders begin to adopt servant leadership approaches that authentically involve employees, they move into a longer term value focus. Finally, leadership that distributes value to community stakeholders produces systemic and sustainable results.

The intent of value production is a useful way to think about the purpose of leadership. Even if a business does not intend to produce value for these other stakeholders, there will be effects of the business on these stakeholders. Those effects could be negative, neutral or positive and all three simultaneously. With intent, leaders can guide the production of value in narrow or broad directions.

If a company focuses on return to shareholders while participating in antisocial behaviors and practices, such as environmental pollution or employee churn and burn, the community members (including taxpayers) bear the brunt of these ill effects on community health and wellbeing.

Prosocial leaders in such communities with a modicum of power are beginning to develop local accountability systems – those systems can be helpful for ensuring that bad actors pay their fair share and good actors are rewarded who provide net value across stakeholder groups.

To the extent that corporate leaders begin to focus on longer-term value to

employees (servant leadership) and corporate social responsibility (CSR leadership) they will begin to produce system-wide value that is sustainable. For more tips and tools on analyzing and acting with a systems approach read this CWHP blog post (CWHP, 2019).

If you want to get beyond a short-term focus you should begin with honest listening and authentic feedback. Honest Listening and Authentic Feedback

If you are working in an organization that is focused on shareholder value at the exclusion of what is best for customers, employees and communities, it will be difficult to employ a servant leadership style, let alone a Corporate Social Responsibility (CSR) approach. The simplest way for a company to know where they sit on the value spectrum is through feedback from customers and employees. Review customer and employee satisfaction survey results, but perhaps more important, listen to customers and employees with honest intent.

Gather feedback authentically and act on this feedback. This HBR article describes how leaders build such trust with three actions: honestly engage with employees, demonstrate good judgment, keep your promises (Harvard Business Review, 2019a). In Fast Company's article about becoming a better listener, Hal Gregersen, executive director of MIT's Leadership Center, explains that "When you approach a conversation thinking only of your own agenda, your goal is to maneuver and manipulate the conversation and to come

out better than the other person"(Fast Company, 2017). In an Atlantic article, Gergersen goes on to discuss the problems of the disengaged leader - "We fail to ask new questions when we stop being in different places around different people. When that stops happening, we're crippled by lack of information. We start going down the path of being right and comfortable all the time" (The Atlantic, 2017).

Leaders who focus on efficiency are not the same leaders who can bring about change or take an organization in a new strategic direction (Harvard Business Review, 2019b). If running an organization in a steady state is the goal, then strategic change and systemic challenges will be of little concern to efficient leaders. Efficient leaders are also less likely to honor the importance of honest listening and authentic feedback, the essential elements required for building trust.

Amy Edmondson discusses situational humility in her book "The Fearless Organization". "Frankly, adopting a humble mindset when faced with the complex, dynamic, uncertain world in which we all work today is simply realism" (167-169). This

cuts to the heart of what it means to listen with honest intent and provide authentic feedback. As Edmondson argues in an article discussing her book, we need "the simple recognition that you don't have all the answers, and you certainly don't have a crystal ball", in a word, leaders should demonstrate humility (Edmondson, Amy C., 2018).

the development of their staff members in ways that unlock potential, creativity and sense of purpose." In this way servant leaders guide and develop future servant leaders.

### Where Servant Leadership Fits

And so we're back to the initial conversation with John Griffith about servant leadership. Adopting a servant leadership approach in an authentic way will help an organization move toward systemic and lasting change that benefits multiple stakeholders. This summary article from the Society for Human Resource Management (SHRM) explains "successful servant leadership starts with a leader's desire to serve his or her staff, which in turn serves and benefits the organization at large" (SHRM, 2018). The journey to bring about sustainable change must include employees. SHRM explains that servant leaders are "always looking to enhance

## Tangible Tips & Education

- How to actually listen to and act on employee feedback (Medium, 2016)
- Employee Feedback Is Good For Employee Engagement; Action Is Better (Forbes, 2019)
- How to Become a Servant Leader (Inc., 2010)
- Empowered Employees: Five Tips For Giving Your Staff A Sense Of Purpose (Forbes, 2014)
- Greenleaf Academy Certification
   Program (<u>Greenleaf Academy</u>, 2019)
- Servant Leadership Institute Training (Servant Leadership Institute, 2019)

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### About the Center for Workforce Health and Performance

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