The Leadership Code: Five Rules to Lead By

Based on extensive research and interviews, authors Dave Ulrich, Norm Smallwood, and Kate Sweetman in *The Leadership Code* offer "five rules to lead by": Shape the Future, Make Things Happen, Engage Today's Talent, Build the Next Generation, and Invest in Yourself. They present a compelling case for their framework and do an excellent job of tethering it to the practicalities of day-to-day leadership. Of the many takeaways from the book, I found their seven questions in making organizational change to be extremely helpful (see LOCATION 662).

Check out these Book Notes to see for yourself the down-to-earth insights offered.

Title: ***The Leader Ship Code****: Five Rules to Live By*

Author: **Dave Ulrich, Norm Smallwood, Kate Sweetman**

Copyright Date: **2008**

Book Description:

What makes a great leader?

It's a question that has been tackled by thousands. In fact, there are literally tens of thousands of leadership studies, theories, frameworks, models, and recommended best practices. But where are the clear, simple answers we need for our daily work lives? Are there any?

Dave Ulrich, Norm Smallwood, and Kate Sweetman set out to answer these questions—to crack the code of leadership. Drawing on decades of research experience, the authors conducted extensive interviews with a variety of respected CEOs, academics, experienced executives, and seasoned consultants—and heard the same five essentials repeated again and again. These five rules became *The Leadership Code*.

In *The Leadership Code*, the authors break down great leadership into day-to-day actions, so that you know what to do Monday morning. Crack the leadership code—and take your leadership to the next level.

Book Quotes:

This book attempts to do the improbable, if not the impossible. In a brief and clear way, we want to synthesize large numbers of frameworks, tools, processes, and studies of leadership to identify the essential rules that govern what all great leaders do. LOCATION: 104

Being an effective leader starts with the self. If you want to build leadership in your company, you need to model what you want others to know and do. LOCATION: 108

Being an effective leader requires that you help others to lead. Leaders succeed by enabling others to do the right work right. Modeling the rules of leadership ensures that you lead well, but helping others master those rules guarantees future success. When we know and follow the leadership rules, we lead well; when we help others learn and follow those rules, we expand leadership from a personal ability into an organization capability. LOCATION: 112

This leadership code, like any other code, provides both structure and guidance, and helps you know not only what to do to be a better individual leader, but also how to build better leadership capability. Some leaders seem born to the code, others need to learn it, but it is the sine qua non of effective leadership. LOCATION: 119

What we offer in this book is a synthesis of these ideas, a way to cover the landscape of leadership so that we see the whole of what makes an effective leader, not just one of the parts. LOCATION: 132

In a brief and clear way, we wanted to synthesize the existing frameworks, tools, processes, and studies of leadership to define the rules that all great leaders follow. LOCATION: 140

As we worked with these leadership experts and reviewed the extensive work on leadership, we concluded that leadership comprises two principle parts: one part the leadership code and the other the differentiators. The code represents about 60 to 70 percent of what makes an effective leader. It represents the basics, the fundamentals, or the essentials of leadership. The differentiators may vary by firm strategy and vision and by individual job requirements. Mastering the code becomes the foundation on which effective leadership is established. LOCATION: 200

In terms of self, leaders must model what they want others to master. Leadership of others ultimately begins with the self. Individuals who govern themselves will be more able to lead others. LOCATION: 215

Rule 1: Shape the Future. This rule is embodied in the strategist dimension of the leader. Strategists answer the question, “Where are we going?” and make sure that those around them understand the direction as well. LOCATION: 223

Rule 2: Make Things Happen. Turn what you know into what you do. The executor dimension of the leader focuses on the question, “How will we make sure we get to where we are going?” Executors translate strategy into action. LOCATION: 229

Rule 3: Engage Today’s Talent. Leaders who optimize talent today answer the question, “Who goes with us on our business journey?” Talent managers know how to identify, build, and engage talent to get results now. LOCATION: 233

Rule 4: Build the Next Generation. Leaders who are human capital developers answer the question, “Who stays and sustains the organization for the next generation?” Talent managers ensure shorter-term results through people, while human capital developers ensure that the organization has the longer-term competencies required for future strategic success. LOCATION: 238

Rule 5: Invest in Yourself. At the heart of the leadership code—literally and figuratively—is personal proficiency. Effective leaders cannot be reduced to what they know and do. LOCATION: 249

Leaders are learners: from success, failure, assignments, books, classes, people, and life itself. Passionate

about their beliefs and interests, they expend enormous personal energy and attention on whatever matters to them. LOCATION: 258

If you want to be a better leader or build more effective leadership in your organization, you need to learn these five rules of leadership. As an individual leader, some of these rules will come naturally; some will have to be learned. Each person's leadership will look and feel somewhat different, based on personality as well as more external circumstances (position, job level, industry, company culture). That said, every leader must master the fundamentals. Without owning these basics, an individual cannot lead and CEOs cannot invest in future leaders because they won't know what they are looking for. LOCATION: 272

To shape the future, be a strategist: 1. Stay curious and develop a point of view about your own future. 2. Invite your savviest outsiders inside. 3. Engage the organization—no "one" knows enough. 4. Create strategic traction within the organization. LOCATION: 332

Strategists combine vision and analytics. They envision a future state that creates or responds to opportunities. They specify rigorous financial, customer, technology, and organization analytics to build a path to reach the future state. To be both visionary and analytical, strategic leaders must clearly understand their organization's current core competencies (technical skills like creating space-age adhesives, state-of-the-art engines, world-class logistics support, or great consumer design), organization capabilities (the company's culture and ways of doing things, like collaborating across boundaries, managing talent, or knowing how to get new products to market fast), financial resources, and technology. LOCATION: 341

But strategic traction comes when employees at all levels of the company not only understand where the company is going, but are excited by it, remember it, and know what to do to make it happen in their day-to-day decisions. LOCATION: 516

As we have looked at hundreds of vision, mission, purpose, strategy, or goal statements, we have identified six criteria that we call the ABC's of strategic traction for any organization. These criteria enable leaders at any level to be clear about where they want to go. LOCATION: 518

1. Aspirational. For the strategy to take hold, employees need to believe in the values inherent in it: they need an emotional connection at a very personal level. LOCATION: 520
2. Behaviors. Values-based intentions must translate into concrete actions and behaviors if they are to be credible. LOCATION: 526
3. Customer Orientation. Strategic leaders need to translate external customer expectations into the organization's culture. In other words, customer expectations need to drive the behaviors of leaders and employees, from the systems used to hire, train, and pay employees to the messages the leadership shares. LOCATION: 531
4. Discipline. Since the business world has dedicated the last two decades to downsizing, rightsizing, de-layering, outplacing, and reengineering, it may come as a surprise to learn that organizations are not really about their management levels. Think about it: do any customers know or care about the number of management levels in your company? No. But they do know what it does well. An organization's identity comes from its ability to do something well (like meeting the needs of the users of Web 3.0) because it has some special organizational talents: an ability to collaborate, learn, change with speed, change culture, innovate, serve customers, be efficient, be

accountable, etc. Strategists must constantly be shaping both the strategy and organization at the same time, starting at the outside and working toward the inside. LOCATION: 545

5. Energize. Employees need a second kind of emotional connection: one that ties into their hopes for their own futures (a “What’s in it for me and my family?” connection). Metrics will only go so far in creating the necessary customer-focused behaviors needed to enact the strategy. LOCATION: 558
6. Focus. Strategy is as much about saying no as it is about saying yes. Being willing to stay on task and not divert time, attention, and other resources to nonstrategic temptations will make the strategy succeed. LOCATION: 562

To make things happen, be an executor: 1. Make change happen. 2. Follow a decision protocol. 3. Ensure accountability. 4. Build teams. 5. Ensure technical proficiency. LOCATION: 594

Execution is the ability to turn what we know into what we do. LOCATION: 601

As a leader, your ability to execute will enable you to turn strategic aspirations into actions, desires into results, and desired futures into present reality. LOCATION: 602

Execution without strategy may be blind, but strategy without execution is unfounded hope. LOCATION: 607

Any leader’s job is to share information so that people know why the change needs to occur and to help people define the personal day-to-day impact of the change on their work. LOCATION: 642

You can determine the likelihood of any change project’s success by asking these seven questions. The profile that results will help you know how likely the change will be to succeed and highlight where your need to focus to improve. Scale: 1=Low10=High

1. Leadership support: To what extent does this project have adequate leadership support? 1 2 3 4 5 6 7 8 9 10
2. Clear need: To what extent is there a clearly shared understanding of the need for the project? 1 2 3 4 5 6 7 8 9 10
3. Clear outcome: To what extent does this project have a clear outcome? 1 2 3 4 5 6 7 8 9 10
4. Stakeholder buy-in: To what extent do we have buy-in and commitment from the people necessary to implement the project? 1 2 3 4 5 6 7 8 9 10
5. Decision process: To what extent do we know the decisions that need to be made in the next ninety days to make progress on the project? 1 2 3 4 5 6 7 8 9 10
6. Dedicated resources: To what extent have the changes inherent in the project been institutionalized by dedicating key resources of information, money, and talent? 1 2 3 4 5 6 7 8 9 10
7. Monitoring and learning: To what extent do we have measures in place for ongoing learning and progress checks as the project proceeds? 1 2 3 4 5 6 7 8 9 10

Scoring: Change initiatives must receive high marks in all areas to achieve success. Evaluate each area against this scale: 9–10 = Excellent | 7–8 = Good | 6 and below = Project may be at risk in this area. LOCATION: 662

Decision making is at the core of intelligent action. LOCATION: 718

One of the most effective execution-oriented leaders we know approached most questions and problems from others with the opening question: “What decision do you want me to make coming out of this conversation?” LOCATION: 725

One of our clients consistently used a structured feedback methodology in her division. The five-step feedback process began with intentions (“What did we set out to do?”), then went to results (“What did we do?”), focused on the positive (“What did we do well?”) before opening up discussion around mistakes (“What could we have done better?”), and concluded with learning (“What did we learn from this experience? What will we continue to do? What will we do better or differently?”). LOCATION: 819

Talent managers nurture and develop others. Leadership can never occur in isolation from followers. Leaders lead by engaging others in defining strategies and executing goals. Talent management has many parts. LOCATION: 887

To improve your ability to communicate, you need to remind yourself to be clear about what you want to say (the content), why you are saying it (supporting data, or the real nature of the problem, challenge, or opportunity), to whom you should say it (recognizing that there may be multiple audiences), how you should say it (communication methods), and when to share it (timing). LOCATION: 911

To build the next generation, be a human capital developer: 1. Map the workforce. 2. Create a firm and employee brand. 3. Help people manage their careers. 4. Find and develop next-generation talent. 5. Encourage networks and relationships. LOCATION: 1117

Empowerment means giving your employees knowledge, authority, and incentives to make good decisions. If you give an employee the authority to make a decision, but do not give him the information to make the right decision, you have entrapped, not empowered, that employee. To empower, you need to share information as well as authority. LOCATION: 1296

To invest in yourself, be personally proficient: 1. Practice clear thinking: rise above the details. 2. Know yourself. 3. Tolerate stress. 4. Demonstrate learning agility. 5. Tend to your own character and integrity. 6. Take care of yourself. 7. Have personal energy and passion. LOCATION: 1327

Who you are becomes a key predictor of what you can help others to become. When you have personal insights into yourself, you will be more able to lead others. LOCATION: 1335

If there is a decision to make, identify it, study it, and make it. If you’re wrong, admit it and learn, but be willing to act. LOCATION: 1366

To be personally proficient, you must begin by looking in the leadership mirror and being honest with yourself about your full range of personal predispositions: the good, the bad, and the ugly, as the saying goes. The more you understand your predispositions—to be introverted or extroverted, to seek risk or to avoid it, to work with people or with data, to work with ideas or take action, to be patient or impatient, and so on—the more you can own your reality and work to adapt it. LOCATION: 1405

The real goal of knowing yourself is to connect signature strengths and passions to work demands. You need to build on your strengths that strengthen others. LOCATION: 1428

One of the greatest sources of stress for ambitious people is fear of failure. Courageous and bold leaders take risks, and sometimes those risks don’t work out. We have learned a simple formula for risk taking: will to win

divided by fear of failure. Increasing the will to win comes as you feel a personal passion, desire to succeed, and believe in the outcomes of your agenda. Reducing fear of failure comes as organizations build in career and compensation safety nets to buffer against mistakes. LOCATION: 1435

Failing is not failing if it leads to learning. LOCATION: 1459

Ask questions that probe for alternatives. Find a balance between analytics grounded in data and intuition rooted in instinct. Data ensures that decisions are logical and consistent with past patterns. Instinct means that you do what you sense is right even if the data does not confirm your decision. If you can combine both data and instinct in the decisions you make, you will recognize old patterns, but build new ones. Such clear thinking requires not only an intellectual quotient (IQ) and an emotional or social quotient (EQ or SQ), but also a clarity quotient (CQ) to create confidence in the direction. LOCATION: 1466

Your character is the set of qualities that defines who you are; your adherence to a moral code guides your daily actions and measures your integrity. A character based on strong integrity builds trust. Others' trust in you gives you your leadership mandate. Loyalty and commitment will follow. Commitment, as we all know, is a cornerstone of productivity and success. LOCATION: 1497

Note: should you wish to find any quote in its original context, the Kindle LOCATION is provided after each entry.