

Leadership: It's a System Not a Person

Leadership as a System: Platform and
Architecture

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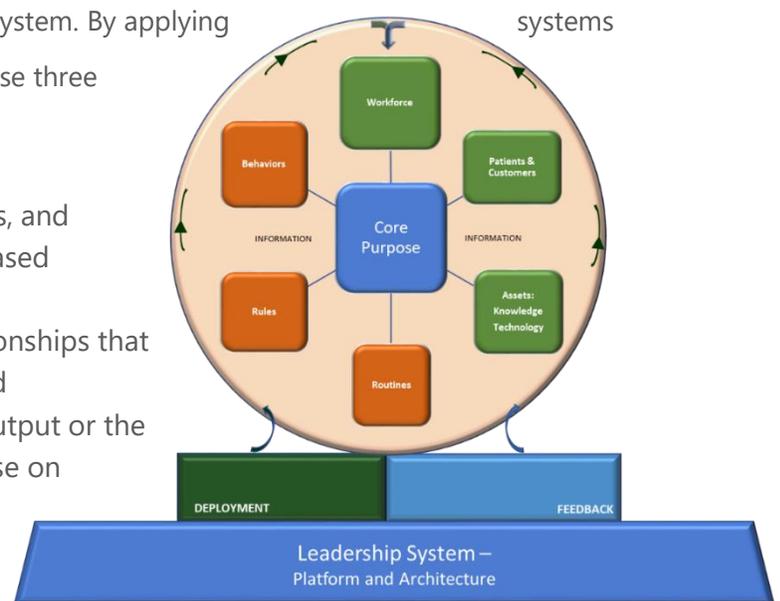
The Case for the Leadership - System

A 2016 article written by Barbara Kellerman of the Harvard Kennedy School of Government and published by the American Academy of Arts and Sciences states: Leadership –It a *System*, Not a Person!¹ She goes on to argue convincingly that our current obsession with developing the heroic leader by classroom instruction is simply foolish and counterproductive. The reason is because enterprise leadership is about the system of leadership and seldom about the individual. Enterprise leadership as a system, stands in clear contrast to John Maxwell’s bestselling book - *21 Irrefutable Laws of Leadership – Follow them and People Will Follow You*. Under this model, the primary function of a leader is gaining followers – to what end or purpose – anybody’s guess. Enterprise leadership is about developing and designing a robust leadership system because only the system has the power to maximize the collective value of all key elements of the enterprise. Peter Drucker states: (the) *Organization is a means of multiplying the strength of an individual*.² Or as an article published by the Harvard Business Review (Oct 2016) describing the failure of leadership training – *individuals (training participants) had less power to change the system surrounding them than that the system had to shape them*³. So, if the system has more power than the individual, let’s develop great systems that will deliver maximum value to the customer.

Leadership System – Platform and Architecture

In her classic, *Thinking in Systems*, author Donella Meadows defines a system as being constructed of three components: *elements*, *interactions*, and a *purpose or function*. Of these three, she states, the purpose has the most power to impact the whole system. By applying systems theory to enterprise leadership, we can identify these three components as:

- 1) **Elements** – workforce, customers or patients, and knowledge & information (for knowledge based industries primarily);
- 2) **Interactions** – the rules, routines, and relationships that govern the interactions of each element; and
- 3) **Core Purpose**. The purpose is the system output or the primary requirement. It focuses the enterprise on how individual leaders lead so that the enterprise has the best opportunity to achieve its mission.



The Next Generation of Leadership thinking – The Leadership System

In addition, to by a complete leadership system it must have a performance metric (feedback loop) to determine effectiveness and a process of deploying the system throughout enterprise as the graphic illustrates.

Case: When Paul O'Neil stepped down from the Alcoa Company after 13 years of stellar performance, it was safer to work in an Alcoa aluminum foundry than work in the back office of an insurance company. O'Neil had designed a leadership system, with a principal purpose - worker safety. The most important operational metric was not financial. It was worker safety. Individual leaders performed to the requirements of a leadership system that demanded safety be its chief function and purpose. The result was the best financial performance Alcoa ever enjoyed. This was a leadership system with intentional design⁴.

However, most leadership systems are not designed or designed poorly. Without intentional design, individual leaders default to a system where their primary purpose or function is to attract followers and acquire power. The results are all too frequently revenues at any cost, profits at any price, and production at any risk. **Case:** In September 2016 OSHA sited a major automotive parts manufacturer and its staffing agency for repeated safety violations causing injury to workers. The most notable of which was a robot which malfunctioned and stopped. A young woman, struggling to meet demands of leaders who required quota be maintained at any cost, stepped in to clear a sensor fault. It abruptly restarted, crushing her to death.⁵

Example of Leadership System Design

In his book, *The Power of Habits*, author Charles Duhigg tells the story of Rhode Island Hospital. At one time, it was a place of feudal fights where nurses were pitted against surgeons. An elderly man was brought in with a Subdural Hematoma. Immediate surgery was required. Ignoring both hospital protocols and repeated caution from the nurses that standard consent forms were not properly completed the surgeon went ahead with the surgery and told the nurses: (Quoting Duhigg): *"If that's what you want, then call the fucking ER and find the family! In the meantime, I'm going to save his life."*⁶ Within two weeks the man was dead. The surgeon operated on the wrong side of the man's head. It would be easy to say that the fault was the surgeon's and he should be dismissed, (he was). However, over the next four years similar accidents occurred for which the hospital paid \$500,000 in fines.

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The good news is that changes were made. It might be obvious to say, they implemented check lists and other procedural changes to insure patient safety. However, the stronger reality is that they transformed the entire leadership system. Leaders become subservient to the requirements of a designed system rather than every leader managing according to personal style. The result was a dramatic increase in patient safety and they were honored with a prestigious award for Critical Nursing. Where the old leadership system put the surgeon at the top of the pyramid with virtual unquestionable authority, the new system empowered everyone around the care of the patient – delivering maximum value. Duhigg concludes with an example of a routine surgery performed by an experienced and well trained surgeon. Before he started he went through a check list but missed a minor point. In response, the youngest and least experienced nurse pointed out the error which was welcomed by the surgeon.

System Designed to Deliver Maximum Value

A leadership system, therefore, is what connects individual leaders, and organizes the elements they control with the critical relationships to produce the desired outcome – *maximum value*. Without a designed system, individual leaders function according to personal style and produce results that are highly variable and sometimes catastrophic. With a designed system, all leaders operate according to the requirements of the system which is designed to produce predictable maximum value. In the Rhode Island Hospital example, the surgeons recognized the nurses as part of a total system of patient care. It was not a matter of power and control. It was about more medical value delivered to the patient.

Conventional Leadership Vs A Leadership Systems

Conventional thinking/ assumptions about leadership	Systems thinking about leadership
Leadership is the collective group of individual leaders who make up a leadership group or team	Leaders are one element and the leadership system is greater than the sum of individual leaders
Leaders fail to solve problems and should be removed.	The current system creates the problems so change the system
Revolving door of leaders archives quick gains	<ul style="list-style-type: none"> Stability in the leadership system produces long term sustainability and long-term performance improvement. Revolving door of leaders only deadens the ears manager and staff who must respond to successive rounds of new strategic plans, new thinking, and distrust of leaders
To make the entire organization improve, the individual parts must improve therefore get better leaders for those parts most needing improvement	To maximize the whole, improve the relationships between the parts and develop leaders to the requirements of the system.
Develop new leaders by sending them off to leadership development school	Develop new leaders by training and mentoring them to the requirements of the leadership system
Leaders are responsible for transformative change	Leaders empower workers as a requirement of the system to create transformative change.
The primary responsibility of leaders is to motive and acquire a following (that may or may not lead towards mission execution)	Leaders must subordinate themselves to the requirements of the system.
The primary responsibility of a leader is to motivate subordinates to do his/her will - happily	The primary responsibility of a leader is to fulfill the requirements of the system
Leaders direct the workforce	Leaders develops the workforce to a common set of shared values, behaviors, and within a common purpose
Leaders are people of power and significance	Leaders use their power and significance to achieve the purpose of the system.
Leaders inspire others	Organizational mission and vision inspires. If that does not work, get a new one
Leaders are charismatic and will carry people to their vision of the future	For every Churchill and Roosevelt there is a Hitler and Stalin
Leaders are responsible for everything good that happens	No, the leadership system is producing its desired outcome
Leaders are responsible for everything bad that happens	No, the leadership system is not producing its desired outcome (if it is even known)

¹ Leadership - It's a System Not a Person, Barbara Kellerman, 2016 American Academy of Arts and Sciences.

² The Effective Executive, The Definitive Guide to Getting the Right Things Done, Peter Drucker, HarperCollins. Kindle Edition (Kindle Locations 75-77).

³ Why Leadership Training Fails – and What to Do About It, Michael Beer, Michael Beer, magnus Finnstrom, and Derek Schrader, Harvard Business Review October 2016.

⁴ The Power of Habits, Charles Duhigg, 2012 by Random House, chapter 4

⁵ OSHA News Release Region 4, December 14, 2016

⁶ The Power of Habits, Charles Duhigg, 2012 by Random House, page 158 Kindle Edition