



THE LEADERSHIP REPORT

PURPOSE & EMPOWERMENT... THE WRONG TREE?

COMPANY INITIATIVES COME AND GO.

A current preoccupation of many HR folks we talk with across the world is "How to create a 'purpose-led organisation'?"

Another linked issue is "How to enable full employee empowerment?" And many initiatives spring from this, gathering groups to discuss and define purpose or how to enable more freedom to act.

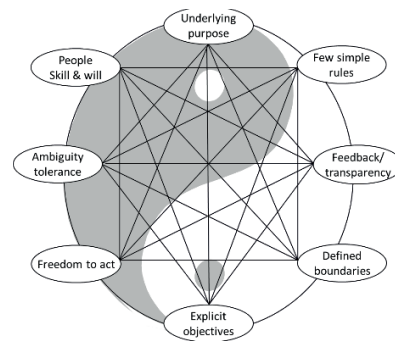
But are such initiatives barking up the wrong tree?



Purpose is critical. Not for nothing is it positioned at the top of Complex Adaptive Leadership (CAL) Yin-Yang interlinked 8

organisational principles.

Together with the right leadership, these principles enable agility and results. The underlying purpose of an organisation, or team, is what binds different people working on different objectives together. It is not new and, in military terms, can be traced back to "Auftragstaktik" from 19th Century Prussia – centralised intent, decentralised execution. These days, the armed forces call it "Mission Command". In modern business terms, this means people having a strong shared sense of common purpose with a shared idea of how and why the organisation/team contributes to the wider world/organisation, whilst fully able to get on with it.



Empowerment is linked. As purpose is centralised, so effective execution needs decentralisation. Employees must be able to react swiftly and efficiently within an increasingly volatile, uncertain, complex and ambiguous (VUCA) context. They know the situation on the ground better than anyone. This means they need three interlinked things: responsibility, accountability and authority. They need to feel they have freedom to act, to be encouraged to take the initiative, and not be over-controlled.



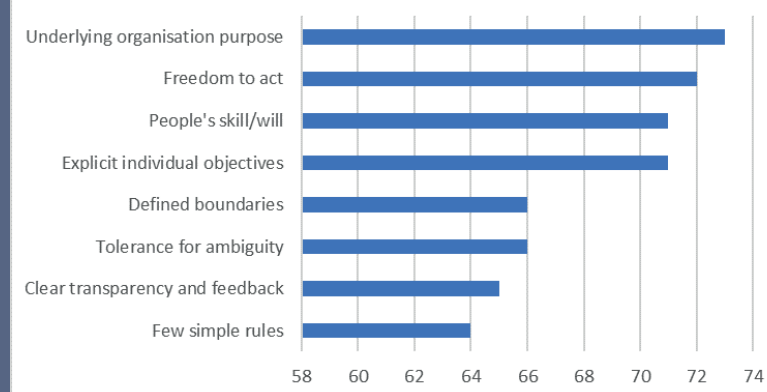
As important as purpose and empowerment are, an oblique approach may be produce better results than directing programmes at them. An intriguing pattern emerges from the CAL organisational self-assessment surveys over the past two years which score the level of the 8 principles. These were done with managers from 39 large companies operating in 24 countries. Given the concerns of HR, one would imagine CAL's internal organisational/ team self-assessment scores on the principles of "Underlying Purpose" and "Freedom to Act" would be poor. And yet, counter-intuitively, the opposite is true. The surveys show they are the two highest scoring principles in the hundreds of self-assessments done. The range of scores differ widely between and within organisations, but the average tells a story.

The explanation? Well, according to the data, purpose and freedom are already inherent in the organisation and score well. However, the potential they offer is being stifled by other factors. Too many rules and procedures with a lack of transparency are part of the problem, as well as too much involvement by leaders

TOO MANY RULES AND PROCEDURES WITH A LACK OF TRANSPARENCY ARE PART OF THE PROBLEM

(see our next newsletter). Small things can make a big difference. A subsidiary of Roche provides an example of using a small change to get a big result: they binned their multi-level time-consuming expense authorisations, and told everyone to sign off their own expenses, with a few simple rules taking the place of a frustrating and lengthy process. A requirement to publish who spent what, why, where and when meant everyone could see with full transparency. Unsurprisingly, the expense bill went down and empowerment and trust up. So instead of asking "How can we instil a sense of purpose?" maybe we should ask "How can we release the potential of the purpose which already exists?" And instead of asking "What can we start, so as to empower more?" maybe we should ask "What disempowering rules should we abandon?".

CAL's 8 Principles average scores



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WHO ARE COMPLEX ADAPTIVE LEADERSHIP?



CAL is an ISO certified global firm which combines modern western Complexity Science with some ancient Chinese wisdom to enable leaders to get better results, faster for less resource/effort, resulting in enhanced organisational agility.

Our interventions extend mindsets from Leadership 1.0 (traditional, albeit redefined many times, with leadership done by leaders/managers, downwards), to cross-boundary organisational Leadership 2.0 (where leadership also has to go sideways and outwards without "formal power"), to Leadership 3.0 (where leadership needs to go upwards with leaders needing to enable and learn to follow the people they lead, and followers needing to learn to take the initiative and lead themselves) which all combine into Leadership 4.0 (where leadership becomes a dynamic, not just a role or attribute).



For more information visit: www.complexadaptiveleadership.com