



DO BUSINESS FASTER™

## **Jim's Profit Accelerator 241**

### **The Secret to Leadership That Empowers**

Do you think a successful leader should do whatever works, consistent with company values, morals, and laws? Yes, it's a trick question, and no, it has nothing to do with politics.

The visible part of a leader's job is to see that the right things are done, which includes some hard decisions. Decisions are hard because the choices are close, and often other people are involved. What's seldom discussed is the effect on the organization—the effect, that is, of who makes the decision.

**SPEED BUMP:** A leader who makes hard decisions removes learning from her people.

Here's the hidden part: Often the decisions leaders make are about tactics, about seeing patterns in the business the others don't see as clearly, about risk decisions that include significant portions of judgment. Those are great reasons, but they don't justify the enduring damage to future leaders.

**SPEED BUMP:** Mid-level leaders (MLL) too often look to the boss for permission.

The process looks like this: Situation arises; potential reward or damage is big enough to require a good decision; MLL partly figures out what to do and then asks the boss for permission. Buried in that story is that the MLL and the boss frequently expect the boss to add the judgement or data that shapes a better final decision.

This common process works fine until one of these happens:

- Boss leaves, sells, is fired, or quits.
- Company growth outstrips boss's capacity.
- Market complexity requires sophistication beyond one boss's skills.

What's left is a company with impaired leadership. It can be obvious or subtle, but it shows up like this:

- Company results gradually slide or fail to improve.
- Market share goes to competitors.
- Top employees leave.

What makes it harder is that the boss lives in the mind of every employee. That picture, though incomplete, influences how they do their work and how they decide what matters.

**SPEED BUMP:** The more you deny that this fits you, the more likely it is true.

The best bosses change this dynamic by using methods like these:

- **They see themselves as sources of data**, not sources of answers.
- **They change the question** from “What do you think we should do?” to “What’s the evidence for that?”
- **They reward failure** informally and formally. (Alan Mullally, who turned around Ford Motor Company, famously awarded the “Failure of the Year” to the executive who tried well and failed anyhow, the bigger the better.)

**SPEED BUMP:** Team decisions aren’t the answer, but team data helps enormously.

The rest of the story: The better way is a boss who provides a platform for better decisions made sooner and farther down in the organization. Here are the elements of that platform, led by the boss:

- Refreshes Vision and Mission every three to five years
- Builds a strategy (every three to five years) with key leaders
- Sets goals with them for next year to move toward that strategy
- Requires key progress measures weekly (three or four measures only)
- Meet one-on-one every other week with each of them
- Leads quarterly reviews individually with each key leader (Where are we versus each goal? What adjustment is needed?)

The platform shifts the question to impact on plans and numbers, rather than ad hoc answers that might be good but don’t advance the plan. Ad hoc keeps leadership in the boss’s pocket.

**ACCELERANT:** Watch this week: Where are decisions made in your company?

For more information on how you can accelerate revenues and profits in your business, please call or email me.

A note on **SPEED BUMPS:** Use them to click quickly with an idea that can immediately be implemented in your life as a business leader. Think: “How can I use this today?” or “Who can use this?”

For more information, visit [www.grewco.com](http://www.grewco.com).

Jim Grew, the Business Defogger and Accelerator, helps leaders discover hidden opportunities within their businesses and exploit them for dramatic results. Jim has led 9 businesses, worked in 31 companies at C-level, and is an expert in strategy and executive leadership. He presents regularly to industry groups, mentors business leaders, and shares insights in his Executive Letter (above). Jim holds BA and MBA degrees from Stanford University. In his new book, *The Other Side of Succession*, he shares how to plan for the future by growing your business now.

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