

Is Your Leadership Style Diminishing Company Performance?



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Want a better company? Become a better leader. Your words and actions have an impact — do they inspire or diminish results? Many business owners and leaders rely on instinct and experience to motivate, influence and inspire others to produce results. Sometimes these instincts can be appropriate. But when a CEO is unwilling to adjust and change, the organization and staff become increasingly ineffective.

Signals of Diminished Performance

When a leader's intentions, words and actions are incongruent, the impact reduces performance in three business areas: profit, processes and people. Lower business profits, the capacity to maximize revenue, the inability to transform complexity into processes and the failure to grow staff-manager competencies are where diminished performance symptoms begin to show.

Operationally, the lack of company vision, mission, purpose and linking values begins to create unrest. If missing, these elements allow ambiguity to cloud understanding about direction, work and relationship expectations. The words, tone of voice and actions of a leader impact others by inspiring confidence or instilling fear. Leaders with a commanding and dominant leadership model will often "double-down" and become more commanding and push the work pace. As the intensity for results increases, the organizational balance between confidence and caution becomes more risk-averse, impacting employee psyche and trust.

According to James Fischer, author of "*Navigating the Growth Curve*", three sets of factors build team confidence to find

solutions, take on challenges or pump the brakes, and become more cautious. In his research, Fischer developed a formula that objectively provides insight into the confidence-caution factors of business fundamentals and team maturity, leadership and feeling respected and valued, and innovation and implementing change.

The Downward Spiral

Typically, when a company is in the beginning stages of growth, the CEO's dominant vision and passion, coupled with a commanding sense of urgency, is the pervasive leadership style. Even as the company size increases from an initial staff of one or three to 11 or 19 employees, this "tell" way of communication allows for profitability.

When the entire team size grows from 20 to 60, this threefold staff growth results in a communication complexity increase from 342 to 1,770, respectively — a 935% increase. Concurrently, as the company grows, a leader's modality needs to shift from a dominant to a facilitative presence, from a commanding style to a coaching style of interaction.

This "growth spurt" can be pivotal as a CEO begins coaching employees to become managers. This is when the CEO starts delegating to functional specialists the responsibility to manage work and build trust-based relationships. During this transition, the CEO needs to "let go" of their dominant and commanding ways, facilitate staff buy-in and delegate. Succinctly stated, this is a transition from a CEO-centric to an enterprise-centric performance model. Creating balance and stability between working *in* the business and working *on* the business using profit, process and people helps enhance customer satisfaction and improve service/product quality.

This transition can become more challenging when a CEO's mindset and communication style remain fixed and closed to becoming more flexible. In *The Outward Mindset*, the Arbinger Institute and German philosopher Martin Buber provide insight into an entrenched CEO-centric mindset. A me-centric orientation, inward filtering of experience, occurs when a leader views and treats employees or staff as an obstacle, vehicle or irrelevancy. Words and actions often amplify this mindset to communicate an "I am better than" or an "I deserve" attitude.

This behavior overtime diminishes performance and erodes trust.

Concurrently, Judith Glaser's study in the effects of neurochemistry on a conversation is another helpful perspective. In Glaser's book *Conversational Intelligence*, she describes three distinct conversation levels: transactional, positional and transformational. The transactional and positional levels easily correlate to a dominant, commanding me-centric leadership style where the emphasis is on a tell–ask; low trust levels characterize information exchange. The transformational conversation level is a we-centric style and encourages mutual discovery and sharing information to clarify intent and action. This style cultivates the ability to listen to connect with others and builds trust-based relationships.

A Look In The Mirror

An ever-present illusion is that the behaviors and communication style that helped achieve current success levels will continue to foster your future success. Refining communication abilities enhance the ability to inspire, motivate and influence others to produce results. Personal reflection begins with objective self-knowledge, seeing others' humanness and developing the skills to influence others appropriately. Consider taking scientific assessments to discover your communication behaviors, motivational driving forces, emotional intelligence, conversational intelligence and stress factors.

Next, dynamic CEOs and leaders extend the conversation to the leadership team to enhance interpersonal skills. The goal: build trust-based relationships by understanding how the neuroscience, stress, communication and leadership styles strengthen the capability to manage.

Using scientifically validated behavioral assessments and reports provides personal and team insights that help:

- recognize how what you say and your actions impact others
- apply and practice enhanced communication skills that build trust
- develop leadership styles

Many of these assessments are available online or from business coaching professionals. Just like the language of business, there is a language of leadership. This language helps a leader to understand, talk about, and teach others about the benefits of co-creating for mutual success.

Daniel Goleman, in his book *Primal Leadership*, correlates emotional intelligence to six basic leadership styles: visionary, coaching, democratic, affiliative, pacesetting and commanding. Significantly, Goleman identifies eighteen associated leadership competencies related to emotional intelligence (EQ) dimensions of personal and social competence. Goleman and Glaser's insights are the foundation for a unique understanding.

These same building blocks for conversations move team dynamics from a low-trust of a cautious-resistance level to one of we-centric high-trust collaboration. As CEOs and their leaders demonstrate an outward mindset, the people, profits and processes contribute to the greater good.

The great value of looking in the mirror is knowing that words and actions can create confidence, build trust and enhance organizational and team performance.



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CEO at <u>Projectivity Solutions</u>. We achieve a lasting, measurable competitive advantage by solving the problems that erode performance. Phil Bristol's profile.

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