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Leadership Shortcomings: A Values Deficit

If your actions inspire others to dream more, learn more, do more and become more, you are a leader.



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Introduction

The leadership gap that exists in today's workplace is painfully evident. Too many workers are dissatisfied with their jobs. Middle managers complain of a lack of top-level leadership — one that sets high standards of morality and concomitant personal conduct, reflects ethical ideals, acknowledges a worker's authenticity and contributions, instills trust, and fosters dedication. Even corporate leaders recognize this paucity of values in leadership and the serious threat it poses to sustained future economic growth. After all, leaders are needed to weather an economic storm, but thereafter, to ameliorate battered companies for future growth and sustainability.

Consider relevant data that reflect, in part, the shortcomings of leadership today:

1. **Worker Satisfaction.** Employee job satisfaction is at an all-time low. It's not a cyclical phenomenon or simply the result of downside economics. The numbers reflect a longtime downward spiral. Only 45 percent of American workers expressed satisfaction with their jobs in 2009 as juxtaposed to 61 percent in 1987 (*The Conference Board*, January, 2010).
2. **Talent Development.** According to *CEO Challenge 2011* — a survey of more than 700 CEOs, presidents, and chairpersons of U.S.-based companies — talent, or more specifically, leadership development, is among the major challenges identified by corporate executives today: "CEOs selected the internally-focused actions of improving leadership development and fostering talent internally, enhancing the effectiveness of the senior team, providing employee training and development, and improving leadership succession as the key strategies to address talent challenges" (*PR Newswire*, April 12, 2011).

According to a *McKinsey Global Survey Report*, middle managers indicate dramatically lower levels of satisfaction with their bosses. Twenty percent of C-suite and senior executives and 30 percent of middle managers are completely dissatisfied with their superiors' performance and lack of genuine leadership — indicative of middle managers' "overall lack of connection to their current companies" (*McKinsey Quarterly*, August 2009). This survey

additionally reported that 27 percent of middle managers believe their employment is potentially jeopardized if they communicate their managerial opinions — especially when contrary to those of their senior managers — and only 36 percent of middle managers have stated that they are very likely or extremely likely to remain with their current employer for more than two years from date of hire.

What is Real Leadership?

A “real leader” can be generically defined as someone occupying a decision-making capacity, formal or informal. This leader has followers or associates, and together they advance the strategic goals of the organization, contribute mightily to institutional performance, and treat people fairly, honestly, and compassionately. Real leadership transcends the prosaic textbook definition by creating the right conditions for others to adopt and emulate by embracing and personifying the following tenets, or, what I have termed, the “Eight Essentials of Effective Leadership” (Eich, 2012). Real leaders:

1. ***Don't micromanage.*** They are calm in their style, yet are disdainful of antagonizers, who, in any capacity, undermine performance and morale.
2. ***Possess a central compass.*** They aspire to do what's right and be a part of something bigger than themselves.
3. ***Communicate effectively.*** They transmit with clarity, honesty, and candor, and know how to listen.
4. ***Harbor a unique composition.*** This passion translates into a strong, corporate culture.
5. ***Offer value and support.*** This should be extended to everyone they lead, both overtly and more privately.
6. ***Recognize when to step aside.*** Circumstances will, at times, warrant leaders to absent themselves from the issue or situation posed.
7. ***Are approachable.*** They are accessible, knowledgeable, and empathetic.
8. ***Are remarkably incisive.*** They are able to distinguish between character and integrity; they understand that true success relies upon understanding the symbiotic nature of the two.

There are many “leaders” today who manifest several of these traits; few demonstrate all of them. The great differentiator, though, is that real leaders embrace *all* of these principles *all* of the time. That's true whether the situation involves leaders in business, government, the military or private life.

Perpetual Leadership

The following contemporary trendsetters provide examples of leaders who refuse to compromise their principles, are faithfully devoted to both employees and customers, and who have created a resilient and celebrated company culture.

Howard S. “Howdy” Holmes. CEO and president of the Chelsea Milling Company, a private entity, as well as former Indianapolis 500 “Rookie of the Year,” Holmes can truly be described as a real leader who understands the importance of creating an atmosphere of trust throughout the company. Chelsea Milling, originally founded by Holmes's great grandparents, produces the ever-popular grocery staple *Jiffy Mix* and refreshingly does not

engage in advertising. The company has spearheaded sustainability efforts using local resources — including agricultural foodstuffs — as well as configuring its own packaging which minimizes transportation and resource needs. Under his leadership, Chelsea Milling has provided employment to the ravaged Detroit area where many companies have either closed or relocated years before. In her book, *Jiffy, A Family Tradition*, Cynthia Furlong Reynolds comments upon the legacy Howdy inherited from several generations of the Holmes family that preceded him. “It’s a tradition that like the grain towers themselves stand tall and clean — against conventional wisdom about how to create a successful business. The kind of success enjoyed by Chelsea Milling is not easily measured by today’s business standards, because the currency it generates is worth far more than any balance sheet can show”(Reynolds, 2008). Having known Howdy Holmes personally for more than 30 years (and his parents even longer), I have witnessed how he treats people the way they want to be treated — with care, compassion, respect, and dignity. He demonstrates a clear and persuasive vision of the future, possesses an uncanny ability to institute change while inspiring people to genuinely see the need for it and, most importantly, stands as a beacon of integrity, irreproachable character, unselfishness, and humility.

Harold S. Edwards. Keeping a company and its workforce afloat during downturned economic times requires special leadership. Stimulating forward momentum is an even greater challenge. Edwards, President and CEO of Limoneira Company, has surpassed these challenges. Limoneira, founded in 1893, is a major global producer of citrus and a trailblazer in sustainability and community development. Edwards is one of those leaders focused on enhancing his company’s strategic edge despite often seemingly insurmountable economic challenges: “Strategically plotting Limoneira’s course through an extremely treacherous economic downturn has tested me. Keeping the board focused on strategic and governance issues and the management team focused on managerial issues during the recent unprecedented downturn in the U.S. economy has been the most challenging situation for me since assuming the helm at Limoneira” (Eich, 2012).

Edwards recognizes that employees are the bedrock of the company’s past and its future. His strong roots in Santa Paula, California, are evident in all of the company’s operations. Recognized for its high quality products as well as its innovative solar orchard, employee housing, sustainable farming practices, water conservation, and real estate, Edwards’s vision and drive are evidenced by his actions. He firmly grasps that the families who formed the company 119 years ago strongly believed in doing the right thing, i.e., treating others as they would want to be treated. Edwards’s commitment to his employees, customers, and the community proper is driven by a philosophy he and his team value highly — one anchored in developing relationships based on caring, trust, fairness, and honesty.

Howard “Howie” and Mary Wennes. Howie, a former Lutheran pastor and bishop and his wife, Mary, a devoted international volunteer, are a couple who richly share their talents and their devotion not only to each other, but to mankind. Each has unique strengths, but together they have developed an example of true leadership as evidenced by their business and philanthropic leadership.

Howie prepared himself academically for the ministry from 1961 to 1982 when he received his Doctor of Ministry degree from Pacific Lutheran Theological Seminary. His various leadership roles included congregational pastor, camping association executive, and Bishop to ELCA’s (Evangelical Lutheran Church in America) Grand Canyon Synod in Arizona. Howie

excelled as “a pastor to pastors.” He tried unsuccessfully to retire several times. When called, Howie was always ready to serve, even when it meant acting as interim president of California Lutheran University twice — which he did magnificently — despite having no formal training in academic administration.

Mary possesses her own repertoire of unique abilities. Her talents have been well spent in assisting with tasks assigned to her life partner, acting as the dominant force in raising the couple’s three children, and developing her own ministry through Lutheran World Relief and humanitarian causes such as ELCA’s current malaria initiative, which has entailed travels to Africa and Australia. Values-based leadership “Wennes-style” inspires others to emulate their selflessness, provides a voice to the disadvantaged, and requires an unquestionable, lifelong commitment to bettering and serving those in need.

Lessons Learned

As imitation of the ethical practices of others could indeed be considered the highest form of flattery, the leadership styles of the companies and individuals discussed above provide a convenient blueprint, a “life template” of sorts, especially for the next generation of leaders. Several components of such desirable conduct include:

- Being a leader in today’s wired, often frantic and constantly changing world must be a relentless preoccupation and lifestyle. The most effective leaders are those who help their organizations embrace the need for change while safeguarding the core beliefs that have helped foster the company’s success. Preserving the cornerstone values of the founders and the business’s competitive edge are both paramount.
- Real leaders can make profound differences in others’ lives by revealing their values and ensuring that there is harmony between the leader’s vision, goals, relationships with others, and the company’s culture. In achieving this parity, the leader provides a formula to achieve success ethically in the workplace and in life. In the process, both professional and personal bottom lines are positively affected.
- Real leaders do not consciously seek the limelight. Rather, they embody the self-less qualities of values-based leadership: they are easily accessible, they ensure appropriate attribution for the achievements of their employees or other team members, and they demonstrate an indefatigable energy and unrelenting commitment to assisting and bettering others.
- Leadership is not a birthright — even in most tightly-knit, family-owned companies — nor is it about amassing personal power. Rather, it is about believing in people, unleashing their strengths, helping them to succeed, and creating a conscientious and honorable organizational culture.

Conclusion

Leading is about living the ideals in your private, professional, and social life; passing them on to peers and forwarding them to subsequent generations; and motivating and inspiring those around you. As John Quincy Adams is reputed to have said: “If your actions inspire others to dream more, learn more, do more and become more, you are a leader” (6th U.S. President, (1825-29)).

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Biographical Note

Ritch K. Eich, PhD, is a nationally-recognized leadership, branding, and public relations practitioner and author of *Real Leaders Don't Boss* (Career Press, 2012) with more than 30 years of executive success. His business experience spans hospitals, agriculture, government, food service, higher education, and consulting. Ritch has led marketing, reputation, and communications change processes at Stanford University Medical Center, Blue Shield of California, Indiana University, the University of Michigan, and recently led the branding initiative at California Lutheran University during his six years as its first vice president of marketing.

The author of numerous publications, convention presentations, and a regular business column, Ritch's efforts have been recognized by CASE (Council for the Advancement and Support of Education), AAMC (Association of American Medical Colleges), Strategic Healthcare Marketing, the U.S. Navy and Marine Corps, the U.S. Senate, and other professional associations. He and his wife, Joan, of Greenville, Michigan, have two sons, Geoff, a senior director at Amgen, Inc. and Ted, an attorney at PricewaterhouseCoopers (PWC).