

LEARNING MADE EASY



Values-Based Leadership

for
dummies[®]
A Wiley Brand



Inspire and motivate
your workforce

—
Adopt key principles
to lead successfully

—
Stay competitive during
times of change

Maria Gamb

Leadership expert, speaker, trainer



Values-Based Leadership

by Maria Gamb

for
dummies[®]
A Wiley Brand

Values-Based Leadership For Dummies®

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Introduction

Welcome to *Values-Based Leadership For Dummies!* There's always something in life that sets us on a trajectory toward a goal. We seek, consciously or unconsciously, to fulfill that goal our entire lives. For me, it's always been to be a really good leader who does the right thing by my people. I always knew that if you treated people well, they would go to the ends of the earth for you. Treat them badly, and you've got a whole other problem on your hands. I could chalk it up to being one of four children in a boisterous house where my mother taught me to always look out for my brothers and sister — and everyone else. Maybe you're the same. It's just programmed in there. No matter what, it's unshakable. You too?

So, here we are together, about to embark on this journey called values-based leadership (VBL). I've ventured to share whatever I've learned over these many years in business, personally and through my mentors and clients. It's not perfect — after all, I'm not perfect. Even the title “expert” makes me cringe. This book is just one woman's take on the topic of leadership. It may not suit everyone. But it's completely customizable, so you can take what you like and leave the rest behind.

On this journey, there will be good days. There will be bad days. And then there will be those days when you think you just simply can't bear it anymore. But I assure you, you will bear it. You won't abandon your team. I know that because you're here with me. Sure, you may move on, but leaving for other opportunities isn't abandonment. *Abandonment* means not caring about them and saying, “See ya later.” You won't do that. I know that with every fiber of my being, because it's not just your average human being who will pick up a book titled *Values-Based Leadership For Dummies*. You're seeking to make the business workplace whole again with an eye on the bottom line. And man, am I happy you're here! The world needs you. The people you lead, or will lead, need you.

About This Book

First and foremost, I want to assure you that this book is for current and would-be leaders, managers, entrepreneurs, solopreneurs, and every other person who exchanges in the art of commerce. I've done my best to include a few key entry points for those who aren't in “traditional” business setups. And just about

everything in this book can be used for more than one purpose. Don't shy away from a chapter just because it doesn't seem to pertain to you at first glance. You may be very surprised by what you learn about yourself. Self-reflection plays a central role throughout this process. Without it, you'll be flying blind. Seeing ourselves, our true motives, and how the decisions we make affect many lives requires such introspection.

Values-Based Leadership For Dummies isn't meant to be read as a step-by-step manual. However, you'll need to embrace some foundational principles and attitudes in order to make use of many of the other tools. If you're reading something that isn't quite making sense to you, I suggest you go to Parts 1 and 2 to find the core principle and meaning of why certain tools are important in the process.

Be warned: I'm going to offer you a different way of viewing leadership and business as a whole. Understanding that commerce is a vehicle for something good, even noble, will forever change how you lead other people. It will also change how you look at your role in this grand play. Your role is to create businesses and teams that serve one another and the community around you, and corporate social responsibility (CSR) is the way to achieve this. This all may sound grandiose, but I assure you that it's no longer an option — it's the way things are now, and it's become the normal expectation of employees. Preparing for that will assure survival of your leadership.

The principles of VBL establish a platform to create a great company culture where people are focused on living the values set forth by the leader and the organization. This creates a ripple effect into every nook and cranny of the organization: your business model, investing in your team, building strong partnerships, cultivating future leaders, improving communication, and making sure people are the right fit for the organization. Collaboration is the environment where people win. And this is all built on the foundation you set using trust as the key ingredient.

I'm a pretty straightforward person. I'm not very good at hinting around without telling you what's really going on. In this book you find real steps and concrete activities to help you move through situations. You find real stories of real experiences. Don't you just hate when people skirt around the issue and never get to the meat? Me too! Or they tell you they did something amazing but won't share how they made it happen. Ugh. It's so annoying. That won't happen here.

Some of the stories appear in shaded boxes called sidebars. They're skippable, though when you get the chance you may enjoy reading them. My clients and some of my own personal experiences are pretty amusing. I've also provided some

juicy info marked with the Technical Stuff icon to appeal to analytical types who want to know the what, how, and why. Figures and lists are sprinkled throughout for maximum saturation of concepts, facts, and processes.

One more thing: You may notice that some web addresses break across two lines of text. If you're reading this book in print and want to visit one of these web pages, simply key in the web address exactly as it's noted in the text, pretending as though the line break doesn't exist. If you're reading this as an e-book, you've got it easy — just click the web address to be taken directly to the web page.

Foolish Assumptions

Assumptions can sometimes get us into trouble. However, it's really important that we're all on the same page together. So, for the moment forget what they say about making assumptions and have a look at the following laundry list. I assume that you

- » Are a leader or manager or aspire to be such.
- » Find your current workplace landscape mildly or severely out of step with who you are and what you stand for.
- » Want to improve your leadership skills.
- » Think your workplace needs to evolve but aren't sure how to go about it.
- » Are ready to take the reins and make things better for everyone.

Additional assumptions about you, on a more personal level, are that

- » You're seeking some joy, fun, and energy in your leadership.
- » You've had enough of stodgy, old-school leadership and know it needs some lightening up.
- » You've got a healthy sense of humor and an adventurous spirit.
- » You've got a big heart and want to balance profits with your desire to do good in this world.

Icons Used in This Book

Throughout your exploration of this book, you'll notice some markers along the way. I've set these in place to call out certain elements on your journey. The little images in the margins of this book, called icons, are signs to pay attention to. Here's what they look like and how to use them:



TIP

This icon alerts you to a tip or action that will help you implement what you're learning.



REMEMBER

If you take anything away from this book, it should be information marked with this icon. It's a good place to pause and absorb.



WARNING

This icon serves as a flashing light to alert you to potential missteps, mishaps, or landmines.



TECHNICAL
STUFF

This icon highlights statistics and other more technical things that support the material. This is for those who want to know the stats and results from various studies. If that's not you, feel free to skip this stuff.

Beyond the Book

If you're more of a get-to-the-point, read-it-on-my-phone-during-my-commute, quick-reference kind of person, I've got something to suit your style. To view this book's Cheat Sheet, simply go to www.dummies.com and search for "Values-Based Leadership For Dummies Cheat Sheet" to find a handy reference guide that answers common questions about VBL.

More bonus materials can be found on www.VBLeader.com and www.MariaGamb.com. There you'll find a very cool infographic pathway to VBL that will keep you focused and on track. You can also subscribe to my newsletter while you're there to receive tips and reminders that are short, sweet, and to the point. Best of all, all of that is completely free.

Should you decide you'd like to learn more about VBL training, communication skills, or signature Values 2 Vision Retreats, you can find it on the website or drop me a line at info@marigamb.com. I customize all training and coaching programs to the needs of the users and the company.

Where to Go from Here

I'm not sure anything in life is completely linear. We can plan, but plans are often trampled by life. Journeys take unexpected detours. But ultimately, we end up exactly where we need to be. You may, of course, skip around this book at your leisure. One element or another may catch your eye, and that could be your starting point. That's fine.

However, I suggest that you consider beginning with Part 1. Business is a bit different today. You may find that the reframing process around how we view businesses and leadership has evolved. I believe that many of these concepts will help you recognize that VBL is exactly what you've been looking for, though you may not have been able to put into words. It's a world where business and leaders serve many — without the fluffy stuff and talking sticks.

Feel free to use the table of contents and index to skip around after that to see what's most appealing to you. If you've got a challenge with motivating people, for example, head to Chapter 16. Perhaps there's a serious lack of trust where you currently work? Jump to Chapter 9. However, all roads eventually lead back the grounding principles and tools to becoming a values-based leader that I discuss in Part 2. Parts 3 and 4 talk about setting your own values standards right here and now — and how to further roll out the influence of your leadership within an organization. Values without actions are meaningless.

All roads also go back to the leader, to how they engage with and lead all who follow them. That would be you. At times, you may wonder whether all of this can actually be done. I respect that. Leadership is a skill that you'll learn to sharpen through experiences. The more you seek knowledge and apply what you've learned, the faster the process will unfold. So, although I certainly want you to get to it, I also advise you to take your time.

Whatever you do, don't treat this book with intimidated reverence. Take it with you on vacation. Mark it up. Sticky-note the daylights out of it. Most of my favorite books are full of highlighting, dog-ears, and penciled-in notes. I'm hoping you find enough value and wisdom in these pages to do the same to this book. If there's a coffee cup ring on the cover, even better!

You're exactly where you need to be to start this journey. Don't tarry. Just jump in.

1

**Getting Started
with Values-
Based
Leadership**

IN THIS PART . . .

Explore the basic concepts and application of values-based leadership.

Decipher the workforce Quad: who they are, what they want, and how they're reshaping leadership today.

Understand why values-based leadership requires a different type of leader who can focus on *we* rather than just *me*. Narcissism is an outdated strategy.

Unravel what it really means to create a shared values economy and see how it can help boost your organization's effectiveness to make a difference.

IN THIS CHAPTER

- » Understanding the progression of company culture
- » Recognizing the steps of values-based leadership
- » Knowing when change is necessary in a company
- » Creating a winning company with values and character

Chapter **1**

Welcome to the World of Values-Based Leadership

Wonder why you're here, reading this book. Are you experiencing a problem in your own leadership? Or have you perhaps recognized that you want to move your organization in a more constructive, socially aware, and purposeful direction? Maybe you've begun the practice of values-based leadership (VBL), but something isn't firing on all cylinders yet. You may be looking to find the missing pieces. You may be a Millennial who knows you're going to lead massive teams, and you just want to get a leg up on how this leadership may look outside of the models you've seen already.

All these reasons are valid, but the common thread is the desire for change. People don't always come to change easily. At times, it's consciously accepted, but sometimes change is forced on them. You may be thinking, *I know something has to change, but I'm not sure what to do now*. Knowing there's a need for change is the first step in VBL.

The second step is understanding that *change begins with you*. Then everyone else will follow. In this chapter (and this book), you go through a journey that requires deep introspection, deciding what you stand for, and the courage to carry out a plan. Read on.

Walking through the Evolution of Company Culture

Company culture wasn't always a catchphrase. It was more like a fraternity. The hit show *Mad Men* dramatized the clublike mentality of the American workplace and showed a culture that was mostly male. Women had little power. Business was conducted with copious amounts of alcohol. There was little respect for clients and customers. Leaders, in general, had weak moral fiber. It's true the show was a dramatization, but it was an insightful one.

Some of the 1960s mentality carried through time; fast-forward to the 1990s, and still not many people considered business to be a vehicle to help others or give back to communities. That's what charities were for. Twenty-five years ago, we were far less global, not yet connected to one another through the Internet, and less aware of the world around us.

However, groups like Conscious Capitalism, formed in 2010 and spearheaded by Whole Foods CEO John Mackey, began bringing social and community needs to light and suggested a way of doing business differently. What was once considered *earthy* or *crunchy* consciousness in how we do business has gone mainstream. (See the nearby sidebar "The rise of awareness" for more on Conscious Capitalism.)

The world has changed. Diversity has improved. Immigration is a constant. Women are more prevalent in the workforce than at any other time in our history. Our interconnected lives via social media are bringing us closer in some ways, but also propelling us to need more time to disconnect and have our own life experiences.

American culture has changed as generation after generation seeks better way of living, working, and experiencing new and more interesting opportunities. But now the tsunami is here: the Millennial generation. They are the largest cohort in the history of the planet. They will take all of us over the top to a new way of thinking about business and being corporate citizens.



REMEMBER

The goalposts have moved. Profits are great, but they need to be achieved in conjunction with a purpose or mission, and a company culture that behaves responsibly to its employees, the communities it does business in, and the broader world. (To find out more about how Millennials will influence every aspect of life, head to Chapter 2.)

THE RISE OF AWARENESS

According to ConsciousCapitalism.org (www.consciouscapitalism.org/about/history), a steady flow of influence has been propping up the need for awareness in the business community. Its initiatives have been a big part of this shift:

1984: *Strategic Management: A Stakeholder Approach* by R. Edward Freeman is published.

1995: Economist, banker, and microlending pioneer Muhammad Yunus uses the term *socially conscious capitalist enterprise* in a major publication.

2005: *Megatrends 2010: The Rise of Conscious Capitalism* by Patricia Aburdene is published.

2007 (February): *Firms of Endearment* by Raj Sisodia and David Wolfe is published.

2007 (August): A white paper titled “Conscious Capitalism: Creating a New Paradigm for Business” is released.

2008: The first Catalyzing Conscious Capitalism Conference is held with 120 individuals in attendance (this would later be renamed the CEO Summit).

2009: *Be The Solution: How Entrepreneurs and Conscious Capitalists Can Solve All the World's Problems* by John Mackey and Michael Strong is published.

2010: Conscious Capitalism, Inc., is formed by the merger of FLOW, Conscious Capitalism Alliance, and Conscious Capitalism Institute.

2012: *Conscious Capitalism: Liberating the Heroic Spirit of Business* is published by John Mackey and Raj Sisodia.

2016: Alexander McCobin becomes co-CEO, and Conscious Capitalism, Inc. opens its office in San Francisco.

Understanding the Escalator Effect of Values-Based Leadership

VBL continues the evolution of how we choose to engage in business. It’s the next step in the integration of one of the initial Conscious Capitalism principles: Business is good, noble, and heroic because it provides ethical opportunities for everyone.

VBL expands on Conscious Capitalism using a specific, yet customizable, set of values as the platform for norms of doing business with others and internally. Each step in this leadership model (see Figure 1-1) leads to an organization that performs at maximum capacity.

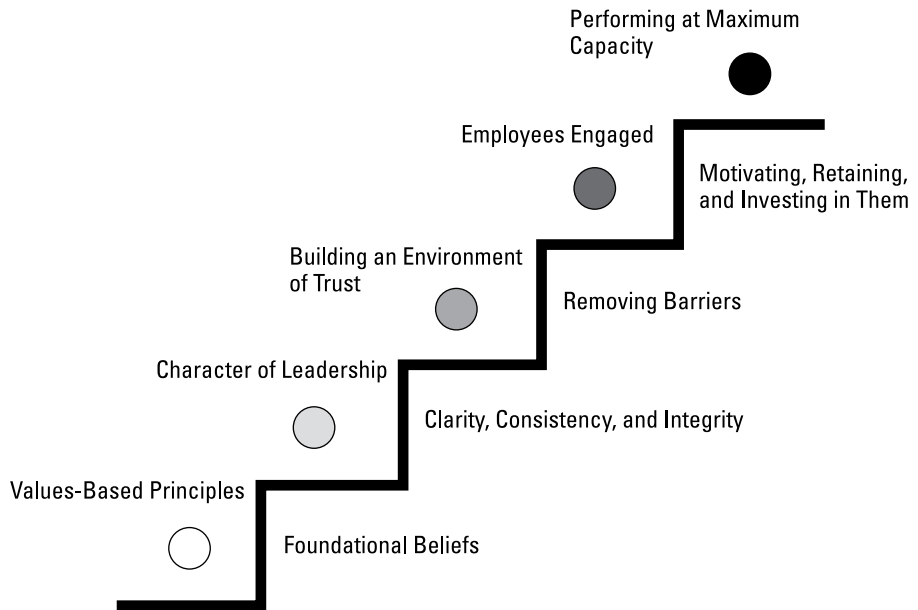


FIGURE 1-1: Leadership escalator.

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REMEMBER

Within each of the five sectors in Figure 1-1, specific tasks, actions, and behaviors need to be instituted. This is the starting point of your journey — the awareness of what I will unfold in this book. Here is an overview of what each sector means:

- » **Values-Based Principles:** There is a difference between what's implied and what's expected. Clarity on which principles are selected by each leader for themselves and their organizations is the foundation for the process.
- » **Character of Leadership:** You'll hear me say many times that character can't be faked. It can be evolved and directed in more constructive ways, but it's not something you can fake, not for long. It is who you are. On our journey, I'll show you how, where, and why you need to expand on who you are to become the leader others really need and want right now. Flip to Part 2 for more information.
- » **Building an Environment of Trust:** This is the part of your company culture that's crucial — without it, you'll fail. Trust in the leadership, one another, and the path you're all on together will determine how productive your teams will

be. Simply put, if they don't trust you, they most certainly won't follow you, at least not wholeheartedly. Part 3 (especially Chapter 9) has more information.

- » **Employees Engaged:** Either they're part of the process and the organization's success, or they aren't. Your willingness to invest in them will speak volumes to them. That investment comes in a variety of applications, such as training, development, benefits, perks, and simply making them part of the process. Check out Part 4 (particularly Chapter 15) for guidance.
- » **Performing at Maximum Capacity:** The first four elements bring us to this point. Let's reverse the thought process. Engaged employees who are actively involved in the company's success are working from a place of trust. They are all in. This was achieved because the leader has led by example with clarity, consistency, and empathy. People love working with people who they truly believe have their best interests at heart, and not just the bottom line.

So, are you in? Your reaction to the top-level view will tell you a lot about your own capacity to evolve, change, grow, and adapt. What's your willingness level at this point? Rank it from one to five. One means "I'm really not interested at all." (I highly doubt these individuals are reading this book.) Three means, "You've got my attention but I'm not sure," and five means, "I'm all in."

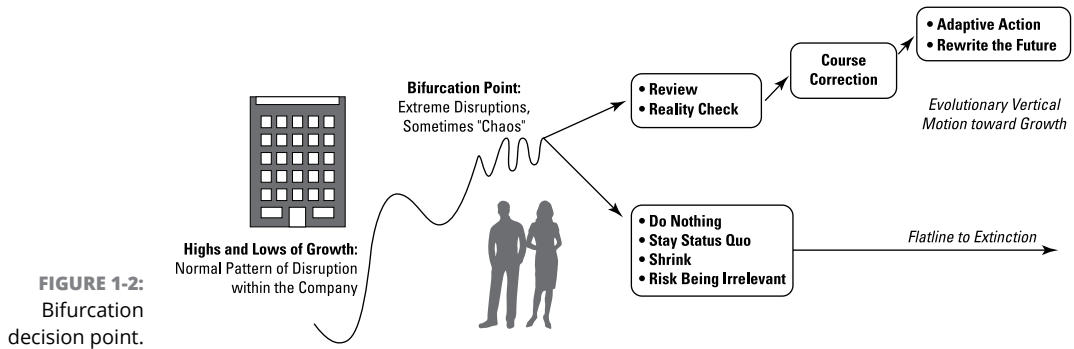
If you're at a three, teetering in either direction, read on. Fours and fives, you're definitely in the right place.

Avoiding a Flatline to Extinction: When You Know Change Is Needed

There's a concept in nature called bifurcation. *Bifurcation* is a process that nature takes to renew itself. Usually it involves a disruption or inflammation that precipitates a split, a morphing into two. For example, deep forests are prone to fires. Within the forest are types of trees, spores, and other flora that require excessive heat for them to reproduce. With fire, they grow and multiply. Without it, they rot and die. One branch of possibility becomes life-affirming as a result of the disruption, and the other (without the disruption) could lead to the species becoming extinct.

When we apply bifurcation to business, we see that normal disruptions happen, and as a result — for example, the market crash in 2008 or massive corruption scandals — the system is forced to make a choice: review, reflect, and enact change, or do nothing at all (see Figure 1-2). Doing the latter often results in the company petering out into extinction. Many companies and their leadership have

taken this route. Sure, sometimes staying the course and holding steady are great. But at some point, we all must upgrade our systems, thinking, and ways of being to continue to be viable.



Not all disruptions or course corrections are a result of such large issues as I've described. Consider the following as potential signs that a change is needed in the leadership approach:

- » **Excessive competition:** While competition will occur, overly aggressive and destructive or disruptive behavior will crumble teams. The attributes and principles of values-based leadership become the remedy (see Chapters 6 and 7).
- » **Exclusions and exceptions:** Creating an environment where only some people need to follow the rules disrupts the level playing field of fairness where everyone has access to opportunities. You can read more about this topic in Chapters 9 and 17.
- » **Excessive gossip and rumors:** These are key indicators that there is a lack of communication and lack of trust seeping into the organization. See Chapter 7.
- » **Team failure:** Teams fail to work together to reach their goals. This topic is covered throughout this book, but a great place to start is Chapter 9.
- » **Us versus them:** When teams, managers, and leaders are pitted against one another, progress is inhibited. The antithesis of these behavior is detailed in Chapter 4.
- » **Employee turnover:** High levels of turnover create gaps in wisdom and continuity in the organization. Find out more about the cost of high turnover rates in Chapter 15.
- » **The decline of trust and motivation:** These elements create the foundation where people work together for the greater good of all involved. See Chapters 9 and 10 for more information.

- » **Lack of ownership:** Leaders and employees who aren't tapped into the vision, mission, or purpose for the organization's work create apathy. Chapters 3 and 4 cover various aspects of building purpose into the workplace.
- » **Stagnation:** Lack of innovation in processes, problem solving, products, services, production, sourcing, and technology causes a great deal of frustration for employees. Innovation, in general, is covered in Chapter 18, but you'll notice the breadcrumb trail of each of these issues addressed throughout this book.



TIP

The preceding bullets cover just some of the many issues you can list as reasons to consider making a change. If I missed your particular reason, feel free to write it on a sticky note and place it in this chapter as a reminder of why you're here with me now. Either way, Figure 1-2 illustrates the crossroads.

Once the decision is made that something must change, which is where I think you may be in this moment, the next step is to conduct a review to determine how to course correct and then roll out adaptive action and rewrite the future. You may be on a course that's not sustainable. People may begin walking away from the company (see Chapter 19), or apathy may continue to weigh down progress. I've seen both happen. In your heart, you're probably thinking, *I just need to give this one more shot before I walk away. Or: This place has massive potential, but things have to change.*



WARNING

What's scary is when leaders either refuse to see they have a problem or don't care enough to make any changes. That, inevitably, leads to extinction — dismissal of leadership and potentially the failure of the company.



TIP

However, you don't need to wait for your most senior leadership to embrace the principles and attributes laid out in this book. You can get started wherever you are in your organization. Chapter 12 shows you how to do this; there are prompts for those of you who may be on a solo journey inside an organization or who are entrepreneurs.

You make the choice to grow, change, and adapt and create a brighter future — or not. To make this choice, you need to be a leader who is open-minded, ruthlessly self-aware, and willing to look at the truth of your results. You also need to be savvy enough to understand that the world of business is changing. Will you keep up or be left behind?

Although remnants of the old, establishment way of operating linger on, this Millennial wave is becoming tremendously influential and will continue to lead us into a more progressive view of business. Already leaders of today are required to deploy a more comprehensive set of tools that go well beyond a technical skill set

and a lofty education. Empathy and awareness are being added to leaders' skill set. So-called "soft skills" are no longer considered intangibles. They're a big component of why people will want to work for you and with you, and why they'll aspire to follow the leadership image you provide for them.



REMEMBER

Throughout this book I provide you with several different situational applications of these and other soft tools. The most important is the use of self-reflection to gain insight into yourself and your motivations. You must consider what it will mean for you to operate in a "we" rather than "me" environment (see Chapter 3). Reframing how to view business differently sets the foundation for your journey. You'll encounter the following questions again and again in subsequent chapters because this is always going to be your check-in point:

- » Is what I'm doing about me — or about them?
- » Who is this serving — me or them?
- » Am I setting up a culture that evolves around me — or around us?



REMEMBER

You have to assess the selflessness of your leadership. You'll need to make decisions that affect the whole. Knowing which course to take may become murky, but be sure that you're thinking of the whole — the *we* — of the organization. When it gets into *me* territory, you're in trouble. Everyone has a survival mechanism that's designed to look out for number one — to protect yourself. But when it comes to your leadership role, *we* must always be part of the equation.

Building Winning Organizations: Culture Eats Strategy for Lunch

Management expert Peter Drucker once said, "Culture eats strategy for lunch." This is one of those statements that should be posted in your workspace. Your company culture will make or break your success because your culture is a reflection of you and how you've set up the engagement for the entire organization. Although there are some outside factors that you may not be able to control 100 percent of the time, such as rogue leaders or managers, the overall tone of the organization rests on the ground rules you establish (the values) for engagement that establish the working conditions both internally and externally. (See Part 2 for full details.)

Creating that environment of trust and a culture of engagement means people are, literally, engaged and felt taken care of. Employees will stay with a leader they know has their best interests at heart longer than they'll stay with one who