Leadership Quotes

https://youtu.be/nLXDknPhU1c
Learning Objectives

1. Analyze conditions under which the financial management workforce can excel
2. Evaluate leadership strategies to motivate the workforce
3. Personal growth and how to maintain your edge in an uncertain world
Agenda

• Leadership and Management
• Leadership
  – Transformational
  – Charismatic
• Leading Change
  – Setting the Direction
  – Aligning the Team
  – Motivating/Inspiring the Team
  – Drive
• Traditional Motivation Theories
• Is Leadership Enough?
• Decision Making
Leadership and Management
Leadership and Management

• The two functions are totally different
• Both are necessary for the success of an organization
• Management comes from within the organizational hierarchy
• Leadership can come from anywhere in the organization
• Management is usually focused on the status quo and incremental improvements
• Leadership usually focused on implementing change
Managing vice Leading

Managing
• Planning
• Organizing
• Budget
• Human Resources
• Reporting
• Controlling

Leading
• Strategic Planning
• Developing relationships
• Investing
• Motivating/Inspiring
• Implementing change
• Risk Taking

You Manage things and processes....
You Lead people and change!
Managing vice Leading for Audit Readiness

Managing
• Create Project Plans
• Develop supporting organization
• Obtain funding
• Staff the organization
• Develop reporting mechanisms
• Keep plan on target

Leading
• Create overall strategy
• Establish and maintain relationships with key stakeholders
• Communicate the benefits of the investment
• Sell the need to everyone especially those doing the work
• Provide recurring oversight and support
Let’s Focus on Leadership
Key Characteristic of Effective Leadership

https://youtu.be/ocSw1m30UBI
Leadership

Arthur G. Jago offered the following definition for leadership:

• Leadership is both practice and a form of ownership. The practice of leadership is the use of non-coercive influence or power to direct and coordinate the activities of followers toward the accomplishment of common goals and objectives. As a form of ownership, leadership is the set of traits /characteristics or attitudes attributed to those who are perceived to successfully utilize such influence (1982, P. 315).

John C. Maxwell offered the following definition for leadership:

• Leadership is reciprocal, involving exchange and negotiation between leaders and followers (1998). He suggested further that one cannot lead without acceptance among followers.

• Leadership is dependent upon followership!
Transformational Leadership

• According to Bass (1985, 1998b) and Bass and Avolio (1993), four components comprise the transformational leadership model: **Charisma, inspirational motivation, intellectual stimulation, and individualized consideration.**

• Closely resembles the Servant Leadership model.
Transformational Leadership

The morality of transformational leadership was examined extensively by Burns (1978), Bass (1985), and Howell and Avolio (1992).

– Burns surmised that the leader had to be **morally uplifting** to be transformational. In this respect, the **values** of the transformational leader **determine whether the leader is virtuous or villainous**.

– On the contrary, Howell and Avolio felt that to be a transformational leader, the individual had to be truly **concerned for the common good of others**.

– Further, **custom-made leaders** cannot be truly transformational leaders if the primary concern is their **own self-interests**.
Charisma

Defined: (1) Compelling attractiveness or charm that can inspire devotion in others, (2) A divinely conferred power or talent.

• Not innate; It can be learned
• Presence, Perceived Power, and Warmth
• Scholars in political science, psychology, and management use the term to describe a particular type of leader having "symbolic leader influence rooted in emotional and ideological foundations"
Charismatic Leadership

• Powerful way to influence followers
• We follow charismatic leaders because we become awestruck
• When awestruck by a charismatic leader, we are less able to remember, comprehend, or scrutinize the content of the message
• When awestruck, there is a higher tendency to ignore moral deficiencies of charismatic leaders that appeal to our hearts
• We have to see charismatic leaders as the person he or she is rather than a super hero
Charismatic Leaders

• Leadership does not always bring positive outcomes
• Good leaders with bad intent can still lead people to bad results

On the other side of the coin:
• Bad leaders with good intent can still lead people to bad results
Leading Change
Leading Change

Set the Direction

Align the Team

Motivate and Inspire
Leading: A simple view

• Setting Direction

• Aligning the Team

• Motivating/Inspiring the Team
Setting Direction

• Today we get things done through teams
• Usually multi-functional and multi-generational
• Has unique challenges
  – Function
  – Language
  – Business Objectives
• We need a common vision
Setting Direction

• Start with Why
• People will want to know and you will need to set the vision
• “why” can frame your thought process while “what” can cause you to miss the big picture
• Creates a VISION
Setting Direction

- Vision provides a view of the “To-Be” state and ensures everyone knows what it is.
- There is a difference between a vision and a mission statement.
- Vision is future and mission is now.
- Not always a major issue....works for the small things as well.

What is this picture trying to say?
Setting Direction:  
A Real World Example

• 6 June 1944, D-Day, FDR to General Eisenhower

• “You will enter the continent of Europe and in conjunction with other United Nations undertake operations aimed at the heart of Germany.”

• Designated by FDR as Supreme Allied Commander of the Expeditionary Forces.
Leading: A simple view

- Setting the Direction

- **Aligning the Team**

- Motivating/Inspiring the Team
Aligning the Team

1. Create Urgency
2. Form A Coalition
3. Create a Vision
4. Communicate
5. Remove Obstacles
6. Create short term Wins
7. Persevere
8. Make the change stick

Leading Change, John Kotter, 1996
Aligning the Team
Set Expectations

How can anyone perform or contribute if they do not know what they are supposed to do or how to do it?

Take a moment...consider when you were given a task and didn’t have a clue

How did that work out?

At least we can start with a plan....then the chaos or reality will disturb it....but we have a plan
“Our landings in the Cherbourg-Havre area have failed to gain a satisfactory foothold and I have withdrawn the troops. My decision to attack at this time and place was based on the best information available. The troops, the air and the Navy did all that bravery and devotion to duty could do. If any blame or fault attaches to the attempt, it is mine alone.” (Signed unreleased memo in case the D-Day landing was unsuccessful, June 1944)
Aligning the Team
Update Everyone

- How can the “team” win if they don’t know the score?
- How can the “team” improve if they don’t know where they are?
Leading: A simple view

• Setting the Direction

• Aligning the Team

• Motivating/Inspiring the Team
How do we motivate and inspire?

https://youtu.be/TQhns5AwAkA
Motivate/Inspire

➤ Eisenhower’s Letter
• “You are”
• “Great Crusade”
• “destruction of German war machine”
• “elimination of Nazi tyranny”
• “your task will not be easy”
• “I have full confidence’

NOT A WORD WASTED
Motivating and Inspiring the Team

Let’s Invade Europe!
Motivating and Inspiring the Team

- Different perspective
- Different languages
- Different cultures
- Different measures
- British, Canadian and U.S.
- Navy, Air Force, and Army
Motivating and Inspiring the Team

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• British, Canadian and U.S.
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• Bottom Line: Different things motivate different groups and people.
Motivate Through the Tough Times

The Change Curve

I. Current State
   - State: Status Quo
   - Reaction: Shock/Denial
   - Response: Communicate

II. State: Chaos
    - Reaction: Depression/Anger/Resistance
    - Response: Listen

   “Hang-In” Point (Persevere)

III. State: Exploration
     - Reaction: Hope/Acceptance
     - Response: Engage

IV. State: Rebuilding
    - Reaction: Commitment
    - Response: Celebrate

Achieve Your Vision
So What Motivates?

- Money?
- Security?
- Belonging?
- Esteem?
- Self-Actualization?

*Maslow’s Hierarchy of Needs*
Daniel H. Pink (2009) 
Drive

• Latest attempt to bring new light to what makes us tick
• Suggests that more recent generations are motivated by “THE WORK”
• Theory X vice Theory I
• Three main issues:
  – Purpose
  – Autonomy
  – Mastery
Other Traditional Motivation Theories
Douglas McGregor (1960s)
Theory X & Theory Y

**Theory X**
The assumption that employees dislike work, are lazy, dislike responsibility, and must be coerced to perform.

**Theory Y**
The assumption that employees like work, are creative, seek responsibility, and can exercise self-direction.
Frederick Herzberg (1960s) Satisfiers/Dis-satisfiers

**Herzberg’s Two-Factor Principles**

**Job Dissatisfaction**
- Influenced by *Hygiene Factors*
  - Working conditions
  - Coworker relations
  - Policies and rules
  - Supervisor quality
  - Base wage, salary

**Job Satisfaction**
- Influenced by *Motivator Factors*
  - Achievement
  - Recognition
  - Responsibility
  - Work itself
  - Advancement
  - Personal growth

Improving the motivator factors increases job satisfaction

Improving the hygiene factors decreases job dissatisfaction
E. Tory Higgins (1990s) 
Promotion/Prevention

• Promotion focused (MORE)
  – Envisions success, needs more material
  – Envisions failure because they don’t do enough extra work.

• Prevention focused (JUST ENOUGH)
  – Adheres to the course requirements
  – Envisions failure because they don’t follow enough guidelines for success
A Specific Example

• Back to WWII
• Many studies indicated that the average GI WAS NOT motivated by:
  – Democracy
  – Fight against evil
  – Saving the home front
  – Revenge
  – Even survival
A Specific Example

- Back to WWII
- Many studies indicated that the average GI WAS NOT motivated by:
  - Democracy
  - Fight against evil
  - Saving the home front
  - Revenge
  - Even survival
- They didn’t want to let their buddies down

Things really have not changed that much!!!
Is Leadership Enough?
Leadership IS NOT Enough

• Need management to execute
• Need leadership to weather the storm
A Total Approach

• Need creativity to get best solutions
• Need systems thinking to get most holistic solution
Another Perspective

https://youtu.be/UQfrcOX5tW4
Summary

• We need Leadership and Management
• Leading Change requires
  – Direction
  – Alignment
  – Motivation/Inspiration
• Different leaders fill different roles at different times
Questions?
Decision Making
Decision making shouldn’t be this hard!
https://youtu.be/hRUxUWBqYD4
Decision Making/Problem Solving

- Traditional Approach
- Analytical vice Intuitive
- Think, See and Do
Traditional Decision Making

1. Define Problem
2. Define Success
3. Gather Facts
4. Analyze Facts
5. Develop Alternatives
6. Compare alternatives
7. Make decision
8. Implement
9. Evaluate
Analytical vice Intuitive

**Analytical**
- Similar to traditional approach
- Very facts based
- Does take time
- Useful when time and data are available
- Hard to argue with
- Can be distorted by hiding some pertinent facts

**Intuitive**
- Is not “gut based”
- Is experienced based
- Sometimes referred to as Rapid Decision Making
- Useful when time is short or data is unavailable
- Can be distorted when experience is dated
Think, See, Do Model

- People think differently
- Situations require different approaches
- Leaders who only use one approach limit their capability
- You must be aware of your “default” approach and the situation you face
- In any case, you must do a bit of all three approaches
Think, See, Do Model

Think First

• Much like traditional model
  – Define
  – Diagnose
  – Design
  – Decide
  – Do
• Proven effective
• Takes time
• Is this how you choose a spouse? What about a car?
Think, See, Do Model

See First

- Requires an open mind
  - Preparation
  - Incubation
  - Illumination
  - Verification

- Works well for the tactile, the visual, the auditory....but not limited

- Imagine the idea that comes to you out of the blue...you can see it
Think, See, Do Model

Do First

• The opposite of think first
• You kind of jump right in
  – Try some things
  – Figure out what works best
  – Keep doing it
  – Refine as you go along
• Works well in chaos or where things are new
• Requires an understanding that the first attempts may not work
Summary

• Leaders lead change and make decisions
• Apply a decision approach
  – Traditional
  – Analytical vice Intuitive
  – Think, See and Do
• Implement decisions to realize change
• Evaluate effectiveness
• Make change stick

“LEADERS MAKE DECISIONS THAT CREATE THE FUTURE THEY DESIRE.”

- Mike Murdock
Questions?
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