

The E³ 'Culture of Leadership' Matrix™. High-Performance in Australia

Most senior executives and business-owners have some level of preoccupation with catalysing their culture to higher levels of performance and/or excellence. In a world characterised by discontinuous change, exacting deadlines, relentless competition from many and varied quarters, limited resources and globalisation plus unwavering expectations from customers, shareholders and employees alike, 'culture' seems to be so much more important these days – a potentially significant enabler of a business' value proposition.

For in excess of twenty years we who now work at Immersion Learning Systems and Leadership In Action have been largely preoccupied with just how high-performing teams/organisations/cultures come to be – and endure. In the 1980's Leadership In Action's founder, James Michael, served with the Australian Army's Special Forces and witnessed first-hand the incredible results ordinary Australians were able to deliver, consistently, often in the most arduous of circumstances. This experience became the benchmark against which he would go on to measure other organisations he would work for, such as Lend Lease, Adecco, Ericsson and more.

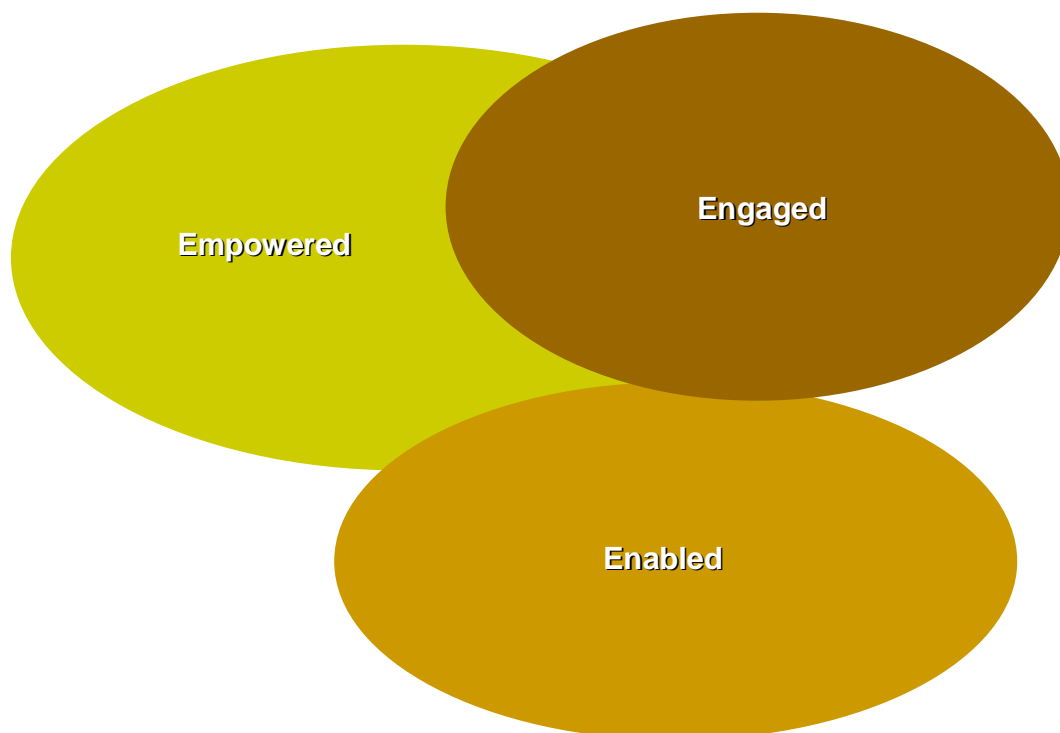
In 2003 we became preoccupied with an additional subject: Was the 'formula' for high-performance any different for Australian employees/organisations? Was there a reason why initiatives which had had great success overseas – TQM? Balanced Scorecard? Six Sigma, 'self-directed work teams' etc. – enjoyed less success or struggled to be accepted here? We teamed with research organisations Team Management Systems, Cultural Imprints and Centre for Organisational Innovation and we learned that the answer was 'yes'. In 2005 we were presented the findings of a 30,000 person cultural survey conducted by Cultural Imprints across the workforces of Telstra, Westpac, Energy Australia and Shell. The results of the survey confirmed something many Australian managers have long suspected (and equally as many wear as a 'badge of honour') - that Aussies are generally:

- 🌀 **A naturally cynical bunch** – many initiatives launched by management or other departments are greeted with an automatic cynicism. Australians see themselves as accomplished in seeing the practical realities in amongst the fairy-tale ideas espoused by others – and especially the flaws in management thinking;
- 🌀 **Mistrustful of people in positions of authority** – our convict origins meant that authority figures became synonymous with repression. Whilst that view has, thankfully, evolved Australians in the workplace still treat people in authority – hierarchically or subject-matter-experts – with disdain until such time as they have proven themselves worthy of respect. Even more so when they're 'not from here';
- 🌀 **Waiting to be set up** – combine the first two elements and you have a disposition which causes suspicion that they're 'on a hiding to nothing';
- 🌀 **Endowed with an in-built 'bullshit meter'** – Australians in the workplace are quick to spot and react negatively – albeit in passive ways – to self-serving superiors, sycophants, 'bullshit artists', those with something to hide and those who act in a patronising or disingenuous manner;
- 🌀 **Obsessed with not failing** – far from a focus on achieving goals, Australians in the workplace are more concerned with ensuring they don't fail. They'll achieve in the end, but the route to success is different to that taken by success focused cultures;
- 🌀 **More likely to 'vote with their feet' than their voice** – Australians in the workplace who disagree with the edicts of their superiors will resist – but passively. If pushed they will 'white ant' the initiative or project, sabotaging it whilst not presenting themselves as a target;
- 🌀 **Collectivists** – far from an individual approach, Australians in the workplace subscribe to the 'tall poppy' syndrome both against others but also themselves. Australians want to be a part *of* the team not apart *from* the team.

Subsequently, in combining our personal practical experience in the Australian Army's Special Forces and the Australian corporate sector, with the observations of many of our clients, and the significant applied research findings of Team Management Systems, Centre for Organisational Innovation and Cultural Imprints (each Australian organisations) we have discerned that the consistent theme found in every high-performing team is a 'culture of leadership' – where team-members are 'self-actualising', performing consistent 'acts of leadership' to the benefit of all stakeholders, without waiting to be instructed by management.

Following this and in conjunction with our research partners we developed a robust formula for discerning high-performance Australian teams/organisations/cultures which we call the **E³ 'Culture of Leadership' Matrix™**.

Quite simply, our experience and the research reveal that for Australians to consistently operate at the high-performance end of the bell-curve, they need to be firstly **engaged**, next **enabled** and subsequently **empowered**. “E To The Power of Three” or, E³!



E¹ or the **Engage** component is focused on the necessity to first 'win the hearts and minds' of each member of the team – engaging them fully in the pursuits of the organisation and team, overcoming resistance to change and the natural cynicism which forms a deeply ingrained part of the Australian cultural psyche. This involves:

Developing and sustaining a sense of 'belonging' where employees have a strong connection with the organisation and team, in what it does and how it does it and their individual value within the whole – such that they will highly recommend their organisation to potential employees and customers alike, and the organisation's culture forms a strong part of its value proposition;

Conveying a sense of pursuit which is authentic, worthwhile and inspiring; toward which the team must endeavour - rather than an environment of 'Ground Hog Day' or focusing on fanciful idealistic (often perceived as unattainable) objectives;

Creating belief amongst employees - through an articulation of 'the plan' - that the pursuit is achievable - albeit with considerable effort. That a sound and appropriately resourced strategy exists and that the team are not being set up to fail;

Engendering respect that their leadership have the competence to take them and the organisation/team to the objective successfully; and

Securing commitment, in principle, from employees to contribute constructively and wholly to the organisation's/team's pursuits.

E² or the **Enable** component is focused on developing the 'environment' in which tactical, operational and/or project excellence is enabled. Specifically this requires:

An appropriate organisational or team structure which provides for maximum flexibility, responsiveness and longevity and which allows people to do what they are best at, as opposed to simply trying to do their best;

Contemporary processes/procedures which contribute to, not hinder, the pursuit of team/organisational objectives;

Sufficient resources (type and number) which have been allocated in accordance with the nature of the objective - and where these cannot be retained, suitable innovative alternatives;

An operating 'climate' - exhibited through behavioural norms - which is conducive to high-performance. This involves a balance of both 'encouraging' and 'enforcing' behaviours;

Sufficiently developed levels of competence in the required skills, for the effective execution of tasks and duties;

Management and leadership behaviour which assists employees in 'navigating' successfully to the objective/s - which creates a bridge to success; and

A 'management style' that whilst enthusing people to 'grow', none the less does not allow them to flounder or fail beyond return.

The **E³** or **Empower** component is further focused on enhancing the 'environment' in which tactical, operational and/or project excellence is enabled. It is also where a 'culture of leadership' is fostered. Specifically this focuses on:

Developing 'response-ability' in our people, where they routinely look for opportunities and/or issues and respond appropriately to them rather than waiting for permission or, worse, ignoring them;

Fostering innovation and continuous improvement which enables the workforce to operate more effectively and which delivers superior outcomes for the organisation and customers;

Encouraging and supporting collaboration at intra and inter-team levels, ensuring that intelligence is passed on quickly, learnings are not restricted in application and resources are made fully available;

Ensuring people are authorised to solve critical problems, capitalise on opportunities and importantly do what is necessary to achieve objectives without unnecessarily bureaucratic restraints - yet also appreciating the appropriate constraints which should be applied; and

Engendering willing, genuine and full responsibility from employees for the consequences of their actions and behaviours and commitment to excellence.

Over the last half-decade, our training arm, Leadership In Action, has surveyed thousands of employees working with dozens of client organisations using Centre for Organisational Innovation's 'Organisational Effectiveness Profile[®]'. This instrument benchmarks 19 drivers of operational effectiveness against established best-practice in the areas of Strategy, Culture & Structure. In almost every situation where the 'Culture' results were sub-optimal there was a corresponding low to be found in the specific driver of 'Leadership Style & Behaviour' – the 5 year average currently sits at only 53% effectiveness. Within in excess of ¾ of the surveys, 'middle-managers' scored extremely poorly. Post-survey focus workshops conducted with hundreds of employees, across all business functions, revealed that many 'middle managers' were seen to be either a significant cause of poor overall culture scores, or, were failing to adequately address cultural issues within their teams/organisations.

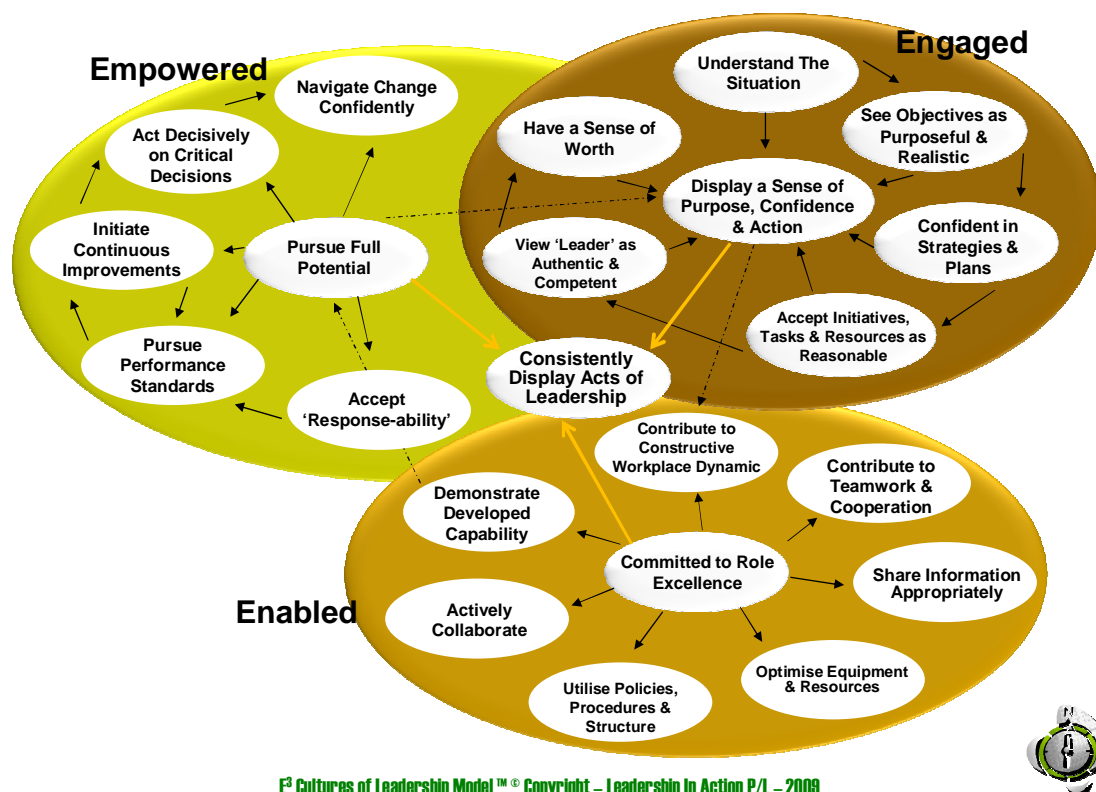
'E³ and operational leadership focus.

Those personnel in 'middle management' – a large body of people in positions ranging from Shift Supervisor through to General Manager – are each charged with the responsibility of ensuring the organisation's strategy is effectively translated and executed and that strategic objectives are achieved – through the day-to-day efforts of others. Perhaps universally described as 'operational leadership', this objective often needs to be achieved through a combination of efforts made within differing geographies, functional groups, strategic business units and project teams.

Successfully engaging, enabling and empowering an organisation's workforce is a considerable task. Particularly in an age where operational leaders are just as likely required to act as subject-matter-experts and work 'within' the business as 'on' the business. However, and at the risk of over simplifying the challenge, it is our contention that leaders only need focus on three critical factors in order to achieve the ambition of a fully engaged, enabled and empowered workforce – an E³ culture. The three factors are:

- Engendering a **'sense of purpose, confidence and action'** in order to fully engage;
- Instilling a **'commitment to role excellence'** in order to fully enable; and
- **'Catalysing full potential'** from each of the individual, the team the 'organisation' and the opportunities which consistently present themselves in order to empower.

The degree to which these three critical drivers are a consistent focal point for operational leaders determines the degree to which a state of E³ can be achieved in an organisation. As the model below (E³ 'Culture of Leadership' Matrix™) demonstrates there are a further 18 drivers which either contribute to a **'sense of purpose, confidence and action'** or will be driven by a **'commitment to role excellence'** and **'catalysing full potential'**, in turn leading to an effective E³ culture.



E³ Cultures of Leadership Model™ © Copyright – Leadership In Action P/L – 2009

The E³ 'Cultures of Leadership' Model™ of engaged, enabled and empowered organisations.

Subsequently we have developed a series of definitions which help us to understand the 'state' which needs to exist in order for an organisation to enjoy a 'culture of leadership'. These are presented on the following pages:

'Engaged' Element Breakdown

Engaged	An in-principle commitment exists by team members to 'the cause'. Each team member enjoys a sense of purpose, confidence and action. Leaders have won employee's trust and respect. Forward momentum has been catalysed.
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Understand The Situation	Each team-member has a realistic grasp of the circumstances within and surrounding the team and business. These circumstances have been communicated effectively and appropriately.
View Objectives as Purposeful and Worthwhile	Organisational, team and individual objectives which are perceived as appropriate, genuine, worthwhile and achievable – albeit with effort. A clear connection exists between the situation and resultant objectives.
Confident in Strategies & Plans	Leaders have developed and effectively communicated strategies plans of action which give the team confidence. Setbacks are contemplated and satisfactory contingencies are developed.
Accept Initiatives, Tasks & Resources as Reasonable	Initiatives, tasks and resources are allocated fairly, without prejudice and with a good grasp of the realities of the operating environment.
View 'Leader' as Authentic & Competent	Leadership interactions are characterised as 'real' and pragmatic. The leader's ambitions for the team/organisation are seen as genuine. Leaders display leadership competence and subject-matter-expertise.
Have a Sense of Worth	Each member of the team has a sense of individual and collective value. All roles are seen as valuable. The role each member plays in the 'bigger picture' is explained.

Display a Sense of Purpose, Confidence and Action	Each member of the team feels positively committed to action. The leader has 'built a solid bridge' between the current position and the objective. Team members are actively and constructively engaging in the required activities.
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'Enabled' Element Breakdown

Enabled	The team and its members pursue excellence as a result of having been fully enabled to perform their role to the very best of their ability. A fully optimised working environment exists, where impediments to success are minimised.
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Contribute to a Constructive Workplace Dynamic	Team-members foster and contribute to an environment conducive to success, bringing the best out of everybody. Challenges and issues are approached and dealt with constructively and productively. Politics are minimised.
Contribute to Teamwork & Cooperation	Each member of the team is valued by the team. The team call upon and rely upon each other when needed.
Share Information Appropriately	Team-members make sure all appropriate parties are operating with the required information, whilst respecting confidentiality as required.
Optimise Equipment & Resources	Team-members make effective use of equipment and resources. Equipment and resources are not mistreated or wasted. Team-members are aware of the total resources available to them.
Utilise Policies, Procedures & Structure	Team-members maximise the advantage every policy, procedure and the structure can provide to the team. Policies & procedures are reviewed and updated in line with contemporary operating requirements.
Actively Collaborate	Team-members ensure differing parties are included in information flow. They proactively contribute to satisfactory cross-team or cross-functional outcomes. Experience and creativity is made available to achieve outcomes across the organisation.
Demonstrate Developed Capability	Each member of the team is maximised to perform their role at the highest possible standards. Increased capability is evidenced on a consistent basis.

Committed to Role Excellence	Team-members pursue challenging goals and high standards of excellence, while refusing to accept mediocre or substandard performance.
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'Empowered' Element Breakdown

Empowered	Team-members pursue the full potential of their role, every opportunity and every part of the organisational system. An environment exists where each team-member is consistently confident and capable of exercising their full capability at will.
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Accept 'Response-ability'	Team-members accept that they are responsible for acknowledging, escalating or resolving issues and maximising opportunities. They also have the ability, through policies and procedures, to do so.
Pursue Performance Standards	Team-members self-manage their performance in the pursuit and attainment of their objectives.
Initiate Continuous Improvements	Systematic ownership by team-members of continuous improvement in 'operations' and performance.
Act Decisively on Critical Decisions	Team-members resolve critical issues in a timely fashion, with a balanced commercial perspective, without undue reference to management.
Navigate Change Confidently	Change is responded to positively and decisively. Team-members do not lose confidence and do not undermine change initiatives.

Pursue Full Potential	The full potential of every team-member and opportunity is fully realised, resulting in a self-accountable high-performing team who are increasingly more potent.
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E³ is systemic in nature. The absence, comparative weakness or lack of focus on any one or number of drivers has 'knock-on' effect for all of the other drivers. Put simply, I cannot possibly be fully empowered if I have not been properly enabled. I may have received all appropriate 'training, development and coaching', however, if our policies and procedures are outmoded then I am less enabled than I need to be. Similarly, if I do not fully understand the situation my team or our business is in, then I may not fully understand and buy into my performance standards. I am less engaged than you need me to be.

A significant challenge facing 'managers' in Australia today is to A) accept, not fight against, a set of deeply embedded cultural norms which, if they change only do so imperceptibly and over long periods of time and B) effectively engage, enable and empower their employees, catalysing a 'culture of leadership'.

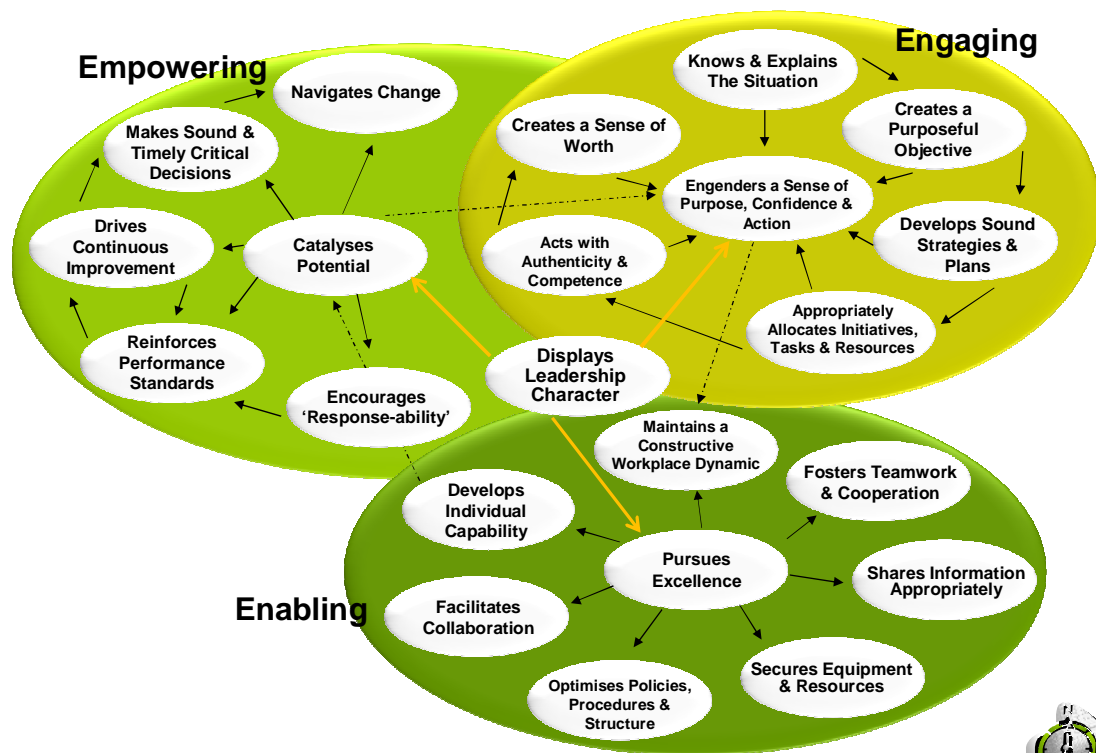
Engaging, enabling and empowering employees to high-performance requires a considerable array of competencies and attitudes, few of which are 'downloaded' when an individual is promoted to a position of leadership. Through our research over the last twenty years and amongst scores of organisations around the Australia and New Zealand we have discerned that the most effective operational leaders:

'Display leadership character' and 'know & explain the situation';

They 'create a purposeful objective', 'develop sound strategies & plans', 'appropriately allocate initiatives, tasks & resources', 'act with authenticity & competence', 'create a sense of worth' and ultimately 'engender a sense of purpose, confidence & action'.

In enabling their employees they 'pursue excellence' by 'maintaining a constructive workplace dynamic', 'fostering teamwork & cooperation', 'sharing information appropriately', 'securing equipment & resources', 'optimising policies, procedures & structures', 'facilitating collaboration', and 'developing individual capability'.

To empower their team-members they 'catalyse full potential', by 'encouraging response-ability', 'reinforcing performance standards', 'driving continuous improvement', 'making sound & timely critical decisions' and 'navigating change'.



E³ Operational Leadership™ Model © Copyright – Leadership In Action P/L – 2009



The 'operational leader' is charged with significant responsibility, performing roles ranging from conduit of senior executive's ambitions, to nurturer of potential in each uniquely different employee. The role is as challenging as it is diverse - yet, for those that will apply themselves to the art and science of good leadership, potentially extremely satisfying and rewarding.

Below are the definitions we have developed for each of the critical competencies of E3 Operational Leadership – and that are measured in our proprietary 360° feedback instrument.

'Engaging' Element Definitions

Engaging	Engenders an in-principle commitment by team members to 'the cause'. Ensures each team member enjoys a sense of purpose, confidence and action. Wins their trust and respect. Catalyses forward momentum.
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Knows & Explains The Situation.	Has a realistic grasp of the circumstances within and surrounding the team and business. Communicates this effectively and appropriately.
Creates a Purposeful Objective	Creates team and individual objectives which are perceived as appropriate, genuine, worthwhile and achievable – albeit with effort.
Develops Sound Strategies & Plans	Develops plans of action which give the team confidence. Setbacks are contemplated and satisfactory contingencies are developed.
Appropriately Allocates Initiatives, Tasks & Resources	Initiatives, tasks and resources are allocated fairly, without prejudice and with a good grasp of the realities of the operating environment.
Acts with Authenticity & Competence	Interactions are characterised as 'real' and pragmatic. The leader's ambitions for the team/organisation are seen as genuine. Displays leadership competence and subject-matter- expertise.
Creates a Sense of Worth	Each member of the team has a sense of individual and collective value.

Engenders a Sense of Purpose, Confidence and Action	Effectively builds commitment and wins support for initiatives through personal and professional credibility, trustworthiness, persuasive communication, stakeholder involvement, and by aligning expectations.
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'Enabling' Element Definitions

Enabling	Pursues excellence by ensuring each team-member has been fully enabled to perform their role to the very best of their ability. Provides a fully optimised working environment where impediments to success are minimised.
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Maintains a Constructive Workplace Dynamic	Fosters and enables an environment conducive to success, bringing the best out of everybody. Ensures team members feel their objectives are attainable - albeit with effort.
Fosters Teamwork & Cooperation	Ensures each member of the team is valued by the team. Ensures the team call upon and rely upon each other when needed.
Shares Information Appropriately	Makes sure all appropriate parties are operating with the required information, whilst respecting confidentiality as required.
Secures Equipment & Resources	Ensures people have 'the tools to do the job'.
Optimises Policies, Procedures & Structure	Maximises the advantage every policy, procedure and the structure can provide to the team.
Facilitates Collaboration	Acts as an 'honest-broker' and ensures differing parties contribute to satisfactory outcomes.
Develops Individual Capability	Maximises the capacity of each member of the team to perform their role at the highest possible standards.

Pursues Excellence	Sets and meets challenging objectives for self and team, or competes against one's own standard of excellence. Develops the means of consistently doing better, sets priorities and allocates time to maximise business performance.
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'Empowering' Element Definitions

Empowering	Catalyses the full potential of every employee, every opportunity and every part of the organisational system. Creates and sustains an environment where each team-member is consistently confident and capable of exercising their full capability at will.
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Encourages 'Responsibility'	Requires and provides the ability for all team-members to fully 'own' their role, accepting responsibility for the fulfilment of their objectives.
Reinforces Performance Standards	Consistently provides all team-members with complete clarity on their performance vs. expectations.
Drives Continuous Improvement	Systematically stimulates ownership by team-members of continuous improvement in 'operations' and performance.
Makes Sound & Timely Critical Decisions	Resolves critical issues in a timely fashion, with a balanced perspective.
Navigates Change	Ensures change is responded to positively and decisively, ensuring team-members do not lose confidence.

Catalyses Potential	Ensures the full potential of every team-member and opportunity is fully realised, resulting in a self-accountable high-performing team.
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