

Good morning, everybody. Dennis Engelbrecht with The Family Business Institute, Digging Deeper.

Today, I want to talk about flawed leadership. And one of the reasons we have our round table program is to advance our leadership and we think of ourselves all as flawed leaders and we have room to grow. We have room to improve. And as I was thinking about this over the last week or so, ran across one of my notes from an old book I read *Five Temptations of a CEO* by Patrick Lencioni. And really terrific book. And I wanted to talk about those five temptations and give you a chance to see if any of these might describe you and give you an opportunity to improve your leadership.

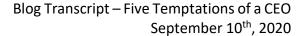
So, the five temptations, the first one is choosing status over results. So, what does that mean? Well, that means that in choosing status, a leader is watching out for how he's seen in the organization, how he's being viewed, how he's getting ahead, their own wellbeing, sometimes over the wellbeing of the organization. And that can happen sometimes in a project. You've got an idea and you want to be the hero, but it might be more effective to involve others and get other ideas. And that would be sort of just an example of how you might choose status over results of trying to be the hero, the guy with the best idea.

The second temptation to watch for is choosing popularity over accountability. And this one's easy, and I see this in quite a few people. Of course, I have a few clients that I know definitely do not do this. They don't really care about their popularity, they tell it like it is. But for many, they're worried about people liking them. Frankly, being liked is the enemy of accountability. Accountability requires oftentimes instant, frank and sometimes, challenging conversations. And to apply accountability, you have to have those challenging conversations. If you're never talking about what's wrong, not only is it hard to improve the behavior, but it's hard for the person who needs to improve to understand it all that they have a problem.

And I've seen that a lot, people go through review after review and then all of a sudden, they're getting fired and nobody's ever told them what the problem was and what they weren't succeeding with. And the reason people do that is because those conversations are hard, and you do have to risk that they're not going to like me because of the message that I have to deliver. Now, I do think a great leader can have a methodology by where you do deliver the hard news sometimes and still come out with that good relationship and good respect from the employee. But you still have to put that at risk.

The next one I want to talk about, the next temptation to watch out for is choosing certainty over clarity. All right. And when I'm talking about certainty, I'm talking about any situation where you don't have all the information and maybe can never get all the information. I mean, you just don't know what the future consequences might be or what might change between now and then, but the organization or the situation needs a decision. And a decision is clarity. And sometimes as a leader, you simply have to operate with some level of uncertainty and be able to make the call based on the best information you have. Many times, if you wait until you have absolutely all the information and what you might call total clarity, you've already lost the game or the battle because time has moved on. So don't be afraid to choose clarity over complete certainty.

The fourth temptation to talk about is choosing harmony over productive conflict. And this is similar to the popularity over accountability and we see this a lot by the way in family businesses, where people don't want to confront difficult situations, difficult decisions. They prefer to put it by because harmony is more important to them than getting to the decision or the particular item that the decision is involved with. However, being a great leader involves being able to





manage productive conflict. And this is where the harmony versus productive conflict may be a little bit confusing because if you have good productive conflict, you maybe actually create greater harmony.

The ability to work through the problems, get issues on the table so that they don't fester under the table and then all of a sudden explode on the organization or on the family. That's when things become troublesome. And in many years in the family business world here at FBI, we've seen this many times where people avoid the productive conflict and they end up not getting the harmony that they actually desired when they put off the productive conflict. So, remember not to choose harmony over productive conflict.

The last item I want to talk about today is choosing invulnerability over trust. And I've seen this flaw in a lot of what would otherwise I think, the terrific leaders. When a leader doesn't expose themselves enough, isn't personal enough, isn't willing to admit their mistakes or admit their weaknesses or admit that they don't know something, they get this shield of invulnerability around them. And that shield of invulnerability really ends up separating them from their organizations and their employees. All right. It's sort of not being real, if you will. And employees sense that and then what happens is communication doesn't flow up and down the chain of command as it should. Leaders become isolated and are not in the know and the organization as a whole just doesn't operate as effectively. So, don't be afraid to be vulnerable. When you're vulnerable, that engenders trust, and trust is crucial to building a great organization.

Again, Dennis Engelbrecht Digging Deeper, thanks for tuning in.