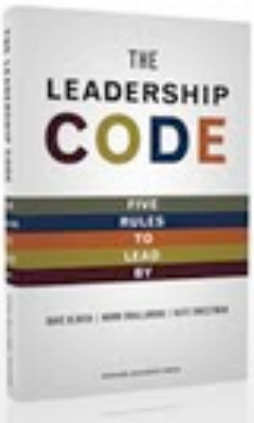
# The Leadership Code

Five Rules to Lead By

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The leadership code identifies

## the five essential rules that govern what all great leaders do

In order to be a great leader, there are five rules that leaders must focus on. Ulrich, Smallwood, and Sweetman compare these five rules to the four food groups. In order to have a balanced meal, one should eat from each of the four food groups. To be an efficient leader, the weakest area of the five different rules must be at least average, but all efficient leaders need to understand the base knowledge of the five rules.

The five rules explain that when we know and follow the leadership rules, we lead well. When we help others learn and follow those rules, we expand leadership from a personal ability into an organizational capability.

The leadership code asked these six questions of today's top leaders, analyzed the answers, and summarized the answers into five rules.

I. Who is a leader?
II. How do you behave as a leader?
III. When and where do you focus on the person or the task?
IV. What exactly do leaders know and do?
V. Why does leadership matter?
VI. For whom are you leading?

**QUOTE**

**EVERY LEADER MUST MASTER THE FUNDAMENTALS. WITHOUT OWNING THESE BASICS, AN INDIVIDUAL CANNOT LEAD AND LEADERS CANNOT INVEST IN FUTURE LEADERS BECAUSE THEY WON'T KNOW WHAT THEY ARE LOOKING FOR. PG.23**

Ulrich, D., Smallwood, N., Sweetman, K. (2008). The Leadership Code. Boston, MA: Harvard Business Press.

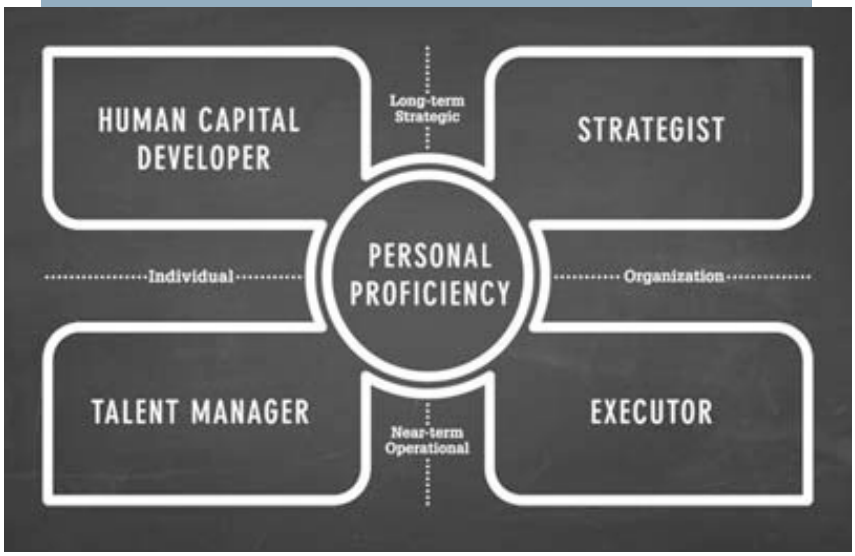
## CHAPTER TWO

**RULE 1: SHAPE THE FUTURE**

To shape the future, be a strategist:

I. Stay curious and develop a point of view about your own future.
II. Invite your savviest outsiders inside.
III. Engage the organization – no "one" knows enough.
IV. Create strategic traction within the organization.

## FIGURE 1.1 THE LEADERSHIP CODE




I. To stay curious about the future and develop your unique point of view, and to access new ideas that may take you out of your comfort zone, one needs to consider the following:

- Always ask yourself: "What if …." and explore possibilities.
- Connect with leading thinkers who may be customers, investors, employees, or competitors.
- Read broadly.
- Make technology your friend if it is not one already.
- Learn to experience problems that your best future customers might be facing.

II. Strategic leaders find out ways why customers initially choose their product and why customers quit using their products.

III. Engage the philosophy of no "one" person knows enough. One should constantly be engaging with coworkers to develop their own strategy because every person in the organization has a point of view worth hearing about. The most important function from this strategy is how the strategy will benefit the customer, and to have a point of view about how that strategy will affect the customer.

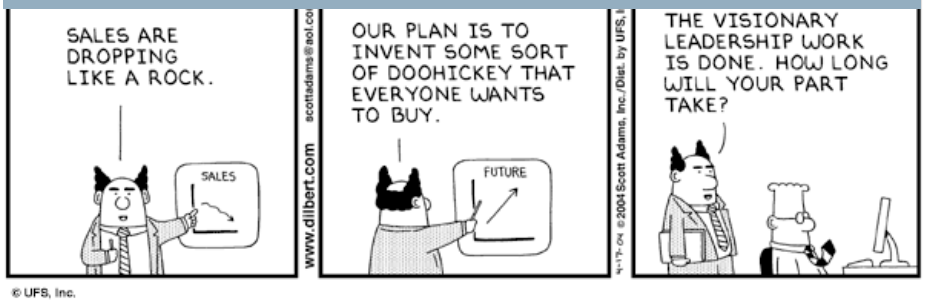
| Fig 2.2 | ABCs of strategic traction |
|---|---|
| | A strategy will have traction if: |
| Aspirational | The strategy focuses on the future and is seen as something challenging that employees can aspire to achieve. |
| Behaviors | The strategy translates vision into concrete actions and behaviors. |
| Customer orientation | The strategy delineates how to meet and exceed customer expectations. |
| Discipline | The strategy shows up in organizational capabilities and management processes (staffing, training, budgeting, information technology). |
| Energize | The strategy creates an emotional connection with the employees' own personal needs and desires. |
| Focus | The srategy concentrates organizational resources and employee attention on a few key priorities. |

## QUOTE

**STRATEGY IS BEING CLEAR ABOUT WHERE YOU WANT TO GO. PG. 25**

## QUOTE

**THE FUNDAMENTAL LEADERSHIP RULE OF EXECUTION IS TO MAKE SURE WE GET WHERE WE WANT TO GO. EXECUTION IS THE ABILITY TO TURN WHAT WE KNOW INTO WHAT WE DO. PG.80**




## CHAPTER THREE

**RULE 2: MAKE THINGS HAPPEN**

To make things happen, be an executor:

I. Make change happen.
II. Follow a decision protocol.
III. Ensure accountability.
IV. Build teams.

I. In order to make change happen, we need to ask ourselves these questions:

- To what extent are strong leaders assigned to this project?
- To what extent is there a clear need for the project?
- To what extent do we have a clear direction for the change?
- Do we have buy-in and commitment form the people necessary to implement the change?
- To what extent do we break up the change into decisions that need to be made in the near term?
- To what extent are we able to institutionalize the change?
- To what extent do we measure and learn from the change efforts?

These questions develop a change of discipline in the organization. By applying these questions to your projects, you will be better able to execute what needs to be done.

II. An assessment for a protocol for decision making includes the following topics:

- Clarity
- Accountability
- Timeliness
- Process
- Return and Report

| OPTIMAL | Set clear goals to ensure accountability |
|---|---|
| Outcomes | They measure the result of what we do |
| Process | They measure the process by which we do it. |
| Public | They are visible, and others know what they are. |
| Time-Bound | They have deadlines for what is to be done. |
| Importance-focused | They focus on the right things. |
| Manageable | They are within the control of the individual. |
| Accepted | They are set with someone else, not imposed. |
| Learning | They use small failures as opportunities to learn how to improve rather than criticize and punish. |

IV. These steps will build effective teams required:

- A Clear Purpose
- A Defined Governance Process with Roles and Decision-Making Protocols
- Strong Relationships
- Ongoing Learning

Ensure Technical Proficiency

Developing a deep knowledge in an area creates the opportunity to lead as one can ask probing questions in the area of expertise.

## CHAPTER FOUR

**RULE 3: ENGAGE TODAY'S TALENT**

To engage today's talent, be a talent manager:

I. Communicate, communicate, communicate.
II. Create aligned direction; connect the individual to the organization.
III. Strengthen others; ensure people have the competencies they need.
IV. Provide people with the resources to cope.
V. Create a positive work environment; practice spiritual disciplines at work.
VI. Have Fun at work.

I. The improvement of communication is done by adhering to the following steps:

- be clear about the content
- understand why you are saying it
- to whom you should say it to
- and when to say it

II. By connecting the individual's aligned direction in sync with the organization's or team's purpose, it creates a personal sense of purpose and community. It also helps everyone be accountable to each other.

III. Asking these two questions will ensure that people can build their competences to the role that they can or will play.

- What are the employee's personal strengths?
- How can you use or develop these competences to serve others?

IV. Ensuring people take their vacation days and have time to focus on their life outside of work or supporting people in improving their exercise and diet creates resources for people to cope with their demands.

V. One can create a positive work environment by using:

- Wisdom - the leaders helps others to learn and grow from professional development
- Courage - a simple act of courage to stand behind the good and bad decisions that were made
- Humanity - treating people with kindness and respect will create a caring business

VI. In order to have fun at work, leaders must find time for: humor, celebrations, events, contests, rewards and recognition, symbols, personal self deprecation, and fitness.

### VOI²C²E employee engagement survey

*This survey explores your level of commitment and engagement to your team. Please evaluate the following statements using a ten-point scale on how you perceive your organization today.*

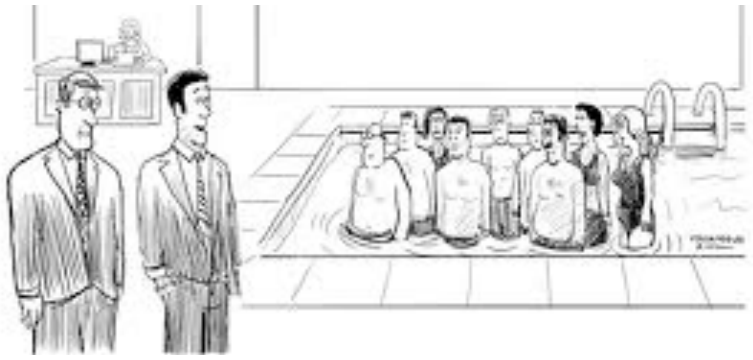
Scale: 1 = Low ◄ - - ► 10 = High

| | |
|---|---|
| *Vision:* I am proud to work for a company with a clear vision and purpose. | 1 2 3 4 5 6 7 8 9 10 |
| *Opportunity:* I have opportunities to learn and grow. | 1 2 3 4 5 6 7 8 9 10 |
| *Incentive:* My rewards are linked to my performance. | 1 2 3 4 5 6 7 8 9 10 |
| *Impact:* The work I do makes a difference. | 1 2 3 4 5 6 7 8 9 10 |
| *Community:* I work as part of a high-performing team. | 1 2 3 4 5 6 7 8 9 10 |
| *Communication:* I feel like I know what is going on in the organization. | 1 2 3 4 5 6 7 8 9 10 |
| *Entrepreneurship:* I have flexibility in doing my work. | 1 2 3 4 5 6 7 8 9 10 |

Total: _____

## QUOTE

**FINDING, ENGAGING, AND RETAINING TALENT REQUIRES THAT YOU LEARN TO NURTURE AND DEVELOP OTHERS. PG.104**



**THAT'S OUR LEADERSHIP POOL**

## CHAPTER FIVE

### RULE 4: BUILD THE NEXT GENERATION

To build the next generation, be a human capital developer:

I. Map the workforce.
II. Create a firm and employee brand.
III. Help people manage their careers.
IV. Find and develop next-generation talent.
V. Encourage networks and relationships.

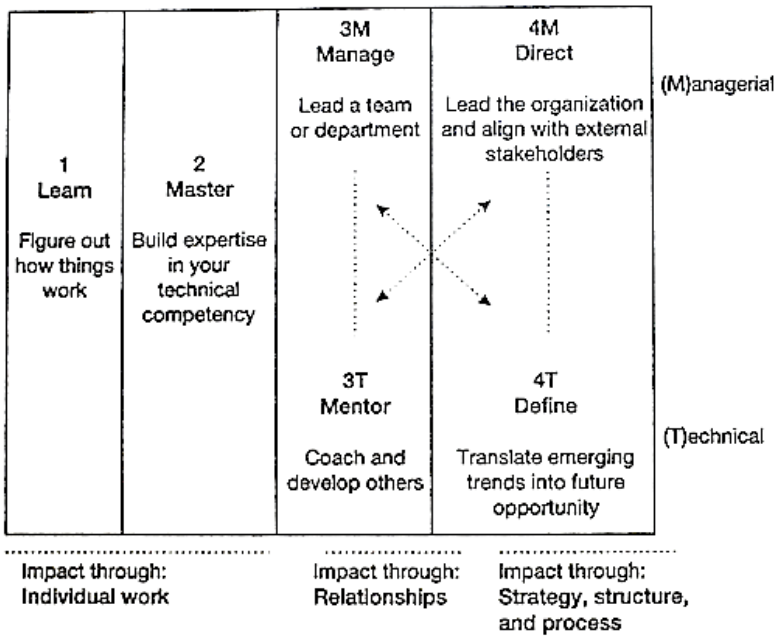
I. For organizations to be successful, one needs to have the right people in the right places at the right time with the right skills. For this to occur, organizations need to map people and positions. Mapping requires differentiation of people and positions. There are some people who are better at critical jobs than others, but it takes leadership to make these tough decisions.

II. By creating an employee brand, one is making a pledge to the employee about how they should expect to be treated when they do good work, but there is nothing that destroys an employee brand quicker than leadership hypocrisy.

III. The model facilitates career conversations as it describes the fours stages in professional development.

IV. Coach and mentor, delegate and empower, and share incentives are all strategies to develop next generation talent. In order to find new talent for crucial positions, an organization should involve employees in sourcing future employees.

**The RBL Group stages of development**




V. Having a friend at work is a reason to stay at the organization and work hard as well. A leader should create strong networks, as it leads to faster learning and more collaboration. A strong social setting at work creates collaboration, friendships, and a sense of belonging.

## QUOTE

**EFFECTIVE LEADERS ULTIMATELY MAKE OTHERS MORE EFFECTIVE. PG.107**

# CHAPTER SIX

**RULE 5: INVEST IN YOURSELF**

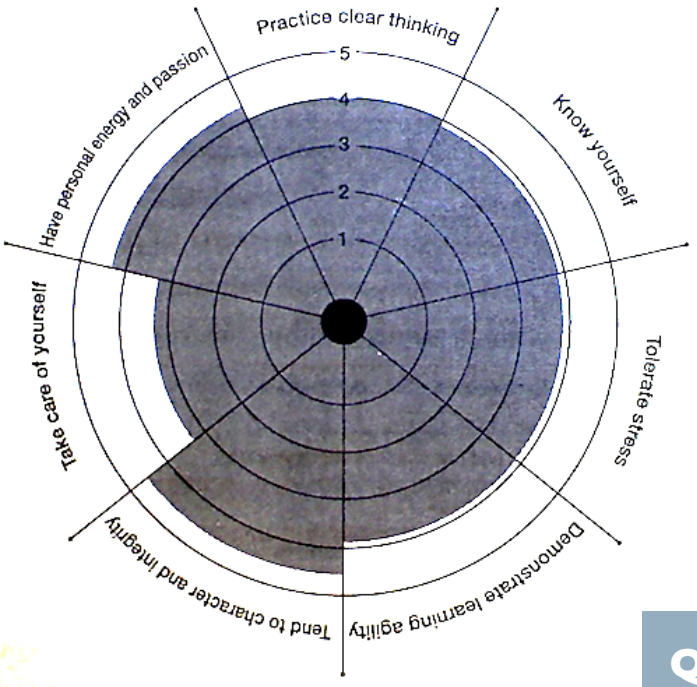
To invest in yourself, be personally proficient:

I. Practice clear thinking; rise above the details.
II. Know yourself.
III. Tolerate stress.
IV. Demonstrate learning agility.
V. Tend to your own character and integrity.
VI. Take care of yourself.
VII. Have personal energy and passion..

I. Leaders who think clearly see past the details and look at the bigger picture. A comparison is a chess player seeing the strategy, and not just the move.

II. By knowing yourself, one knows the strengths and weaknesses. What are the weaknesses that need to change and what are the strengths that will never change.

Personal proficiency graph (sample)




III. With the ease of taking work home nowadays, one needs to realize that the work world is stressful, and realize how important it is to have breaks.

IV. Successful leaders value learning so highly that they insist others do it too. Leaders also know what is happening in the organization, and how it could be better. Other strategies include:willingness to generalize from the past,seek new ideas, be unique and creative, avoid extremes.

V. Character, integrity, morality, and ethics are the foundation principles for leadership.

VI. Find ways to renew the physical, emotional, and social dimensions within yourself.

VII. Leaders find meaning from connecting to their passions. When leaders are passionate, they are committed and have an abundance of energy.

## QUOTE

**TO LEAD, YOU NEED TO FIND WAYS TO REPLENISH AND TAKE CARE OF YOURSELF SO THAT YOU CAN BE A SOURCE OF LIVING WATER FROM THOSE WHO DRAW FROM YOU. PG.150**

## CHAPTER SEVEN

### ENSURING BETTER LEADERS AND LEADERSHIP

To take action on the leadership code:

I. Establish a clear theory of leadership.
II. Assess leaders.
III. Invest in leaders.
IV. Follow up to align organizational practice

## QUOTE

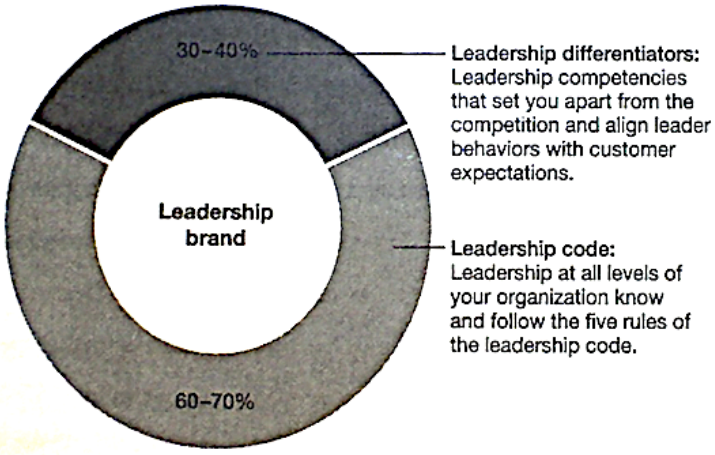
**IT'S NOT ABOUT LEADERSHIP CODE VERSUS LEADERSHIP DIFFERENTIATORS. IT'S ABOUT BUILDING LEADERS WHO HAVE BOTH. PG.180**

I. Effective leaders can specialize in an area, but if they reach the position of a senior executive, they need to have strong competencies in all areas.
II. There are many tools to assess leaders such as: Leadership 360s, Behavioral Event Interviews, Psychometric Assessments.
III. Senior executives were asked to rank powerful drivers for building leadership. The results were:
   - Coaching by a direct manager
   - Job rotations and assignments
   - Action learning (shift from talking about leadership to demonstrating leadership).

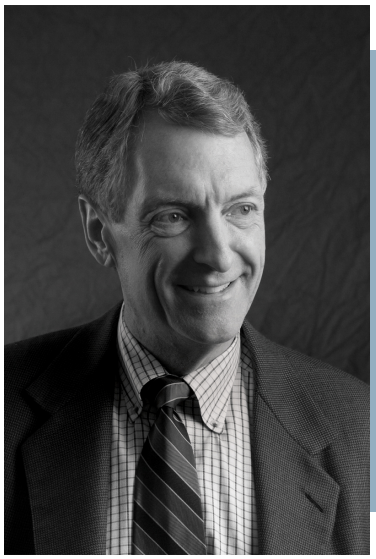
IV. Compensation, succession, and training and development must be in alignment in order for the leadership process to succeed.

**Effective leadership brand**

*As leaders at all levels of the company learn how to master both the basic skills of leadership and the unique essence of your leadership brand, they will establish sustainable value.*



# About the Authors



## Dave Ulrich

- has consulted and conducted research with over half of the Fortune 200.
- has published 20 books and over 100 articles and book chapters.
- is a Professor of Business at the University of Michigan and a partner at the RBL Group.

## Kate Sweetman

- is the Director of Research and Curriculum at Iclif Centre for Leadership and Governance.
- former editor at *Harvard Business Review.*
- has consulted on leadership issues with global organizations for 20 years.

## Norm Smallwood

- has co-authored six books.
- has published more than 150 articles in leading journals and newspapers such as The Washington Post and Forbes.
- Harvard Business Review described Norm Smallwood as doing "innovative and ground-breaking work on effective leadership"

## A QUOTE FROM THE AUTHOR OF THIS EBS

**THE LEADERSHIP CODE IS A GREAT BOOK. I ALMOST FINISHED READING THE BOOK, AND WHAT I DID READ I ALMOST ENJOYED.**

### 200 Word Commentary and Critique

This book identifies the five rules that all leaders need to identify within themselves. I enjoyed this book as it summarized a lot of information in a easy to read manner. There are plenty of checklists and assessments for the individual and for the organization. The online resources are great as one can use them over and over again. In my opinion, the best aspect of this book was that it taught me that one has to take time to assess themselves. This book wasn't so much as follow these steps right now and you will be a great leader, rather this book asked the questions that made one think about leadership and the type of leader they currently are. The questions bring forward a personal journey; an understanding of what one's strengths and weaknesses are. By asking these questions, I believe one develops a deeper understanding rather than just reading and applying the five rules. The learning of one's self and reflecting on styles is the best kind of professional development. Once the reflective process is complete, the leadership code provides useful strategies on how to grow into a more efficient leader.

### 100 Word Summary

The Leadership Code is a summary of strategies from the top leaders around the world. David Ulrich, Ron Smallwood, and Kate Sweetman organized and categorized the data from top leaders and summarized them into the five rules, resulting in a leadership code. There are assessments, checklists, and protocols for self assessment that guides one into best practice.
The five rules that the leadership code identify are:

I. Shape the Future
II. Make Things Happen
III. Engage Today's Talent
IV. Build the Next Generation
V. Invest in Yourself

By following these rules, one can crack the code to raise their leadership skills to the next level.

Questions to start the leadership journey:
What are my future goals with this organization?
What are my core beliefs, and do they align with the organization's beliefs?
What are my leadership strengths and weaknesses?
Does the work I do make a difference?