

COMPANY OF HEROES

UNLEASHING THE POWER
OF SELF-LEADERSHIP



HENRY P. SIMS, JR.
CHARLES C. MANZ

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Power of
Self-Leadership

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About the Authors

Henry P. Sims, Jr., and Charles C. Manz are international scholars and consultants on the topics of leadership and self-managing teams. Dr. Sims is Professor of Management and Organization at the Maryland Business School. Dr. Manz was a Marvin Bower Fellow at the Harvard Business School and is currently Professor of Management at Arizona State University.

Their theoretical and practical work on leadership and teams has been published in over 150 articles and 7 books. Their award-winning book on leadership, *SuperLeadership*, was published in 1989 to wide critical acclaim. Their book on the topic of self-managing teams is entitled *Business Without Bosses* (Wiley, 1993).

Drs. Sims and Manz conduct a wide range of training and consulting activities. Their stock in trade is a three-hour interactive workshop on leadership. Both are frequent keynote and after-dinner speakers, and they conduct workshops on the design specifics of self-managing teams. On occasion, they conduct five-day executive development programs that extend beyond *SuperLeadership* and teamwork. Their workshops are always highly interactive and include significant participant involvement, cases and exercises, and videotaped cases.

Drs. Sims and Manz have served as consultants and executive development leaders with many organizations, including General Motors, Ford Motor Company, Marriott Corporation, Motorola Corporation, American Express, Procter & Gamble, Allied Signal, 3M, Dial, Unisys, Prudential, The Mayo Clinic, the Epilepsy Foundation, Defense Logistic Agency, Academy for Educational Development, and U.S. Agency for International Development.

Preface

Would you like to be part of a company of heroes? There is a way you can make this happen. A company of heroes can be created by unleashing the power of self-leadership. That's what this book is all about: how a remarkable kind of leadership, SuperLeadership, can develop and enhance heroic self-leadership in others.

Over the past decade, organizations have struggled to find a form of leadership that can release the creativity and initiative of each employee. In today's competitive world, we need followers who are heroes. Together, leaders can create a company of heroes. SuperLeaders can make this happen, and you can be a SuperLeader—a leader who leads others to lead themselves.

**This book is about leading others to be
heroic self-leaders.**

Throughout history, society has been preoccupied with heroes—great military leaders, outstanding athletes, powerful political leaders, visionary social reformers. Ghandi, Martin Luther King, Jr., George Washington, Alexander the Great, Joan of Arc, Winston Churchill, and many other names are emblazoned on our consciousness. In the business world, Henry Ford, Lee Iacocca, Alfred Sloan, and Jack Welch come to mind. The heroic role these people have played inspires a sense of hope for the future, a hope that great leaders will help us through the many challenges ahead. In many societies we have learned to base our visions and dreams for ourselves and the world on the actions and abilities of such heroic people.

Today the popular press fawns on a myth of heroic leadership. We are dominated by images of dashing leaders striking dramatic poses and taking swift action. Yet, is this a true portrait of what we need to lead today's complex contemporary organizations? Have we become addicted to a vision of heroic leadership?

Historically, a great leader was seen as one who does something to a follower. At first, this leader was viewed as a "strong man" type that was associated with masculinity and dominance and the exercise of influence based on fear. We think of John Wayne knocking heads or perhaps a ruthless and intimidating political leader. Later, leaders were viewed as "transactors," who provided goals and rewards in exchange for compliance from followers.

Are we addicted to a myth of heroic leadership?

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In today's media, the most prominent view of leadership is the heroic leader—sometimes called the visionary leader, the transformational leader, or the charismatic leader. This type of leader is attributed with a magical charisma and wisdom that attracts followers to a greater-than-life vision.

None of these leadership types, however, brings the follower to the fore. All emphasize the leader at the expense of the follower. The popular obsession with the leader can indeed be inspiring but also limiting. When leaders are placed on a heroic pedestal, followers become dependent and insignificant. In our rapidly changing, highly complex, and competitive world we need the full contributions of everyone, not just a handful of prominent heroic leaders. We need to go back to basics—to bring the follower back into the equation.

There are many ways to exercise leadership, and each type has advantages and disadvantages. In this book, we especially address the advantages of shifting the spotlight away from leaders so that followers can become heroes themselves. Collectively, these followers can become a company of heroes.

THE NEEDED SHIFT IN LEADERSHIP

We are suffering a profound leadership crisis that is threatening the existence of historically successful organizations. In large part, this crisis has occurred because we have stopped thinking about the real effect of leadership on the follower. Instead, we let a romantic myth govern our beliefs about leadership.

The popular press fawns on a myth of heroic leadership.

Today, leadership is especially important because of several recent trends challenging contemporary organizations. First, world competition has pressured companies to utilize their human resources more fully. Second, the workforce itself has changed a great deal in the last few decades; the baby boomers, for example, have carried into their organization roles their elevated expectations and needs for greater meaning in their work lives.

As a consequence, organizations have increasingly experimented with innovative work designs. Widespread introduction of modern management techniques such as quality circles, self-managed work teams, Japanese business practices, and flatter organization structures have led to the inherent dilemma of how to lead employees who are increasingly encouraged and required to become self-man-

aged. The result is a major knowledge gap about appropriate leader behavior under conditions of increasing employee participation. Indeed, it's time for a true paradigm shift in our thinking about leadership.

SUPERLEADERSHIP

The SuperLeadership approach focuses on the follower instead of some aggrandized version of heroic leadership. The leader becomes “super” by creating followers who are extraordinary self-leaders. The strength of one becomes the strength of many when the power of self-leadership is unleashed.

The SuperLeader is a giant step beyond this myth of heroic leadership. The SuperLeader has the capacity to create followers who are self-leaders—a company of self-leading heroes. Previous views of leadership always focus on the leader, and the talent of followers is often wasted. In this book, we propose a different view of leadership. We call this view SuperLeadership—leading others to lead themselves.

**True leadership comes from within. In the end,
achievement flows from follower self-leadership.**

SuperLeadership is a new paradigm that will help us to release the talent, energy, enthusiasm, and expertise of everyone in the organization—not just the people at the top. The most effective leader will be the one who transforms ordinary followers into a company of heroes by leading them to lead themselves.

SO WHAT'S NEW HERE?

We previously wrote about leadership in *SuperLeadership* and *Business Without Bosses*. So what's new? *Company of Heroes* adds these features:

- We take a much more “how-to” approach than we did in *SuperLeadership*, which presented overall philosophical concepts. This book emphasizes pragmatic action and implementation—that is, executing SuperLeadership.
- SuperLeadership is compared with other historical viewpoints of leadership, especially visionary or heroic leadership. We flesh out each of these historical models of leadership and we show how SuperLeadership is indeed different from them and much more in tune with the needs of today.

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- We devote special attention to the core process of follower self-leadership. Proven self-leadership strategies are examined in detail.
- We emphasize how organizations and managers can successfully make the challenging transition to SuperLeadership.
- We emphasize the use of teams as a means to empower followers.
- We emphasize how a total culture of self-leadership can create a company of heroes.
- We provide many vivid real-life examples of SuperLeadership in action. For example, with teams, we emphasize white-collar or knowledge-worker teams.
- We feature distinct profiles and stories of prominent business leaders such as Jack Welch of GE, Ricardo Semler of Brazil, and Dennis Bakke of AES.

Most of all, this book concentrates on specific steps that executives can implement *now* to improve their organizations. Some specific steps for becoming a SuperLeader that we will cover include becoming a self-leader and serving as a self-leadership model for others; facilitating the transition of followers to self-leadership through the use of goals, rewards, and other leadership strategies; promoting empowered self-led teamwork; and facilitating a self-leadership culture. Through SuperLeadership, followers become important leaders in their own right, and the organization can become a highly effective force for success and progress that unleashes the full talents of everyone.

WHY READ THIS BOOK?

The current vogue is to conceptualize contemporary leadership as vision. For example, most current leadership books seem to be saying that effective executives are visionary leaders, and ineffective leaders are merely managers. We don't quarrel with the necessity of vision from the top leader of an organization or with the notion that effective leadership is something beyond just being a good manager. Nevertheless, the emphasis on vision may be old wine in new bottles; it's still an inordinate focus on the leader and omits the follower from the equation.

**An obsession with vision omits the follower
from the equation.**

Instead, we focus on how leaders can generate excellent performance by getting followers to lead themselves. Look at the cover story of a recent issue of *Fortune*

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magazine: "Who Needs a Boss?" Other articles present the idea of a "postheroic" leader or a "brave new leader." We were involved in this issue as early as 1980 and were prominently featured in a personal interview in *U.S. News and World Report* in which these ideas were developed. The *Fortune* story clearly shows that the time for this form of leadership has arrived. How can today's executives create extraordinary self-leaders throughout their organizations? How can we create an organization filled with heroes? The answer is to put the spotlight on the follower. There is no other leadership approach that views the follower so prominently. This focus on the follower is *the* central element of SuperLeadership. SuperLeaders empower their followers. SuperLeaders lead others to lead themselves.

The SuperLeader develops many pillars of strength throughout the organization.

By unleashing the powerful self-leadership capacity that resides within each person, the SuperLeader creates extraordinarily effective organizations characterized by many pillars of strength. Together, these powerful self-leaders equal a company of heroes.

HENRY P. SIMS, JR.
CHARLES C. MANZ

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We owe special thanks to the many innovative companies and their managers and employees who have inspired us and given us hope that companies of heroes are not only possible to create but in fact are emerging all around us. We have captured some of their stories in our writing.

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H.P.S.
C.C.M.

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Part I

Beyond Heroic Leadership

UNLEASHING THE POWER OF SELF- LEADERSHIP

There is an old Norse word, *Laed*, meaning “to determine the course of a ship.” We can easily see how our modern word *lead* comes from this ancient expression. And, we can even visualize the modern version of a leader as the person who guides the course of a ship. (Think of the image of George Washington crossing the Delaware.) In business, we usually consider a CEO to be a leader, who guides the course of the organization.

In today’s changing world, how should this guidance take place? Is the contemporary CEO the modern version of the ship captain who drives the galley slaves through threat of the whip. Or is the captain the first among equals, guiding the course of the ship by creating a team of caring and empowered shipmates? Can the captain create a crew of self-leaders?

We continue to read about leadership every day. Most of us would regard the designation as “leader” to be an honor—in a very real sense, a kind of hero. Few would refuse it. But where does that leave the follower? If we honor the leader, does it mean the follower is devoid of honor? We think not. In fact, the essence of this book is to honor followers by emphasizing the notion of self-leadership. Followers who are capable self-leaders are heroes. And when we have a company of capable self-leaders, we have a company of heroes.

To be a leader is a kind of hero, but where does that leave the follower? Can’t the follower be a hero too?

Finding leaders who can produce heroic self-leaders as followers is the challenge. The question of how to lead best produces many divergent views. One view is the myth of the modern heroic leader. But heroic leaders tend to rob followers of their chance to be leaders and thus be heroes themselves.

In this book, we address the past, the present, and the future of leadership. We revisit many of the primary leadership themes of history. Our discussion serves as our manifesto on leadership that stretches from the past into the future. It ranges from leadership through intimidation and exploitation, to leadership through exchange, to leadership through inspiration, and finally to leadership through empowerment. Most of all, we express our belief that as we move into the twenty-first century, successful organizations will be those loaded with leaders—self-leaders. These organizations will be companies of heroes.

THAT CHANGING WORLD

We all know that the world is changing at an unprecedented rate, and everything is in constant flux, from the economy to markets. The workplace is beset by changes of all sorts from all sides. The workforce itself is best characterized by diversity and change—a complex mix of baby boomers and baby busters from a variety of ethnic and sociocultural backgrounds. As we approach the new century, the organizations that survive and flourish will be the ones that fully tap into the capabilities of the entire workforce. No longer can one individual, or a small group of individuals, be expected to have all the answers and make all the decisions in an effective way that meets the needs of everyone else. Instead of *one hero*, we need *companies of heroes*.

Now is the time for a new breed of leader. A recent article in *Fortune* called for a “postheroic” leader who places less emphasis on control and more on empowerment.¹ We call this new breed the *SuperLeader*: one who leads others to lead themselves. This is a lot harder than it sounds. Perhaps the biggest obstacle is mental. We’ve been chained to the concept of a boss for decades and have become obsessed with the notion of leaders as heroic figures.

But these views of leadership are ineffective because they place the leader—whether boss or hero—at center stage. In contrast, the *true* postheroic leader places followers at center stage and brings out their inner leadership capabilities. He or she leads others to become self-leaders. The transition to becoming an empowering SuperLeader is very challenging. As a *Fortune* article points out, “Ninety-five percent of American Managers today say the right thing. Five percent actually do it.”²

Instead of *one hero*, we need a *company of heroes*.

Consider the interesting case of former president Jimmy Carter. As president, he had all the authority of the office and the potential to be a heroic leader, yet he lost his bid for reelection. But it's Carter's postpresidency leadership that is the object of our curiosity. As former president, Carter has no direct, formal authority; he leads without the power of office or authority. Yet his life is remarkable because his leadership empowers others. Through his actions, he creates heroic self-leaders.

JIMMY CARTER: PRESIDENT EMERITUS AND EMPOWERING SUPERLEADER

There have been many critics of the Jimmy Carter presidency. Certainly the most cutting judgment of all was the rejection of his presidential leadership by the American electorate in his bid for reelection. Yet, in contrast, some would argue that Jimmy Carter has been the most effective and respected former president of all time. He has been characterized as an uncommon mixture of real accomplishment and public failure. What is there about the leadership of Jimmy Carter's post-presidency that seems so remarkable?

As we examine the record, we see elements of leadership remarkably similar to our concepts of SuperLeadership—that is, leading others to lead themselves. Clearly, Carter has been an empowering leader as president emeritus. Following are some examples of how he has used his reputation and prestige to influence others in extraordinarily positive, constructive ways.

First has been his role as a conciliator and conflict resolver. The most prominent examples of this role are his efforts to resolve the nuclear stalemate with North Korea, a Sudan cease-fire, the bloodless occupation of Haiti, and the cease-fire in Bosnia. He has created the Carter Center at Emory University, where people can come together to resolve conflict. Carter seems to have a special capacity to influence quarreling parties to stop and reflect on the parameters of the conflict, and then make decisions that lead to constructive and positive ends. And he does all of this without direct power. He merely has the capacity to bring people together to make decisions that are in their own best interests. He has been described as a diplomat without portfolio.

Carter remains passionate about democratic political processes and grass-roots political empowerment, expressed mainly through his influ-