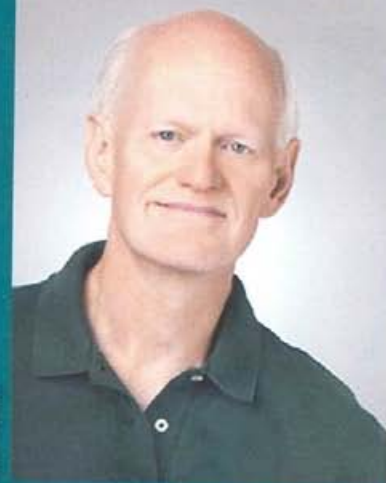


Team effort



The leader of yesterday is not the leader of today and tomorrow, writes Professor Marshall Goldsmith.

Professor Marshall Goldsmith is the author of management-related literature and a professor, consultant and executive coach. Born in Valley Station, Kentucky, he received his BS from Rose-Hulman Institute of Technology (1970), his MBA from Indiana University (1972) and his PhD from UCLA (1977). From 1976-2000 he was Assistant Professor and then Associate Dean at Loyola Marymount University's College of Business. He is currently a professor at Alliant International University, teaches executive education at Dartmouth College's Tuck School, and frequently speaks at leading business schools.

In a recent study we interviewed over 200 high-potential leaders, asking them to describe today's ideal leader. The results were clear. The ideal leader is a person who builds internal and external partnerships. Internal partnerships include direct reports, co-workers and managers.

PARTNERING WITH DIRECT REPORTS

Traditional "bonds" between

employees and organisations have changed. Employees no longer expect that their organisation will provide them with job security. As security has diminished, so has blind loyalty. Most high-potential leaders see themselves as "free agents," not traditional "employees." Their ideal leader is a person who develops "win-win" relationships and is sensitive to their needs for personal growth and development. In return, they feel a responsibility to deliver value back. They see the leader of the future as their partner, not their boss!

Managers of knowledge workers - people who know more about what they are doing than their managers - must be good partners. They won't have a choice! If they are not great partners, they won't have great people.

PARTNERING WITH CO-WORKERS

Successful leaders will share people, capital, and ideas to break down boundaries. Since the CEO is rewarded by the success of the organisation, the CEO knows that people need to be shared so that they can develop the expertise and breadth needed to manage; that capital needs to be shared so that mature business can transfer funds to high-growth business; and that ideas need to be shared so that people can learn from both successes and mistakes.

While these advantages are easy to see from the vantage point of the CEO, they can be difficult to execute. Leaders will need to develop skills in negotiation and "win-win" relationships. They have to learn to share people, capital, and ideas. In some cases, they may choose to experience a short-term loss,

so that the organisation can achieve a long-term gain. In the past, many leaders have competed with colleagues for people, resources, and ideas - and been rewarded for "winning" this competition. In the future, leaders will need to collaborate as partners with co-workers.

PARTNERING WITH MANAGERS

The changing role of leadership will mean that the relation-

ship between managers and direct reports will have to change in both directions. Many leaders will be operating more like the managing director of a consulting firm. They will be partners leading in a network, not managers leading in a hierarchy.

At the consulting firm McKinsey & Company, a director may often have less detailed knowledge about a client than a more junior partner. Leaders are trained to challenge their managers when they believe that the direction they are being given is not in the best interest of the client. This philosophy teaches leaders to have very responsible relationships with their managers.

Future leaders will work with their managers in a team approach that combines the leader's knowledge of unit operations with the manager's understanding of larger needs. Such a relationship requires taking responsibility, sharing information, and striving to see both the micro and macro perspective. When direct reports know more than their managers, they have to learn how to "influence up."

Outside the organisation, leaders must also partner with customers, suppliers, and competitors.

PARTNERING WITH CUSTOMERS

As companies have become larger and more global, there has been a shift from buying stand-alone products to buying integrated solutions. One reason for this shift is economy of scale. Huge retail corporations, like Home Depot or Wal-Mart, do not want to deal with thousands of vendors. They would prefer to work with fewer vendors who can deliver not only products, but systems for delivery that are customised to meet their needs. Also, many customers now want "network solutions," not just hardware and software.

As the supplier's relationship with their customers continues to change, leaders from supply organisations will need to become more like partners and less like salespeople. This trend toward building long-term customer relationships, not just achieving short-term sales, means that suppliers need to develop a much deeper understanding of the customer's total business. They will need to make many small sacrifices to

achieve a large gain. In short, they will need to act like partners.

PARTNERING WITH SUPPLIERS

As the shift toward integrated solutions advances, leaders will have to change their relationship with suppliers. For example, more of IBM's business now involves customised solutions incorporating non-IBM products and services. While the idea of IBM selling non-IBM products was almost unheard of in the past, it is now common - to the benefit of customers and to IBM itself. The same trend is occurring in pharmaceuticals and telecommunications.

In a world where a company sold stand-alone products, partnering with suppliers was not only seen as unnecessary, but unethical! The company's job was to "get the supplier down" to the lowest possible price to increase margins and profitability. Today many leaders realise that their success is directly related to their supplier's success. In fact, some include commitment to suppliers as one of their core values. They seek to transcend differences and focus on a common good - serving the end user of the product or service.

PARTNERING WITH COMPETITORS

The most radical change in the role of leader as partner has come in partnering with competitors. Most high-potential leaders see competitors as potential customers, suppliers, and partners. Most organisations that rely on knowledge workers have varied and complex relationships with competitors.

When today's competitors may become tomorrow's customers, the definition of "winning" changes. People have memories. Unfairly "bashing" competitors to ruin their business could have harsh consequences. While competitors should not expect collusion or unfair practices, they should expect integrity and fair dealing.

The six trends toward more partnering are reinforcing each other. As people feel less job security, they begin to see suppliers, customers and competitors as potential employers. The fact the leaders need to learn more about these other organisations, build long-term relationships, and develop "win-win" partnerships means that the other organisations are even