

A LIFE LESSON IN LEADERSHIP

LEADERSHIP IS A TERM WE ALL BANDY ABOUT WITHOUT REALLY KNOWING WHAT IT MEANS, SAYS **LISA MARTIN**. BUT FORTUNATELY EVERY BUSINESS OWNER CAN LEARN LEADERSHIP SKILLS.

A good business leader is someone who has the ability to positively influence others' behaviour to increase productivity and efficiency. But ask anyone what makes a good leader and chances are that you will be in for a lengthy discussion. The term 'leadership' is so ambiguous and so open to interpretation that there is no short answer. Even Google will throw up a multitude of definitions.

And yet we talk about 'leadership' so confidently and liberally. Leadership has become a buzz word that we drop into almost any conversation. Its use is now prolific across businesses and institutions – even in schools. So much so that 'leadership' has become an aspirational status; a badge of honour.

It seems everyone is looking for leaders, and everyone wants to be a leader – particularly those who like to be in charge and enjoy others doing what they say.

The overuse of the word means that people often talk about leaders when really they mean 'the boss', 'the manager' or simply 'the person responsible for the task'.

YOU ARE NOT A LEADER JUST BECAUSE YOU ARE THE BOSS

In small to medium sized businesses it is easy for bosses to believe they are effective leaders – after all, they founded the business, carry the responsibility and call the shots.

But on closer examination, many are not natural leaders at all. And why should they be? Who said that if you have a great idea, you should also inherently know everything about managing your business and motivating your staff?

Yet, many SME business owners in New Zealand seem to think that just because they own and run the business, their staff will be their loyal followers, putting the company first and diligently treading the path to profitability.

The truth, however, is that people come to work for many different reasons; the main one being financial gain – they need money to feed their families and pay their mortgages.

Add to this the fact that human nature sets the work mode. If they are motivated by what work offers – be it friendship, stimulation, fulfillment, professional development or promotion – they will work hard.

If all they want is to go to work from 9:00am to 5:00pm and receive their fortnightly pay, they just need a job and won't care if the company succeeds or fails – they will be less inclined to do anything over and above what they already do.

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For SMEs this is where the workforce splits into the 'in' group and the 'out' group.

The 'in' group is made up of the boss's favourites. They are productive and possess complementary personality traits.

The 'out' group comprises those who turn up and do the bare minimum.

Typically, the 'in' group is praised and rewarded. The 'out' group is simply tolerated and allowed to continue.

These groups exist in most organisations. The point at which the business owner becomes aware of these groups is the point at which they can choose to maintain the *status quo* and let their business plateau – or step into the realm of 'leadership' and propel their business to the next level.

Unfortunately, most stick with the *status quo* for two reasons:

- 1. They fear uncomfortable conversations.** New Zealanders have a default setting that flicks back to 'accepting mediocrity' as soon as things start to feel uncomfortable. Despite our adventurous and resourceful traits inherited from our pioneering ancestors, when it comes down to having to tell our team to 'pull up their socks', it seems we would rather not. Rather than get the best out of their staff, business owners prefer not to rock the boat and, instead, settle for mediocrity.
- 2. They genuinely don't know what to do.** Even if a business owner decides it is time to make changes, they often don't know where to start, how to approach unproductive staff or how to transform their business. They may know the ins and outs of operating a business but when it comes to leadership they have no training, no guidance and often, no-one to ask. It becomes too overwhelming and they choose to do nothing.

GUT INSTINCT VS LEADERSHIP THEORY

Business owners also have a tendency to roll with a 'she'll be right' attitude, often based on a potentially dangerous mix of wishful thinking and gut instinct. By nature, small business owners tend to be optimistic. They also have the freedom of being flexible with their thinking and, unlike in large corporations where there are boards to get past, small business owners are at liberty to make decisions on the fly, if it 'feels' right.

However, the importance of relying on intuition should not be

overestimated – as the reality might be that busy business owners simply don't have the time to wade through reports and data to make an informed decision.

It is the same when it comes to understanding leadership. Many will opt to spend precious time working in the business to generate profit, and rely on gut instinct, rather than on the business – looking at transforming it, energising the staff and creating a winning culture through the use of leadership theory.

TIME TO INVEST

And yet, the only way for small and medium-sized business to get ahead is to truly understand what leadership means, what it involves and what it takes to be effective.

You can't wing leadership. You can't make it up as you go along. Leadership is an immense topic. Fortunately, everyone can learn leadership skills.

Indeed, SME businesses will not move off the mediocre mark unless they are prepared to invest – both time and money – in understanding leadership. This means that every time-pressed and cash-strapped business owner really should look into up-skilling their leadership knowledge. Internet research is one way, but the best value for money is to attend a local leadership course. Leadership training will equip business owners with the tools to deal with difficult situations. They will teach how to influence and motivate staff, how to create a positive business culture and, importantly, how to develop leadership skills in others.

In fact, one popular definition of a good leader is that 'they will always step back and let others shine'.

As Kevin Spacey says when he talks about achieving success, "It is your duty to send the elevator back down." **NZB**



LISA MARTIN IS FOUNDER AND EXECUTIVE DIRECTOR OF BOOKKEEPING, ACCOUNTING AND BUSINESS ADVISORY FIRM, GOFIBURE.