

THE ARC OF PURPOSEFUL LEADERSHIP

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For the last several years, I have been thinking about how to integrate various concepts and approaches to leadership into a broad framework that can guide teaching, research, and consultations. I was particularly interested in how to span from a microconsideration (e.g., the individual) to a macroconsideration (e.g., society) in an integrative manner. Such contemplation began during my tenure at Claremont Graduate University and now has intensified as we have pursued new leadership offerings at the University of Redlands, where I am dean of their School of Business. With our eight campuses in southern and northern California, my colleagues and I think there is a unique and timely opportunity to inspire current and future leaders.

The cornerstone of this effort is purposeful leadership. The essence of purposeful leadership is perhaps best articulated by the quote attributed to Peter Drucker: “management is about doing things right, leadership is about doing the right things.” How then do you parse, “doing the right things”? We have chosen to parse this by focusing on what we call the “Arc of Purposeful

Leadership,” ranging from self-management to team management to organizational strategy to societal responsibilities.

There are several key components at each level of the “Arc,” and these are summarized in Figure 1. These levels identify purpose from *self* to *teams* to *organization* to *society*. While each level of the Arc is critical to successful leadership, it is the synergistic alignment across levels that creates a comprehensive purposeful leadership approach and organization. Moreover, in each level and across the levels there is attention to both technical and relational aspects of leadership, all connected in support of the driving purpose of the organization. And, while my description below will progress from “self” through “teams” to “organizations” to “society,” it is best thought of as a recursive dynamic, as societal dynamics can affect organizations.

Beginning With Self

The Arc of Purposeful Leadership begins with the individual. Whether an employee, a manager, or



FIGURE 1. THE ARC OF PURPOSEFUL LEADERSHIP

a C-suite executive, the individual level is all about self-management. Here, we focus on four domains: character, competence, commitment, and compassion.

In *character*, we can think of the values, ethical posture, and philosophy that each of us has and brings to the job. Awareness of one’s values and integrity in values are critical for a leader and should be practiced always, not simply when tested. The focus here is on personal values. Are your values reflected in the job you undertake? Are your personal values aligned with your company’s mission? Finding this alignment is critical. Financial success can be a motivator, but it is often not the sole factor. Thus, someone may leave a highly paid position to take a lower paying job that is more aligned with their values.

In terms of *competence*, leadership must focus on strengths, for as Peter Drucker also noted, “to make strength productive is the unique purpose of an organization.” This requires not only building on the strengths of a leader but also developing a

system and process for building on strengths across the organization. It is also imperative to utilize opportunities to further polish one’s skills through professional training, mentoring, working on constructive feedback, and exploring professional growth experiences.

Moving to the *commitment* domain, one’s work productivity and loyalty are stronger when one is committed. Leadership style and organizational culture in which we operate can also impact commitment. A 2018 report by the Gallup Organization found that 34% of employees were “actively engaged,” 53% “not engaged,” and 13% were “actively disengaged.” The report goes on to note the critical role of management in taking steps to ensure employees know what is expected of them and have the necessary resources to do their work. A long line of academic research confirms

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the multifaceted relationship between engagement, commitment, and organizational effectiveness. Purposeful leadership entails engaging employees by focusing on alignment between the motivations of employees and the purpose of the organization.

Compassion creates an air of trust, tolerance, and acceptance. It encompasses the ability to see and feel things from others' perspectives. In Daniel Goleman's *Leader to Leader* article, he wrote that "an inability to empathize with others is a problem for anyone who wants to be a leader," and he has gone on to pioneer the importance of emotional intelligence in organizations. A powerful example of the importance of compassion can be seen in the health care arena. Research has documented that three words can have a major impact in reducing lawsuits against hospitals; they are "I am sorry." These collaborative conversations led to a dramatic reduction in legal claims and costs in hospitals as well as successful negotiation of favorable settlements for patients. Yes, compassion is a valuable asset.

The Power of Teams

The legendary anthropologist Margaret Mead once remarked, "never doubt that a small group of thoughtful, committed, citizens can change the world. Indeed, it is the only thing that ever has." Fast forward to today, and teams now dominate the production of work. A study reported in the *Harvard Business Review* in 2016 by Rob Cross, Reb Rebele, and Adam Grant found that "the time spent by managers and employees in collaborative activities has ballooned by 50 percent or more" over the last two decades and that, at many companies, more than three-quarters of an employee's day is spent communicating with colleagues to get tasks accomplished as a team.

Connecting teams to the *clear purpose* of an organization is a core strategy to achieve high performance from empowered stakeholders. Providing clear and achievable goals and the purpose behind such goals are vital to any team's success. They unite the team and motivate them to be persistent and use individual/collective resources effectively. Goals not only need to be clear; they also need to be meaningful

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and have a process by which progress can be tracked and celebrated. Similarly, team members must have the needed *skills* to achieve results. Skills should include how to productively handle conflicts that are bound to occur in a team. Assigning the right people the right tasks in a team is important. Roles that each member must fulfill have to be unambiguous to all. Finally, members should have enough decision-making authority while still receiving coaching as needed.

Indeed, the *empowerment* of team members can be vital to productivity. However, a leader must be sure to align empowerment with employees' expectations, continue to support employees whenever needed, maintain open communication, and inform them of any relevant information. A leader must involve the employees while making decisions that matter to them. Similarly, my former Claremont Graduate University faculty colleague Paul J. Zak wrote in his award-winning book *The Trust Factor* (2017) that connecting with a company's "transcendent purpose" is one of the key factors to high-performing organizations. When there is mutual trust between the team and leader, teams feel responsible, are able to take initiatives to find the best solutions and are reliable.

In short, getting teams right is critical to a company's success. Teams are the connector point for achieving alignment between personal purpose and the organization's purpose. In this level of the "Arc," the building blocks of successful teams include having a clear purpose, feeling empowered, possessing the necessary skills to perform, and being incubators of trust.

Achieving Strategic Focus

Next, we move to the organization level of the Arc, which is defined by the themes of clear mission/strategy, alignment of strength and resources, performance-driven change management, and a supportive culture. The *mission* and value proposition of the company is the greatest factor affecting all levels of the organization. A recent study reported in 2019 in the *Harvard Business Review*, by Thomas W. Malnight, Ivy Buche, and Charles Dhanaraj demonstrated the importance of having purpose at the core of strategy of high-growth companies. Focusing on collective purposes promotes growth, because a company with purpose in its mission and strategy is likely to be trusted by all stakeholders. Therefore, developing purpose as part of mission, strategy, and value proposition is crucial.

Organizations can become enchanted with broad grandiose strategies that please everyone but have no focus. The ability to accurately and succinctly state your organization's strategy is the litmus test to foreshadow its potency. An organizational strategy must be unique and must define the company, as a strategy similar in every sense to another company's is unlikely to be effective in the end. The essential point is that a good strategy is compelling if it clearly states the means by which an organization's value proposition can be realized.

We marvel at our local companies that have stayed “on strategy” since their humble beginnings and now are powerful and positive forces. One example is Redlands' own Esri, where Jack and Laura Dangermond have led it from a small company specializing in Geographic Information Systems (GIS) to be a \$1.3 billion global company with 300,000 organizational customers and 40% of the global (GIS) market. (Our university's partnership with them has provided hundreds of our business students an opportunity to work for an inspiring company that is committed to both business and the environment.) Another example is down the road in Pasadena, where Trader Joe's has stayed on-strategy to now have over 500 stores nationwide with \$13 billion in sales, all powered by a distinctive neighborhood store/high-value approach first begun

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by the recently deceased founder “Joe” Coulombe and carried forth by the two chief executive officers that have followed.

Having and knowing the value proposition is not enough, of course. A company must focus their *core strengths and resources* to ensure alignment and implementation of the strategy across various functions and departments. These efforts need to be enabled by *performance-driven change management*. This takes a *supportive and ethical culture* characterized by an ongoing dedication to refinement and change. Culture must be supportive of strategy and its execution. Hence, the driving question is, does your organization have a culture that embraces and rewards change in order to achieve the best value proposition? A purposeful leader must pay attention to the quality of his or her organizational culture as it can drive or undermine the results of the company.

Being Socially Responsible

I once had the opportunity to brief executives at the Mizuho Bank in Tokyo, Japan, on an early version of the Arc of Purposeful Leadership. When I finished, I expected the attendees to think it was another lofty “California” idea. Instead, they pulled out their executive training material and outlined how it followed the same format as the Arc—from self, to team, to organization, to impact on society. In speaking of the impact on society, the executives from Mizuho Bank described that there could be nothing more dishonorable than “losing face.” A company losing face

(or reputation) in the eyes of greater society is one of the most disgraceful and costly things that can happen. From east to west, we see the weight given to socially responsible and ethical conduct, and conversely, the damage of unethical leadership actions.

Several factors are critical to the socially responsible company. First is the company's *societal value proposition*. As noted in the recent Business Roundtable proclamation of the new "purpose of the organization," this extends beyond the consumer value to the societal value including employees, suppliers, and communities. Second is how this proposition is translated to *corporate responsibility principles and practice*. These developments are often framed within the context of corporate social responsibility (CSR), which has become a common dimension of corporate accountability. The most recent survey by KPMG shows continued worldwide growth among major companies in reporting on CSR activities, particularly with regard to environmental impacts (e.g., carbon reduction) and societal concerns (e.g., human rights). For example, companies like Nespresso deliberately link their corporate mission and strategy to sustainable development and enhancing the quality of their supplier farmers worldwide.

Finally, the societal dimension of the Arc encompasses *community engagement and philanthropy*. Businesses have a responsibility towards the communities they engage in and the various stakeholders that comprise those communities. Harvard Business School professors Michael Porter and Mark Kramer have called this the era of "shared-value" where businesses engage in competitive practices in a manner that simultaneously advances the economic and social conditions in the communities in which they operate. For example, it is this motivation that led Honeywell to create the Honeywell Humanitarian Relief Fund "to provide financial assistance to both employees and communities facing the aftermath of natural disasters."

Conclusion

From Concept to Action

Each level of the "Arc" represents a vital component of purposeful leadership, as it integrates best

practices across self, team, organization, and society. However, it is the alignment across these levels that propels a unity of purpose, value, and impact of an organization. The alignment between all four levels is crucial. Some organizations may be strong in terms of very competent employees and good teamwork yet suffer from organizational and mission drift. Other organizations may be pursuing a good cause and have a strong organizational strategy but are beset by a toxic work and team culture.

The Arc of Purposeful Leadership provides a framework for achieving such alignment. By placing a multidimensional purpose at the core of their strategy, leaders enhance their ability to carry out the mission of the organization. And when it comes to purposeful leadership, it is not just the top leaders who participate. Leadership comes from every corner and every function of the organization—whether in middle management, an individual contributor, or even at the most entry level. No matter the level of status, every employee can play a vital role in shaping and fulfilling the purpose of the organization.

Through our school's Purposeful Leadership Initiative, we are committed to developing purposeful leaders and organizations. Our new master of science in organizational leadership has purposeful leadership as its cornerstone, including a capstone class on the subject. We are thrilled that some 200 professionals have signed up for the degree since it was launched in January 2019, with several hundred more participating in our events and speaker series. Further, we see interest spreading across our private, nonprofit and government sectors.

Along the way, we have become inspired by those students, citizens, and alumni who embody the principles that we are espousing. To give one example, we asked one of our alumni, Elsa Luna, chief financial officer of KPCC (a large Los Angeles public radio station) to speak to the university community on her personal "arc of leadership." She went on to describe her experience as a first-generation student in Los Angeles, her initial pursuit of a finance career, and then her course correction to become chief financial officer of YWCA, Los Angeles, followed by KPCC. She

told the audience she felt she had found “her purpose” in society and is now committed to being a leadership mentor, particularly for women of color.

When speaking about finding and experiencing this alignment, I sometimes elicit reflections by asking “think about a time when you thought, at the end of the day, this was a great day at work.” My guess is that this was because there were elements of alignment in place: the “right things” were accomplished with collaborative colleagues, and it made a difference, perhaps a meaningful difference, and you personally felt very good about it. The Arc of Purposeful Leadership is designed to promote more of these days, with meaningful results for individuals, teams, organizations, and society.

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