CONTRIBUTORS INCLUDE: Frances Hessselbein, Dave Ulrich, John H. Zenger, Robert H. Rosen, Roosevelt Thomas, and Nancy Adler

# The AMA HANDBOOK of LEADERSHIP



SE



alon

SARAH MCARTHUR V To Serve With Love + Humility Is To Live

# CONTENTS

1202

Foreword by James M. Kouzes ix Acknowledgments xi About the Editors xiii Introduction 1

### PART ONE Forging Ahead: The Global Picture

- 1 Diversity: The Imperative for Today's Leaders 9 Frances Hesselbein
- 2 Leadership and Diversity Management: Unfinished Business 15 *R. Roosevelt Thomas, Jr.*
- 3 360 for Global Leaders: Coaching Through a World Lens 25
  Maya Hu-Chan
- 4 Asian and Western Executive Styles 35 D. Quinn Mills and Luke Novelli, Jr.

### PART TWO Developing People: The Key to the Future

- **5** Passing the Baton: Developing Your Successor 51 Marshall Goldsmith
- 6 Developing Exceptional Leaders: Critical Success Factors 61 James F. Bolt

v

Sarah McArthur, Marshall Goldsmith, John Baldoni

### **Diversity: The Imperative for Today's Leaders**

### **By Frances Hesselbein**

When Sarah McArthur, Marshall Goldsmith, and John Baldoni invited me to write an article on "hot topics of leadership," I knew my topic instantly, and it is not only "hot," it is imperative. I have chosen for my article the topic "Diversity"—*the imperative* for today's leaders.

Today, if we are not developing a richly diverse organization, led by a wonderfully diverse team of leaders, then we are already an organization of the past, led by leaders of the past.

As CEO of the Girl Scouts of the USA for 13 exuberant years, I never had a bad day in the nearly 5,000 days when I led the organization. Six weeks after I left the Girl Scouts, I found myself President and CEO of the Peter F. Drucker Foundation for Nonprofit Management.

For 31 years now, I have had a philosophy, passion, and imperative for leadership that is as powerful in its impact as it is in its results, whether I was working with a Girl Scout Council in Pennsylvania or with a Drucker Foundation/Leader to Leader Institute partnership with a great corporation, university, or the military. I have encapsulated my learnings in the more than 26 books that I have written or edited.

The message is very simple:

"We manage for the mission. We manage for innovation. We manage for diversity. We are mission-focused, values-based, demographics-driven."

Sarah McArthur, Marshall Goldsmith, John Baldoni

These are the imperatives I have tattooed upon my shoulders, in invisible ink, of course, but they are there. They are a daily reminder to me. Over the years, I have been testing these imperatives and documenting the results with leaders and organizations in all three sectors.

From July 1976 until I left on January 31, 1991, the Girl Scouts of the USA grew to a workforce of 788,000 women and men (1% employed staff). Coming into the position, I knew that this, the largest organization of girls and women in the world, had to take the lead in this society. We had to be an example to our own country and to the world. I believed that if we mobilized around a powerful mission; made innovation part of every deliberation, plan, and action; and developed the richly diverse, inclusive organization at every level, we could be a model to a society that, in 1976, did not have "the healthy, diverse, inclusive society that cares about all of its children" as its battle cry. Building the richly diverse organization can never be seen as a challenge; it is the most remarkable opportunity for relevance, viability, and success. It is always opportunity!

The Girl Scouts board, staff, leaders, and donors were inspired with a fiery passion for change when we developed our big question: "When they look at us, can they find themselves?" That meant when leaders, parents, and girls with richly diverse backgrounds in the major racial and ethnic groups in our country looked at our Girl Scout National Board and staff, my management team, our visuals, and the four handbooks, they could find themselves.

When I talked to the four artists who would illustrate the new handbooks, I said, "When any little girl or young woman in the United States opens her own handbook, she must be able to find herself. If I'm a little girl in a Navajo village, I open my Brownie handbook, and I can find myself. If I'm a girl in inner-city Detroit, my handbook is not filled with only New England picket fences. I can find myself in my own Girl Scout handbook." One artist asked, "Did you say

Sarah McArthur, Marshall Goldsmith, John Baldoni

'any' little girl?" I replied, "I should have said 'every." The artists shared our vision and determination, and one year later, when the four Girl Scout handbooks came out, not only did they generate enormous excitement, but we received prizes for "best multicultural resources for children."

We were pioneers in those days, for "diversity" wasn't everybody's favorite subject. Yet to the volunteers and staff of this great movement, "diversity-inclusion" was not only "a hot leadership topic," but part of our vision of a bright future for our children and our country.

Along the way, a business leader took me aside and gave me some advice: "Frances, you know I really care about you and the organization, but if you don't stop this diversity stuff, you'll never raise any money." I politely thanked him. Then with John Creedon, the new president of MetLife, as our campaign chairman, we went out and raised \$10,000,000 and built a wonderful conference center near Briarcliff Manor in Westchester County, NY, on 400 deeply wooded acres that we had inherited long ago. A wonderfully diverse board and staff welcomed those Girl Scout leaders as they came to learn, to innovate, and to change lives.

In a short time, we more than tripled racial-ethnic membership at every level. We had asked ourselves, "When they look at us, can they find themselves?" The answer was a resounding, "Yes!" at a time when diversity and equal access were not high on many organizations' list of imperatives. In fact, a leader from a large organization told me I was wasting my time. "Diversity will take care of itself," he said.

That was long ago. This is 2009, and it has been projected that by 2020, the majority in the US will be the minority and the minority will become the majority. How smoothly the change will take place will depend upon how well we have built the diverse leadership organization of the future with remarkable leaders at every level who are richly representative of

Sarah McArthur, Marshall Goldsmith, John Baldoni

our country of the future. I fervently believe that if we are not "managing for diversity" today, we already are part of the past, and sadly so, for the opportunity is here now.

When we met Peter Drucker in 1981, the Father of Modern Management cheered our "mission, innovation, and diversity" focus, and he gave us some wonderful definitions as he spurred us on: "Mission is solely why we do what we do. It is our reason for being and it should fit on a T-shirt." I always say, "A mission should be short, powerful, and compelling." Which definition do you think people remember? What will fit on a T-shirt, of course.

As we worked with Peter, he gave us two or three days of his time each year. He studied us, and told the *New York Times* that we were "The best managed organization in the country. Tough, hardworking women can do anything." We took to heart Peter Drucker's philosophy, his study, and his definition of innovation: "Change that creates a new dimension of performance."

As those remarkable people were transforming the largest organization for girls and women in the world, the mantra "Innovation: change that creates a new dimension of performance" made change more palatable, more reasonable. A new dimension of performance became part of the vocabulary of transformation.

I began this chapter by focusing on "diversity" as my "hot leadership topic," and then as I wrote I realized that my hot topic has three parts to it. You can't "do" just two: mission, innovation, and diversity are one powerful message. The initiative, the imperative for a bright future, is grounded by values that are palpable. With values that we live, as mission-focused, values-based, demographics-driven, we lead into the future. This is the organizational life we are building, the leadership life we are leading. We *are* the future.

Now, I can't write about my adventure in leadership with the Girl Scouts and the Drucker Foundation/Leader to Leader Institute, and meeting Peter Drucker in 1981, without adding

Sarah McArthur, Marshall Goldsmith, John Baldoni

another great leader who has had an enormous impact upon my life. In 1982, another man arrived at my Girl Scout office in New York. His name was Marshall Goldsmith and he had an unusual new product he had developed he wanted to give to the Girl Scouts—his 360 degree assessment tool. He would come to New York, begin with me, then my management team, and then move it with staff across the organization.

I was intrigued, excited, and gratified, and that began our Marshall-Frances adventure in significance that continues to this moment (1982-2009 is not a bad record for two people who think their bottom-line is changing lives). We began the 360° assessment first with me and then my management team, which made it more acceptable to those who might be reluctant to receive feedback from their peers. Marshall's gift moved across our staff at headquarters and in the field, making an enormous difference and changing lives.

When I was taking a team to Poland for a great training opportunity, I asked, "Marshall, will you go?" Silly question! The answer was always, "Yes." He was there when I said goodbye to the best people in the world, to the best organization in the world. And six weeks after I left the Girl Scouts, the Peter F. Drucker Foundation for Nonprofit Management was born. Marshall was the first board member to be invited, and he serves to this moment. The Drucker Foundation/Leader to Leader Institute has published 26 books and Marshall Goldsmith and I have co-edited many of them.

It is only the beginning to have a vision of "a society of healthy children, all children, strong families, good schools, decent housing, safe neighborhoods, work that dignifies, all surrounded by a healthy, diverse, cohesive community that cares about all of its people," It is quite another to find great thought leaders: leaders of quality, character, and generous hearts who share the vision, help build the organization, who write, speak, inspire, and are always there. I

Sarah McArthur, Marshall Goldsmith, John Baldoni

think it's called "for the greater good." "Mission, innovation, diversity" began a long time ago the imperative that is more critical than ever before measured against the darkness of our times.

When "mission-innovation-diversity" is our rallying cry, we shine a light. To serve is to live.