

# 3

## Levels of Leadership

The purpose of this chapter is to introduce a concept central to the book, namely that human behavior can be viewed and analyzed at least three different levels: visible behavior, conscious thought, and semi-conscious values, assumptions, beliefs and expectations about the way the world is or should be. This framework is essential to the discussions that emerge later, so it is very important that students get this. Fortunately, it's easy to grasp; it's developing skills at leading all three levels that is the challenge.

### Case Recommendations

John Wolford A (Darden Business Publishing, UVA-OB-0167), Hassan Shahrsebi: The Golden Boy (Darden Business Publishing, UVA-OB-0590), Marsha Harris A (Darden Business Publishing, UVA-OB-0562) and any case that provides data on an individual's visible, conscious and value-based behavior can be used here, including Joe Willis: Feeling the Heat in Thailand A, B, and C (Darden Business Publishing, UVA-OB-0898, UVA-OB-0899, UVA-OB-0900).

### Case Teaching Note Carolyn Hendricks (UVA-OB-0601TN)

### Overview

This case is the text of a final paper written by a second-year MBA student in a required capstone course entitled Leading Strategic Change. The narrative reveals something of the student's background as an abused child in Germany, her emigration to the United States, and her subsequent efforts to come to grips with her own past and to build a future. The paper assignment required the students to develop their own definition of leadership. Ms. Hendricks developed her model from that of Frances Hesselbein, former national president of the Girl Scouts of America and recent president of the Peter Drucker Leadership Institute. The case therefore gives an opportunity to discuss how people need to develop the ability to lead their own lives in order to lead others, and to examine the leadership principles of one of the leading leadership figures in the United States, Ms. Hesselbein.

### Topical Areas

Leadership, adult development.

### Objectives

- To explore personal definitions of leadership.
- To explore Frances Hesselbein's leadership theories.
- To consider how much individuals have to learn to become adults and leaders.

## Timing

I use this as the third or fourth case in a second-year elective on Leadership Dynamics. My goals are to introduce feminine perspectives on leadership early on, and to have students consider how much they might have to learn about managing themselves in order to become effective leaders. I think the case is more effective early in a course because of the various topics it brings up, and I want those topics available for discussion throughout the course.

## Student Assignment

### Reading

Carolyn Hendricks (UVA-OB-0601)

You might also assign some of the readings of Frances Hesselbein or Peter Drucker. One option would be the chapter by Ms. Hesselbein in the recent volume *The Effective Leaders of the Future*. Alternately, you might assign chapters from *Co-Dependent No More*, the best-selling book.

### Study Questions

1. How does Carolyn's background inform her definitions of leadership?
2. What challenges will Carolyn face in exerting her leadership in the future?
3. What is your assessment of Frances Hesselbein's leadership principles?
4. What challenges will you face in implementing your leadership in the future?

## Suggested Class Design

Follow the study questions above.

## Analysis and Student Response

### 1. How does Carolyn's background inform her definitions of leadership?

Carolyn's background has many factors that will affect her ability to lead (1) a normal life, (2) others in professional settings, and (3) the children she chooses to serve during her career. Obviously, her father's abuse, alcoholism, and changing national cultures all will affect her ability to make sense of her life and of her professional influences. Children of alcoholics grow up with a relatively similar pattern of behaviors: they tend to seek affirmation in their lives through achievements, while distancing themselves in relationships; they tend to be uncertain in their opinions, seeking first to know what others think so they may conform without objection; they tend to think poorly of themselves and suffer from lack of self-esteem and bouts of depression. On the other hand, they've learned to present themselves with a confident and capable facade, necessary to survive in the mercurial surroundings of an alcoholic home.

All of this said, Carolyn has apparently vowed to right some of the wrongs she's experienced by trying to serve children with similar circumstances, perhaps giving them an advocate where she had none. The odds are that there are some in the classroom who either know what Carolyn has experienced or of those who have. The instructor will have to exercise caution and sensitivity in facilitating the discussion. On the one hand, one wants the topics brought up in the case to be open for

a respectful discussion, to bring the consequences of alcoholic families out of the closet and shadows of disparagement into the light of common respect and broader understanding. On the other hand, one cannot force these discussions. People will only discuss them if they are comfortable. This will depend heavily on the level of trust the instructor has developed in the classroom. This aspect of the discussion perhaps argues for a later introduction of the case in a course sequence; but as I stated earlier, assuming an early rapport with the students, I want the topics of the discussion to be available for the rest of the term.

This is the section where you might focus on using the Levels framework to identify Carolyn’s behavior. Her behavior at Levels One and Two is fairly obvious. At Level Three, we can infer her VABEs to include:

Given my experience, I can help others avoid and/or deal with what I had to deal with.	Given my experience, I’m unsure of my position and worth in life.
I may not have much original to say about leadership, so I’ll borrow a model from a trusted authority figure.	
Men are dangerous.	

**2. What challenges will Carolyn face in exerting her leadership in the future?**

Given the analysis above, it is clear that Carolyn will have to understand and manage several demons throughout her lifetime. When she achieves, her self-esteem will escape her. When she influences others, she will question herself. When she strives to develop relationships, her memories will make that more difficult. She may have semiconscious difficulties in dealing with male authority figures.

Carolyn’s life will likely be a continuous struggle to remain in charge of her experiences. As an MBA student, she presents herself as a cheerful, vivacious, well-groomed woman. The odds are that she will have to continue to work hard to maintain this appearance and that if she is successful, gradually the difficult times will become fewer and farther between. Regular exercise, managing her professional-stress levels, periodic therapy, and a strong, caring, and informed social network will probably all be key components of this effort.

**3. What is your assessment of Frances Hesselbein’s leadership principles?**

Ms. Hesselbein’s 10 points present a fairly common view of leadership, which includes the need to clarify the goal or vision, to focus on the customer, to communicate effectively, to share leadership with people throughout the organization, and to push through barriers like bureaucracy and setbacks. If your course, like mine, includes inviting students to develop their own definitions of leadership, this will be another example of some common elements that appear in other authors’ views of what leadership is. This list also makes good comparisons with the article “Androgyny and Leadership Style” by Karen Korabik.

#### 4. What challenges will you face in implementing your leadership in the future?

This is an opportunity for students to consider how, if at all, they share problems and challenges with Carolyn and how they might plan to overcome them. This is also a place to have the discussion about how Carolyn might deal with her challenges as outlined above, but with a broader focus that allows students to talk about the issues they see in their lives that may inhibit or affect their attempts to lead. These might include strict parental influence, lack of a life's dream or purpose, a focus on personal comfort rather than public contribution, and so forth. At the core of this discussion for me is the notion that leadership is not about getting the benefits and prestige of the position; rather, it's about accomplishing something that needs to be done and about which one feels very strongly.

#### Audiovisual

None.

#### Caselet Analysis

*Al was walking down the hall in the office. As he turned a corner, he saw John, his subordinate, come out of Al's boss' office, stop, look both ways, and then stride the opposite direction down the corridor. As John turned to walk away, Al noticed that he was carrying a thick file with the name of John's biggest client on the label.*

This short vignette is designed as a kind of "assumption projection instrument" that allows students to project their assumptions onto the discussion. I find the best way to introduce that is to ask them what they would do (Level 1) if they saw this. Then I'd ask them why? (Level Two) And this usually sets up an exploration of the underlying VABEs that drive both thought and action (Level Three).

DO? (Level One)	THINK? (Level Two) (Conclusions/Judgments)	ASSUMPTION? (Level Three)
Call the boss.	John's stealing.	People don't walk away with stuff they shouldn't have if they're not stealing.
Ignore the whole thing.	John had been asked by Al to talk with him.	Since I trust them both, this is okay.
Chase John down and berate him for skipping level.	John's just been talking with my boss!	Subordinates should never talk with your boss without clearing it with you first.

And so forth. You may get more alternatives for Level One, but you can lay them out in the same way. Just be careful to know the difference between thoughts and assumptions.

## Lecture Outline Chapter 4. Levels of Leadership

### I. Introduction

- a. Human activity can be thought of as occurring at three levels:
  - i. *Level One activity*: observable behavior.
  - ii. *Level Two activity*: conscious thoughts, not outwardly observable.
  - iii. *Level Three activity*: Values, assumptions, beliefs, and expectations (VABEs), not outwardly observable and only partly conscious to the subject.
- b. Conclusions based on another person's Level Two or Three behavior can never be precise, because the activity is not directly observable.
- c. But effective leadership must take into account Levels Two and Three.

*Instructor's Notes:*

### II. Body, Head, and Heart

- a. Level One activity, directly observable, can be likened to the body.
  - i. Most managerial systems since the beginning of the Industrial Revolution have focused on Level One: on influencing observable behavior alone.
  - ii. In the Information Age, this approach has become obsolete.
- b. Level Two activity, one's conscious thoughts, can be likened to the mind.
- c. Level Three activity, VABEs, can be likened to the heart.
  - i. Highly culture- and family-specific.
  - ii. An effort required to become fully aware of one's own VABEs.
- d. All three levels of activity influence one another.

*Instructor's Notes:*

III. Connecting Level Three Approach to Scholarly Views

The three-level view of human activity corresponds to Schein's three levels of cultural manifestations: artifacts, exposed values, and underlying assumptions.

*Instructor's Notes:*

IV. Learning Level Three Leadership

- a. Many people in leadership positions employ Level One leadership: the "carrot-and-stick" approach.
- b. But different people value different rewards, a fact that undermines this approach and calls for an inquiry into unobservable, internal processes.
- c. Also, the constant threat of punishment for noncompliance does not inspire quality performance.
- d. Moreover, our definition of leadership holds that the *willingness* of followers to follow is essential. Level One leadership leaves willingness questionable.

*Instructor's Notes:*

V. The Strong History of Level One Leadership

- a. Level One leadership was very effective for many years: economies were expanding, labor was plentiful, and stable markets made it possible to view labor as a commodity.
- b. But today, rapid change and fierce competition have made Level One leadership insufficient.
- c. New management principles (TQM, etc.) will fail if other aspects of the organization “reward systems, training, operating cultures” are not targeted at Levels Two and Three.

*Instructor’s Notes:*

VI. The Focus of Level Three Leadership

- a. Whereas Level One leadership aims for movement, Level Three leadership seeks engagement.
- b. Leadership proposes that offering workers rewards beyond a monthly paycheck “rewards that tap into their VABEs” will inspire greater performance and lead to enhanced customer satisfaction.
- c. Level Three leadership, especially at the outset, calls for greater effort on the leader’s part than Level One.
- d. But Level One will not keep an organization competitive in today’s environment.

*Instructor’s Notes:*

VII. The Dark-Side Potential of Level Three Leadership and Engagement

The commitment and enthusiasm that Level Three leadership inspires can lead to an undesired outcome at the individual level: overwork and burnout.

*Instructor's Notes:*

VIII. Organizational Implications

Level One, Two, and Three leadership can be examined from an organizational perspective.

- a. Level One: the application of the latest managerial fad or technique with the straightforward goal of influencing behavior
- b. Level Two: intentional organizational design (structure and systems), the result of conscious thought
- c. Level Three: organizational culture and operating values, subtly understood and not easy for all employees to articulate

*Instructor's Notes*



- IX. Applying Level Three Leadership at both the Individual and Organizational Levels
- a. Level Three leadership depends on the alignment of the central features of all three leadership levels.
  - b. When there are variations across levels “between what people or organizations do, think, and feel,” leadership becomes ineffective.

*Instructor’s Notes:*

## Exam Items

The correct answer to the multiple choice question is *italicized*.

1. Level Three leadership refers to one's:
  - a. Genetic endowment
  - b. Stature in society
  - c. *VABEs*
  - d. Executive oversight.
  
2. Level Two is largely sub-conscious.
  - a. *False (conscious thought)*
  - b. True.
  
3. A Skinnerian approach targets primarily:
  - a. *Level One*
  - b. Level Two
  - c. Level Three.
  
4. A person's values, assumptions, beliefs, and expectations form much like a limestone cavern.
  - a. False
  - b. *True.*
  
5. Throughout history, most leaders have managed at Level Two.
  - a. *False (Level One)*
  - b. True.
  
6. The dark side of Level Three Leadership is that it may encourage:
  - a. Wasted energy
  - b. *Workaholism*
  - c. Cheating at work
  - d. Dictators.
  
7. At the organizational level, Level One refers to intangible rituals and ceremonies.
  - a. *False (hard artifacts like buildings and tools)*
  - b. True.