Triple Crown Leadership: How Ethical Organizations Can Take the Lead

Bob Vanourek
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Rochester Area Business Ethics Foundation &
Conscious Capitalism Rochester Chapter
Central Premise

Commit to Build an Excellent, Ethical, & Enduring Organization
5 Practices of Triple Crown Leadership

• Head & Heart

• The Colors

• Steel & Velvet

• Stewards

• Alignment
Growing Database: Ethical Firms Outperform Financially

Database:
• “Most ethical firms”
• “Most trusted” firms
• “Most admired” firms
• Firms of Endearment
• High integrity firms
• Sustainable firms
• and more
1. Recruit, Develop, & Reward for Head and Heart

**Head**
- Education
- Knowledge
- Skills
- Expertise
- Technical competence

**Heart**
- Integrity
- Emotional intelligence
- Cultural fit
- Passion
- Authenticity
- Courage
Sample Heart Questions

• Tell me your story, starting where you were raised
• Tell me your two most formative life experiences
• Describe two humbling experiences you have had
• What are your personal values?
• Why do you want to lead?
• How do you fit into our culture?
• What is the single most important thing I should remember about you?

See: triplecrownleadership.com/resources
Choose People for Head & Heart

- Heart trumps head in choosing
- Use H&H in job descriptions
- Use panels
- Use deep reference-check circles
2. Set Inspiring Colors

• Purpose: why we exist long term

• Values: how we should behave

• Vision: what it will be like for all stakeholders when we are achieving our goals
Purpose versus Mission

**Purpose**

“Why” we exist

Very long term

Short (6 word max)

Sticky

- Everybody knows
- Alliteration

**Mission**

“What” we do or

“How” we do it

Business/Products/

Customers

Longer: Paragraph

Shorter-term

Not memorable
Set Shared Values

• Values guide behavior

• Behaviors determine culture
Shared Values

- Core beliefs for how we want to behave
- Memorable by everyone
- 4-7 words
- Acronym if possible
- With explanatory phrases
- Applicable to all stakeholders
- For use in daily decision-making
- Collaboratively elicited
Set Shared Values

- Gather key staff
- Explain shared values
- Show good examples
- Start with personal values
- Breakout groups to brainstorm
- Synthesize
- Enlist a guiding coalition to synthesize stakeholder input

- Draft and redraft
- Synthesize
- Publicize
- Bake values into decision-making & performance reviews
- Reinforce with Codes of Conduct & systems
Vision

- Inspiring description of what it will be like for all stakeholders when we are achieving our goals
3. Flex Between Steel and Velvet

• Steel – willingness to use title, position, authority, power on non-negotiables (e.g., achieve results ethically)

• Velvet = willingness to listen, ask questions, be quiet, let others lead

• Steel only fails

• Velvet only fails

• Flex depending on situation and people
Protect and Coach Mavericks

- Mavericks are committed to shared purpose and values
- Coach the mavericks on how to fit in
- Defend the mavericks
- Give them visible assignments
- Celebrate their worth
Fire the Toxic

• Examine their behavior
• If extreme, escort toxic to door
• If not, put toxic on a Values-Improvement Plan
• If they don’t improve, terminate (see HR/Legal)
• Even the star performers
Flex Your Leadership Style Between Steel & Velvet

- Understand your personality profile
- Share profile
- Have team share their profiles
- Identify how you need to flex
- Enlist
  - Family
  - Boss
  - Peers
  - Subordinates
  - Trusted friends
  - Mentor/Coach
- Practice
4. Empower Stewards of the Desired Culture

• Culture = how we do things here
• Give everyone an Irrevocable license to lead by the shared values
• Everyone has 2 jobs: regular + steward for desired culture
Unleash Culture Stewards

• Put culture & values on the agenda
• Tell people:
  – “I believe in you”
  – “I trust you”
  – “I’ve got your back”
• Hold people accountable to values
• Everyone 2 jobs: regular & culture steward
• Irrevocable license to lead by values
• Even as voice of one
2010 Booz & Co. Survey
(1800 Executives)

• 64% say biggest frustration = too many conflicting priorities

• Only 13% of organizations meet researchers’ ”standard of coherence”
5. Collaboratively Align

Long-Term
- Purpose
- Values
- Vision

Medium-Term
- Goals
- Strategy
- People
- Structure

Short-Term
- Processes
- Action Plans
- Communication Loops

Aspirational Strategic Execution
Alignment Steps

• Purpose, Values, Vision: see previous slides
• Goals: specific, measurable, prioritized by stakeholder
• Strategy: how to achieve goals
• People: what kinds of people we need
• Structure: how to organize formally and informally
• Processes: systems and policies needed
• Action Plans: who will do what by when
• Communication Loops: metrics, meetings, recognition/discipline
Summary

Commit to build an excellent, ethical, and enduring organization

5 Practices
1. Hire and promote for head & heart
2. Set lofty, inspiring purpose, shared values, & vision
3. Flex between steel & velvet
4. Empower stewards with an irrevocable license to lead by the shared values
5. Collaboratively align
Contact Info

- Website (blogs & free resources)  
  www.triplecrownleadership.com

- bob@triplecrownleadership.com

- Facebook: TripleCrownLeadership