

EDUCAUSE Center for Applied Research

Research Bulletin

Volume 2006, Issue 8

April 11, 2006

# The Ten Habits of a Caring Organization: Principles-Based Leadership

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High-performing CIOs and the members of the teams they lead follow a few fundamental leadership principles. They play fair, treat one another with respect, and tell the truth. They value the contributions of the team, respect their own limitations and those of others, and know that they ride on the shoulders of those who came before them. They applaud great work and they celebrate their successes. They know when to work hard, and when to work harder. And they know how to laugh at themselves. Strong CIOs embrace a challenge, and they engage their colleagues to help meet a need. They partner with their customers, and they lead the troops. They never take credit for the work of others, and they do what they say they will do. And they are crystal clear about their expectations of the team, settling for nothing less than honesty, respect, and integrity. This research bulletin describes guiding leadership principles for CIOs and suggests how metrics can be used to measure the impact they have on motivation, staff satisfaction, turnover rates, customer satisfaction, and ability to execute.

## Highlights of Principles-Based Leadership

Today's CIO must possess new leadership skills. He or she must be a social anthropologist at times, an inspirational role model often, and an effective business person always. Today's CIO is in the business of managing relationships, information, and technology. There is no value in dividing these responsibilities or the time dedicated to each. It is the work of the CIO to lead, inspire, motivate, energize, and deliver.

There are challenges. The first problem facing the CIO is dealing with the incredible pace of change, and the overabundance of information to be managed while evaluating this information. The second problem is thinking that solving the first problem is the primary job of the CIO. There will always be opportunities that seem overwhelming: competition for resources, and more information than can be fully understood and evaluated. This is the price of admission to the role of the CIO. But it is this very environment—and this tremendous information overload—that serve as our call to action and reinforce the need to cultivate wisdom.

Wisdom requires humility—no one can know everything. A focus on short- and long-term goals requires effort by all involved. We meet our objectives through collaboration and collegiality. This is especially true in professional and academic environments where there are many competing priorities and where many are motivated by individual achievement and recognition.

Wisdom requires curiosity. CIOs must also recognize that what we do is both interesting and difficult. Read voraciously—learn about the work of your colleagues. Value the insight of others, learn from your peers, appreciate the contributions of your customers, and stay engaged. Maintain a positive attitude regarding the challenges. Focus on the art of the possible, and remember that optimism trumps obstacles.

Wisdom expects stepwise goals. Step back periodically and dissect goals into achievable objectives. This will not only allow you to demonstrate progress, but will also assist in illuminating the successes and achievements along the way. It will also allow you to leverage personal and institutional flexibility while remaining focused.

Communicate with others, and remember that listening is perhaps the most important component of communicating. Listen carefully and thoughtfully. (Be attentive; pay attention.) With the rapid growth of technology in the workplace, employees and supervisors are becoming more isolated and segregated. They may have much to share; they may not take the time to listen. Make the time.

And for those of us in the technology business, we must be especially careful. For many, e-mail has become a more common form of communication than talking on the telephone or in person. We need to ensure that technology does not impede the growth of relationships in the workplace. We need to remember the basic principles of leadership and recognize that technology cannot replace relationship management.

What are these basic principles of leadership? Ten very simple principles can have a measurable effect on the business results. There is significant support for these principles in the literature, and companies that have integrated these principles into their culture have reported high employee satisfaction and productivity, high customer satisfaction, and low employee turnover.

The concept of principles-based leadership—the 10 habits of a caring organization—is to promote a certain behavior among leaders with the hope of creating a work environment that is trusting. Leaders should listen carefully, think ahead, sweat the small stuff, promote teamwork, make promises and keep them, do the work, and be positive, polite, present, and thankful. After the leaders adopt the principles, the next challenge is to ingrain the principles into the organization so that all employees adhere to them.

### Support for Principles-Based Leadership in the Literature

There are employees who are energized and committed at work; those who show up and do what is expected but little more; and those who are disengaged. According to Gallup poll data, only 29 percent of employees fall within the first category. All leaders are faced with a commanding challenge to expand the numbers of employees who are energized and committed at work. While there would be little debate among leaders that this is a significant and challenging goal, there is considerable debate on how best to accomplish this goal.

Competent leaders tend to be highly intelligent and technically prepared and have determination, vision, cognitive abilities, solid analytical skills, and good intentions. But what differentiates the competent from the great leader? What are the characteristics of a leader who creates a trusting environment, who energizes employees and helps them stay committed at work?

Daniel Goleman, in his groundbreaking article on leadership, concluded that intelligence and technical skills are important, but emotional intelligence is the essence of a leader.<sup>1</sup> He examined the relationship between emotional intelligence and effective performance

in leaders and identified five components of emotional intelligence that drove outstanding performance (see Figure 1). A leader who masters these components usually creates an environment of trust and fairness with a high degree of productivity.

**Figure 1. Components of Emotional Intelligence**

Component	Definition	Hallmarks
Self-awareness	The ability to recognize and understand your moods, emotions, and drives, as well as their effect on others	Self-confidence Realistic self-assessment Self-deprecating sense of humor
Self-regulation	The ability to control or redirect disruptive impulses and moods  The propensity to suspend judgment—to think before acting	Trustworthiness and integrity Comfort with ambiguity Openness to change
Motivation	A passion to work for reasons that go beyond money or status  A propensity to pursue goals with energy and persistence	Strong drive to achieve Optimism, even in the face of failure Organizational commitment
Empathy	The ability to understand the emotional makeup of other people  Skill in treating people according to their emotional reactions	Expertise in building and retaining talent Cross-cultural sensitivity Service to clients and customers
Social skill	Proficiency in managing relationships and building networks  An ability to find common ground and build rapport	Effectiveness in leading change Persuasiveness Expertise in building and leading teams

Source: D. Goleman, "What Makes a Leader?" *Harvard Business Review*, January 2004, p. 88, <<http://www.hbsp.harvard.edu/>>.

Without emotional intelligence, leaders cannot identify the impact they have on others. In order to motivate employees, leaders need to understand what others think and how their actions affect them. To create a trusting environment, leaders must use their social skills to promote teamwork and motivate others by modeling positive, restrained, and polite behavior.

Improving leadership skills by continually reflecting on self-performance will likely have measurable effects on relationships with others. This, in turn, promotes a trusting environment. The Great Place to Work Institute defines trust as having three characteristics. First, trust develops when employers perceive that managers are credible—they follow through with their promises. Second, employees must experience respect. Finally, trust grows out of a sense of being treated fairly.

Another model to building trust in the workplace was developed by SAS Institute, the large privately held software company. Creative people are generally motivated internally and respond better to intrinsic than extrinsic rewards. SAS Institute has developed an approach to maximizing the peak performance of creative people that can also be applied to customers. This unique framework consists of three guiding principles:

- help employees do their best work by keeping them intellectually engaged and by removing distractions;
- make managers responsible for sparking creativity, eliminating arbitrary distinctions between the different organizational roles; and
- engage customers as creative partners to deliver superior products and services.

The last principle is accomplished through the creation of multiple forums through which feedback can be gathered. For example, at an annual conference users are encouraged to challenge SAS to improve their product and fill out a Web-based ballot to suggest improvements.

In order to help workers perform their best, SAS leadership thanks employees not by offering stock options but by assigning them a more challenging job and by giving them tools to stimulate growth. SAS believes creative workers want to excel, so, for example, programmers are rewarded by attending professional conferences where they can improve their technical skills and connect to the larger software community.

There is also a focus on minimizing distractions and removing barriers to create an environment that makes it easier for people to be entirely focused on the job. SAS conducts an annual survey to determine what people need, followed by an analysis of whether the company will receive enough of a return, in terms of employee time saved, to merit the investment. Similarly, this same work-life principle is part of the culture at Recreational Equipment Incorporated (REI). The CEO of this company conducts town-hall meetings with groups of 200 employees at a time. More importantly, three-by-five index cards and pencils are placed on every chair and collected during the meeting. Employees are encouraged to write questions or requests, and the CEO responds on the spot. At both companies, employees are encouraged to participate in an open dialogue with senior leadership to identify barriers to productivity, and senior management listens carefully and provides thoughtful responses. Credibility will undoubtedly be high with attentive leadership.

SAS also believes that all managers should do hands-on work. The message clearly delivered throughout the company is that all employees are on the same team, striving toward the same goal of providing a superior product. Moreover, this strategy also gives the message that the boss thoroughly understands and respects the work employees do and, in turn, employees will have more respect for their boss and believe that their boss “gets it.” This approach builds a team and encourages collaboration among all employees.

## Measuring the Success of Principles-Based Leadership

When Sears, Roebuck, and Company was faced with huge losses, it undertook a radical transformation in its business model, strategy, and culture. Sears developed a set of measures that showed that employee attitudes drove both customer service and employee turnover. Using employee surveys, Sears also discovered that an employee's ability to see the connection between his or her work and the company's strategic objectives was a driver of positive behavior and that an employee's attitude toward both the job and the company had the greatest impact on employee loyalty and behavior toward customers.

Data gathered from the employee surveys of two very different organizations (a nonprofit health provider and a for-profit retailer) demonstrated, to the surprise of leadership, that 10 questions captured the employee's attitude about both the job and the company and, in turn, affected the employee's behavior and customer satisfaction. This survey found very similar results in terms of what employees need, including the specific attributes of a supervisor. A Johns Hopkins employee survey also shows that 10 similar items have the highest correlation to overall satisfaction. The lists are compared in Figure 2.

**Figure 2. Employee Satisfiers\***

Johns Hopkins	Sears
I have the opportunity to do the things I like best.	I like the kind of work I do.
My work is personally rewarding.	My work gives me a sense of accomplishment.
I leave work often with a good feeling of accomplishment.	I am proud to say I work at Sears.
I find my work interesting.	How does the amount of work you are expected to do influence your overall attitude about your job?
I trust my supervisor.	How do your physical working conditions influence your overall attitude about your job?
I make good use of my skills and abilities.	How does the way you are treated by those who supervise you influence your overall attitude about your job?
Responsibilities contribute to my professional development.	I feel good about the future of the company.
My supervisor is friendly and helpful.	Sears is making the changes necessary to compete effectively.
The guidance I receive from my supervisor is helpful.	I understand our business strategy.
My supervisor makes the work group feel valued and important.	Do you see a connection between the work you do and the company's strategic objectives?

\*Attributes related to supervisors are shaded. Measures other than employee satisfaction include retention rates, company performance, and ease with which vacancies are filled.

## The Ten Principles

In a complex and demanding environment, we often assume that everyone appreciates the fundamental expectations of the organization. A behavioral fit is expected and sometimes assumed. Sometimes, it's important to state the obvious, and the 10 principles below may serve as template for communicating these expected behaviors.

### Mind Your Manners

Your personal interactions, the way you treat others, and the way others treat you are vital to your success as a leader. There are a number of simple things you can do to foster relationships with your colleagues and with the employees you supervise.

- Use e-mail appropriately; write e-mails as if there were memorandums. Copy people you mention in your e-mails and inform senders if you forward their e-mail to others.
- Be prepared for meetings; distribute an agenda in advance.
- Respect the time of your colleagues; show up on time for meetings, and if you must cancel a meeting, provide advance notice and reschedule as soon as possible.
- Summarize meetings and action items for all.

In more general terms, guide your own body language and improve your ability to read the nonverbal cues of others.

- Use friendly body language and keep a smile in your voice.
- Use courtesy words like "please," "thank you," and "may I help you?"
- Treat customers as if they were guests in your home.
- Be patient and courteous when traveling around the campus.
- Keep public areas free of private behavior.

What does this behavior look like?

- Greet people, facilitate introductions, and break the ice.
- Make eye contact when talking with others, and communicate at eye level.
- Face the person to whom you are speaking.
- Lean forward and be engaged.
- Say "I'm sorry."
- Knock before entering.

## Be Present

If you create an environment where others feel understood, they will be more likely to engage in constructive discourse and be open to your ideas. These behaviors are more subtle than the body language described above; you may need to remind yourself to use these techniques.

- Be an active listener—give affirmative nods rather than maintaining a passive poker face.
- Respond to customers, employees, and colleagues in a timely manner.
- Watch others' reactions to you.
- Avoid body language that may indicate you are distracted or bored, such as playing with rubber bands or paper clips, clicking a pen, or drumming your fingers.
- Share ideas, and give consideration to the ideas of others.

Be sure to apply these behaviors to your interactions with your customers, and remember that your colleagues are customers too. Give your full attention to your customers with your eyes, words, and body language. Speak in terms your customers will understand. Avoid distractions and focus on one thing at a time—few people can really multitask. Acknowledge customers when you see them.

What does this behavior look like?

- Participate actively in meetings.
- Demonstrate active listening.
- Give timely and frequent updates to customers.
- Ask questions to identify customers' needs.
- Use friendly and engaging language.
- Offer to help with specific issues.

How do you measure this behavior?

- Do customers recommend you or your company?
- Has your behavior changed since you became a leader?

## Be Positive

Your attitude affects the climate and ultimately the productivity of the employees you supervise. Displays of unhealthy negative emotion are not a hallmark of good leadership. Remember to recognize the work of others and bring closure to issues by acknowledging the work of all. Encourage trust and build confidence rather than blame

others. Remember that mistakes are inevitable. Leaders must expect that employees learn from their mistakes, not that they never make them.

What does this behavior look like?

- Use positive language.
- Focus on the future.
- Seek options to solve a tough problem.
- Expect to make mistakes but also to learn from them.
- Be willing to take a risk to serve a customer.
- Accept new challenges with a smile.
- Set goals and work to achieve them.
- Be flexible.
- See the day as full of opportunities.

How do we measure this behavior?

- How often do you display negative behavior?
- Is your vision carried out with integrity and consistency?

## Create a Team

Teamwork works. Create an environment that facilitates the growth of energetic, productive teams that produce quality results. Focus your efforts on service excellence through collaboration and cooperation. Communicate often, and encourage everyone to participate. At the same time, respect the contributions of others and solicit input from all. Be honest with others and learn from them. Do not waste negative energy—we're all in this together.

What does this behavior look like?

- Encourage collaboration among staff.
- Create physical spaces where people can spontaneously interact and share ideas.

How do we measure this behavior?

- Are all members of the team positively engaged?
- Do the teams produce quality products in a timely manner?
- Is attendance high at team meetings, or does attendance drop over a period of time?

- Are communications in your workplace open and accessible?
- Do employees take pride in individual and group contributions?

### **Sweat the Small Stuff**

Tell the truth—there's no need to exaggerate. Take the time to say thanks. Return phone calls, reply to e-mails, and welcome others to the team. Remember the contributions of those who have gone before you. Schedule meetings with staff and keep appointments. Be willing to answer hard questions.

### **Rediscover Silence**

Obtain feedback from others, but mostly listen. Remember that the more senior position you hold, the less likely your employees and colleagues will be comfortable providing constructive criticism. Create an environment that encourages feedback of all types. It's critical for leaders to heed those who can speak up and give them an honest assessment of the situation. Listen...carefully! Don't interrupt others. Invite others to contribute. Allow for some dissention.

### **Be Thankful**

Value the customer, the vendor, the partner, and the institution. Learn from every experience. What does this behavior look like? Show your employees recognition and appreciation. Embrace the challenges.

### **Think Ahead**

But don't get too far ahead. Be measured—balance your enthusiasm with careful research. Signal before you change lanes so that employees have warning and can be prepared to help without feeling like they have been coerced or overwhelmed by the news.

- Develop a project plan, communicate the plan, and solicit input from all.
- Send out related materials before meetings.
- Communicate expectations clearly and summarize for all.
- Be prepared, and be on time!

### **Make a Promise, Keep a Promise**

Employees will not believe someone, regardless of that person's competency, unless promises are kept. Do what you say you will do! Be accountable for your actions.

How do we measure this behavior?

- Do you deliver on your promises and meet deadlines?
- Do the employees you supervise deliver on their promises and meet their deadlines?

Work with others to accomplish the objective—no excuses, no blame. Roll up your sleeves and occasionally help get the work done at all levels of the organization.

## What It Means to Higher Education

All industries and institutions face challenges and politics of their own. Tools and techniques that work for some may not work for others; however, those of us who work in the academy have a unique opportunity to make a difference and contribute to the greater good. More importantly, we are in a unique environment where we are encouraged to be role models for the leaders of the future. We must take this responsibility seriously. Leadership is our mission; stewardship is our responsibility.

At the same time, we operate in an environment that appreciates failures as learning opportunities. We must be conscious of this tolerance and respectful of the latitude it provides. In spite of our focus on principles-based leadership, remember to be kind to yourself, don't take it all too seriously, and laugh often. The following tactics that allow me to sleep at night might also be helpful for you. They are my personal seven Cs:

- *Control*—control what you can! No one has control over his or her entire environment. Realize this and move on. Focus where you can make a difference. Collaborate when possible and compromise when necessary.
- *Choice*—take responsibility for the situation that you have created. You often have a choice; work hard to solve the problem or accept the fate of not solving the problem. Accept it and move on.
- *Change*—change is inevitable. Embrace it and befriend this idea. The best way to predict the future is to invent it.
- *Challenge*—life isn't a fairy tale. You will have challenges regardless of your hard work, dedication, and commitment. You will be thrown into the rapids when you least expect it.
- *Comfort*—get accustomed to white-water rapids, but don't stay in the river if you'd rather be someplace else. The message here is a simple one: don't feel compelled to stay in a place that doesn't feel right for you. Some folks love the white water, the adrenaline, the sense of urgency. Others don't. It's okay to get out of the raft and go home.
- *Camaraderie*—play as hard for the name on the front of your uniform as you do for the name on the back. We're all in this together, and we can't succeed without help.
- *Commitment*—as Yoda says, "Do or do not...there is no try."

## Key Questions to Ask

- To what extent does our institution apply principles-based leadership?
- In what ways is this leadership style embraced by senior leaders?
- What opportunities do we provide to teach and learn leadership skills?
- In what ways does leadership influence our top-performing departments and schools?
- How do we know that leadership makes a difference?
- Does the senior leadership possess qualities traditionally associated with leadership—intelligence, vision, and technical skills—as well as emotional intelligence?
- What metrics are used to measure success?
- What if the leadership styles don't work?
- If you can't *change* people, do you change *people*?
- What are the unique challenges for IT professionals? The threat of outsourcing? The fact that many people don't understand the complexity of the managing IT? The vendor market instability? Does this negatively influence behavior?

## Where to Learn More

- P. Evans and B. Wolf, "Collaboration Rules," J. Fleming, C. Coffman, and J. Harter, "Manage Your Human Sigma," and T. Florida and J. Goodman, "Managing for Creativity," *Harvard Business Review*, July–August 2005, <<http://www.hbsp.harvard.edu/>>.
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## Endnote

1. D. Goleman, "What Makes a Leader?" *Harvard Business Review*, January 2004, <<http://www.hbsp.harvard.edu/>>.

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