

AUTHENTICITY AND INTEGRITY

WHAT IS INSIDE THE "BLACK BOX" OF LEADERSHIP?

AUTHENTICITY IS A CORE value of the LOHAS marketplace. Integrating sustainability and ethics with goals of growth and profitability is essential for the long term success of the market.

"Consumer sentiment has reached a tipping point and there is a significant portion of the buying public making purchasing decisions based on ingredients, impact, manufacturing practices and company ethics. Those buying decisions impact how people drive, and eat, watch and invest."

— Brad Wilkins, Editor,
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Integrating these values into the day to day workings of organizations is difficult, and the LOHAS companies that learn to master this integration will be the enterprises that grow and prosper. What are the critical factors that will create the great LOHAS companies of the future? We can look for some answers in the research on conventional companies.

From Good to Great

In Jim Collins' book *Good to Great*, he and his team investigated 1,435 companies within the Fortune 500 and found eleven that made the shift from "good to great" based on cumulative stock returns. One critical factor of the great companies is that all eleven had executives that were "Level 5" leaders. The book likens the pursuit of identifying how a company goes from good to great to deciphering what's inside of a black box. One of the many components within the black box "is yet another black box — namely the

inner development of a leader to Level 5."

A key question asked in the book is "Can you learn to be a Level 5 leader?" Jim Collins does not propose that we develop a "Ten-Step List to Level 5" but instead suggests that we watch what Level 5 leaders actually "do." He believes that "under the right circumstances — self-reflection, conscious personal development, a mentor, a great teacher, loving parents, a significant life experience, a Level 5 boss, or any number of other factors, many people have the capacity to evolve to Level 5."

Inside the 'Black Box' of Inner Development

Business and leadership training has been focused almost exclusively on external measures of achievement, with little attention to cultivating our inner capacities of intelligence, intuition, wisdom and compassion. In the LOHAS world there is an opportunity to truly integrate core human values into how we lead, and many believe that we need to rediscover and reconnect with our inner capabilities and lead from that place if we are going to meet the challenges inherent in today's world.

Authentic Leadership

There is a growing movement called "Authentic Leadership" that directly addresses the inner development of leaders.

In addition to a book titled *Authentic Leadership* by Bill George, former CEO of Medtronic, there is work being done at a number of institutions including the University of Michigan, University of Nebraska-Lincoln, and Naropa University. Naropa University has developed a model for its Authentic Leadership program that employs an integrated approach. The design combines training in traditional business skills with work that cultivates the inner dimensions of leadership. Three competency areas are emphasized throughout the program, supported by coaching and "action learning" projects in the workplace. The three competencies are authentic presence, skillful communication, and effective action.

Authentic Presence/Self Awareness

Authentic presence is the starting place for us as leaders — it is the ground of individual authenticity. We all possess it, but sometimes it is difficult to see or experience because of anxiety and fixation on the past or the future. By settling into the present moment and relating with what is actually occurring, we can let go of defensiveness and accept responsibility. Current leadership research shows that credibility, genuineness and authenticity are important characteristics that followers want from their leaders. However, authenticity is not just an end state, but a journey in itself. It means being willing to take risks and being completely present in a situation. It also means learning more deeply about the things that really matter to us and sharing

our aspirations and dreams with others.

Relationships/Skillful Communication

Skillful communication helps us expand our sense of well-being and trust in the world around us. It starts with accepting full responsibility for all of our interactions, and then looking for ways to strengthen our relationships. Skillful communication utilizes specific methods such as self-disclosure, inquiry and conflict resolution. Developing emotional intelligence and learning to appreciate different styles and expressions helps leaders enhance relationships and coordinate complex tasks and projects. This approach fosters a highly creative and highly committed organizational culture.

Effective Action/Leading Change

Effective action can't take place without the preparation of authentic presence and skillful communication. Companies are in constant processes of change and adaptation, and leading successful initiatives requires more than following the steps of the latest change theory. Authentic leaders create a culture of commitment that inspires full engagement and unconditional responsibility in individuals and teams. Out of this complete engagement come actions that are intelligent (or strategic) and compassionate (or empathetic). Organizations that learn how to approach change in this way are more resilient and capable of adapting to new conditions with enthusiasm and commitment. **LJ**



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