Humane Leadership

Tools to Engage, Empower, and Improve Performance
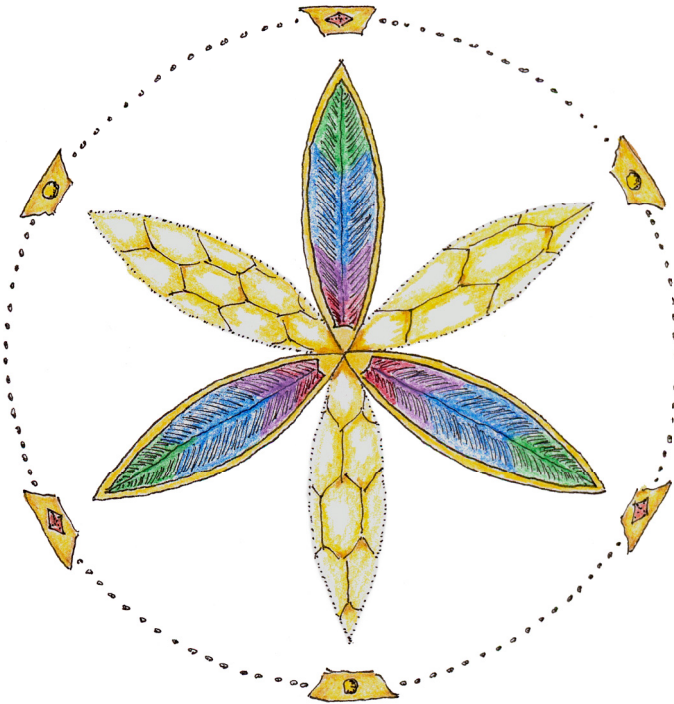
Stephen Bárczay Sloan

Dedicated to the little girl
who changed everything

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Hi.

In deciding to pick up this book, you accepted your role as a leader, to consider what "humane" might mean to you, to engage with your curiosity. Thank you.

In exchange for your curiosity, I offer a new relationship to your work, your team, your leadership, and maybe even to yourself.

Do you believe that our ways of leading ourselves and each other could be more fulfilling **and** more effective? I know we can do better.

In this book, I present a structured method for having performance improvement conversations that honor our shared values, humanity, and desire to produce excellent results. What I offer here, I learned the hard way.

Days in the Desert

Scottsdale, Arizona, the late 1990s.

I drive up between manicured lawns, palm trees and a backlit sign in front of a waterfall. The Phoenician resort looms like a stone temple at the foot of Camelback Mountain. I am here to attend an office supply industry conference billed as a "revolutionary step forward." The resort is certainly fancier than the midwestern airport hotels the office supply industry usually gathers in.

I walk through the gleaming lobby towards the opening party, greeting associates along the way. At that moment, I own three progressive companies in the industry and serve on the industry association board of directors. I am also chairman of the largest independent stationary business cooperative, formed to protect 1,000 family businesses from a Wall Street funded invasion by Office Depot, OfficeMax and Staples.

I've worked hard for twelve years to climb to these leadership positions. I am thirty-five years old, privileged, and gathering power rapidly in this odd corner of the world.

The poolside party on this balmy evening is like a dream. Energetic music thumps and the light of the pool dances across the assembled industry leaders chatting about golf and business. Young, fit women mingle with the middle aged men. The women chat warmly and smile as they pull tequila bottles from leather holsters slung low on their hips to pour into the men's upturned mouths.

Dazed, I order a beer and observe the spectacle.

The next morning, I sit in a strategy meeting of the cooperative's board before joining the hundreds of others to hear the keynote addresses. Loud music and flashing lights herald the entrance of file folder and paper clip titans as they stride on stage to congratulate themselves on their vision and endlessly skyrocketing sales charts.

The internet is revolutionizing how even copy paper and staplers are distributed, and young men shamelessly tout miraculous technologies that are destined to disrupt everything the older businessmen understand. "Of course, fine sir, with a not-so-modest investment, you can profit from the revolution yourself…."

Faces and logos flow across the stage while the graphs and egos all seem to bulge with boundless, manic success. The tempest in the office supplies teapot rages all day like an echo chamber of uncritical thinking, hubris and greed.

I listen with grave doubts because from my positions of leadership I understand that:

- Many challenges lurk beneath the glossy promise of new technologies.
- Most of the self-aggrandizing, flirtatious bonvivants are actually humble, married businesspeople.
- Many Cheshire cat executive smiles are masking manipulations and power grabs that will serve few and hurt many.
- A decade before, this very hotel was at the center of the savings and loan crisis, when it was seized by regulators and landed the builder in prison for fraud, racketeering, and conspiracy.

Here I am at the peak of my influence and success, after twelve years of grinding effort, attending a global forum of industry leaders with whom I share a lot of life focus but evidently little in terms of values, hosted at the scene of a huge white collar crime. I feel deeply disturbed.

That evening, as I drive out into the suburban desert, my thoughts spiral darkly downward. I am facing the intellectual and moral bankruptcy of everything I have worked so hard to achieve.

To break my silent spiralling, I turn on the car radio. My ears are filled with human voices rising and falling in a transcendent thirty-six part harmony, Ockeghem's Deo Gratia. The 500 year old beauty and order of that music reach deep inside me and uncover a long ignored spark.

My deepest values around truth and beauty are rekindled after being buried by years of hyper-focused striving.

From that moment, I've felt called to reweave my deepest values into my life and work.

Who am I to be leading this journey?

First, let's get real. I am a far from perfect leader.

I was a painfully introverted teen. In college, I forced myself to interact with others by becoming a realtor and making excruciating cold calls. The frameworks and tools in this book grew out of my experience of becoming a leader from an introverted, sensitive and highly distractible young man.

I became a fairly successful leader, but what's unique about

my journey is that I paid close attention and took good notes on my experiments over the last thirty years.

To round out the picture, here's my leadership mea culpa:

- In my twenties I had 35 employees.
- While in the commercial office supply business, I got to speak with thousands of business owners, controllers, front-line leaders, and employees in a huge variety of industries.
- By my mid-thirties I had two businesses and a software startup. I worked hard, took big risks and sometimes couldn't take a paycheck myself.
- Along the way, I hired and fired a lot of people, including immediate family members.
- I was overly focused, short-tempered and on the verge of becoming completely cynical.
- I burned out.
- I sold what I could, closed up the rest, then I retreated to an island.
- I chopped wood, read, and held our babies by the woodstove for years.
- I look back on all the leadership actions I've taken and I feel something between ambivalence and disgust at my own shortsightedness and slow learning.

A few years after selling my own businesses, I was asked to consult for a successful entrepreneur facing a leadership crisis. Since that phone call, I have consulted for a wide variety of social and business entrepreneurs, led global and national sales and service teams, and helped global technology firms with strategic marketing, emerging technology strategy, and

acquisitions.

In the process, I learned to feel and to think more deeply.

At one point on my journey, I found myself in a glass walled conference room just across the hall from the CEO and CFO's offices asking for $2 million more dollars for my business sales team.

I knew that underlying their obvious skepticism were the voices and values of their private equity bosses. How could I justify asking for that much money when the company was just emerging from bankruptcy?

The year before we'd sent two people to the hospital during our eight week "season" of 12 to 14 hours days, six days a week. I refused to accept that this was "just the way it is around here." I knew my team needed me to build a strong case and an even stronger action plan to both improve employee experience and deliver the results the board wanted.

To convince the executives and the board of my plan to stop treating our sales team as replaceable cogs in a machine, I knew I would need to draw on real data, solid models, and clear logic.

I started with a model tying employee experience to customer satisfaction and operating profits I'd found in the Harvard Business Review. To support the logic, I brought in the idea that managers should develop team members, not just drive them, based on real data and solid analytics from Google's Project Oxygen. Finally, I knew that I would need proof of bottom line results delivered by our sales team.

The CEO turned to me and said, "Show us what you've got." I presented models and frameworks as they sat back in their chairs, trying to hide their doubt behind blank expressions and folded arms. When I told them that the team had added $200,000 of sales above plan at no additional cost in the last 30 days using the sales approaches we'd created together, the arms unfolded and the questions started flowing.

Within a few days, the board approved the budget to rebuild the sales team and its workflow to dramatically improve both employee experience and sales results. Thus began my campaign to bring humane leadership to corporate America.

The Problems

As **leaders** we face a variety of challenges every day:

- The pressure to meet the organization's goals.
- The need to improve the performance of our all too human team.
- The moral ambiguities of power and our own integrity.

As **humans** we and our team members face a separate set of challenges:

- We earn our pay by working in often disempowering organizations.
- Our mental work disengages us from our bodies and deepest values.
- We feel the disappointment of our unmet need to work in a collaborative learning culture.

How can we create a culture of performance improvement

and leadership that addresses all of the opportunities inherent in these problems?

Humane Leadership

Let's define terms:

Humane

1. *Having or showing compassion or benevolence.*
2. *Branch of learning intended to have a civilizing or refining effect on people.*

Leadership

1. *The action of leading a group of people or an organization.*

Leading

1. *Cause (a person) to go with one by holding them by the hand or other method while moving forward.*
2. *Be a route or means of access to a particular place or in a particular direction.*
3. *Be in charge or command of.*
   a. *Organize or direct.*
   b. *Set a process in motion, start.*

"Be in charge" is the meaning of leadership that we habitually think of, but the first two meanings are also important. "Leading" in this book will be defined as the act of holding to move forward, organizing, directing, and setting in motion.

So "humane leadership" suggests that we hold responsibility for helping people and organizations better pursue shared

goals while ensuring the journey consists of the compassionate refinement of talents, habits, character and skills.

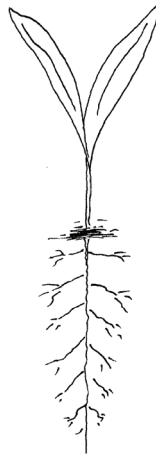How can we take on this responsibility without a shared set of values?

Humane Leadership Values

Humane leadership springs from three core values:
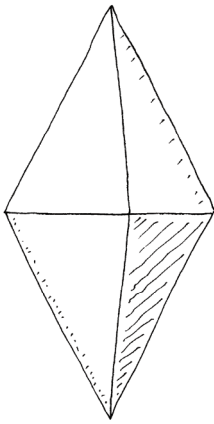
Fair Strength	Generative Care	Wise Balance
Combining strength, clarity and beauty	*Offering nurturance to each person and moment*	*Balancing strength and care*
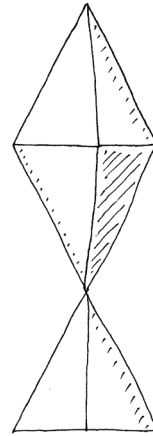
Fair strength. Leaders need to be strong, especially in the hardest moments. The leader is the one who, after group deliberation, steps forward and says, "Good thinking, let's go for option two. Come on, everybody, here we go!" That's our

idea of a strong-in-a-crisis leader. That leader is like a diamond, beautifully strong, created under intense heat and pressure.

While decisive strength is important, it's not everything. A leader who is strong but unfair is ugly – more like a bully or a despot.

Humane leaders balance their strength with fairness. The word **fair** is interesting because it has at least a couple of meanings. One meaning is to be just, to do what's equitable for our community, our organization, and our earth.

But **fair** also means beautiful. Can we agree that strength can also be beautiful? There can be elegance in strength. It's not a bragging, self aggrandizing, immature strength, it's a certain confidence and savoir faire. Humane leaders have a beautiful strength that's subtle – it's only strong when it needs to be. It's measured, wise and serves as many as possible.

Generative care. Humane leaders practice generative care when they empower, edify and encourage. Humane leaders inspire care for each other and our highest values and aspirations. This generative care is the foundation of every thought and action they take. Without this care, we wouldn't be doing things for the right reasons. There needs to be an element of love for the work, for the people we're serving, for the people we're leading, and for our own hope and faith in humanity. If we're not working from that place as a leader, we should ask ourselves if we should be leading at all.

Ideally, our organizations work within a culture of CARE which brings all the values and methods of humane leadership to life in service of employee experience, customer satisfaction,

impact, and profitability. CARE is an acronym for:

- Connect: I feel connected at a human level, as a complex, sensitive, adaptive being.
- **Achieve:** I am experiencing the joy and rewards of accomplishment.
- **Respect:** I am respecting myself and others, as well as the materials, processes, and tools around me.
- **Emerge:** I am consciously choosing to develop my skills, attitudes and approaches through this work.

By using the tools and methods in this book, you can create a culture of CARE in your life, family and organization starting at the front line leader and team level. This will bring your employee experience, employment, investor, and market brands into alignment and integrity. Look on our website for a tool to support evaluating and refining your own culture in the CARE framework.

Wise balance. The diamond of our fair strength must rest upon balanced wisdom. Wisdom requires balancing:

- Our own needs and deeply held values.
- The competing needs of our team, our organization, and our shared social and natural ecosystems.
- Use of financial, natural, and time resources.
- The sharpness of our rationality and judgement with the care and nurturance of our shared humanity.

Every decision requires balancing competing values wisely. Every action reveals the relative wisdom and integrity of our lived values.

Leadership is not work for the faint of heart. This is work for people who care enough to make a difference and hold their own integrity at the same time. They are humane leaders – leaders who are humbled by their responsibility and dogged in their striving to live these values each day.
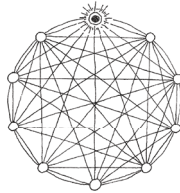
Redefining Work

Could it be that the purpose of work extends beyond mere production of valuable goods and services in exchange for a paycheck?

In his book, *Small is Beautiful*, E.F. Schumacher, a British economist who studied Gandhi's thinking, proposed that work has three purposes:
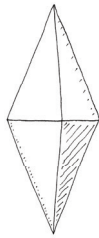
Develop our capabilities so we can perform better and contribute more

Transcend ourselves through collaboration with others

Create goods and services relevant to our mission or plan

This is not some esoteric idea. Peter Drucker, one of the leading management thinkers of the 20th century wrote that leadership is less "magnetic personality" and more about "lifting a person's vision to higher sights, the raising of a person's performance to a higher standard, the building of a personality

beyond its normal limitations."

Following Drucker's model we can learn to better engage, empower and improve the performance of all our team members. This model also allows us to see when we can create an opening for someone to build their own leadership skills. This is the heart of success and satisfaction as a leader, seeing every moment as a chance to edify someone you care about.

How to Benefit From This Book

This is a practical, comprehensive guide to performance improvement that provides tools for human development at work, in community and in families.

The approach is simple:

- Collaboratively review performance.
- Identify opportunities for improvement.
- Design experiments to make improvements.
- Evaluate progress and refine experiments.

Of course, the book offers much more than just a simple approach. We introduce a framework in chapter two so anyone can quickly evaluate performance issues and opportunities for improvement. In chapter three we explain how to effectively host a performance review meeting and in chapter four, we explain some of the concepts underlying these methods.

The balance of the book is a primer and reference for the many challenges and opportunities you will discover in working with the humane performance improvement practices you've learned. Chapters five and six examine the wide variety of

challenges that we may bring to the performance improvement discussion. Chapters seven through eleven offer deeper understandings and tools to empower improvements in motivation, time and authority, clarity of expectations, and development of capabilities. Chapter twelve looks at the implications of the humane leadership approach for our lives and organizations.

These practical approaches will add power and nuance to whatever performance evaluation processes your organization already uses. The Performance Wisdom Jig in the next chapter helps leaders dig more deeply into situations your existing process uncovers and helps them co-create experiments to improve results. Of course, our approach can stand alone if your existing frameworks need an upgrade.

A new framework is the easy part, how can we create real, lasting change in performance levels?

How Change Happens

A theory of change is a set of assumptions about how change happens in our organizations, ourselves, or the larger society. Years working with teams has refined our theory of change to make it both practical and personal.

Our theory of change is **practical** because it focuses leaders on helping individuals experiment to create measurable performance improvements. Our theory of changes is based on the ideas of:

- **Service profit chain –** Developed at Harvard Business School, this framework links employee experience to retention, customer satisfaction, net profits, enterprise value, and real community impacts.

- **Earned influence –** Leaders must earn the right to lead their teams. We developed a model to support leaders in earning influence by being relevant, unique and visible, based loosely on philosopher Bertrand Russel's thoughts on power.

- **Conscious creativity –** Humane performance improvement assumes that we can choose our thoughts and actions based on free will and wisdom.

- **Thought and action –** We believe that changes of thought naturally lead to changes of behavior. Improved performance will create a positive feedback loop that makes the improved behavior habitual. This is based in first principles of cognitive behavioral therapies in psychology.

Our theory of change is **personal** because we believe that change happens one individual human being at a time, rather than to abstracted groupings of humans we call teams or organizations.

- **Each human is a leader,** if only of themselves. Each one of us possesses our own self-leadership laboratory. How humane and effective are you in your self leadership? Can you learn to better coordinate the light and dark forces of your own human nature? Hat tip to Plato and Socrates.

- **Values power change.** Our lives are created out of our values (fairness, strength, caring, wisdom, avoiding conflict, pursuing fame and fortune, maintaining safety, etc.). Our values are based on our sense of hope and faith in our own identity and potential. Acting in alignment with our values can be the source of our empowerment. Shift this relationship, shift your results.

- **Mindful attention leads to edification.** As we seek to see the reality of the people and the world around us in each moment, we become aware of our opportunities to edify ourselves and our team members.

More than being justified by some great end result, this theory of change allows us to hold our integrity as human beings who value reason, self-determination, moral virtue and human rights.
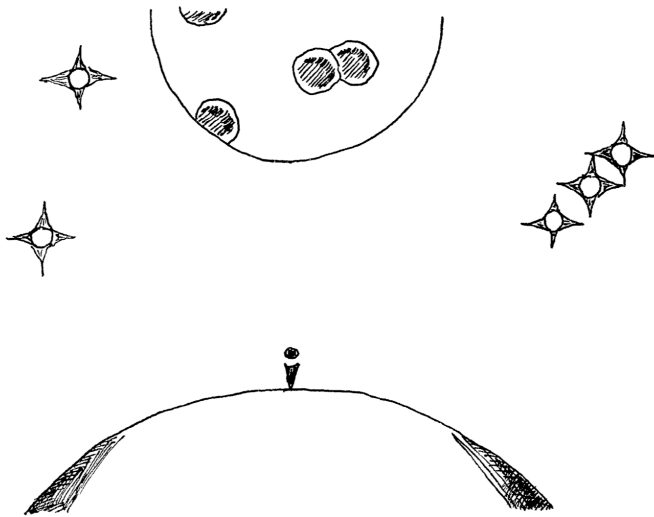
Be humble for you are made of earth,
Be noble for you are made of stars

But how do we make this change happen?

To internalize and make use of wisdom, we need to practice shaping our own thoughts and actions.

Wisdom Jigs: Tools to Improve Thinking

Buckminster Fuller wrote that the best way to teach a person a new mindset was to "give them a tool, the use of which will lead to new ways of thinking."

We created wisdom jigs to help you and your team improve your thinking, transform your performance, and create winning new habits.

jig n. *A device that holds a piece of work and guides the tools operating on it*

A jig is a tool to help you produce an intended result, to eliminate variables of position, angle, etc. The handheld pencil sharpener may be one of the simplest jigs you've used. The sharpener holds a blade at a precise angle and depth relative to the pencil lead and casing. Simply twist and you get a sharp pencil consistently.
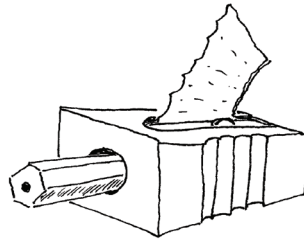
Using wisdom jigs can give us a variety of related benefits:

Wisdom

- **Proven** thinking that's been tested over many years across a diverse set of people, cultures and eras.
- **Knowledge** that reveals the world as experts see it.

Jigs

- **Help** us make better decisions and gain valuable experience more quickly and with less risk.
- **Create** lasting change by upgrading our mental models and habits of thought and action.
- **Offer** an experience of rational thought and conscious development of our own hypotheses and thinking to motivate further learning.
- **Build** confidence in our own thinking and creativity based on the insights and actions we generate.

The best thinkers of our species have left signs and diagrams, manifestoes and exaltations. Wisdom jigs help us internalize some of their learnings. So, may our patterns of thought be a conscious choice, not an unconscious habit.

We can choose our thought patterns out of fear, forget to choose at all, or we can begin to experiment with leading ourselves and each other more wisely and humanely.

> Life is a sum of all your choices.
>
> — Camus

As leaders, we can offer people the experience of choosing their own mental models, habits and experiments to optimize their results. This process lets us each become part of a self-teaching organism – a self-generated, self-refining intelligence.

Now, that is humane leadership.

We will support your humane leadership journey by offering

all the wisdom jigs mentioned in this book as free PDF templates on our website. These mental models have been gifts to us and our clients so we are happy to make them gifts to you and your associates.

Notes on Quotes and Sources

As you travel with me through this book, you will notice that the quotes and citations are mostly from the work of dead white males.

I confess that I am a cisgender male of European decent, born at the tail end of the baby boom, who was raised in some privilege during times of relative peace and plenty. I also admit to a philosophical, analytical and historical approach to life.

I am aware of and humbled by the many challenges people face every day with diversity, equity and inclusion. I am aware of the many good people and efforts working to rectify, to the extent possible, the structural challenges in our society.

In building this book, I carefully considered including a more diverse set of quotes and references. In the end, reaching into what was, for me, unfamiliar territory felt more like appropriation and inclusion-washing than an authentic expression of my own experiences. So, I included the mostly dead white men that I have naturally gravitated towards in my very partial self education. I am happy that our children will be more diversely educated than I am. I consider that progress.

And yet, I believe the wisdom available in these pages can still empower emerging leaders no matter their circumstances. Humanity is us, all of us, and therefore humane leadership

includes anyone and everyone who's prepared to lead them-selves and others. Leadership includes every starting point and every next step. This includes you, if you would like to be included. It's my hope that by deconstructing my own experience of how power is created and used that I can make power more accessible to you and anyone else committed to using it for good.

Wisdom transcends our differences. May you find some reflected rays of light here.

I hope you will accept this gift in the spirit in which I created and now offer it. Take what empowers you and please, leave the rest.
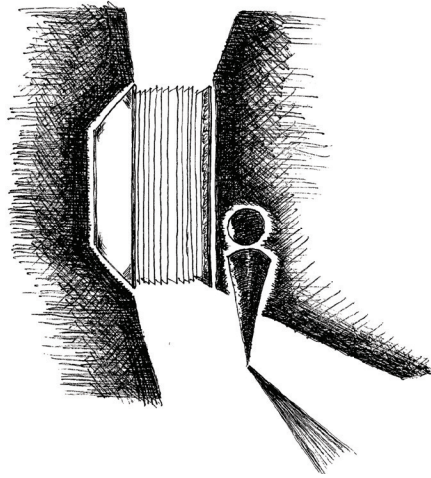
The Illustrations

OK, so what's the story with these simple drawings?

I hope the illustrations I drew make the book more relatable – they come unfiltered from my imagination into your expe-rience. May they invite you into moments of clarity.

I also hope that the words and images here create an opening for you to bring more of your inner, protected self, more of your creativity, and more of your desire to express what's true for you into your working life.

Creating this book has been a wonderfully empowering,

expressive and healing process for me. I hope it serves something wonderful in you.

Further Reading

At the end of each chapter, I list works that influenced my thinking or were mentioned. A few are business books, but most are books from the humanities – literature, history and philosophy. While it may seem inefficient, being tumbled in the kaleidoscope of the humanities helps us become more curious, compassionate, humble, and wise humans and leaders.

- Drucker, *Management: Tasks, Responsibilities, Practices*, 1973
- Fuller, see *Operating Manual for Spaceship Earth, 1969* or *Critical Path*, 1981
- Plato, Allegory of the Charioteer in the Phaedrus Dialogue
- Russell, Power: *A New Social Analysis*, 1938
- Sasser, et al, "Putting the Service Profit Chain to Work," Harvard Business Review, 1994
- Schumacher, *Small is Beautiful*, 1973

Hello again.

I hope you enjoyed this chapter and found it to be a relevant and unique approach to the challenges you face.

There's a lot of work to do improving performance making leadership more humane. I'd love to show you how this works.

This book will become an important tool for you, your team, and maybe even your family as you transform your own leadership practices.

As your leadership skills become more humane and effective, you will be invited to more impactful opportunities. Conversation by conversation, project by project, you will help build a more humane culture of leadership.

This book will give you a solid start, but if you need more support, the Humane Leadership Institute also offers advisory and training services for individuals and teams. Learn more on our website: humaneleadershipinstitute.org.

I hope to connect with you soon.

Of course, needs-based and bulk order discounts are available on books, advising and training. Please contact us to discuss your needs.

What others say about us:

> "Stephen is easily my favorite mentor and business associate. His ability to help others along the pathway of life and business in a way that expands and nurtures them and those around them, and that also keeps them focused on their true values and priorities, is as far as I can tell, incomparable."
>
> — Steve Rice, CEO, DotComJungle.com

> "Stephen had my students deeply engaged with their own selves within the first few moments of the group discussion. By the end of Stephen's guest lecture in my class, I could see my students were feeling empowered to be their own agents of change."
>
> — Bret Anderson, Ph.D., Chair of Economics at Southern Oregon University