

## **Executive Insights**

## Want Fast Growth in a Partnership or Talent-Based Firm? Lead Quietly

What does a successful leader look like? We all have an image in mind — it might be Henry Ford or Lee lacocca or Jack Welch. Whatever the differences in their style and substance, there's a common thread that unites these and other model leaders — their ability to command a room, focus a crowd, set an agenda and drive an organization or a nation or a movement forward.

But is that the only way to lead? Not at all. And in the case of certain organizations — especially talent-based organizations, such as professional services firms, investment firms and even nonprofits — it can actually be counterproductive.

When revenue and growth are generated by and depend on the buy-in of multiple producers and stakeholders — lawyers, traders, consulting partners, employee-owners, or nonprofit staff members deeply committed to the mission — the most effective leaders take a different approach. They don't direct. They don't sit at the head of the table. Instead they listen, encourage and create the conditions for the key stakeholders to drive their own success. They are quiet leaders who empower their people to think and act like owners, take responsibility for outcomes, and take pride in their contributions. How does this work in practice? Consider a professional services firm. The firm's partnership by definition is a peer community of highly accomplished, highly motivated people. Partners often have limited appetite for being directed. But they have plenty of ideas for what everyone else needs to do differently. They understand the benefits of working as a team. But they want to maximize their individual success. They demand resources and support. But they also want to maximize their own income and profitability. They know there are benefits to investing in new capabilities. But they focus on short-term rewards and outcomes.

It is the leader's job to get the partners and the organization to successfully navigate these contradictions and trade-offs. But in a partnership setting, a directive approach is often counterproductive. Instead, an effective leader is one who listens, learns what the partners need for success, and then helps them create and embrace the conditions that allow them and the organization to perform. The leader supports the individuals he or she is charged with leading.

This form of leadership isn't passive — it involves a strategic push toward an ambitious agenda, and confronting issues rather than glossing them over — but it is quiet, focused on empowerment and outcomes that the leader and the partners achieve together.

Want Fast Growth in a Partnership or Talent-Based Firm? Lead Quietly was written by **Stuart Jackson**, Global Managing Partner at L.E.K. Consulting. Stuart is based in Chicago.



For more information, contact strategy@lek.com.

To be an effective leader of a partnership or talent-based organization, remember to:

- Make it about the team and organization, not about you. Create a framework where everyone, including the leader, is accountable to the organization and the other members of the team. This approach makes everyone feel that they are their own boss — it promotes an engaged staff, sharply reduces attrition and encourages performance because people will want to do their best.
- Agree on organizational goals. An empowered organization with distributed decision-making can only work if there is alignment on the objectives. These should be as specific as possible: What are the metrics that define success — revenue, profit, number of members, community impact? What are the specific performance targets? Where do we want to get to over the next five years? Everyone empowered to make decisions in the organization should understand that they will be measured on their contributions to these organizational goals. Qualitative measures count, too. How well are they managing staff? Are their teams motivated and engaged? Are they helping other people? Are they just managing their own projects, or are they helping to build the firm's reputation and brand?
- Adopt a style that invites participation. A directive leader might look at the results from a regional office, one that had good sales but poor margins, and say, "This isn't good enough, we need to do better what are you going to do to improve that?" But a quiet, supportive leader would instead take the viewpoint of the local team: "Great that you have worked so hard to deliver the sales, but I'm sure you're disappointed with the profit. How are you planning to fix that and what can I do to help?"
- **Deal with detractors.** An empowered organization requires collaborative and high-performing team members. If there are individuals who don't buy in, then the leader has a duty to address them, either through coaching or by managing them out.
- **Promote change and innovation.** Human beings are naturally risk-averse and like the status quo. The leader needs to build a compelling vision for change articulating when and why the organization needs to embrace it. This takes work, but it can be done if you take the time to build

consensus across the organization. At L.E.K. Consulting, we spent over two years evaluating and building consensus toward a new structure that would change the economics for every partner but create a powerful mandate and resources for lasting growth. Buy-in by region was followed by an allday firmwide "constitutional convention." When the decision to move forward was made, every partner felt fully involved.

• Create a shared sense of purpose. This is especially important in nonprofit organizations, where a large part, perhaps even the greater part of the organization, is comprised of people who truly care about the mission. The quiet, supportive leadership style is well suited to keeping them focused.

There are trade-offs involved in adopting this leadership model. Decisions can take longer. It requires a highly aligned group of managers and professionals. It gets more difficult to apply as organizations grow in size. It requires more humility and effort from the leader. But the upside is that it creates a highly motivated team of people with an attitude of "This is my challenge and I am empowered to do what is needed to succeed." Change is actually easier when those responsible for implementing it have already bought in. There is no better way for an organization to achieve its full potential than when every professional thinks and acts like an owner.

An effective leader is one who listens, learns what the partners need for success, and then helps them create and embrace the conditions that allow them and the organization to perform.

Quiet, supportive leadership may at first seem a lot less appealing than the traditional top-down directive approach to leading an organization. But if done right, it can be extraordinarily rewarding both for the leader and for the broader organization. Machiavelli said that a leader should ideally be loved and feared, but since it is hard to unite both in one person, it is better to be feared. But in a partnership or talent-based organization, success comes when you create that ideal combination: a leader to be loved but an empowered organization that any individual should fear.

Editor's note: This article originally appeared on the CEO Today website.

## About the Authors



Stuart Jackson is L.E.K. Consulting's Global Managing Partner and a member of the Global Leadership Team. Stuart is responsible for directing the firm's global strategy and operations. In his leadership capacity at L.E.K., Stuart has worked with hundreds of clients in industries such as medtech, manufacturing and consumer products.

## About L.E.K. Consulting

L.E.K. Consulting is a global management consulting firm that uses deep industry expertise and rigorous analysis to help business leaders achieve practical results with real impact. We are uncompromising in our approach to helping clients consistently make better decisions, deliver improved business performance and create greater shareholder returns. The firm advises and supports global companies that are leaders in their industries — including the largest private- and public-sector organizations, private equity firms, and emerging entrepreneurial businesses. Founded in 1983, L.E.K. employs more than 1,400 professionals across the Americas, Asia-Pacific and Europe. For more information, go to www.lek.com.

L.E.K. Consulting is a registered trademark of L.E.K. Consulting LLC. All other products and brands mentioned in this document are properties of their respective owners. © 2019 L.E.K. Consulting LLC

