

# Leading with Authenticity and Meaning

By Matthias Spitzmuller

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WHILE ORGANIZATIONS HAVE BECOME FAIRLY ADEPT AT THE MANAGEMENT SIDE of business, many are lacking when it comes to providing leadership and meaning to followers. They often struggle to answer or even discuss key questions, leaving their followers feeling lost. Peter Drucker, a leading authority on leadership, summed it up when he argued that “failing organizations are usually over managed and under led.”

It is important for organizations and their leaders to ask themselves: What societal purpose do we serve for our followers? And how can we lead with meaning?

The path to leading with meaning involves two components. The first is diagnostic and includes two parts: understanding yourself and your organization. The second examines how to provide meaning to followers and adjust your approach in order to lead with meaning.

## Understanding Yourself

Authenticity can be defined by four key components:

- *Self-awareness*: an awareness of one’s motives, feelings, desires, self-relevance, strengths, and limitations.
- *Unbiased processing*: being objective in how one processes information, not denying or exaggerating information provided by others or that the self is creating by interacting with others.
- *Authentic behaviour*: acting in accord with one’s values, preferences, and needs, as opposed to simply meeting external expectations or attracting financial reward.
- *Relational orientation*: valuing and achieving openness and truthfulness in close relationships with others.

Why is authenticity an important part of leading with meaning? Research shows that leaders who are described as being more authentic are also described as more charismatic and transformational, and they experience a much higher life satisfaction than those not described as authentic. Further, individuals who are described as authentic tend to experience more positive emotions and less negative emotions at work which, in turn, leads to greater effectiveness with analytical tasks and increased creativity when identifying new courses of action.

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Ultimately, staying true to who we are encourages more positive emotions and broadens thought and action patterns. Leaders who are led by strong values and who stay loyal to those values are better able to provide meaning to followers than leaders who just go with the flow, particularly in times of change.

## **Understanding Your Organization**

Why is it important to understand the culture of an organization in relationship to its meaning? Two examples, one negative and one positive, help shed light.

Juergen Fitschen and Anshu Jain were appointed CEOs of the Deutsche Bank in 2012 in the aftermath of the great financial crisis. The Deutsche Bank, like many other financial institutions, was heavily criticized for its role in the financial crisis, and the newly appointed CEOs said that the organization wanted to change. They emphasized the need for a new set of values and beliefs which would define the type of institution the bank aspired to be. Yet, by 2015, the Deutsche Bank was involved in a scandal that involved the manipulation of the LIBOR interest rate and owed \$2.5 billion in fines. The new CEOs failed to realize that the existing culture of the organization could not simply be changed by saying they wanted to define a new set of values and beliefs.

If we want to change an organizational culture and provide meaning to our followers, we first have to understand the current culture, where it comes from, and why employees engage in specific behaviours.

A positive example comes from South Korea. In 2006, two of South Korea's largest banks, Shinhan Financial and Chohung Bank, merged. The banks could not be more different on paper. Shinhan was a young, dynamic Korean bank, and clearly on the rise. Chohung Bank was one of the oldest and most prestigious banks in the country, but in rapid decline. When the merger was announced, 3,500 Chohung Bank employees shaved their heads in front of the headquarters to express their protest against this merger. Executives quickly realized how carefully they needed to manage the transition.

Over a number of years, they brought together executives at different levels of the organization in order to understand the history of the two banks, and then slowly moved forward. The organization had the courage to engage its members in an open dialog to determine the future of this newly-formed organization and, as a result, provided a forum that could develop new meaning in the organization.

## **Providing Meaning to Followers**

Once we understand who we are and who our organization is, we can then take active steps to also provide meaning for our followers.

### **> Growth mindset**

Albert Einstein's teachers described him as lazy, slow, and dreamy. At the age of 16, he failed the entrance exams for a polytechnic and did not reach the required standard in several subjects. Teachers said he would not

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amount to much in life. Thomas Edison was described as a mischievous schoolboy, stupid, restless, a slow learner, someone who asked too many questions. In both cases, what Einstein's and Edison's teachers missed was their common approach: they had a growth mindset. They believed they could push and stretch themselves and learn from past mistakes, as opposed to seeing their talents be determined by test scores, fixed abilities, or intelligence.

Many organizations have realized that employees who have a growth mindset can be more successful in the long term than even employees who are recruited from the best universities. Google, for example, conducted an analysis of employees who excelled in the organization. It found that, oftentimes, it was not the top college graduates but those individuals who had experienced failure at some point in their lives. A growth mindset creates a learning orientation that allows individuals to develop new skills, to be careful listeners in conversations with others, and to adopt the mindset that helps transform an organization over the long term.

#### **> From expert to alchemist**

In a 2005 *Harvard Business Review* article, Rooke and Torbert presented a model on the transformations of a leader. They identified seven types of leaders, three of which stand out in relation to leading through meaning: experts, achievers, and alchemists. Their definitions, along with some examples from the world of soccer, provide insight into these leadership styles.

##### *Experts*

Experts are leaders who lead based on superior functional knowledge. Luis Van Gaal previously managed the Dutch National soccer team and most recently Manchester United. He is a fantastic scholar of the game of soccer. He spends a great deal of time studying technical formations and how to prepare most effectively for games. He once said that the optimal time to prepare for a football game is three days — not four, not two. He believes that ultimately being a functional expert is what determines if you win or lose soccer games as a coach. He had very little appreciation, however, for the interpersonal side of doing business and working as a team.

##### *Achievers*

Achievers are leaders who know what it takes to motivate followers and be successful. Alex Ferguson, also a previous Manchester United coach and arguably the most successful coach in European club football over the past few decades, is an example of an Achiever. During halftime of the Champions League final in 1999 between Manchester United and Bayern Munich, Ferguson's team was down by one goal. He delivered a now famous motivational speech: "At the end of this game, the European Cup will only be six feet away from you, and you'll not even be able to touch it if we lose. For many of you, it will be the closest you will ever get. Don't you dare come back in here without giving your all."

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#### *Alchemists*

Alchemists are leaders who can not only answer the question of how we do things but why, and adapt accordingly. Pep Guardiola was the coach of Bayern Munich and now manages Manchester City, but previously he coached Football Club Barcelona for four years. During that time, it became apparent that coaching the team was much more important to him than simply winning soccer games or titles. During the Second World War and into the 1970s, FC Barcelona was a symbol of resistance against Spain's Franco regime for the region of Catalonia. Guardiola not only focused on winning games but also emphasized the role of the team for the region. He is a leader that cannot only answer the question of *how* we win but *why* we win.

### **Looking at Your Organization**

What is the meaning that your organization serves? What is the meaning that your team in an organization serves for customers, for the organization, for society at large? For some organizations, it's very easy to answer this question. For example, UNOPS, an organization affiliated with the United Nations, is mostly involved in infrastructure projects in crisis regions of the world, such as South Sudan and post-earthquake Haiti. For this organization, it is fairly easy to understand how their projects and activities contribute to a societal purpose. But they are not alone.

There is purpose and meaning in the types of activities that all organizations perform. There are needs that you are meeting for your customers. There are needs that you are filling for society at large. Emphasizing these needs and emphasizing the roles your teams play in meeting them is the first step in providing meaning to your organizations.

With a little courage, you can reflect on and discuss these questions. Ask yourself: What is the meaning of my personal work, the work of my teams, and the work of my organization? What is our larger societal value? Many employees and organizations are desperately looking for answers to these questions.