

An Epidemiological Study of Leadership

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By

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**Cambridge
Scholars
Publishing**



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This book first published 2022

Cambridge Scholars Publishing

Lady Stephenson Library, Newcastle upon Tyne, NE6 2PA, UK

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

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ISBN (10): 1-5275-7641-8

ISBN (13): 978-1-5275-7641-4

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PROLOGUE

Epidemiological Model¹

The word epidemiology comes from the Greek word *epi*, which means on or upon, and *demos*, which refers to people while *logos* refers to the study of. The word epidemiology has its roots in the study of what impacts a population; it is a population-based term. According to the Dictionary of Epidemiology, “Epidemiology is the study of the distribution and determinants of health-related states or events in specified-populations and the application of this study to the control of health problems.”² Epidemiology is a scientific discipline that focuses on methods of scientific inquiry at its foundation. Epidemiology is data-driven and relies on a systematic and reliable approach to the collection, analysis, and interpretation of data without bias. Basic epidemiologic methods depend on careful observation and use of valid comparison groups to study trends and impacts, such as the number of cases of a disease in a particular region during a specified time of period or the level of exposure among persons with a disease. However, epidemiology also draws on methods from other scientific fields, including biostatistics, social, economic, and behavioral sciences.

Epidemiology is the basic science of public health because it is a quantitative and qualitative discipline that relies on expertise in the fields of probability, statistics, and sound research methods. Also, epidemiology is a method of causation study and reasoning based on developing and testing hypotheses grounded in scientific fields that include biology, behavioral sciences, physics, and ergonomics to explain health-related behaviors, states, and events that produce certain outcomes. Epidemiology does not, however, rely solely on research activity; it also depends on an integral component of public health, providing the foundation for directing practical and appropriate public health action based on science, observations, case studies, and causal reasoning.

¹ Applied Epidemiology and Biostatistics, Section One—Concepts in *Principles of Epidemiology in Public Health*, Centers for Disease Control (CDC); (CDC Publications 2002).

² J.M. Last, *Dictionary of Epidemiology 4th Edition*. p. 61, (New York: Oxford University Press; 2001).

Epidemiology studies the frequency and patterns of health events in populations based on foundational principles of *distribution* and *determinants*.

Distribution

Distribution considers frequency and patterns:

Frequency refers not only to the number of health events such as the number of cases of meningitis or diabetes in a population, but also to the relationship of that number to the size of the population. The resulting rate allows epidemiologists to compare disease occurrence across different populations.³

Pattern refers to the occurrence of health-related events by time, place, and person. Time patterns may be annual, seasonal, weekly, daily, hourly, weekday versus weekend, or any other breakdown of time that may influence disease or injury occurrence. Place patterns include geographic variation, urban/rural differences, and location of work sites or schools. Personal characteristics include demographic factors which may be related to risk of illness, injury, or disability such as age, sex, marital status, and socioeconomic status, as well as behaviors and environmental exposures.⁴

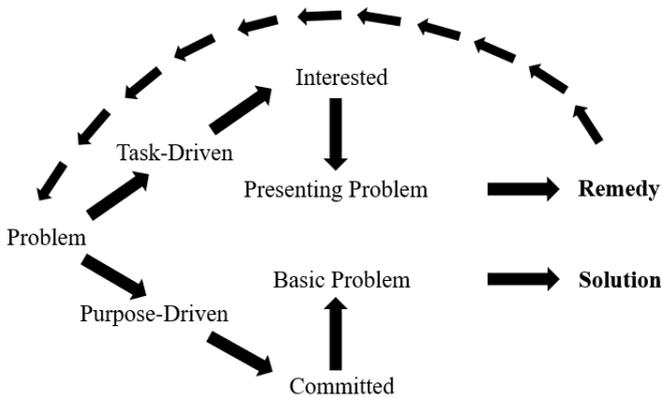
Determinants

Epidemiology also focuses on determinants, which are the causes that influence the occurrence of disease and other health-related events. Epidemiologists start their studies with the assumption that diseases or illnesses do not occur randomly in a population but happen only when determinants exist. To search for these determinants, epidemiologists use epidemiologic study methods to provide the “Why,” “Where,” and “How” of such events. Epidemiologists assess whether groups differ in their demographic characteristics, genetic or immunologic make-up, social or individual behaviors, environmental climate exposures, or other potential risk factors. The analytical study provides evidence to determine prompt public health control, mitigation, and prevention measures.

³ Applied Epidemiology and Biostatistics, Section One-Concepts in *Principles of Epidemiology in Public Health*, Centers for Disease Control (CDC); (CDC Publications 2002).

⁴ Ibid.

Epidemiological methods can be used in leadership functions by using them to discern if there are patterns or clues to problems and by looking for determinants. Most problems do not occur randomly, and there are almost always patterns and clues linked to the determinants. Within that method of studying problems possible solutions emerge. The focus is on solutions and not remedies. The leader that adopts an epidemiological mindset will not be satisfied seeking short-term strategies, or remedies, when they can identify solutions by discovering the basic problem and not just reacting to presenting problems. If leaders are task driven that indicates that they are interested in addressing the presenting problem without seeking to acquire valuable information that could uncover the basic problem. The purpose driven leader understands the value of seeking information about the basic problem so that the problem can be solved instead of temporary addressed, because remedies are not solutions, which means the basic problem has not been resolved and therefore will appear again.



INTRODUCTION

In her book *Bad Leadership*,¹ Barbara Kellerman identified several types of leadership that are destructive and not uncommon: incompetent, rigid, intemperate (lack of control), callous, corrupt, insular, indifferent, and evil (vindictive). Rising to a level of incompetence is not readily apparent to some leaders because many of them are oblivious to their own shortcomings, because they have ascended to leadership positions or they are in a state of denial about their own level of ability and are perhaps blinded by their ambition or by a mistaken belief that dictatorial, cruel, or laissez faire leadership is the key to success. As “proof,” they see examples of such leaders and they are blinded by their own rise to positions of power. Also, this type of leader is often unaware of his own circumstances because of the grip of his ego on his perception of leadership. Ryan Holiday wrote,

*Ego is the enemy of what you want and of what you have: Of mastering a craft. Of real creative insight. Of working well with others. Of building loyalty and support. Of longevity. Of repeating and retaining your success. It repulses advantages and opportunities. It is a magnet for enemies and errors. It is Scylla and Charybdis.*²

Some leaders view rigidity and stubbornness as an asset and as a leadership function. Sometimes this type of leadership comes with the encouragement (intentionally or unintentionally) of the organization in which the leader works. It is an extension of the military model of leadership and is reinforced typically at the beginning of a leader’s time at the helm of an organization as a clear message to everyone that “a new sheriff is in town.” This type of leader is determined to be the all-powerful boss, and everyone must follow blindly or leave immediately. Any employee that disagrees with the rigid leader is branded a troublemaker and is considered disloyal to the organization. However, there are leaders whose personality is not linked to the military style even though they think highly of that approach. In those situations, the leader will employ a chief of staff or

¹ Barbara Kellerman, *Bad Leadership*, (Harvard Business Review Press, 2014).

² Ryan Holiday, *Ego is the Enemy*, (Portfolio, 2016). Note: *Scylla* and *Charybdis* are monsters in Greek mythology and are in Homer’s *Odyssey*, Book XII—the comment “It is Scylla and Charybdis” is in reference to being caught between two irrepressible monsters.

someone of a similar title to “do the dirty work” and run roughshod over the organization. That situation often creates a powerful position where the chief of staff is more influential than the leader with little accountability, but the most salient point is that the leader allows it to happen.

Research indicates that “bad” leadership has many elements to it. In the field of epidemiology, the word “determinants” is used to describe those elements that are causal factors in determining an outcome or circumstances, such as the determinants of a disease.³ It is important to note that determinants are not random—they occur in patterns and there is always a determinant (cause) as there is with leadership.

The negative determinants that come from a leader who has a callous disregard for employees or who is ego-based and detached from employees or who defers all decisions to an upper-level staff member or who makes reckless decisions are often the same as those that come from leaders that lack self-control. The lack of self-control is not necessarily manifest in verbal outbursts or overtly aggressive behavior, although that does happen. Instead, many destructive and ineffective leaders contrive to embarrass, control, demean, discourage, and/or ignore employees in a variety of ways: through other employees, through sarcasm in front of others, by marginalizing the duties of employees, by demoting employees or reassigning employees, by delegating all decisions to one person, or by deliberately avoiding employees.⁴ There are many examples of how these destructive traits take leaders to a point where self-importance causes the demise of an organization or substantially weakens the organization and the effectiveness of its employees. The destruction of the leader’s influence if not his career spirals downward into a pattern of leadership corruption that leads to insularity and isolation and even to what Kellerman calls “evil” leadership.⁵

An article in *Psychology Today* titled “*A Toxic Leader Manifesto*” by Alan Goldman describes the role and outcome of destructive leadership and how that type of leadership style creates a negative workplace climate.⁶ Goldman challenges toxic leaders in a sarcastic tone. If a leader has adopted and clings to elements that are contrary to a positive workplace climate, and the leader has determined that is the only way to lead an organization, Goldman wants, with tongue-in-cheek, to make sure that type of leader does it “correctly.” Although Goldman is approaching the topic in a sarcastic

³ *Principles of Epidemiology in Public Health Practice- Third Edition*, (Centers for Disease Control and Prevention, 2010):

<https://www.cdc.gov/ophss/csels/dsepd/ss1978/lesson1/section1>.

⁴ Jack Welch, *Winning*, (Harper Collins Publishing, 2005).

⁵ Barbara Kellerman, *Bad Leadership*, (Harvard Business Review, 2014).

⁶ Alan Goldman, “A Toxic CEO Manifesto,” *Psychology Today*, July 2011.

manner, there are many essential and meaningful points to gain from his “manifesto” because it adroitly characterizes all that is wrong with a toxic leader.

It is essential to bypass dialogue and question and answers; the leader must attack, deflate or discard employees who are identified as lacking in any way or who dare challenge the leader; bullying must be cultivated and perfected; the leader must yell at and demean or completely ignore employees who fall short, error or are deemed annoying; the leader must stifle any workplace conversation that questions the leader; all attacks against employees must be brought forth into public forums for all to witness; it is mandatory to yell at employees (or assign someone to yell at employees) in an effort to promote fear, humiliation and sufficient loss of face; when criticizing employees the leader must carry this forth harshly and publicly without any opportunity for the offending employee to respond, and the destructive leader must remember that civilized and substantive feedback is his mortal enemy.⁷

Goldman’s powerful message is a clarion call to cease this type of leadership for practical and humane reasons.

Additional research on destructive leadership can be found in Lipman-Blumen’s book, *The Allure of Toxic Leaders*, which addresses why employees follow the toxic or destructive leader, which is typically from a basic need to survive.⁸ Employee compliance gives the leader the false impression that he is a good leader and virtually everything he does is appropriate; therefore, the leader believes that his leadership style is effective in the organization. He sees employees being compliant; he sees employees implementing policies without question, and he hears no criticism of his leadership style or any feedback from his staff that suggests the conditions in the workplace are negative due to policies, procedures or a designated staff member who eliminates feedback. Any success achieved by the organization’s staff despite the leader, is “owned” by the leader while any discord or failure it is the fault of staff members, the governing board, and/or outside influences. The toxic leader who assigns a staff member to handle operations of an organization does not know how the employees are performing nor is he aware of the workplace climate because the designated staff member has taken over and filters all feedback and information to the toxic leader.

Many times, the internal negative determinants of an organization are hidden by a temporary boost in productivity or the illusion of productivity.

⁷ Ibid.

⁸ Jean Lipman-Blumen, *The Allure of Toxic CEOs*, (Oxford University Press. 2006).

In this scenario, the board assumes that the leader is really “shaking things up” and, consequently, improvement, success, and prestige cannot be far away.

Lipman-Blumen found that some employees think a strong, dominating, overbearing, cruel leader is necessary. There are employees with so little self-respect and self-confidence that they think they deserve someone that is cruel and insensitive.⁹ Of course, there are employees who think being an insensitive and bullying leader fits their preferred style of management, so they view the totalitarian leader as a role model. And there are many employees that do not have a choice because they must work, and their primary motive is to survive; they tolerate destructive leadership because they must.

As a practical matter, it seems that a destructive leader would be easy to identify and remove; therefore, it is puzzling why so many destructive leaders exist, and it is equally interesting why so many continue in leadership roles for years in organizations before their brand of caustic and negative leadership negatively impacts the organization. However, it makes sense when looking at the profile of many such leaders.

The destructive leaders can be smart, strategic, manipulative, skilled, observant, instinctive, perceptive, articulate, very persuasive, or hide behind a designated staff member. These are skills that many successful leaders possess, so it is not surprising that some destructive leaders continue to find work at significant levels of influence and control in organizations, even in political leadership positions. The boards that select this type of leader and who tolerate the leader’s selection of an “enforcer” are naturally very defensive about their selection and are quick to point out the qualities of the leader that first made the person attractive for the position. This is called *cognitive dissonance*—a decision is considered correct even in the face of opposing facts because it must be justified.¹⁰ This is a vague and weak excuse, for seldom does a destructive leader first show signs of venomous behavior when he becomes the leader of an organization. Some of the most destructive leaders are charming. There is usually a telling work history of the leader where, for example, there may have been widespread employee dissatisfaction or resignations. The destructive leader will dismiss those concerns with comments about the challenge of change. And while that may be a legitimate explanation, it should be explored by board members. Too often boards ignore the background of leaders.

⁹ K.R. Harrison, *Victors and Victims*, (Authentic Publishers, 2014).

¹⁰ Leon Festinger, *A Theory of Cognitive Dissonance*, (Stanford University Press, 1962).

The powerfully negative impact of destructive leadership and the determinants that shape the leadership style can eventually reduce profits, weaken effectiveness, dampen the competitive edge, stifle innovation and improvements, disrupt the strategic plan, negatively impact the workforce, and drive organizational purpose into the ground. Studies by the Harvard School of Business estimate the cost of a failed executive leader at anywhere between \$1 million to \$2.7 million, depending on the size of the organization.¹¹ Regardless of the size or type of organization, it cannot afford for its leadership to fail or underperform, because it can drive an organization to insolvency, or it may take several years to recover.¹²

Destructive leadership takes a significant toll on morale and productivity. Studies show that over 40 percent of American employees classify their jobs as stressful and 75 percent of employees said the most stressful part of their job is the behavior and attitude of their immediate supervisor. Furthermore, mid-level supervisors often model their leadership style after that of the organization's leader.¹³ Studies also indicate that many employees would prefer a more conducive, healthy, and positive working environment over a higher salary.¹⁴ These same studies point to workplace climate as a reflection of leadership.¹⁵ Leaders control the elements that define the workplace climate of an organization, and the workplace climate determines the effectiveness of an organization.

Destructive leadership behavior in non-profit organizations negatively impacts donations, reduces the volunteer workforce, and causes a reduction in services to the community. Negative and ineffectual leadership in businesses, educational organizations, such as private and public schools and colleges, and other organizations is equally devastating. Careers are destroyed and the collective negative impact on the community of stakeholders is negative and far-reaching.

A conundrum is that the elements of good leadership and destructive leadership are so closely aligned that it is not simple to discern the two. This coupled with the dearth of people qualified to be effective leaders creates a near crisis in some organizations. However, the negative impact can be controlled and managed when components of destructive leadership are revealed in organizations by descriptions of behavior and the consequences

¹¹ Pamela Mendels, "The Real Cost of Firing a CEO," *Chief Executive*, April 1, 2013.

¹² Ibid.

¹³ National Institute for Occupational Safety and Health, Publication #99-101, 1999.

¹⁴ Demet Leblebici, "Impact of Workplace Quality on Employees Productivity," *Journal of Business, Economics and Finance Survey*, Volume 1, Issue 1, 2012.

¹⁵ Ibid.

of such behavior, as well as by clearly delineated examples of non-productive leadership versus productive leadership. That is the purpose of this book.

Descriptions of leaders and their behaviors are central to better understanding why boards cannot misstep when choosing a leader and why leaders must understand their role in organizational leadership and leadership accountability.¹⁶ Furthermore, following epidemiological concepts, this book includes research and case studies that offer valuable tools and lessons for leaders.

Many people and students of leadership look at examples in the business world and in business-related articles and books to glean information about good leadership and to recognize flawed leadership more easily, but seldom will business leaders and non-education entities look at examples of successful and flawed leadership in education and non-profit settings as a learning tool. This book, unlike most books on leadership, offers lessons for anyone interested in leadership by exploring the impact of leadership and the role of boards in a wide variety of organizations.

But there is something else to offer, too. Any discussion about the determinants of leadership would not be complete without also including what works. Destructive leaders, boards, and organizations are not necessarily lost causes. There are “antidotes” to the poison of ineffective leadership. Sometimes the antidote is disproportionate to the number of determinants necessary to counteract the effects, but it can be done. For example, it takes a steady and long-term “dose” of *servant leadership*¹⁷ to counteract the destructive effects and aftereffects of dictatorial leadership and disinterested leadership.¹⁸

The case studies in this book of leadership and governance, including both ineffective and effective leadership, come from several sources. There are over 600 references and over 60 case studies analyzed to illustrate points about leadership. Some of the case studies are troubling and some are reassuring while others are puzzling; regardless, they are all revealing.

The message should become clear when reading this book that boards and leaders should be held accountable for allowing a destructive workplace climate to contaminate what otherwise could or should be a healthy organization. Of course, there are well-functioning organizations with effective leadership and governance; however, research shows that half of

¹⁶ Kelly Hannum, Jennifer W. Martineau, and Claire Reinelt. *The Handbook of Leadership Development Evaluation*, (Jossey-Bass Publishers, 2006).

¹⁷ Robert Greenleaf, *Servant Leadership: A Journey into the Nature of Legitimate Power and Greatness*, (Paulist Publishing, 2002).

¹⁸ Ibid.

the people currently in leadership positions, at least in the western culture, will fail.¹⁹ They fail primarily due their inability or unwillingness to build and maintain a productive team, a positive work climate, and a leadership style that encourages and motivates employees. However, it does not have to be that way.²⁰ There are lessons for leaders and boards in this book that can change the trajectory of organizations, so they are productive and successful.

In this book, as noted in the Prologue, the word “determinant” is used frequently. It is a concept that no other book on leadership uses. Epidemiologists look for treatments by matching the determinants to the disease. Like the epidemiologists, this book not only identifies leadership determinants, but it also provides research-based “antidotes” to the determinants at the end of each chapter. Additionally, each chapter includes a list of key terms and concepts, discussion items, and highlights of lessons learned. At the end of the book there is a section on leadership and motivation theories and models, as well as a section that provides leadership style surveys and assessments that can help readers identify their leadership style while also becoming aware of what changes in leadership style can improve the workplace. The reference section includes numerous citations and advanced reading suggestions.

¹⁹ Jacquelyn Smith. “Commons Reasons Half of All New Executives Fail,” *Business Insider*, March 2, 2015.

²⁰ *Ibid.*

CHAPTER ONE

LEADERS AND BOARDS

“The trouble with the world is that the stupid ones are cocksure, and the intelligent ones are full of doubt.”

—Bertrand Russell¹

Determinants: The role and duties of board members in every organization are important. For an organization to be efficiently operated, board members should not become involved in the daily operations of the organization. Board members that interfere with the daily operations of an organization have a detrimental effect on the entire organization, from top to bottom and inside and outside the organization. It is a board function to ask questions that allow members of the board to understand the organization well enough to know how to vote when items are brought to them by the organization’s leader. Leadership from the board that is self-focused, narrowed-minded, self-serving and that sacrifices the best overall interests of the organization at the altar of self-indulgence is a potentially destructive force. Likewise, a board that illustrates little or no interest in the policies, procedures, and reports from the organization is a negligent board that has abdicated its responsibilities. Either type of leadership from the board can be destructive to an organization’s efficiency, reputation, and ability to hire and retain quality leaders and employees. An organization’s leadership that capitulates at all costs to the board sacrifices his effectiveness and loses the confidence and trust of employees and others. This double dose of negative determinants jeopardizes the future of the organization by leading to decisions that may cost the organization in untold ways for many years. Yet, organizational leaders that ignore the board, hide items and issues from the board, fail to communicate with the board, and hold the board members in contempt are creating a toxic work environment. The hope for organizations is that when leaders and board members work together it can be the foundational strength of an organization.

¹ Nicholas Griffin, Ed, *The Cambridge Companion to Bertrand Russell*, (Cambridge University Press, 2003).

Boards must limit their operational intrusions and the leader of the organization must have the courage to say no to the board leaders, and they, in turn, must trust his judgment and respect the purpose of the organization. However, the leader and his staff must reciprocate and respect the role and responsibility of the board by providing its members with answers to questions and with enough information for them to make effective decisions. Ineffective leaders view board questions as an intrusion in the operations of the organization and an affront to the leader's abilities and responsibilities when in fact the duty of the board is to ask questions and ask for information to help prepare them for board meetings and voting. Obviously, board members should be active partners with the leader and bring insight, experience, and suggestions to the leader. Forcing a leader to make decisions without considering all factors can threaten the level of trust in the organization. On the other hand, a disruptive or disinterested or uncooperative or noncommunicative leader can force a board to become involved in the operations of the organization to fill the vacuum of leadership and the lack of information sharing and collaboration.

Leaders and Boards—Interactions

It is a simple but unfortunate truth that many citizens, employees, stakeholders, and investors are not aware of the decisions made by boards and organizational leaders until or unless negative events reach the news media or sudden decisions are made inside the organization that are so unexpected and outrageous they generate unrest within the organization and/or outside the organization that negatively impacts services or responsibilities and reputation of the organization. Even in organizations where investors, clients, and citizens have a key role to play they remain almost completely and totally disengaged when the board and leaders of the organization do not work together. The level of disengagement is highest with boards that oversee organizations providing services to communities or essential products. This is disturbing when one considers that many boards, such as boards of public education and local governments in the United States, are elected. Too many citizens do not know the level of responsibility or the functions of boards and the role of the organization's leader.

Citizens could have more of a voice in public policy and local services if they participated in the local board election process. Many citizens cannot name their own board representatives whether it is their school board members, county commissioners, or city council members.

According to the Civic Index for Quality Public Education (Civic Index), a non-profit entity,

*In more than 90 percent of the nation's public-school districts, elected boards serve as governing bodies and provide leadership in support of education. District boards are often the smallest and most localized elected bodies of our country's governing structures. Unfortunately, the public often overlooks its local board activities and elections while paying more attention to state and national elected officials. Board meetings are often under-attended or seem to be controlled by a few vocal individuals or interest groups. Board members themselves are often doubtful of the public's desire to become involved and informed about issues. In the high-pressure situations common to boards, it is often easier to decide than to reach out to the public and obtain their views before voting. Moreover, in our fast-paced society, members of the public often fail to make the effort to get involved in board issues*²

According to Fredrick Hess, most governmental boards are composed of five to eight elected members.³ In addition to serving on boards, many board members are employed full-time in a business or some other type of organization, but only a few have a professional background that prepares them to serve on a board. Individual board members work on average 25 hours per month on board tasks.

In a survey by the Iowa Boards Association (ISBA), the results indicated that only 10 percent of registered voters participated in local education board election races.⁴ According to the ISBA, the percentage has dropped to six percent in some communities. The Civic Index found that 48 percent of citizens could not name one member of the local boards of education that make decisions that impact citizens, businesses, children, and others. This is an incredibly low percentage and in large part explains why many board members disagree with each other and often show little interest in working together because there is virtually no accountability for their behavior, leadership, or effectiveness and few people are present to witness their behavior during board meetings. The citizens are not aware of how leaders of organizations are selected and if a leader is in an elected position, most citizens are unaware of the person's qualifications. Consequently, an increasing number of organizational leaders have conflicts with their

² *Civic Index for Quality Public Education*, (Public Education Network, 2008).

³ Fredrick Hess, "The Role of the Local Board," (*Center for Public Governance*, 2002).

⁴ *Local Board Voter Participation Survey*, (Iowa Boards Association. 2007).

boards.⁵ It should also be noted that this lack of awareness applies to other types of organizations. Some employees of non-profit agencies and businesses could not name any members of their respective boards either.⁶

According to the Civic Index, boards, such as education boards, report little public involvement.

While these individuals control the education of all the children in a community and can impact other aspects of the community, research and policy analysis of the way schools are run tells us that the public is uninvolved in keeping boards responsible for their decisions and actions. In fact, public participation has been described as disorganized and occasional.⁷

However, Hess found that when boards and the organization's leader together focus on their mission and adopt the strategies of working together the results are positive, outcomes improve as does the fiscal management of the organization.⁸ Too often, however, boards and leaders do not function that way.

Case Study #1

A school district in Georgia, United States, lost its accreditation (standard assurance of quality) because of the behavior of board members and the ineffectiveness of the superintendent of school and not because of low student academic performance, inefficient teaching, or financial issues. The school district lost accreditation because of the outrageous behavior and actions of the board members and the inability of the superintendent to work with the board members. The board members tried to force the superintendent to make personnel decisions that favored friends and relatives; they were frequently disrespectful to each other and to the superintendent in public sessions, and they went into schools and intimidated principals and teachers. At the same time, the superintendent failed to communicate effectively with the board.

The Southern Association of Colleges and Schools (SACS—now Cognia), an accrediting agency approved by the United States Department of Education, previously warned the school district's board members and the superintendent about their behavior. In fact, the school district was put

⁵ Kent Weeks, *Boards: Duties, Responsibilities, Decision-Making, and Legal Basis for Local Board Powers*, (State University Press, 2000).

⁶ Ibid.

⁷ *Local Board Voter Participation Survey*, (Iowa Boards Association, 2007).

⁸ Frederick Hess, *The Role of the Local Board*, (Center for Public Education, 2002.)

on probation by SACS several years before losing accreditation for the same type of behavior. After a few years on probation, the school district was removed from probation status. New board members were elected (with a 10 percent voter turnout); however, within just a few years the same problems were cited again by SACS. Citizens and the professional community began to question the power and influence SACS because the behavior of the board and superintendent did not change; in fact, the relationship between the board and the superintendent became even more dysfunctional, even after SACS issued warnings and provided governance training and other interventions. When SACS finally pulled the school district's accreditation due to the behavior of the board members and the superintendent the community was incredulous. The loss of accreditation had a profoundly negative impact on students graduating from a non-accredited school district, which impaired the students' chances for college acceptance and college scholarships. Also, the loss of accreditation negatively impacted local businesses and property values. Years later a newly elected board worked together and hired a dynamic and collaborative superintendent. The school district has made considerable and notably progress by all measures.

The Role of Boards

Business boards, non-profit boards, and other institution boards often make the same mistakes, with the most common mistake getting entangled with personnel issues. Ellis Carter writes about non-profit board members that interfere with the day-to-day operations of organizations, which causes disruptions and confusion with functions and employees.

For a nonprofit organization with paid staff, once board members demand keys to the organization's offices and start making direct demands on staff members that report to the chief executive, the board has crossed the line. The board's key duties are to provide oversight and strategic direction, not to meddle in the organization's day to day affairs. Board members who cross this line are undermining the authority of the chief executive to their own detriment and should be prepared to quit their day jobs. Similarly, staff should not invite micromanagement by asking the board to take on day-to-day tasks that the staff should be handling. The size and budget of smaller organizations necessitate some blurring of these lines, but board members and staff should know their roles and attempt to adhere to them as much as possible.⁹

⁹ Ellis Carter. "Top Ten Non-Profit Governance Mistakes," (*Charity Lawyer*, September 12, 2009).

In an article entitled *Boards: Duties, Responsibilities, Decision-Making and Legal Basis for Local Board Powers*, Kent Weeks writes about how board members confuse their role as policy makers and disrupt administrative operational decision making. He also specifies the role of board members.

A regular criticism of local boards is the tendency of board members to confuse monitoring of key outcomes and executive performance with prescribing how to manage the components of the system. A study conducted in West Virginia found that boards spent 3 percent of their time on policy development and as much as 54 percent of their time on administrative matters. A study of fifty-five randomly selected boards indicated that financial and personnel issues were among the most frequent areas of decision-making, displacing deliberations on policy by a significant margin. The local board has a vital role in providing leadership, serving as a forum for citizen input relevant to public interests, and inculcating the beliefs, behaviors, and symbolic representations that define the organizational culture of the organization. In this role, the board's responsibilities include adopting a unifying vision and mission, soliciting, and balancing the participation and input of members of the community, and advocating on behalf of the needs at the local, state, and national levels. Consistent with this leadership responsibility, the local board should emphasize the standard of continuous improvement for its own operations as well as that of the community as a whole and undertake to evaluate its performance and improve upon that performance.¹⁰

The United States of America's national report *Facing the Challenge: The Report of the Twentieth Century Task Force on School Governance* recommended that boards focus on their role as policy makers and leaders should work collaboratively with the board members:

Clear delineation of roles and responsibilities between the board and the CEO, clearly stated expectations, continuous sharing of information, and open, honest communication among all parties nurture a positive relationship between board members and their respective CEO.¹¹

Boards must trust the organization's leader and leadership team to make administrative decisions that are best for the organization and the organization's leader must keep the board informed by sharing information.

Boards often select leaders for short-term reasons and not with the future in mind, and many of the board members do not understand how the

¹⁰ Kent Weeks, *Boards: Duties, Responsibilities, Decision-Making, and Legal Basis for Local Board Powers*, (State University Press. 2000).

¹¹ Jacqueline Danzberger, *Facing the Challenge: The Report of the Twentieth Century Task Force on School Governance*, (Brookings Institute. 2002).

organization operates daily, especially if the organization's leader does not effectively and often communicate with the board members.

In some cases, board members previously worked as employees in the same organization or in a similar organization; therefore, they may think they know how the organization operates or should operate and what the leader should do to make the organization run effectively. But the reality is that once a person is removed from the daily operations of an organization it all changes very quickly and the perspective is from a different angle, so while previous experience can be beneficial, it does not equate to the board member possessing more knowledge of management than the organization's leader, and it certainly is no reason or excuse for interfering with the daily operations of the organization. However, many board members have organization and leadership experience and skills, and they represent the interests of stakeholders, so the leader of the organization must understand and respect the perspective of the board and provide information that allows board members to make informed decisions.

In diverse types of organizations, there are examples of board interference. In a widely publicized case reported in the *St. Louis Business Journal*, a member of a bank board resigned, complaining that the chairman of the bank's board constantly and consistently interfered with the CEO and managers of the bank. After resigning from the board, he wrote:

*The present management staff does not have the ability to run the bank under the conditions set forth by the chairman of the board. The board will not allow the management to run the bank.*¹²

The chairman of the board had previous banking experience and thought he knew more about operating a bank than the bank's CEO.

In another example, a board member of a private school insisted on major renovations including a six-classroom addition to the elementary section of the private school even though the school was experiencing declining enrollment.¹³ The school director and other members of the board capitulated to the board member's demands, so dollars went toward the unnecessary renovations of the school. This decision cost hundreds of thousands of dollars, damaged morale, and eroded community and employee confidence in leadership because the additional rooms were not used for students; instead, they became storage rooms. Again, the other

¹² Greg Edwards, "Truman Bank Board Member Resigns Cites Interference," (*St. Louis Business Journal*, September 28, 2011).

¹³ Jonathan Jones, "Private School Faces a Challenge," (*Private and Independent Schools Daily*, November 1999).

board members and the school director should have stopped it. This was an example of several elements of poor leadership: lack of leadership from the school director, poor communications, and bullying behavior by a board member.

Poor leadership at the governance and leadership levels not only affects the top management of an organization, it also negatively impacts the entire organization.¹⁴ When leaders give in to board members although they know the decision does not meet the needs of the organization, they have diminished their influence. However, if the leader does not communicate regularly with the board there will be conflicts. At the very least the leader should try to persuade the board by doing research, finding the facts, and collating and reporting the facts that clearly show which decision is best for the organization and clearly explain why contrary decisions are detrimental. Anything less is a display of apathy, which is an enemy of leadership, as is a lack of respect for the needs of the board for information.¹⁵

Case Study #2

On nothing more than the whim of one board member, a privately held company purchased a large tract of land for millions of dollars that included an abandoned shopping mall with the idea that the company would relocate to the facility after it was remodeled. The board member thought the large parking lot could be used to park all the organization's vehicles in one place for logistical benefits, security, and maintenance purposes. The CEO of the company was against the purchase of the property for several reasons, but he did not create a counter proposal, nor did he speak out against the purchase, much to the frustration of his executive team. He adopted the philosophy that "everything will work out on its own." According to Nayer, leaders become indecisive for a variety of reasons but primarily because,

1. The leader is a perfectionist who will not decide until every possible piece of data is gathered.
2. The leader is paralyzed by uncertainty; or
3. The leader prefers the safety of the status quo—go along to get along.¹⁶

¹⁴ Alice G. Walton, "The Dark Side of Leadership." (*Forbes*, February 7, 2013).

¹⁵ Grady Bogue, *The Enemies of Leadership*, (Phi Delta Kappa International Press, 1985).

¹⁶ Vinet Hayar, "Managing Three Types of Bad Bosses," (*Harvard Business Review*, December 1, 2014).

The building was in such bad repair it would cost over \$400,000 to renovate it. Also, upon closer inspection, it was determined that the huge parking area would have to be repaved to handle the weight of the vehicles, which included heavy equipment. Nevertheless, the building was purchased but is unused and deteriorating. The surrounding property has not been developed. The decision cost almost three million dollars of company assets because one board member insisted that it be purchased, the CEO capitulated and showed no leadership, and no other board member objected. The board and the CEO made lethal mistakes related to poor leadership: they did not plan; they let one board member dominant; they misspent assets; they did not do their homework, and they neglected due diligence and sound leadership and stewardship principles.¹⁷

Case Study #3

A non-profit agency that provided essential services to its community was considering expanding its outreach program. To do so, it needed a larger facility. The organization's CEO received permission from the board to develop the expansion concept further. The CEO and his management staff spent considerable time researching all possible pros and cons of the expansion and received many hours of pro bono work from attorneys, real estate agents, architects, accountants, and other professionals. A thorough expansion plan was developed that included the site of the proposed facility, a service map of the projected expanded service area, the reallocation plan of existing staff, an implementation timeline, and a cost-benefit analysis. Everything seemed to be going well during the presentation to the board. However, one board member asked the CEO if he considered vacant buildings in the board member's neighborhood. The CEO replied that the management staff with the assistance of several volunteer professionals considered several buildings and the one being recommended was the best choice. Despite all evidence to the contrary, the board member objected. He insisted on knowing in more detail why the buildings in his neighborhood were rejected. During a board meeting, he said the new facility should be placed in his neighborhood. Showing weak leadership and no skills at negotiation or mediation, the leader and the remaining members of the board invested \$15,000 more in another feasibility study, even though the previous study showed that no buildings in that area of the community would fit the needs and intentions of the non-profit. The follow-up feasibility study results were the same. So, because of one self-serving board member, the

¹⁷ Pat Curry, "Ten Lethal Mistakes," (*Bankrate.com*, 2015).

failure of other board members to speak up, and the CEO's lack of leadership, the non-profit wasted \$15,000.¹⁸

Influencing

John Jantsch, the author of *The Commitment Engine*, referred to dysfunctional leadership as “*disconnected influence*.”¹⁹ This is when the influence is focused on a board member or an organization's leader getting what he wants at the expense of what is best for the organization. Board members or leaders suffering from disconnected influence view almost everyone as either adversaries or allies and uses what Jantsch refers to as “*conditional compliance*.” This is when the outcomes make him look good and satisfies his egocentric needs. This type of board member or leader takes adversarial positions personally and only focuses on the short-term, regardless of what the long-term impact may be. Contrast this to the healthier and more productive “*connected influencer*.” The connected influencer tries to influence in a positive manner for overall better results for the organization.²⁰ Jantsch says that the connected influencer is a board member or leader who views other people as collaborators, regardless of whether they disagree with him. If there is a disagreement, he will try to better understand why someone disagrees with him. Also, he “*strives to gain sustained commitment and communications*.”²¹ The power of a connected influencer board member or leader is her ability to persuade without pushing. Therefore, her influence is more profound because it is meaningful and not at the expense of what is best for the organization.²²

Leadership and governance must co-exist and there is no time to waste. As Jantsch points out, board members and leaders who insist on “pushing” their point of view without listening to or considering other points of view have a flawed and failed strategy that certainly will not benefit the organization. Jantsch says this approach is deeply flawed: “Pressing your case too much instead of striving to understand your counterpart's point of view and perspective is not good for the organization.”²³

The behavior of boards and the failure of an organization's leader to collaborate with the board is not an exercise that impact only a few people.

¹⁸ Holly Hall, “Feasibility Studies for Capital Campaigns Are a Waste of Money,” (*The Chronicle of Philanthropy*, March 17, 2015).

¹⁹ John Jantsch, *The Commitment Engine*, (Penguin Group, 2012).

²⁰ Ibid.

²¹ Ibid.

²² Ibid.

²³ Ibid.

It is a seriously negative determinant that impacts the entire organization and the stakeholders they serve.

Case Study #4²⁴

One year an internationally known commercial development company purchased large parcels of land to build a shopping area with plans to include apartments, condominiums, houses, office building, and a park. It was slated to be a “Live, Work, Play” community. The only remaining parcel of land the company needed was owned by the local school district. The parcel of land was in a strategically important section of the proposed development. The project could not proceed without that parcel of land. An old high school building that housed a non-traditional high school, a small performing arts school and a teacher training center were on the section of property the development company needed to begin the project. Also, there was a 40-year-old high school football stadium in bad repair behind the school building.

The board, school district CEO, local businesses and property owners were in favor of the purchase. However, two local board members who lived in the area were worried about traffic problems. The developer's plans would have relieved traffic in the area, nevertheless the two board members spoke out against selling the property. They never said anything about what was best for the entire school district, the business in the area, and what the long-term plan was for the property, or even what was best for students and the neighborhood. However, the two local board members pressed hard to refuse the developer's offer on the land. The five other board members supported the purchase but said little in opposition to the two board members. The school district CEO did not stand up to the two board members nor did he encourage the other board members to offer an opinion even though the developers offered the school district \$64 million. The only portion of the \$64 million that would be obligated was for replacement of the football stadium, which was \$10 million (purchase of land and the cost of building a football stadium). The rest of the money would not be obligated because a new facility for the non-traditional high school and plans for the other program occupants of the building were already approved and funding for construction of the new school was available from a special

²⁴ Garry W. McGiboney, *Leadership Lessons for Leaders and Governing Boards*, (Anaphora Literary Press, 2014).

purpose local option sales tax (SPLOST), which is used to avoid bond debts.²⁵

Because the school district owned the last essential piece of property to complete the site plan, the school district could have received several million more dollars for the sale of the land had they continued to negotiate with the developers, but that did not occur. With resistance from only two of seven local board members, the lack of leadership from the CEO, and the failure of the other board members to speak up much was lost. They all failed to see the value to the school district overall and in the long term the possibility of funding a new football stadium to replace the dilapidated one and the availability of money that could have been used for other essential projects to help students.²⁶ Fast forward a few years to find the same school district struggling with its budget because of the declining economy, reduced local revenues, and education cuts at the state level.²⁷ Instead of \$54 million in the bank, assuming \$10 million would have been spent on a new football stadium, for the first time in the school district's 80 year history employees were laid off and the operating reserves were depleted.²⁸ Additionally, the school building on the site of the property had to be abandoned because of the poor condition of the building and the school district's lack of resources to remodel or maintain the building. A few years later, the building was demolished. The detrimental determinants of the two self-serving board members coupled with the failure of the CEO and the other board members to press forward to do what was best for the school district damaged the school district for decades.

The Negative Effects of Boards and Lack of Leadership

In an article by Lisa Iannucci, she describes the disruption caused in a community neighborhood association through the voice of a board member who was demoralized by the behavior of a fellow board member, which is an example of how board behavior can jeopardize the mission of an organization regardless of its size.

²⁵ Carla Parker, "School District Officials Discuss What to Do with Briarcliff Property," (*The Champion Newspaper*, September 27, 2013).

²⁶ Patti Casey, "Sembler Property Offer Considered," (*GoDeKalb.com*, January 2012).

²⁷ Will Frampton, "DeKalb County Schools Face Even Deeper Cuts," (*CBS46 News*, [written transcript], July 11, 2012).

²⁸ *Ibid.*

There are the WIIFMs (What Is In It For Me) and the Idiots. The WIIFMs get on the boards because they have an ax to grind or a pet issue they want to promote. The Idiots either get roped into it by some well-meaning family member or neighbor, or they think they know everything and know nothing. To be good board members they must be able to set aside their personal biases and ambitions, be willing to learn and listen, and think about the good of the whole community and organization. Many folks find that difficult.”²⁹

Iannucci strongly suggests that the other board members talk with difficult board members, explaining to them what it is they are doing that is causing problems, because it may worth trying to win them over.³⁰

The Pros and Cons of the “Business Model”

Many local board members and the public accept the premise that all the ills of every organization would be or could be remedied if they would only adopt the “business leadership model.” Of course, this is reference to the western culture business model. Board members and some leaders are particularly outspoken about the value of operating organizations like a business.³¹ It is a popular notion. But should school districts or non-profits or for that matter any organization really operate like a business? Should all businesses operate the same? Should the background or experience in the business world be a qualifying requirement of prospective board members and organizational leaders of non-profits or public sector organizations? What does it mean to run an organization like a business?

Many board members and organizational leaders with a business background readily agree that organizations should be run like a business. It certainly is an opinion that is shared by board members and leaders of many organizations, but those that advocate so ferociously for this focus on the business model should be cautious about forcing it on organizations and fellow board members without describing and defining exactly what that declaration means.³² There are numerous business models. It is a crucial point because the business model may not suit every organization. Forcing an organization to adopt a business model is outside of the responsibility of board members because it is dictating the operational functions of the organization but unfortunately, it is not uncommon. Also, organizational

²⁹ Lisa Iannucci, *Dealing with Difficult Board Members*, (The Cooperator, 2008).

³⁰ Ibid.

³¹ Mohan Sivaloganathan, “Why and How You Should Run Your Non-Profit Like a For-Profit Organization,” (*FC Leadership*, January 2015).

³² Dan Ehrenkrantz, “Why You Should Run Your Business Like a Non-Profit,” (*Forbes*, September 2014).

leaders need to be cautious about adopting a business model without first considering what impact it could have on the organization and their relationship with the board.

So, what does “run it like a business” look like? Despite its popularity, the term *business model* has not been uniquely defined, according to Peric, Durkin, and Vitezic: “Within the management science and practice, it [business model] has been frequently confused with other popular terms.”³³ The researchers studied numerous business models and came to this conclusion:

*First, although there are no generally accepted definitions for either the business model or its building blocks, academics and practitioners agree that a business model is all about value. Second, a business model is not the same as a strategy, but it has an important role in strategy implementation. Third, sustainability is found to be a hot topic for business models and has been increasingly used in symbiosis with this concept.*³⁴

How successful are businesses using business models? According to *Forbes*, eight out of every 10 new businesses fail within the first 18 months.³⁵ That is an average of 15,000 business failures per year in the United States.³⁶

Which business model do people want board members and leaders to adopt? The overgeneralizations about running all organizations like a business run up against the data and facts. Instead of relying solely on a business model, boards and leaders should first consider what is best for the organization and how their behavior and decision-making can benefit the organization. The strategic plan should be an operational plan that remains true to the purpose and nature of the organization while boards and leaders understand their respective roles instead of being forced into a model that may not be suitable.

According to BoardSource (funded by the Kellogg Foundation),

Boards have seen a shift away from traditional strategic plans based on three- to five-year time horizons and long planning processes to strategic frameworks that articulate organizational priorities, to business plans that

³³ Marko Peric, Jurlena Durkin, and Vanjay Vitezic, “Constructs of a Business Model Redefined,” (*Sage Open Source*, September 2017).

³⁴ *Ibid.*

³⁵ Eric T. Wagner, “Five Reasons Eight Out of 10 Businesses Fail,” (*Forbes*, September 2013).

³⁶ “United States Bureau of Labor Statistics. Annual Report – 2014,” (*United States Government*. Usgov.documents.org, 2014).