

by Mike Hawkins
mike@alpinelink.com



The term *leadership* in some contexts refers to a level or position, e.g. “the senior leadership team.” In other contexts, it refers to a level of attainment or domain competency, e.g. “she is the leading performer on the team.” Yet leadership is fundamentally about characteristics of influence that drive positive results. It is characteristics of influence that positively impact organizational performance and moves people to action. Leadership competence can be learned by anyone and employed regardless of position or domain.

Characteristics that drive positive influence and performance vary from organization to organization. An organization that relies on frequent product innovations might value the leadership competency of *fostering creativity* more than an organization that relies on being a low cost provider which might place more value on the leadership competency of *enabling efficiency*.

Not only do leadership characteristics vary, most are intangible. Characteristics of influence by definition are indirect. Organizational performance is impacted by the *ripple effect* of a leader’s influence on all the individuals within the organization. If as a leader you do or say something that motivates your employees to take more responsibility and they improve the quality of their work, the resulting improvements are due to the ripple effect of your influence. The end result is *theirs*, but it was because of *your* influence. Characteristics of influence that impact organizational performance such as employee engagement, the organization’s work ethic, and people’s sense of ownership for results are extremely valuable, but not easily measured.

The best measure of leadership effectiveness is the organizational performance over which the organization has control and the leader has influence.

So how do you measure leadership? Some would rightly suggest that an organization’s culture, attitude, values, and energy level give insight into the quality of leadership. However, cultures, attitudes, values and energy are means to an end, not ends in themselves. The same can be said for leadership. Leadership is not an objective but the means to an objective. The objective is

to achieve a desired outcome. Therefore, if you want to accurately assess the effectiveness of your organization’s leadership competence, the best measure is the organizational performance over which the organization has control and the leader has influence.

The following two pages list business-performance areas over which organizations and leaders typically have influence. They represent the metrics on which leadership competence can be objectively assessed. To assess how well you or another leader has performed, evaluate the change in these metrics that occurred due to your/their influence.

Note that most of the metrics in this assessment are attributes that are considered positive when they increase. Where a positive change is measured as a decrease, the measurement says to subtract the percentage from 100 so that the percentage change that this form automatically calculates will consistently be a positive number if the change was positive to the organization.



Leadership Effectiveness Assessment

Assessment completed by: _____.

Timeframe for which assessment applies: _____ to _____.

Select the measurements below that are most important to your organization and assess how well your leadership has impacted each of them by providing a value in the “Before” and “Now” columns:

Importance	Before	Now	% Change	Performance Measurements - Direct
_____	_____	_____	_____	Revenue: sales fulfilled or business opportunities won
_____	_____	_____	_____	Profit: net profit
_____	_____	_____	_____	Valuation: overall value of organization
_____	_____	_____	_____	Market Share: share of client spending in your targeted markets
_____	_____	_____	_____	Client Satisfaction: net promoter score or other measure of customer satisfaction
_____	_____	_____	_____	Partners: partner contributions, e.g. referrals, costs saved
_____	_____	_____	_____	Assets: asset utilization
_____	_____	_____	_____	ROI: return on investments or investments that achieved the required hurdle rates
_____	_____	_____	_____	Expenses: 100 minus % costs of goods sold, overhead, or other expenses
_____	_____	_____	_____	Quality: 100 minus % costs of preventable mistakes, warranty claims, scrap, rework, or other failures to meet specified standards
_____	_____	_____	_____	Employee Engagement: % of employees engaged, level of discretionary effort, or level of morale
_____	_____	_____	_____	Employee Turnover: 100 minus % of undesired turnover or the cost of recruiting and training allocated to back-filling undesired turnover
_____	_____	_____	_____	Employee Promotion: managers promoted from within in contrast to those brought in from outside
_____	_____	_____	_____	Employee Productivity: units of output per employee or billability
_____	_____	_____	_____	Employee Development: training hours, employees participating in training, or employees receiving regular coaching by their managers
_____	_____	_____	_____	People Performance: % of employees achieving top performance
_____	_____	_____	_____	Project Performance: % of projects completed on schedule, on budget, and to required specifications
_____	_____	_____	_____	Community Impact: impact on society
_____	_____	_____	_____	Environmental Impact: impact on the environment
_____	_____	_____	_____	Values: 100 minus % of costs related to employee conflict, lawsuits, fraud, ethics violations, audits, and dishonesty



Leadership Effectiveness Assessment

Importance	Before	Now	% Change	Performance Measurements - Indirect
_____	_____	_____	_____	Communication: % of people who feel adequately informed and heard
_____	_____	_____	_____	Meetings: % of time spent in meetings that people consider worthwhile and productive
_____	_____	_____	_____	Employee Leverage: % of employee's capabilities utilized
_____	_____	_____	_____	Teamwork: % of employee's time focused on "we" instead of "me"
_____	_____	_____	_____	Value-Add: % of organizational effort directed toward organizational goals and objectives
_____	_____	_____	_____	Trust: % of employees considered trustworthy
_____	_____	_____	_____	Employee Pride: % of employees actively and publicly promoting the organization
_____	_____	_____	_____	Employee Responsibility: % of employees feeling a sense of ownership for their responsibilities
_____	_____	_____	_____	Employee Sense of Urgency: % of employees who perform their work at or above the expected organizational pace
_____	_____	_____	_____	Best Practice Sharing: % of repeatable best practices and good ideas being shared between employees
_____	_____	_____	_____	Processes, Methods: % of processes and methods that adequately enable the required performance of the organization
_____	_____	_____	_____	Systems, Tools, Equipment, Facilities: % of physical assets that adequately enable the required performance of the organization
_____	_____	_____	_____	Leadership: % of manager time spent coaching, guiding, enabling, motivating, encouraging, exhorting, and assimilating their people
_____	_____	_____	_____	Decision Making Quality: % of major decisions achieving improved results, e.g. products, services, strategies, personnel moves
_____	_____	_____	_____	Competitive Differentiation: % of profit derived from the organization's uniqueness
_____	_____	_____	_____	Progress Toward Vision: % of organizational vision attained

For each area important to you and your organization, assess the percentage change between "before" and "now". Consider how your leadership influenced the change. Consider what else you might do to positively impact each area.

For additional information on leadership and leadership development, contact info@alpinelink.com.