



How To Avoid The 10 Biggest Mistakes That Leaders Make

David McDermott

Business, Executive and Life Coach

How many mistakes have you made as a leader?

The honest answer will always be: many. Making mistakes is an essential part of the learning and development process, provided we learn from our mistakes.

The purpose of this short e-book is to provide insight into the biggest mistakes that organisational leaders make, and how these mistakes can be avoided.

We draw on the latest research in organisational leadership, as well as the experience of the many business owners and executives we have worked with over the years.

We begin with one of the most common mistakes that leaders make: confusing the role of management with that of leadership.

1. Confusing Management With Leadership

One of the most common mistakes that leaders make is to confuse management with leadership. Although it's true that these two overlap, they are not the same thing.

Leadership is about getting people to understand and believe in the vision you set for your organisation and motivating them to work with you on achieving your organisational objectives. Management is more about administration of the day-to-day activities and making sure things are happening as they should.

Of course, the reality is that a leader often needs to fulfil managerial responsibilities too. But they need to discern when a situation calls for leadership, and when a managerial approach is more appropriate.

The true leader is an eternal student of the art of leadership. They understand that leadership is distinct from management and they devote themselves to learning how to be a better leader every day. They watch videos, and read books and articles on the topic. They study and learn from leaders they want to emulate. They know that there is no end to the journey of learning how to be an extraordinary leader, and they demonstrate this open-mindedness in all their interactions.

2. Hiring The Wrong People

One of the greatest drains on a leader's energy comes from hiring the wrong person for the job. The wrong people will take up 95% of your time and energy, preventing you from being able to support your other team members effectively.

The wrong people are people who do not believe in the work of your organisation. Who see their job simply as a means to get by. Or worse, as a burden that they have to tolerate until they are finally able to retire.

Hire people who believe what you believe and they will willingly give their blood, sweat and tears to their work within your organisation. And they will do it happily.

Don't settle for anything less. It just doesn't work. Take the time to find those people who are excited to work for your organisation because it is in alignment with their personal passions and interests.

I once worked for a consulting firm where I spent some years trying to develop a passion for the kind of work the firm offered. But it simply wasn't in alignment with what I really enjoyed doing. One day some members of the leadership team met with me and said "David, you have to be passionate about what we do if you want to work here."

I quit shortly after. Because they were absolutely right. They understood how important it was to have only the right people on their team. And I was the wrong person for them at that time.

Let go of people who are not passionate about their work within your organisation. You need to set them free. They are better suited elsewhere.

3. Failing To Understand Customers

Marketing departments of large organisations historically tried to guess what customers wanted. Which is remarkable, given the leaders of these departments were supposed to be intelligent people.

Trying to guess customer preferences is sheer madness.

The most progressive organisations in the world today adopt a customer-centric approach, pioneered by Louis Cheskin, one of the first marketers to focus on direct customer input rather than marketer's expectations of customer needs. Cheskin took a scientific approach that involved observing customer behaviours, getting direct feedback from customers, and designing and modifying product accordingly.

The historical approach was based on a belief that the purchasing decisions of customers were based on unknown psychological forces. This was the Freudian model. But Cheskin showed that a scientific approach was far more effective in accurately understanding customer needs.

Which is why the Ford Motor Company hired him as their lead marketer after he correctly predicted the failure of their Edsel motor car line, as well as the massive success of the Ford Thunderbird. Both of these predictions were the exact opposite to what other “experts” at the time were predicting.

Design your product or service based on what your customer wants. Don’t guess! You don’t have to. Observe customers. Speak to customers to get their feedback. And refine your product based on their feedback.

A coaching client of mine was the general manager of a large residential property development group in Australia, that he joined when it was a small struggling business.

During the early growth phase, he asked customers to come in to be interviewed on their experience with the company’s services, while he observed from behind a glass screen.

He was shocked by one particular customer who told the interviewer that the service they had received was appalling, and explained in detail why they thought this was case. To my client’s credit, he acted on the feedback and implemented appropriate changes.

Today the company has grown to be one of the largest in their industry. A core part of their success was taking a scientific approach to understanding what customers wanted, rather than trying to guess.

4. Too Many Projects At Once

Steve Jobs came back to Apple in 1996 when it was on the brink of collapse (he was previously fired by the Board of Apple). At the time, Apple had a large range of products in many categories.

Jobs cut the project line down to just a few core offerings, including the desktop computer, iMac and iPod. Other product lines were discontinued and staff numbers were cut significantly. It was brutal but effective.

Jobs could see that Apple had far too many projects going at once, which had destroyed their focus. So he pulled it back to focusing on just the projects that had the best potential. And Apple resurged to eventually become the first company in history to be valued at over \$1 trillion dollars.

Organisational work always involves a variety of active projects at any given point in time. As a leader, it is your job to find the right manager to take responsibility for the day to day running of the project, while you provide oversight and mentorship as needed.

When you stay in a mentorship role rather than being heavily involved in the project management and delivery, then you are leading effectively and will be able to take on the overseeing of a reasonable number of projects, without being overwhelmed.

Remember, it is your job to ensure your organisation commits to a number of projects that is a good fit for the number of managers and team members you have available, and that is going to benefit your organisation most significantly.

Learn the lesson of Apple's almost disaster then enormous success. Focus your teams on those few core projects that have the greatest potential to reap great rewards for your organisation. Be unwavering in your commitment to those projects and cut out all other unnecessary activity.

5. Poor Self-Care

Are you guilty of sending emails at a time when most people would be snoring soundly? Or on weekends? Or while you are away on holidays?

A leader demonstrating this kind of behaviour is revealing their low self-esteem. These workaholic symptoms almost always have their roots in a pattern of seeking approval.

Leaders who are always available to respond to messages and calls are the kind of people who are doing their best to try and please everyone. But people-pleasing never works. It's needy and miserable.

The solution is to have clear boundaries in relation to when you are available for work-related matters and when you are not available. And to stick to it. Turn the phone off when you walk out of the office and leave your computer there.

Spend some time each day enjoying your hobbies and interests outside of work, with your family and/or friends, and building a sense of deep inner contentment through mindfulness practice or similar. Acknowledge that you have been neglecting your personal relationships, including your relationship with yourself, and commit to cultivating these relationships regularly with care and attention.

Then your tendency to seek approval will fade and disappear. And what a relief that is.

6. Avoiding Uncomfortable Conversations

Have you ever experienced a problem within your organisation that you decided to tolerate rather than address? Where the solution required having an uncomfortable conversation, but you avoided having the conversation because you were afraid of conflict?

We've all avoided necessary uncomfortable conversations at times, and suffered as a result.

Which is why the old saying is true, "The quality of your life is determined by the number of uncomfortable conversations you're willing to have."

Perhaps it's that team member who arrives later and later to a weekly meeting, then stops showing up at all. Or a fellow executive who asks you to look the other way as they act dishonestly. Or a team member who has been given every chance to improve but is consistently underperforming, and it's your job to let them know their employment at your organisation is going to be terminated.

The formula is simple. Avoiding the necessary conversation to address problems like these means the problems will continue. Having the conversation, despite any discomfort you may have about this, leads to positive growth and development for both you and others.

It causes a lot more discomfort in the long-term to ignore and tolerate problems like these. Ignoring and tolerating problems is a recipe for underperformance.

Have the conversations that are required, combining direct honesty with a supportive approach. Be clear that your intention is to support rather than to blame. To help facilitate the best outcome. When your intention is clear, it brings people closer together not further apart.

7. Choosing The Wrong Leadership Style

Most people are familiar with how the game of golf works. You choose suitable golf clubs from a range of possible clubs to hit a small white ball a number of times until it falls into a small hole.

At the beginning, the club needed is usually the 'driver', which is designed to hit the ball a long way. As you get closer to the hole, the 'chipping wedges' and 'putter' are required for subtler and shorter shots. If you try and tee off with the putter, you won't be able to hit the ball very far. When you're close to the hole, if you try and knock the ball in with the driver, it will be much harder to aim and get the pressure right.

It is the same with leadership. There are a range of leadership styles that an effective leader needs to be able to use to suit particular contexts. When a leader chooses the wrong style, or knows only one default style, the result is usually confusion and frustration. The latest research from the consulting firm Hay/McBer's random sample of 3,871 executives worldwide, found six particular leadership styles that were most commonly used. I'm going to focus on two of these styles here.

A leadership style that is often misused is the directive approach. This approach is required in times of crisis when strong direction is needed to establish order amongst chaos. Or to stop a tragedy occurring, where the leader is aware of a sudden change in market circumstances that requires a dramatic and swift shift in direction to avert business disaster.

However, these situations are not the norm in the day-to-day running of an organisation. When used in an inappropriate context, the directive style of leadership does more harm than good. It is a blunt approach that misses the many subtleties required in effective leadership. The directive leader misusing this style becomes a dictator, hated and feared both inside and outside the organisation.

The leadership style that is much more commonly required for effective leadership is the coaching style. The “leader as coach” is a leader who employs the two fundamental skills of a great coach: deep listening and powerful questioning. This approach to leadership allows team members to grow and develop in an empowered and supportive way, rather than feeling pushed and threatened.

So as a leader, when you are unsure about what leadership style to adopt, unless there is a crisis occurring it’s generally best to take a coaching approach.

Listen with full attention to your people, at all levels of the organisation.

Show them you care and want to understand their experience, so you can better support them as a leader. Ask concise and powerful questions that drive the people you interact with to reflect deeply and make changes in their own lives that lead to better outcomes for themselves and for your organisation.

8. Misunderstanding Motivation

The majority of organisational leaders misunderstand how people truly get motivated. This misunderstanding leads to either a lack of incentive for team members to throw themselves wholeheartedly into the work of the organisation, or providing misguided incentives that don’t work.

So why is it important, as a leader, to understand how to motivate your team? The world’s best research studies on team motivation all agree that those organisations with high levels of employee motivation significantly outperform those with lower levels, both in terms of customer satisfaction as well as annual revenues.

In addition, highly motivated teams naturally generate a culture that makes the work environment a stimulating and enjoyable place to be a part of. In a workplace where motivation levels are high, people grow and develop rather than stagnate.

So what works? How do people get motivated? The answer is: by knowing WHY they are doing what they are doing.

Use artful questions as a leader to help your people understand why your organisation exists. What its purpose is in the world. Then coach them to understand what their own passions and interests are and help them to link these with the objectives of your organisation.

Some people are motivated primarily by money, and bonus structures are an effective motivation strategy for people like this. Others are more interested in growth and development, and for these kinds of team members you can provide high quality professional development opportunities. For those who want more responsibility and have leadership potential, give them leadership opportunities. Create opportunities for direct community contribution for those people who value that.

Create performance review systems that ensure customisation of an individual development plan for each team member, that is suited to their unique needs and abilities and supports their continuous growth and development.

Then your customers will have a powerful and delightful experience as they interact with your motivated and dynamic team. Leadership becomes a pleasure, organisational performance is at an optimum, your company develops a reputation for being an outstanding place to work, and profits are high because your customers keep giving you repeat business as well as referring their friends to you.

9. Managing Conflict Ineffectively

If you're in an organisational leadership role, managing conflict is going to be part of your reality. Contrary to popular belief, managing conflict can be an enjoyable and rewarding process. But it needs to be done effectively.

Ineffective conflict management usually involves trying to solve the problem using logical and left-brain type approaches that remain in the realm of the intellect. While these approaches are useful for a lot of organisational work, they do not work well on their own to resolve conflict, because conflict between people involves emotions. Resolving conflict requires an emotion-based approach.

In his landmark work on the concept of "emotional intelligence", author Daniel Goleman conducted research on organisational leadership in nearly 200 large, global companies. Goleman found that the most effective leaders had a high degree of emotional intelligence, which was demonstrated by their self-awareness, ability to manage their mood, self-motivation, a natural empathy for others, and social skills.

Effective conflict management and resolution requires a high degree of emotional intelligence from a leader. At the heart of the majority of conflicts is a misunderstanding about where the other is coming from. To address this misunderstanding it is necessary to have the self-awareness, empathy, and self-regulation to be able to put yourself in the shoes of another and have insight into where they are coming from.

There are many conflict management conversational structures that have been developed with these principles in mind, some very effective and others not so.

One of the main structures I recommend to my clients involves four simple questions that both parties involved in the conflict ask of each other:

- What happened? *Removing any language of judgement, simply describing the facts.*
- How did you feel about that? *Allowing emotions to be expressed.*
- What were your need/s that were not met? *Getting to the root of the real cause of the conflict.*
- My request of you is ... *Moving forward constructively by letting the other person know what you want from them.*

The critical shift in this process comes when the parties in conflict understand what were the others need or needs were that were not met. It might have been a need for more responsibility, or more space, or understanding of a need for privacy, or greater challenge.

At this point of insight, the cause of the conflict is understood and the conflict dissolves. The parties realise that what they thought was behind the other person's frustration was actually not the case. There was a misunderstanding based on the differences in the worldviews of the two people.

Helping people to grow and deepen their emotional maturity in this way is one of the most rewarding experiences you will have as a leader.

10. Not Asking For Help

One of Aesop's famous fables tells the story of an old man on the point of death, who summoned his sons around him to give them some parting advice.

The old man ordered his sons to bring in a bundle of sticks, and said to his eldest son: "Break it." The son strained hard, but was unable to break the bundle. The other sons also tried, but none succeeded.

"Untie the bundle," said the father, "and each of you take a stick." When they had done so, he said: "Now, break," and each stick was easily broken.

The message of the fable is clear. The challenges of life will break you easily if you try and do everything on your own. But when you work as part of a unified group, you become unstoppable.

In an executive or business ownership role, it can be very lonely at the top. But the lonely leader is making a mistake. By missing out on the natural opportunities for connection and collaboration that are all around them at all times, both personally and professionally.

Leaders also make the mistake of thinking it's weak to ask for help. But this is old-school thinking that never produced anything helpful for anyone. It only caused pain and frustration. The wise and courageous leader knows when to ask for help. They know that leadership is a team sport.

Lonely leaders see the world as full of competitors, trying to oust them from their hard-earned throne at the top. Cooperative leaders see the world as full of people who are ready and willing to support them in achieving amazing things in the world.

Which approach do you choose?

About Us

McDermott Business Strategy & Coaching is a business and executive coaching firm. We are dedicated to empowering business leaders to run successful businesses, perform at an outstanding level as leaders, have a superb work-life balance, while having a deeply fulfilling, anxiety-free, and meaningful engagement with life.

We take a service-based approach that places the customer at the centre of all business design work, ensuring your business flourishes and is a pleasure to run.

David McDermott is the Principal of McDermott Business Strategy & Coaching. David is a leader called upon by leaders, and has worked with business owners and senior executives from some of the largest companies and government departments in Australia.

W: <https://www.mcdermottcoaching.com.au>

E: dave@mcdermottcoaching.com.au

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