

# The Leadership Revolution: The Handbook for Defining Your Role in 21st Century

Speech by Herb Rubenstein

President and Founder, Sustainable Business Group

Presented to the Denver Metro Chamber Foundation and Invited Guests from Leadership Programs In Colorado

## Introduction

I would like to thank Maureen McDonald of the Denver Metro Chamber Foundation who invited me to work with her on the planning for this event and to speak to you today about leadership programs from my perspective as a member of the Board of Directors of the International Leadership Association. And I want to thank Sheila Bugdanowitz, President and Chief Executive Officer of the Rose Community Foundation, who told me that if I were going to move to Colorado, I had to meet Maureen McDonald. She was right.

It is a great pleasure to see a few people I know, Ann Vessels of the Colorado Leadership Alliance and Matt Smith of Johnson and Wales, who today, I am doubly privileged to have as both a colleague and as a host. I will direct the first part of my remarks to the challenges your leadership development organizations face as you have discussed today. Funding, securing the right number, mix and quality of participants in your leadership programs, developing new and timely programs are all huge challenges. Defining your brand of leadership, clarifying the specific problem you want to solve for your customers, and the challenge that this meeting is specifically designed to address - learning what other leadership programs are doing in Colorado, promoting collaboration, learning from other program's experiences, and teaching them what you have learned in your efforts to improve leadership throughout Colorado, are all huge and important challenges that over time, I hope the efforts started today will help you address successfully. This meeting is a first, a birth of a new effort, whose time has certainly come.

I am especially grateful to be here today to listen to you, to meet you, and to learn from you, because in a few short months my wife and I will be moving to Colorado. I am in the process of designing a first ever course on leadership for lawyers that will get continuing legal education credit approved by State Bar Associations around the country. And, I am discussing potential roles with several universities in Colorado as well. But, the thing I am most excited about today, in your presence, is a new book I am just about finished called, The Leadership Revolution: The Handbook for Defining Your Role in the 21st Century. Former Governor Dick Lamm has agreed to write the introduction and Dr. Howard Prince, the Director of the Center for Ethical Leadership, at my alma mater, The Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin, and former Dean of the Jepson School of Leadership at the

University of Richmond, and Director of Leadership Studies for 15 years at West Point, is writing the forward. This book is about your future and the future of leadership development.

### **Leadership Development Industry**

As you will be able to tell by the end of my short talk today, you are in a tremendous growth industry. Through our work on entrepreneurship, on leadership development, and my role as a member of the Board of Directors of the International Leadership Association, we at the Sustainable Business Group have made an exciting discovery - There is a leadership revolution that is beginning in many parts of the world. My book will describe and serve as a catalyst for this leadership revolution. The book will go far beyond describing the nine or ten modern leadership theories, and the ninety odd brands of leadership currently on the market. It will show how over the next decade there will be many times the number of "leaders" than existed just ten years ago. And since there will be many more leaders, there will be a huge increase in the demand for leadership development, education and training. In fact, Georgetown University, another one of my alma maters, I have my law degree from there, emailed me this past week to let me, and a few thousand other people know, that its Business School, the McDonough School of Business, was just starting a Masters degree program in leadership, extending its one year, hugely popular certificate tprograms in both organizational development and leadership.

There are many indications that a leadership revolution is coming not only to the United States, but to places like the Ukraine, areas controlled by the Palestinians, Afghanistan, and if all goes well, possibly soon in Iraq. The leadership revolution is much more than elections and democracy. With 90,000 new nonprofit organizations started in the United States each year, and the booming number of new businesses and nonprofit organizations starting in the U.S, in Latin America, and in those countries that were formerly part of the Soviet Union, many of which are being started by women taking their first steps into the worlds of entrepreneurship and leadership, there are simply many more positions of leadership today than there were just five years ago, and there will be many more created over the next decade and beyond. You might not know that the YWCA has 56,114 board members nationwide; Boys and Girls Clubs, where I have served as Chairman of the Board of a local chapter, have over 32,000 board members. And, as you may have been reading, boards of directors across the United States are starting to get their act together, to be more productive, to demand true leadership and improved productivity from each and every board member, and are on the hunt for significant numbers of new board members to help with capacity building and strategy for the organization, and not just going out and raising money. You might look to your own board and teach them a thing or two about leadership in order for them to be more effective in supporting your cause. You might also want to look at new avenues for marketing your leadership offerings. I was amazed recently in Austin, Texas to learn that Tivoli, the software company, before it was bought by IBM, paid the University of Texas 7.6 million dollars to develop a specialized MBA program just for Tivoli employees that included leadership courses. And, I can not name the University, but there is a State University, not located in Colorado, that is being paid 2.4 million dollars per year by a Fortune 500 company to give leadership assessments to its employees and provide whatever leadership training each employee in the company needs. And the professors and staff on this contract, fly to the company from their university on the corporate jet.

These developments in the field of leadership are exciting, but they merely scratch the surface of the leadership revolution. Just as leadership development has expanded into a respected discipline in colleges and MBA programs, it has also expanded into high schools with Leadership High now becoming a common name for high schools or sections of high schools in several major cities in the U.S. like Chicago and San Francisco, and I have been told, but have not confirmed, there is either a Leadership High School or a section of a high school in Denver with leadership courses here in this great part of the country. As directors of leadership development programs you have the great fortune, as tough as it might seem to make ends meet today, to be in probably the fastest growth sector in the field of education, along with the field of entrepreneurship, which is quite related to leadership. This leadership revolution will demand, and my book provides, a clear explanation of the 90 brands of leadership currently on the market today, the ten theories of leadership, the special aspects of ethical leadership, and special demands of leaders of change and creating value. It will deal with the gender, race, culture and age related issues in the field of leadership, and provide the key lessons learned from six of the major leadership failures in the 20th century.

The long run implications of the coming leadership revolution are not that you will be overrun with customers when you get back to your offices after lunch today, though there will be an increase soon in the demand for your courses and offerings. The first major implication is that your course offerings, your inventory, will have to change every year to keep up with changes in the field. Certainly the retailers at GAP do not feel any sympathy for you, as they have to develop new inventory and replace old inventory seven times per year. But it is harder to develop or change a leadership development course than it is to change the design and manufacture of a new shirt or outfit.

The leadership revolution will impact our educational sector, our business sectors, or nonprofit sector, and it will impact politics and government. As counties and cities struggle under TABOR and state budget problems that exist in many of our States in the Union, they will be faced with a stark choice - merge, consolidate, and reengineer their public services to lower their cost per unit of service and increase the productivity of their workers and information technology systems, or fail to be able to meet the demand for their services on their existing and reduced budgets in the future. Mergers of counties and cities, and mergers of counties with other counties and cities with other cities, consolidation and reengineering the public sector is already starting throughout the United States, and it is as inevitable as it is almost unthinkable. The only way such mergers, consolidations, and productivity improvements will take place is a new level of leadership must be infused into the public sector, and you are the people and you have the programs to start helping public sector leaders lead more effectively and more efficiently in the future.

The K-12 educational sector with its lagging performance in test scores throughout the United States is in desperate need for invigorated, creative, imaginative, entrepreneurial leadership in a field that has not been known for these types of leadership in these categories of leadership. Colleges must teach more and more students, and not raise tuition so high that low and middle income families are prevented from sending their children to get the kind of college education that you and I received. Again, you and your programs have much to offer the schools and public educational institutions through leadership training, so they can better address the challenges they have ahead of them.

Leadership education, development, and training in the last century, just a few years ago, and I expect today, for many of you and your programs, was and still is an orderly process. People applied for a leadership development program that had certain dates specified in advance, their applications were screened, they may have been interviewed and they were accepted long before the program started. And many of those who were fortunate to be accepted took the leadership development program that started on time, ended on schedule and delivered the promised curriculum, with bibliography and selected quotes, and a guest speaker, thrown in for good measure.

You may have realized, that is not the model we use to fight fires. Leadership failures are like fires. They require a SWAT team like Red Adair's fire fighting company that puts out oil well fires. They are called on a moment's notice, come in, quickly assess the situation, provide the necessary expertise and services to quell the problem, and solve the problem at hand. Today, organizations do not have fires, they have leadership crisis after leadership crisis. And like a fire, a leadership crisis in an organization knows no schedule for its starting and its ending time. While consulting firms may successfully steal your thunder in this area, do not throw in the towel, if you are willing to expand your customer base to people and organizations that need your services on an immediate, intensive, and problem solving oriented basis. The leadership revolution will put leadership development and training in the "emergency room" of organizations, where it belongs, just as much as it belongs in the classrooms and the libraries of organizations and educational institutions. Every day we hear about leadership failures, and if we keep our ears to the ground, we will hear that people in many organizations today in communities from Colorado to every State in the Union, are predicting real trouble ahead, next week, next month, and next year. Boards of directors of for-profit companies, as well as non-profit organizations and educational institutions, are often unproductive and in some cases, counterproductive. Does your program in leadership development have something to offer these boards of directors to help improve them?

Does your program provide free seminars and workshops to let the world know what you do. Does your staff write books or articles to share with the world what you have learned and what you are able and willing to teach others? Does your organization tap the local community's expertise and enroll people from leadership positions in your community not just to stand up in front of others and tell a few stories about leadership, but have them roll up their sleeves and help those organizations and individuals in your community struggling with leadership issues attack these issues head on? Does your organization do any surveys and learn about what people in your community think are the highest priority leadership development or leadership implementation issues in the community; and if you did, would you have a plan and real course and programmatic offerings to address your community's concerns.

The leadership revolution requires a group, many groups of people to stand up, shape up, and commit to becoming leaders of leaders. The leadership revolution and 21st century business practices dictate that you spend almost as much time working on your leadership development program, and you spend working in you leadership development programs. And, it demands that you have the ability to delegate to other staff, interns, volunteers, and even customers, much of what takes up your time these days.

No talk would be complete on leadership development programs with addressing the issue of funding. How can organizations like yours gain more funding? If the answer were easy you would already be doing it and it would not be a problem. You know how to write grant proposals; you know how to identify and ask potential donors for money; you know how to schedule and price your course offerings so that they bring in some revenue and satisfy your customers. But I ask you, if someone said to you, I will give you the equivalent of ten times your annual budget if you can tell me in one hour how you will spend or allocate this money over the next two years to improve your program on a permanent basis, how many of you could give this potential donor a memo that is approved by your board, vetted by your staff, and represents the very best way you could spend or allocate ten times your annual budget over the next two years, in just one hour. I ask you, if you can not give someone this memo on one hour's notice, are you really ready for a significant infusion of money to your organization.

Why do people get on a train? They get on a train because of three things. They get on a train because of where it is going. They get on a train because of when it is going to arrive. And they get on a train because they believe, after taking into consideration the cost in terms of time and money, the comfort or lack of comfort they will experience, and after analyzing how the offering of the train compares to other offerings that would get them to the desired location at an acceptable time, that the cost of the train ride is worth it. Now, do you realize that if what I have just said is true, no one gets on a train because of where it is. No one gets on the train because it is in the station. If you are trying to raise money by telling people what you are currently doing, you are like a train conductor trying to get people to get on a train by saying, "This train is in the station. Come and get on." It won't work.

To raise money, you need to know where your train is going, when it will get there, all of the services on the train that you will provide to your customers, and exactly how much the train ride will cost. And you need to let people know who you ask for money how many train rides you will be providing over the next year, two years, three years and five years. If you do not have a strategic plan and a business plan that goes out five years, how can you ever ask someone to sponsor a course, or make a donation for each of the next five years? You can't tell them with any certainty how you are going to spend their money. And you expect them to give you their money if you don't know how you are going to spend it, and what value it will create for the communities you serve.

How can you approach a potential customer, or groups of customers, be they individuals or organizations, with an offering or program, and figure out the lifetime, or even five year economic value to your leadership development program of that potential customer? And if you can not figure out the lifetime or five year economic value of your customers, how can you ever know what amount of marketing dollars are justified in order to go after that customer, or market segment of customers. And finally, if you have not segmented your market into micro-segments, how do you know what each group of your potential customers need in the way of leadership development, leadership education, and leadership training.

So, I will conclude with a question. As the director or leader of your leadership development program, do you have a duty to be famous? I will ask the question another way, do you have a duty to be well known and highly respected? I would hope that you would give this question a lot of thought. You are doing great work teaching leadership at a time when we need vast

improvements in leadership in every endeavor at every level of business, government, education, and nonprofit organizations. We need a clearer emphasis on ethics. We need better communication skills. We need a stronger ability to work together and solve our problems, rather than just become more skilled at fighting with others over what we think we should do to address our challenges. It is your job to translate the need that exists for your leadership programs into a real demand, standing room only, waitlists type of demand. It is your job to deliver as a result of your programs people capable of more informed leadership, more skillful leadership and people who refer other people in droves to your offerings. It is your job to develop fundraising plans, direct fundraising committees, and tell the community where your train will be going, and how much money you need from them in order to help your community be able to take all of the leadership courses and programs that you should be offering and that your community, and subparts of your communities need.

You are in an exciting position, and unfortunately, I have not made it any easier with my speech today. I welcome the privilege of becoming a resident of Colorado, and a part of the leadership development community. Over twenty years ago, I helped my brother who is mentally retarded, become a resident of Colorado, and find a wonderful group home here in Denver, where he lived successfully for many years.

You may find some useful articles among articles on our website, [www.sbizgroup.com](http://www.sbizgroup.com), many of which have been published at other sites over the past three years. My first book on how to grow organizations is also on our site, free of charge. My articles are on entrepreneurship, leadership, business and strategic planning and related topics.

I would like to take questions now, in a way that you may not have seen other people take questions. We have almost 20 people in the room today. When you ask a question, and I believe we have 30 minutes for questions and answers, I will first see who among all of us in the room today, wants to answer that question. This way, you get the advantage of asking 15 to 20 people the same question at the same time, and I hope that everyone will join in and share their expertise in answering questions. I am sure that there is much more expertise in the room, better able to address some of your questions, than I am able. Certainly, I will chime in my thoughts in response to your question, but I would hope that we gather all of the best thoughts of all of us during the short time we now have together, just as we have done so earlier this morning. Thank you for your time. I look forward to your questions and comments. It is great being here.

### **Biographical Information**

Herb Rubenstein is an attorney and the President of Sustainable Business Group a consulting firm to businesses. The headquarters of the Sustainable Business Group is Denver, Colorado. He is co-author of Breakthrough, Inc. - High Growth Strategies for Entrepreneurial Organizations (Prentice Hall/Financial Times, 1999). He also serves as an Adjunct Professor of Strategic Planning George Washington University, and has been an Adjunct Professor of Entrepreneurism at George Mason University and Colorado State University. He has his law degree from Georgetown University, his Master of Public Affairs from the LBJ School of Public Affairs, a graduate degree in sociology from the University of Bristol in Bristol, England and was a Phi Beta Kappa/Omicron Delta Kappa graduate from Washington and Lee University in 1974. His email address is [herb@sbizgroup.com](mailto:herb@sbizgroup.com) and he can be reached at 303 910-7961.