At the Center for Positive Organizational Scholarship, we do research on organizations that excel in achieving results while also allowing their members to flourish as people. Recently my colleagues and I identified such an extraordinary organization and secured an invitation to visit. It was a pediatric unit, one of sixty nursing units in a nearby hospital. For ten years this particular unit has been consistently at the top on all measures of performance.

In visiting the unit we were impressed with its many innovative practices. We asked many questions. After some discussion the director of nursing interrupted.

She said, “Don’t be fooled by these practices. They are important, but they are a consequence, not the cause.”

The room went still. Then one of the pediatric nurses nodded. She began to speak about the head of the pediatric unit. It was clear that the nurses held this woman in the highest esteem. She was no ordinary manager. She was a leader, a catalyst that made great performance possible.

In the director’s office, we reflected on our visit to the outstanding unit and on the insight about the transformational power of the unit’s leader. As we did so, the director of nursing announced, “I have sixty units. Of the sixty managers, I have five like the woman you just learned about. I can put any one of them in charge of a failing unit and in six months it will be an outstanding unit.”

We pondered this provocative claim. One of my colleagues could hardly contain herself as an obvious question boiled within. She imagined that she was about to identify the holy grail of leadership and blurted out the obvious question, “What do they do?”

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The director said: “It is not what they do. Each leader is different. Each one has her own unique approach. It is not what they do. It is who they are that matters.”

Beyond Knowledge and Competence

Academics are prone to tell us what we need to know. Consultants are prone to tell us what we need to do. Usually their claims are based on the analysis of successful cases. This implicit assumption of imitation is the foundation of most leadership books, consulting workshops, and HR training programs. Yet the director quoted here is making a claim that threatens to overturn much of the prevailing wisdom: “It is who they are that matters.”

The nursing director was teaching us that the best practices of great organizations, while a means to greatness, are not the source of greatness. The practices themselves emerge in a context created by a leader doing abnormal things. Later, when the organization begins to excel, observers tend to analyze the tangible artifacts, which are the innovative practices. Identifying and imitating innovative practices may succeed but often fails because we do not fully understand the source of great performance.

Knowledge and competency are valuable. They are not, however, the source of extraordinary performance. To be extraordinary is to be excellent. Excellence is a form of deviance. Excellence means doing things that are not normal. We are not imitating others. Instead, we are striving to do things we do not know how to do. We are experimenting, learning, and creating. We are creating a new way to be as an organization. We are reinventing who we are.

Another way to say this is that “we are building the bridge as we walk on it” or we need to learn to “walk naked in the land of uncertainty.” Most human beings are programmed to avoid such a state. Getting a group to engage the process of moving forward in the face of uncertainty is an extraordinary achievement. Leaders who can get a group to build the bridge while they walk on it are not normal managers.

When the director tells us the key is “who they are,” she means that her five best leaders live differently from the others. They spend less time in the normal psychological condition and more time in an extraordinary stance that I call the fundamental state of leadership.

The fundamental state of leadership (FSL) is an alternative psychological condition. Entering the FSL alters awareness, perception, emotions, and behaviors. It also alters relationships and leads to extraordinary patterns of performance. To understand the dynamics, consider these two cases.

Jeremy

Jeremy is a physician and an executive who was in charge of a transformation at a regional medical center in California. Like most change leaders, he found that leading a transformation can be fraught with mistakes and dangerous to one’s career. As he
came to understand the risks he became increasingly fearful and describes his feelings as the “emotions of a patient facing cancer.”

Despite his fears he tried to act confident. He spent his time trying to get others to buy in to the change process but experienced limited success. In the midst of his struggles he read a book on change and came to some insights.

“My fear of being fired, ridiculed, or marginalized at work was impairing my ability to lead. I also saw how my ‘exit strategy’ of leaving if things got uncomfortable was impairing my ability to commit fully to leadership.”

Based on what he read, Jeremy then made a momentous decision.

“I decided to acknowledge my fears and close off my exits. Suddenly, my workplace became a place filled with people doing their best to either avoid deeper dilemmas or face them and grow. The previous importance of titles and roles began to melt away before my eyes. Feared organizational figures became less menacing. . . . My own change of perspective led me to see a new organization without having changed anyone but myself. I brought my new perspective to my role.”

Jeremy’s description seems to have magical overtones. He makes a decision and then he sees a new organization and begins to act differently. The process, however, is not magical. Consider another illustration.

Gail

Gail is a practicing psychologist who sometimes works with me on one of my courses in executive education.

In that course we have regular breakouts run by professional facilitators. Gail is one of those facilitators. In her very first assignment she was supposed to run a breakout session in which she initiated the process of trust building by sharing three core life stories. She ran the session but grew fearful and shared some very safe stories. She returned to the next class session feeling some shame.

In the next session, the students began to challenge what I was teaching. They claimed that my approach to leadership would never work in an abusive environment. As I was about to respond Gail stood up and asked to tell a story. It was the story of living with an abusive husband. She tells of a day when she got home a few minutes late.

“When I arrived home, he was waiting for me inside the foyer of our apartment with a leather belt in his hand. When I walked through the door, he began screaming obscenities at me and beating me with the belt. As usual I was totally unprepared for the assault and unable or unwilling to defend myself. As usual I felt victimized.

“Aside from the extremity of the attack, there was something different this time. I am not really certain how long the attack continued, but at some point during it, something inside me literally clicked. Time slowed down, almost coming to a stop, and I remember hearing a voice inside me say as clearly as if there had been someone in the room talking to me, ‘You know he’s crazy, but you must be crazy too for putting up with this.’ In that moment of realization I was transformed from the victim of an abusive husband to a woman who had choices, and I knew, even though I was not yet

Best practices are a means to greatness, not the source of greatness.
ready emotionally or financially, that I would leave the relationship.

“I never said a word to him or lifted a finger to defend myself, but the most amazing thing happened. Immediately following, or maybe simultaneously to my thought and my decision to leave, he stopped hitting me and screaming at me, dropped the belt, and walked away. We never spoke of the incident, and he never raised his voice to me or lifted a finger to harm me in any way after that. It was as if he somehow sensed that he would never be able to treat me that way again. Within months I had enrolled in graduate school, moved out of our apartment, and filed for divorce. I had changed the world by changing myself.”

Here, as in the case of Jeremy, we see someone make a decision that has a dramatic outcome. Jeremy and Gail each make a decision that changes their psychological state. When this occurs, they begin to see themselves differently, to see others differently, and to act differently. Others then begin to react differently. In each case the decision makers move themselves from the normal state to the fundamental state of leadership.

The Normal State

Most of us spend most of our time in the normal state. In the normal state we are comfort centered, externally directed, self-focused, and internally closed.

Comfort centered. When we are doing the things we know how to do we are in our zone of comfort. Any stimulus that suggests that we should leave our zone of comfort is met with resistance. In fact, we are all masters of claiming we want change while doing all we can to avoid real change. Jeremy is a manager in charge of a transformation. Yet he is filled with fear because being a transformational leader requires behaviors outside his comfort zone. Gail is physically beaten on a regular basis, but prefers to stay in the abusive marriage rather than face the uncertainty of change. We are all Jeremy and Gail; we all tend to be comfort centered.

Externally directed. To be externally directed is to be driven by our own perceptions and fears of what we think other people do or will think. In politically charged organizations nearly all behavior becomes externally directed. Jeremy, for example, is fearful of what might happen if people come to see him as incompetent. In adopting the victim role, Gail defines herself as responsive to the initiatives of her abuser.

Self-focused. While we claim to put the good of others first, we all tend to be ego driven. We carefully adhere to our own agendas. When Jeremy makes presentations on the planned transformation, we can be sure that those presentations all start with arguments about the collective good. Yet, despite his words, his first concern is Jeremy. In the pain of the victim role, Gail can only think of self.

Internally closed. To be internally closed is to hold to our existing position, avoiding all signals and intuitions suggesting the need to change. Jeremy has the fears of a cancer patient. He senses that he may fail. Yet he continues on the same path. Gail is beaten regularly, yet she returns time and again. We are all Jeremy and Gail, in

Excellence is a form of deviance, doing things that are not normal.
that we wish for different outcomes while engaging in repetitive behaviors. We are closed to signals for change.

The Fundamental State of Leadership

It is normal to be comfort centered, externally directed, self-focused, and internally closed. Most of us spend most of our time living in this reactive state. It is, however, possible to enter a more creative state. In that state we become results centered, internally directed, other-focused, and externally open.

**Results centered.** What result do I want to create? We can ask this question at any time. When we do, it changes who we are. We immediately become intentional. We have a vision of something that does not exist and we commit to do something we do not know how to do. The moment we make this commitment, we are altered.

When Jeremy commits to actually transform his organization, suddenly his emotions change from feelings fear to feelings of confidence. His awareness is enlarged and his perception of the organization changes. Gail chooses to leave and at that moment her husband radically alters his behavior.

**Internally directed.** Am I self-directed, living from my own core values? Asking this question leads to an increase in integrity. When we close one of our integrity gaps, we immediately begin to feel more positive about self. Jeremy reduces his hypocrisy by actually committing to the change he espouses. Gail reduces her hypocrisy by refusing to play the role of victim any longer. When we make such decisions we not only see ourselves in a more positive light, we begin to see other people in a more positive light.

**Other-focused.** Am I focused on the common good? In organizations few people are focused on the common good. Those who do communicate an implicit message by how they treat us. Sensing their commitment, we give them our trust and respect. In making his decision, Jeremy for the first time puts the common good ahead of his own. Gail, in an extreme condition, must reject the relationship and put her own good first. Yet this decision of self-empowerment alters her life state and she then gains the ability to put the common good first. Note, for example, her willingness to stand in front of the class and tell her intimate story. She did this for their good, not for hers.

**Externally open.** Am I confidently moving forward into uncertainty, learning as I go, because I pursue the truth about the impact of my actions? In the normal state we espouse an interest in feedback while sending implicit messages that we only want to hear positive things. In the fundamental state of leadership we hunger for feedback, both positive and negative. This unusual behavior further signals our authenticity and commitment. People respond. In leaving the zone of comfort, both Jeremy and Gail put themselves in situations of high uncertainty, where to survive they had to obtain accurate feedback.

Four Questions

The FSL is a positive but abnormal psychological condition. Most of the time, most people are in the normal state. Most of the time, we are reactors trying
to preserve our present self in a zone of comfort. This reactive state is usually a hypocritical state in which we claim to want to create excellence while we actually strive to preserve the status quo. It is normal for each of us to live as hypocrites.

In positions of authority it is normal for us to manage, not to lead. We speak of high-performing units but we are incapable of initiating the processes that will give rise to collective excellence. The director of nursing had 55 out of 60 managers who spent most of their time in the normal state. They were not creating excellent units.

The FSL is a temporary state of increased intention, integrity, love, and learning. When we enter it, we are no longer normal people living by the principles of survival and social exchange. Instead we live by principles of contribution and creation. We create contexts in which others are invited to exercise the courage to empower themselves. When enough people do this the organization begins to shift. It becomes more aligned with changing external reality and simultaneously aligned with emerging possibility.

When we are in the normal state, we tend to resist entering the FSL. We tend to make this shift only when driven by desperation. This was true for both Jeremy and Gail. In their desperation they made a deep commitment and the commitment took them into the FSL. Yet it is possible to make this shift before we reach desperation. We can do this in any situation by asking the following questions:

1. Am I comfort centered or purpose centered; what result do I want to create?
2. Am I externally driven or internally driven; am I living my core values?
3. Am I self-focused or other-focused; am I pursing the common good?
4. Am I internally closed or externally open; am I moving forward into uncertainty and learning as I go?

When we honestly ask and answer these questions, they alter our psychological condition. We increase our own levels of intention, integrity, love, and learning. We feel different, we act different, and we are different. We become uniquely creative, positive deviants.

This is what the director of nursing was teaching us. She had five people who tended to more frequently enter the FSL. When asked what her best leaders did, she could not answer. Each one was unique. Each one was doing what needed to be done to take her individual unit where it needed to go. In the end, the director of nursing was right, it is who we are that determines the excellence of our organizations.

It is not what leaders do. It is who they are that matters.