

# APPLYING ADAPTIVE LEADERSHIP TO THE SUPPLY CHAIN

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## Authority Doesn't Always Equal Leadership in the Supply Chain

### *Abstract*

Traditional Leadership is most often authority driven. In traditional organizations, assignments for work and allocations of resources are made by those who have power and authority. In a traditional organization if you have a title you have the power. Thus, in a traditional Organization: Leadership = Authority (L=A).

Adaptive Leadership has been developed by Ronald Heifetz in 2009 to help individuals lead with or without authority, "it is an approach to making progress on the most important challenges you face in your piece and part of the world" (Heifetz, Linsky, & Grashow, 2009, p. 3). In contrast to traditional organizational structures, goods and services move quickly through supply chain departments and organizations. Modern supply chains are increasingly characterized by complexity, several suppliers, second tier suppliers, far-flung affiliates, global aspects, cultural differences, communication challenges and differing legal environments. In such fast changing and complex environments authority is often unclear. For example, the CEO of a second tier supplier for raw materials may have very little authority as the product moves toward the end of the supply chain. Authority alone cannot make a supplier meet a deadline. Suppliers are often in a battle for resources, and simply yelling at a supplier does not make them produce more or better product. It takes leadership and collaboration skills, not just authority, to move products and services through the complex supply chain pipeline. Supply Chain Leadership does not always equal authority (L≠A). (Heifetz, Grashow, & Linsky, 2009)

Leadership within supply chains calls for a different model of leadership namely an ability to influence by identifying and capitalizing on opportunities, innovations and resources that exist beyond the walls of traditional organizational authority and structures. Possibilities for influence within the supply chain include many levels of collaboration and influence between departments, organizations, suppliers, partners, consumers and other stakeholders. Supply chains are a perfect location for Adaptive Leadership. (Heifetz, Linsky, & Grashow, 2009)

Supply Chain Leadership is defined as the story of how goods and services move inter-organizational and intra-organizational. Supply chains begin with concept and design, continue through packaging and end with the final product and packaging being recycled, reclaimed. This process can engage as many as 100 departments, 50 organizations, 25 countries and resultant thousands of people. At each of these points along the supply chain the opportunity for leadership through influence exists, regardless of authority or title; these opportunities should be seized. (Heifetz, Linsky, & Grashow, 2009)

This paper asserts that Adaptive leadership is a more effective model for leadership within supply chains. Adaptive Leadership begins with “a four part diagnosis matrix” (Heifetz, Linsky, & Grashow, 2009, p. 6). This much needed diagnosis of Supply Chain Leadership can help the supply chain professional to be more effective up and down the supply chain stream. (Heifetz, Linsky, & Grashow, 2009)

The purpose of this paper is to assist the supply chain professional to, 1) diagnosis and develop an action plan for the constellation of systems they work within, 2) diagnose their own abilities and develop additional collaboration abilities. This paper will offer specific and practical tools and tips for individuals to be able to improve their effectiveness in Supply Chain Leadership. (Heifetz, Linsky, & Grashow, 2009)

Adaptive Supply Chain Leadership requires the skill to influence others, most often described as the unifying role of a high school principal, the instincts of a political activist and the creative attraction of a storyteller. Surprisingly in successful Supply Chain Leadership individuals do not need to be extroverted or charismatic. The successful Supply Chain Leadership model is based upon influence which does not require that someone be a “show off” but rather, dependable, hard working, innovative, have excellent listening skills and an ability to identify a need and then communicate this need in a good story that can be understood across the Supply Chain constellation. (Heifetz, Linsky, & Grashow, 2009)

The author has taught and consulted in Supply Chain Leadership for the past six years. She has taught hundreds of students Leadership and Ethics at The University of San Diego, Supply Chain Management Institute. She has successfully used the Adaptive leadership model as a consultant to Fortune 100 companies. (Heifetz, Linsky, & Grashow, 2009)

## **References**

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