

### 2014: The Year of Transformational Leadership

here's a new buzz phrase in leadership development that has gotten me very excited—transformational leadership. It means focusing on developing leaders, motivating them to high levels of performance, and in the process, helping them develop their own leadership potential.



Transformational leadership gives you the tools to become a leader—in your own way.

The beauty of transformational leadership is that it is not a cookie-cutter approach. For me, transformational leadership means transforming internally what is inside my heart and moving it into action. It means positioning myself to perform at my highest capacity—and loving the journey. The joy of transformational leadership is that it gives you the tools to become a leader in your own way. It gives you the means to harness the skills and qualities you already have to create an effective leadership style.

I learned about transformational leadership at the University of Pennsylvania, where I am earning a doctorate in education. One day, a woman who embodied transformational leadership entered the classroom (via Skype)—and, I'm not exaggerating, she changed my life.

Frances Hesselbein, the former CEO of Girl Scouts of the USA, who completely transformed and modernized the organization, may be the most accomplished woman leader in America. For more than 50 years, she has been both leading organizations, and teaching thousands how to lead. She was living transformational leadership, and teaching it, decades before anyone named it. That is why Frances, who in November was honored at the White House with the other Presidential Medal of Freedom award winners of the past 50 years, is on the cover of this issue of *Diversity Woman*.

During that class, I asked Frances (who has and does serve on many corporate boards) a question that has been nagging me for years: "How can we get more women into corporate board rooms?" Her answer was simple: "Remember, you are a leader first and a woman second."

Frances recognizes that there are institutional obstacles that keep women from advancing within organizations. Her head is not in the sand. What she is saying, however, is that *you* can be the change. You have your own leadership style, but perhaps you have not yet been given the tools, the confidence, and the inspiration to exercise it.

Frances's philosophy dovetails with *Diversity Woman*'s mission: we give you the resources, tools, and information you need to navigate obstacle courses in Corporate America to become the leader that is within you. That is why we honored Frances with the *Diversty Woman* Mosaic Legacy Award at our annual leadership conference

You can read about Frances's inspirational journey from an impoverished coal town in Pennsylvania on page 42. In fact, this entire issue focuses on transformation. On page 29, learn how to transform your company and recruit effective leaders in today's competitive environment. Or learn how to transform your relationship—in 25 percent of American households, the woman earns more than the man, a situation that can be fraught with peril but also successfully navigated (page 55).

We hope this issue will inspire you to make your own transformation—in your life, in your career, in your heart. Let's make 2014 our year of transformational leadership.

SHEILA ROBINSON
Publisher, Diversity Woman





# DR.FRANCES HESSELBEIN

## LEADING WITH A PURPOSE

Former Girl Scout CEO and Presidential Medal of Freedom honoree Frances Hesselbein has been defining leadership in America for over 50 years.

### BY JACKIE KRENTZMAN

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hen Frances Hesselbein was eight years old, growing up near Johnstown, Pennsylvania, deep in the heart of coal-mining country, she spent a great deal of time with her grandmother. Grandmother Wicks had a very special room at

her house, a music room with an arching ceiling, stained-glass windows, and a pipe organ. On a high shelf, beyond the reach of young Frances, sat two ornate Chinese vases. Frances wanted to play with them, but her grandmother would never let her.

One day, her grandmother sat Frances down and told her the story of the vases. Many years earlier, Mr. Yee, the local laundryman, had knocked on her door, tears streaming down his face. He was holding a package with the two vases. He told her that he wanted her to have them. He was returning to China to reunite with his family. Mrs. Wicks expressed surprise and said, "Why me?" Mr. Yee replied, "In the 10 years I've lived in this town, you were the only one who ever addressed me as 'Mr. Yee."

"That was the defining moment of my life," says Hesselbein. "That story determined the person and leader I have become. It taught me everything, about respect and dignity as well as diversity and inclusion."

And what a leader she became. Over the past 50-plus years, Hesselbein, who does not like to give out her age, but is northward of 95 ("Age is irrelevant. It is what we do with our lives that counts"), has been one of the most influential figures in the leadership movement, with her unwavering emphasis on value-based leadership. Although she is best known for her 13 years as the CEO of the Girl Scouts, Hesselbein's influence has extended from nonprofit management to corporate boards to the U.S. Army. Since 1990, she has served as CEO of the Frances Hesselbein Leadership Institute in New York City, formally known as the Peter F. Drucker Foundation for Nonprofit Management, named for the management guru and her mentor. The institute's mission is to strengthen and inspire the leaders of the social sector and their partners in business and government.

"Frances Hesselbein is extraordinary," said the late Stephen R. Covey, himself a leadership icon and author of The 7 Habits of Highly Effective People. "[She is] a pioneer for women, for diversity, and for leadership that changes lives. Frances is a model for living one's values."

Many outside the business world have taken notice. In 1998, she earned America's most prestigious civilian award, the Presidential Medal of Freedom. This past November, Hesselbein, along with all the other Presidential Medal of Freedom recipients, were honored in the White House by President Obama on the

50th anniversary of the award, which was initiated by President John F. Kennedy.

#### **AN UNLIKELY ASCENT**

When Hesselbein was growing up in western Pennsylvania during the Depression, the national stage was most definitely not on her radar. As a teenager, she aspired to be a playwright and enrolled at the University of Pittsburgh at Johnstown. But six weeks into her freshman year, her father died and she had a decision to make: she could leave school, get a job, and help her family, or move to Philadelphia to live with her aunt and attend college there.

She stayed in Johnstown, found a job to support her mother and two siblings, and took classes on evenings and weekends. This was an early example of the core message she would promote throughout her career: live your values.

She met her future husband, John, a graduate of the University of Pittsburgh (Class of '35) as well, and they soon had a son. Hesselbein settled down into a life of domestic tranquility.

Then, in the early 1960s, she got the call that would change her life. Even though she had no daughters, she was invited to be a volunteer Girl Scout troop leader. She initially agreed to serve for six weeks—until a real leader could be found, she thought. Hesselbein ended up staying eight years. In 1970, she was selected as the executive director of the Girl Scouts Western Pennsylvania council. In the interim, she had become enamored with Peter Drucker's management principles and began implementing them. In the beginning, just as she does now, she focused on his five questions: What is our mission? Who is our customer? What does the customer value? What are our results? What is our plan?

Her success and innovative management style caught the eye of the Girl Scouts of the USA, the largest organization for women and girls in the country. One day she received a phone call asking her to apply for the CEO position.

"I never would've applied on my own," Hesselbein says. "They would always bring in some distinguished woman who was the dean of a college. For 67 years, they'd never brought up someone from within the organization. I didn't want to apply, but my husband was marvelous. He said, 'I'm driving you to New York—it's the perfect job for you.' So I went and interviewed, and because I figured I had no chance, I was very open and relaxed. They asked me, 'If you did take this job, what would you do?' I gave them this almost revolutionary, total transformational plan. Two days later, I got the call: come to New York; the job is yours. It was July 4, 1976, and for the next 13 years there I never had a bad day."

### DR.FRANCIS HESSELBEIN: LEADING WITH A PURPOSE

Over those 13 years, Hesselbein effected more change in the Girl Scouts organization than it had experienced in its 100-plus-year history.

Hesselbein was an early adopter of diversity and inclusion. She began by throwing out the standard Girl Scout handbook and hiring educators and artists to write four different handbooks reflecting the different cultural identities of the members.

"It was important that when any little girl or young woman opened up her own handbook, she must be able to find herself in there," explains Hesselbein.

Her efforts were met with resistance. "Very prominent business leaders told me, 'Frances, you have to cool that diversity stuff—it's too soon. You will never be able to raise any money from corporations," says Hesselbein. "And I said, "Thank you very much.' Then I went out and recruited the new president of MetLife [John Creedon], and he and I raised \$8 million to build a concert center for girls and young women and worked to increase the diversity of the organization. We opened new doors."

At the Girl Scouts, she began implementing what has become her signature leadership style, much of it derived from Drucker's work. These principles include a focus on ethics and value-based leadership, valuing the nonprofit sector, the importance of inclusion within and between organizations, and a customercentric, rather than profit-centric, outlook. She also adapted Drucker's belief in the importance of a short, powerful mission statement ("no more than eight words," she says). Therefore, one of her first projects was leading the internal team in creating its memorable mission statement: "To help each girl reach her own highest potential."

In many respects, Hesselbein has adapted that as her personal mission statement—to help individuals and organizations reach their highest potential. In the years after leaving the Girl Scouts organization, she has served on the boards of directors and consulted for many companies. She also has a special relationship with the U.S. Army. She has been invited to the Pentagon to speak to the Corps of Army Generals. Three years ago, she was appointed to the Class of 1951 Leadership Chair at West Point. Every other month, she goes to West Point and teaches—make that dialogues with—a class of cadets.

"When I step out of the car at West Point, I feel like I am on hallowed ground," says Hesselbein, who has a special affinity for the U.S. Army's leadership slogan "Be, Know, and Do."

The feeling is mutual. "Frances Hesselbein is one of the most visionary leaders I have met during my military career—on or off the battlefield," says General Lloyd J. Austin III, the first African American to head the U.S. Central Command.

Hesselbein has a sharply honed philosophy of leadership. She frequently uses the words *mission*, *innovation*, and *diversity*. One of the primary focuses of the Frances Hesselbein Leadership Institute is collaboration, particularly in building relationships among the three sectors: nonprofit, government, and private.

The way she sees it, every corporation, every organization, and every government entity has a responsibility to one another and to the whole community.

Perhaps Hesselbein's defining characteristic is her optimism and her refusal to see barriers. For example, it would be a mistake to venture in her presence that women have butted up against a glass leadership ceiling.

"Over the years, one of the most positive signs I'm seeing is how many women out there see themselves as leaders, and they are functioning as enormously effective leaders," she says. "You don't hear one of them saying, 'I am a woman leader.' No, they are leaders who happen to be women. It's the quality and character of the leader that determines performance and results. All of us lead in our own way, and when we don't see ourselves as categories, we are far more effective."

Hesselbein recommends that to broaden their base and influence, nonprofit leaders should serve on corporate boards. She gives the example that when she was in the Girl Scouts, she joined the board of the Pennsylvania Power and Light Company (now PPL), which at the time was building two nuclear power plants in the state.

"People asked me, 'Do you think you should serve on the board of a company that is building nuclear power plants? How would that look for the Girl Scouts?'," she recalls. "My reply was, "This is exactly where my voice should be heard. How else do we effect change? We should be engaged and involved in moving across sectors."

Despite her age, Hesselbein works a full schedule. She has conferences to attend, speeches to give, and companies to consult with, as well as her daily responsibilities leading an international leadership institute. She also has awards to receive.

Hesselbein is, understandably, very proud of the Presidential Medal of Freedom. During the interview (on Skype), Hesselbein is wearing it pinned to her black sweater, along with a cadet saber pin, given to her at West Point. She considers these not only personal honors but also symbols of duty, to both her country and the values they represent.

Above all, Hesselbein believes that leadership is about giving back. On a bookshelf in her office sits a sign bearing the slogan "To Serve Is To Live."

Perhaps most telling is her response to the question, "Who has been the world's greatest leader?" She does not hesitate. "Abraham Lincoln. He found the heart and the language to bring a broken country together. It's now the 150th anniversary of the Gettysburg Address—imagine all that he conveyed in just 250-some words."

Value-based leadership, inclusiveness—and a few select, meaningful words that everyone can remember. It isn't hard to imagine that Abraham Lincoln too, in his office, could have had a sign reading "To Serve Is To Live." **DW**