Building the Strong Organization: Exploring the Role of Organizational Design in Strengths-Based Leadership

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How can leaders bring about greater gains toward productivity and organizational success? Strength-based leadership, an innovative leadership theory, suggests leaders can achieve this by focusing their efforts on building their own strengths and the strengths of individual followers. Despite research supporting the benefits of a strengths approach, many organizations have yet to employ this method of leadership, possibly because the organizational design inhibits it. This article outlines the history of the strengths movement and the research that supports a strengths approach. It then introduces the strengths-based leadership model conceived of and popularized by Tom Rath, Barry Conchie, and the late Donald Clifton. Next, it explores how elements of organizational design affect the styles of leadership employed within an organization. Finally, this article profiles W. L. Gore & Associates and how its organizational structure positions leaders to develop the strengths of their followers.

William Whyte popularized the organization man as an individual who sought to serve the large organization by ignoring his own aspirations and identity. In return, the organization would promise lifetime employment and determine his place in society, pushing him higher up the organizational hierarchy the longer he stayed loyal. Within a decade, the logic of the organization man began to be satirized in what would become known as the Peter Principle, which said that in a hierarchy, employees like the organization man would eventually rise to the level of their incompetence. Although initially perceived as satire, recent developments in exploring individual strengths have begun to provide support for the Peter Principle. Strengths-based leadership, also referred to as strengths-based development or strengths-based organizational management, asserts that individuals are most productive when operating within their strengths. When individuals accept promotions that draw them away from their strengths, they become less engaged, eventually awakening one day to find themselves unfulfilled, bored, drained, and frustrated. Research exhibits that employees who are engaged in their work experience are more productive and contribute more to organizational success. Despite the research supporting strengths-based leadership, many organizations are still not properly leveraging the strengths of their leaders and followers. The design of the organization may hinder leaders from developing certain leadership styles. One
organization, W. L. Gore & Associates, provides a case study of the organizational
design hospitable to the development of strengths-based leadership.

**A Brief History of Strengths**

It is difficult to pinpoint the exact origins of the “strengths movement” within the
organizational and leadership community. Some point to 1967, when Peter Drucker
wrote, “The effective executives build on strengths—their own strengths, the strengths of
their superiors, colleagues and subordinates.” Others cite Donald Clifton as the
godfather of the strengths movement when, 30 years ago, he began a research project
with the Gallup organization that would produce several published works promoting a
strengths revolution. Buckingham and Coffman began this revolution with their book,
*First, Break All the Rules*, which, among other things, described how and why great
managers break a hallowed rule of conventional wisdom: that with enough training,
anyone can achieve anything they set their minds to. Instead, they asserted, the best
managers cease coercing people into overcoming their weaknesses and instead find ways
to minimize the impact of these weaknesses by maximizing employees’ strengths.

Buckingham and Clifton, in *Now, Discover Your Strengths*, further explored this premise
by providing an explanation for why individuals could not become proficient in their
weaknesses. The authors did this by attacking two commonly held beliefs as myths: (a)
that anyone can be competent in anything they work hard enough at, and (b) the greatest
room for individual growth was in areas of weaknesses. At the time, most of the training
programs created by or for organizations had the goal of making people better at
something they were weak in, essentially trying to get people to become something they
were not. The justification behind many of these training programs is the belief that
people change as they grow older, thereby making it possible to control what they change
into. Buckingham and Clifton challenged this justification, arguing that the biological
underpinnings of strengths and weaknesses lay the thick synaptic connections of the
brain. Humans grow new synaptic connections faster in areas that already have thick
concentrations of connections. This allows them to learn the most, generate the most
ideas, and have the best insight into areas where they already have generous connections.
Personality research supports this theory. A study of 1,000 New Zealand children found
that personality traits observed in a child at age 3 were remarkably similar to those found
in his or her personality at age 26. Gallup conducted a similar experiment using a
strengths assessment and found a similarly strong correlation. This implied that the
theory keeping so many training programs afloat was taking on water. After exposing
these two myths, Buckingham and Clifton replaced them with the two assertions: (a)
individual talents are enduring and unique, and (b) the greatest room for individual
growth was in the areas of strengths. In doing so, the authors provided a thought
provoking instructional on how to determine an individual’s strengths and develop them
for leadership and organizational success.

A few years later, Buckingham wrote that great managers discover what was unique
about each subordinate and capitalize on it. Additionally, Buckingham targeted
individual workers, writing that, in order to have sustained success, individuals should
discover what they don’t like doing and find a way to eliminate it from their job or minimize it, in affect focusing individuals on their interests and strengths. The minds behind the strengths movement would make this discovery process easier by creating and popularizing the Clifton StrengthsFinder\textsuperscript{15} and outlining a six-week program for individuals wanting to discover and perform within their strengths.\textsuperscript{16} The most recent and logical step in the strengths dialogue occurred when Tom Rath and Barry Conchie formalized in writing a theory of leadership that began to grow out of the body of research highlighting the importance of strengths.\textsuperscript{17} They called this theory strengths-based leadership.

**Strengths-Based Leadership**

At the core of the strengths movement is the underlying belief that people have several times more potential for growth building on their strengths rather than fixing their weaknesses.\textsuperscript{18} A strength is defined as the ability to exhibit near-perfect performance consistently in a given activity.\textsuperscript{19} The aim of strengths-based leadership is to develop the efficiency, productivity, and success of an organization by focusing on and continuously developing the strengths of people within the organization.\textsuperscript{20} Strengths-based organizations don’t ignore weaknesses, but rather, focus on building talents and minimizing the negative effects of weaknesses.\textsuperscript{21} Strengths-based leaders are always investing in their strengths and the strengths of individuals on their team.

\textit{Figure 1. Strengths-based leadership.} \textsuperscript{22}
Rath and Conchie put forth three tenants of strengths-based leadership, as summarized in Figure 1:

1. **Effective leaders invest in their followers’ strengths.** Where mediocre managers seek to get followers to take responsibility for their weaknesses and devote themselves to plugging these gaps, great leaders seek to manage around these weaknesses and invest their time and energy understanding and building on followers’ strengths.

2. **Effective leaders build well-rounded teams out of followers who are not.** Leadership requires strengths in four areas: executing, influencing, relationship building, and strategic thinking. While the best leaders do not demonstrate all of these skills, they build their teams so that all four areas are represented.

3. **Effective leaders understand the needs of followers.** People follow leaders for a variety of reasons, some more common than others. Leaders build levels of trust, hope, and optimism by understanding the unique attributes of followers.

Individuals’ strengths can be discovered by monitoring spontaneous actions, yearnings, or areas of rapid learning. In addition, leaders can assess the strengths of themselves and their followers using assessments such as the Clifton StrengthsFinder (now often called StrengthsFinder 2.0). StrengthsFinder assists individuals in the discovery of strengths by measuring the predictability of patterns of behavior from the results of a forced-choice inventory. The results of the assessment reveal dominant themes of talent. These themes are areas predicted to hold the greatest potential for building on the strengths of leaders and followers. As these themes are used to develop strengths, it’s important to note that leaders and followers shouldn’t strive for a goal of 100% strengths-utilization. The leaders of the strengths approach recognize the impending need to work on organizational minutiae and apportion 25% of workers’ time as the appropriate allotment of nonstrengths activities.

The strengths approach has developed alongside the equally innovative field of positive psychology. This relationship is understandable since the intent of strengths-based leadership is to increase organizational success by helping individuals perform optimally and positive psychology has been labeled as “the scientific study of optimal human functioning.” Strengths-based leadership appears antecedent to numerous constructs from positive psychology, including subjective well-being, optimism, and creativity. Positive psychology highlights the need to develop major psychological theories around virtues and character strengths, rather than focusing on deficits. Strengths-based leadership supplements the aim of positive psychology by providing a mechanism for identifying positive personal and interpersonal talents in an organizational setting in order to increase individuals’ positive subjective experience.

Additionally, the strengths approach shares similarities to the developing concept of appreciative inquiry. The objectives of appreciative inquiry are to bring out the best in people, organizations, and the world around them and to do so by developing a culture
that appreciates strengths. In order to capture these strengths, appreciative inquiry outlines a method of *discovering* the processes that work well, *dreaming* of what processes could work well in the future, *designing* and prioritizing those processes, and achieving *destiny* by implementing the proposed design.34 This process bears a striking resemblance to the strengths discovery process suggested by the strengths-based leadership proponents. However, appreciative inquiry is typically utilized as a systems approach, whereas strengths-based leadership is most often labeled as an individual approach.35

Research supports the utilization of strengths-based leadership for optimizing an organization. When an organization’s leadership does not focus on individual strengths, that employee has only a 9% chance of being engaged. However, when an organization’s leadership focuses on individual strengths, employees have a 73% chance of being engaged.36 Additionally, strengths-based leadership has been identified as a core element of “positive leadership” and correlated with increases in follower optimism, engagement, and project performance.37 The term *engagement* refers to the broad and deep connection that individuals feel with their organization.38 Employee engagement has been significantly correlated to business outcomes including profitability, turnover, safety, and customer satisfaction.39 Among religious congregations, research reveals that members of faith-based communities who have the opportunity to operate in their strengths regularly are more engaged than those who don’t.40 Engaged members volunteer more, give more money, are more likely to recruit others, and have higher life satisfaction scores than those who are not engaged.

St. Lucie Medical Center in Florida provides a case study on the impact of strengths-based leadership initiatives.41 This 150-bed hospital faced shockingly low employee engagement scores and a turnover rate of 53%. The hospital decided to study the talents of its people, beginning with top leadership and eventually rolling out talent inventories to every employee. The results of these inventories were used to build teams that properly leveraged individual employees’ talents. Within 2 years, the hospital saw its attrition rate drop significantly, with equally significant rises in employee engagement scores. Perhaps more impressively, St. Lucie saw a drastic increase in the satisfaction rates of both patients and physicians, putting St. Lucie on the road to becoming one of the area’s most well-respected hospitals.

Yet, despite nearly a decade of research and published works stressing the importance of strengths, fewer than two out of ten Americans believe that they work in a role that utilizes their strengths most of the time.42 In addition, over half of all American employees believe that they will experience bigger gains by fixing their weaknesses rather than building upon their strengths.43 One of the possible reasons for this might be the relationship between organizational design and leadership, specifically the affect this relationship has on how leaders within the organization develop their leadership style.
The Role of Design

Selznick claims, “The theory of leadership is embedded within the organization,” an assertion of the affect of organizational design on leadership. Organizational design refers to a structured, guided process for integrating an organization’s resources, including people, technology, and information. This design process helps to increase the probability of success within the organization and individual members by attempting to align the form and functions of the organization as closely as possible to the intended mission and purpose of the organization. Leadership has been theorized to be dependant upon the dynamics of the organization. Overall, organizational design consists of specifying three elements: strategy, structure, and systems. Each of these elements of organizational design exhibit an influence on the leadership style demonstrated within the organization.

Strategy is concerned with how the organization will interact with its competitive environment in order to fulfill the mission of the organization. Strategy is the current set of plans, objectives, and decisions that have been made in order to achieve the organizations goals and to further its mission. In defining its strategy, an organization must consider whom it seeks to serve, how it will serve, what makes it unique from competitors, and how it can gain a competitive advantage. The choice of strategy affects many characteristics of the organization, including leadership style. Research highlights the importance of properly aligning leadership style with organizational strategy in order to ensure organizational success.

Structure represents the form of the organization, its people, divisions, departments, and functions. These structures provide labels to describe how the organization works together and to compare it with other organizations. Structure is often represented as an organizational chart. When determining structure, organizations must consider who does what, who has the ability to make decisions, and who should answer to whom. Relationships exist between organizational structure and the top-down leadership style that develops. Bureaucratic structures tend to develop transactional leaders, while organic structures tend to develop transformational leaders.

Systems are the sets of interacting elements that receive inputs from the environment and transform them into output discharged into that environment. Systems are the less tangible aspects of organizational design but they play a vital role in how individuals within the organization determine appropriate behavior and performance. Often as an organization grows larger, more formal systems are put into place that are intended to manage information and detect deviations from establish standards. These formalized, mechanistic organizations create an environment that tends to favor transactional leadership styles.

These three elements of organizational design each exert an effect on how leaders determine the style of leadership they will utilize, demonstrating that organizations must consciously build the desired leadership style into their organizational design. This implies that, in order to see strengths-based leadership develop among the leaders of an
organization, it must be built into the design of the organization. One company, W. L. Gore & Associates, provides an exemplary model for organizational design that allows strengths-based leadership to thrive.

A “Strong” Design

W. L. Gore & Associates is a manufacturing company that was founded in 1958. Besides being known for their innovative Gore-Tex® fabric, Gore is also known for its innovative organizational design, which has led to their being one of only three companies to appear on the “100 Best Companies to Work For in America” rankings every year since the list’s inception in 1984. Additionally, Gore has been named the “Most Innovative Company in America” by Fast Company magazine. Gore’s revolutionary structure is the brainchild of Wilbert “Bill” Gore, who left a 17-year career with DuPont to experiment with the potential of polytetrafluoroethylene (PTFE).

Having worked on small, innovative research and development teams, Bill Gore wondered why an entire company couldn’t be organized with the same freewheeling, autonomous energy. Much of Bill Gore’s management philosophy was influenced by McGregor’s theory Y construct, which argued that humans were self-motivating and sought to find meaning in their work. Gore leverages individuals’ desire to find meaning in their work using an organizational design that is unique in its strategy, structure, and systems.

Porter describes the essence of strategy as “choosing to perform activities differently than rivals do.” Using this description, Gore’s strategy would be choosing not to spend a lot of energy formalizing their strategy or core business. This method serves to further the company’s mission statement: to make money and have fun. Leaders at Gore encourage innovation and give associates “dabble time” to create new product breakthroughs. Associates are free to make commitments to projects that they believe they will enjoy and can positively contribute to. Most of Gore’s products initially started as the focus of an associate’s “dabble time.” This strategy—pursue fun projects—has resulted in a portfolio of over 1,000 products while also allowing individuals to commit themselves to projects they feel will best utilize their strengths.

With the exception of four major business divisions, the company is void of the usual structural elements. Instead of a hierarchy, Gore utilizes what it calls a lattice, a flat structure where every person is connected to every other person in the plant. All individuals enter the company equally with the title “associate.” There are no bosses at Gore. Instead, the perplexing questions of “What do I work on?” and “What’s my next career move?” are worked out between an associate and a sponsor. Sponsors are veterans that help decode the jargon and guide associates through the lattice. In their first few months, associates circulate through a variety of teams and, along with the sponsor, decide what team would provide the best fit. They then make a commitment to a particular project and team. In lieu of bosses, associates become responsible to the team they commit to. This loose structure allows associates to experiment, under the supervision of their sponsor, until they find a project their strengths can contribute to and a team that needs their strengths in order to become more well-rounded.
Additionally, Gore doesn’t directly hire or promote leaders. Instead, leaders are determined by followership. If associates choose to follow another associate, then that associate becomes a leader. Gore labels this process natural leadership, with leaders gaining credibility from unique knowledge, a history of success, or involving others in significant decisions. Gore seeks to hire people who they hope will become leaders and waits to see if those people develop good ideas and persuade others to adopt those ideas. As such, it is the people who regularly contribute great ideas that are likely to find themselves at the top of the leadership role regardless of whether or not they carry much decision-making power. Indeed, over half of the company’s associates describe themselves as leaders. However, becoming a leader is not a requirement for a fulfilling or engaging career. Because of the format for developing into a leader, only those who feel that leadership lies within their strengths aspire to and are rewarded with leadership. Likewise, those who believe that becoming a leader is not within their individual strengths are not stigmatized.

The lattice structure of Gore also affects the organization’s systems. Every person and department directly interacts with every other person and department. Founder Bill Gore believed that every organization has an underground lattice structure despite the formal structure and systems, which people use to get information and further projects. This underground lattice is also where informal cross-functional teams form to develop new products and initiatives. Gore’s unique structure simply makes this underground lattice the formal one, bringing all of these benefits to the foreground. The lattice structure, with open and informal systems, also allows the strengths of one individual, team, department, or division to seek out and utilize the strengths of any other entity. W. L. Gore & Associates has not directly instituted any formal strengths-based leadership initiatives. However, the uniqueness of its strategy, structure, and systems created an organization where strengths-based leadership appears to have developed and thrived.

Conclusion

Strengths-based leadership is the culmination of an innovative movement asserting the importance of strengths with over 30 years of research. However, despite the available research demonstrating the benefits of strengths-based initiatives on individual and organizational success, most organizations are not engaging their employees using a strengths-based leadership model and most individuals don’t realize the growth potential of building upon their strengths. Research exhibits a relationship between the design of an organization and the leadership styles that organizational leaders develop. One company, W. L. Gore & Associates, utilizes a unique lattice structure that allows associates to make commitments to projects they feel will engage them and utilize their strengths. While not formally instituting a strengths-based leadership initiative, Gore’s unique structure appears to have positioned itself to develop and benefit from strengths-based leadership. Furthermore, Gore’s organizational design avoids the doomsday prediction of the Peter Principle by avoiding hierarchies and seeking to help each associate make commitments to tasks that leverage their strengths and allow them to succeed. Organizational leaders can learn from the design of W. L. Gore & Associates.
and the model of strengths-based leadership to help ensure that every employee eventually rises to the level of their competence.

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Endnotes


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