Leadership Has Consequences. Most Organizations Measure the Wrong Ones.

Organizations invest heavily in leadership development, yet much of that investment focuses on the leader: their competencies, behaviors, performance, engagement scores, and business results. Those measures matter, but they can miss a more important question:

What is this leader causing the organization around them to become?

That question is the foundation of what we call **Leadership Consequence™** at SL Partners. The premise is simple: leadership should be evaluated not only by what a leader accomplishes, but also by the capability their repeated behavior creates—or reduces—in other people.

High Performance Can Hide Dependency

Consider a leader who is known as the person who can solve almost anything. Difficult customer issue? Bring them in. Important decision? Get their approval. Complex deal? Put them on the call.

From a traditional performance perspective, this leader may look exceptional. The organization sees problems getting solved and results being delivered. What it may not see is the dependency developing underneath those results.

Research on empowering leadership offers an important counterpoint. A meta-analysis published in the *Journal of Organizational Behavior* found that empowering leadership is positively associated with employee psychological empowerment, creativity, and organizational citizenship behavior.[1] Research published in the *Academy of Management Journal* has similarly shown that leader inclusiveness can increase psychological safety and help employees engage more fully in learning behaviors.[2]

The implication is important: **how a leader produces the result affects the capability that remains afterward.**

If leaders consistently provide answers rather than develop judgment, make decisions rather than distribute decision-making, or personally intervene whenever performance is at risk, they may solve the immediate problem while making themselves increasingly necessary to solve the next one.

That is a Leadership Consequence.

When Today's Solution Creates Tomorrow's Cost

Sometimes intervention is necessary. Leaders are accountable for results, and there are moments when experience, speed, or risk demands direct involvement. The problem isn't stepping in; the problem is creating an organization that cannot perform when you don't.

This is where **Leadership Debt™** begins to emerge.

We define Leadership Debt as the accumulated organizational cost created when leaders repeatedly solve today's problems in ways that reduce tomorrow's capability.

The concept has parallels in organizational learning research. Harvard's Chris Argyris famously distinguished between simply correcting errors and examining the assumptions and systems that repeatedly create them.[3] When organizations become good at fixing immediate problems without improving the underlying thinking that produced them, the problem can return in another form.

Leadership can create a similar cycle.

A manager fixes the employee's work because it is faster than coaching them through it. A sales leader takes over the difficult opportunity because the quarter is at risk. An executive retains decision authority because the consequences of a mistake are significant.

Each decision may be completely rational on its own. Repeated over months or years, however, those decisions can produce employees who escalate instead of decide, managers who report problems instead of solve them, and organizations whose most important capabilities remain concentrated in a few people.

The short-term performance may look excellent while the long-term bill quietly grows.

A Different Way to Evaluate Leadership

One useful way to expose this problem is surprisingly simple: imagine removing the leader for 30 days.

What happens?

If decisions continue, problems are solved at the appropriate level, customers remain supported, and people exercise sound judgment, the leader has probably created organizational capability.

If decisions stall, problems move upward, employees wait for answers, and performance deteriorates quickly, the organization may have confused **leader performance with leadership effectiveness**.

This distinction is supported by research on team learning and psychological safety. Amy Edmondson's foundational research found that psychological safety supports learning behavior within teams, particularly when people feel able to ask questions, discuss mistakes, and take interpersonal risks.[4] Leaders therefore influence more than outcomes; they help shape the conditions under which people learn how to operate without constant intervention.

That leads to a leadership question that deserves far more attention:

Because of the way I lead, are the people around me becoming more capable or more dependent?

The answer can be observed in everyday behavior. Are decisions moving closer to the people with the relevant information? Are employees developing better judgment? Are managers creating additional problem-solvers? Does knowledge spread throughout the organization? Can the team maintain performance when the leader is absent?

Leadership should certainly create results. But sustainable leadership should create something beyond the result itself: **greater organizational capability to produce future results.**

At SL Partners, that is the idea behind Leadership Consequence™.

Perhaps one of the most revealing measures of leadership isn't simply what happens when the leader enters the room.

It's what the organization is capable of doing after they leave it.

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