

## Leadership and ‘home effects’<sup>1</sup>

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In a [previous article](#), I mentioned to you that leaders are architects and that there are 3 dimensions to their architecture. I’ve already focused on how they need to protect time and create space in the first series of articles (which starts [here](#)). Now, let’s look at how leaders build homes: the second dimension.

Leaders build ‘homes’. Leaders build organisational I.Q. which is a combination of three things:

- **Human Capital:** the combination of individual talents, assets that the company does not possess but hosts. The organisation is like an investment bank using other people’s talent(s).
- **Social capital:** the quantity and quality of relationships between people internally and externally and between the organisation and other organisations.
- **Architectural capital:** the assets developed and grown from (a) a particular ‘way of doing things’ and (b) a particular way of being organised.

### ► *The no-war on talent*

In 1997, McKinsey-consultants coined the term ‘war on talent’ to describe the fight between corporations over the attraction of good human capital. Talent is a key asset, not a commodity, so there must be a war to win it for the company. There were articles and more articles and a book... It took a few years for somebody to shine a different light on the problem and it was Prof Jeffrey Pfeffer of Stanford University who did it. I learnt of this through an intriguing article in the Financial

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<sup>1</sup> Initially posted on [www.theleaderwith7faces.com](http://www.theleaderwith7faces.com), February 2008

Times in 2001 with the title *The futile war on talent*. After all the noise made about the war, to have the FT saying there wasn't one, or that it was futile, deserved a bit of attention.

The thesis was very simple. All this business about a war on talent distracts people from focusing on the talent inside their organisations. By making so much noise about a talent that seems to be 'out there' and for which organisations are murdering each other, we lose sight of our own internal talent pool. The issue, the article put forward, was how to host talent (whether home-grown or attracted) not how to grab it from some sort of extra-terrestrial place.

You can read more about this dimension (Homes) by choosing from this list:

- [The investors metaphor](#)
- [Leadership and social capital](#)
- [Leading the organisation you can't see](#)
- [Creating associability](#)
- [Bowling regardless?](#)

You can also read more about the other two dimensions by choosing from this list:

1. [Time and Space](#)
3. [Legacy](#)

If you want to read more about leadership or want to continue reading from the above, you can read it all in my book [\*The Leader with Seven Faces: finding your own ways to practice leadership in today's organization.\*](#)