


WHAT
YOU
TO
KNOW
ABOUT

NEED

LEADERSHIP

**JEFF
GROUT
& LIZ
FISHER**



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- ▶ **Who You Need to Know** – the basics about the key players
- ▶ **Who Said It** – quotes from key figures
- ▶ **How You Need to Do It** – key steps to put your new-found knowledge into practice
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- ▶ *What You Need to Know about Starting a Business*

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CAPSTONE

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INTRODUCTION

Congratulations. The fact that you have opened this book suggests that you have either been recently promoted to a leadership position, or expect to at some point in the future. Or, perhaps you are thinking of setting up your own business and want to know what to expect when you employ a team of workers. Either way, well done. You have ambition, but you are also wise enough to know that leadership is something you have to learn about, and not necessarily something that you are born knowing what to do.

People are called on to lead in all walks and at all stages of life – in sport and games when we are children, at work, in politics, and at times of crisis and uncertainty. But at no point does someone sit us down and tell us what to do, and what leadership is all about. When an eight-year-old is made captain of his football team, or a teenager is elected head boy or girl of their school, they have no real idea that they will be and are being a leader. They just do it. Some do it well, and some do it badly, and most just muddle through. And exactly the same thing applies when we get older.

Almost all of us, in our working lives, will at some stage in our career, be asked to lead someone (or, even better, a group of someones). A few will reach the very top of the business tree, and lead a large company. But the chances are that none of us will ever have had anything that could be described as formal training on how to lead. So, when we first find ourselves in a leadership

situation we wonder, what am I supposed to do? How am I supposed to behave? And how on earth can I be sure that these people will do what I say?

Few of us could explain exactly what a leader is, what leadership means in an everyday context, and what works (or doesn't). Almost all of us will have had bosses ourselves, though, and the chances are that a few of them were not very good. Perhaps some of these sound familiar:

- ▶ The scary boss – he (or often she) is inapproachable, given to shouting and really quite intimidating. But people tend to do what they say, generally because to do otherwise would risk untold wrath.
- ▶ The distant boss – who sits in an office behind a closed door, sometimes in a different office. If you met them in a lift, you'd struggle to recognise them and they probably wouldn't have much of a clue about you, either.
- ▶ The inept but nice boss – very friendly and great in social situations, but disorganised and frustrating to be around at work.
- ▶ The promoted-beyond boss – great at the mechanics of what they do, but without much of a clue about people management.
- ▶ The watch-yourself boss – pleasant and friendly on the outside but unlikely to protect you when things get tough, or prone to taking credit for someone else's ideas or work.

Our experiences should tell us that there are many potential minefields to being a leader. It might be difficult to pin down exactly what someone is doing wrong, but few of us ever forget being led by a poor leader. But, on the other hand, we all remember and respect our good bosses – the ones who encouraged us to do our best, supported us, praised us quietly when we did well and accepted our mistakes with dignity. These are the people you want to emulate when you are a leader yourself.

This book is designed to help you become that boss. It covers all of the key issues that leaders have to face and deal with, and the key techniques that the best leaders use (and yes, they are techniques) to persuade people to follow them and to produce their best for them. The book is split into eight chapters:

1. What is Leadership?
2. Creating a Vision
3. Building a Team
4. Communication
5. Motivation and Inspiration
6. Performance Management
7. Leading Change
8. Leading in Turbulent Times

Because the business world is diverse, varied and unpredictable, and because every leader and every employee is different, we've used a lot of real-life examples from companies in range of industries, as well as the views and

experiences of leaders in other disciplines, such as sport and the military, to explain some of the leadership theories we cover in the book. A leader is a leader in any field, and the best business leaders look well beyond their own horizons to learn whatever they can from others. Few people can claim to know more about leading men in stressful situations than military leaders, and they have important lessons to tell us.

Together, the material in the book should explain clearly to you how the best leaders gather talented people around them and persuade them to work to their limits in pursuit of a common goal, whatever that goal may be. And because no two organisations are the same and because life, particularly business life, is unpredictable, it will also tell you how to cope with the unexpected – and how the unexpected can, in fact, be a good thing.

There are some common features in each of these chapters, which add to the detail and point you in the direction of more information, should you want to follow anything up:

- ▶ **What it's all about** – The beginning of each chapter gives a quick summary of what you can expect.
- ▶ **Who you need to know** – A few of the important people you need to know in the field of leadership, including the best-known academics who have studied the subject, well-known writers on

leadership and some high-profile business leaders.

- ▶ **Who said it** – Quotes from well-known leadership figures to inspire and remind you of the key points
- ▶ **What you need to read** – A few suggestions for further reading and online resources on the subjects covered in each chapter, should you want to explore some more.
- ▶ **If you only remember one thing** – A re-run of the most important idea in each chapter.

This is not a book about how to be a particular type of leader; it is a book about how to be yourself as a good leader. The best leaders are not actors – they are essentially being themselves. What is different about them is their ability to persuade, motivate and inspire others to be their best. And this is something that can be learned. So start reading, and bring out the future leader in you.

CHAPTER 1

WHAT IS LEADERSHIP?

WHAT IT'S ALL ABOUT

- ▶ **The distinction between leadership and management**
- ▶ **How the way we think about leadership has developed**
- ▶ **The essential leadership characteristics**
- ▶ **What leaders really do**

The world has been fascinated by leadership for as long as man has stood upright. Rather than celebrate collaborative effort, it has long been the case that much of the credit for the success of a group (or responsibility for the failure) is laid at the feet of its leader. Successful leaders have been lauded, admired, honoured and even worshipped. Leaders who were unfortunate enough to oversee a disaster shouldered almost all of the blame. Underlying everything is a fundamental curiosity over why some people lead and others follow. The characteristics and actions of leaders throughout history have been examined for clues and many attempts – some more scientific than others – have been made to identify the qualities that make for a great leader, with little consensus. And still the debate goes on.

The business world is not unusual in attributing more credit than is perhaps strictly due in the success of a company to its leader. *Fortune* magazine, which regularly publishes its list of America's most admired companies, argues that there are many factors that, considered together, make a company admirable in the eyes of others. But if people were forced to select just one determining factor, they will inevitably say that business success is mainly down to strong leadership (by which they mean the chief executive, managing director or chairman).

Given the emphasis that the business world places on leadership as a vital element in growth and success, there

is a constant search for good leaders and for future leaders. Anyone with any ambition in business hopes to be singled out as future leadership potential. If you want to get to the top, you will have to be a leader.

But what does it mean to be a leader? What do leaders really do? The truth is that most of us will be called up to perform a leadership role at some point in our lives, inside or outside work. Leadership skills are far more widely called upon in life than many realise, but few of us could clearly explain what leadership is, what it entails, and what works (or doesn't). So we tend to muddle through and do the best we can, through trial and error.



WHO SAID IT

“Leadership is the art of getting someone else to do something you want done because he wants to do it.”

– Dwight D. Eisenhower

There is no shortage of literature and advice available for anyone who is aiming for a leadership role in the future. Type ‘leadership’ into Google, for instance, and you will get well over a million hits. Tens of thousands of books on leadership have been published, from highly technical explanations of the latest management model to autobiographies of those who have led successfully in their own chosen field. But underlying all of the technical theory and discussion are a series of skills and techniques that are common to successful leaders. Not all leaders are the same, by any means – as we will see, the trick in being a good leader is to adapt your own personality to a leadership situation – but all good leaders use similar techniques to encourage people to follow them. The good news is that leadership skills can be learned. If you know what to do, you can be a good leader.

THE DISTINCTION BETWEEN LEADERSHIP AND MANAGEMENT

Being a leader is not the same as being a manager. Some leadership theorists argue that you can be appointed a manager but you have to earn your role as leader. That’s not entirely the case but it does explain why some leaders fail so spectacularly. You can be appointed a leader but you can’t remain one without followers – and in the modern world, people will only fall in behind you if they think you are worth following.

The distinction between management and leadership is often used to illustrate what it is that makes for a successful leader, as well as what it is that leaders really do. The debate was kicked off in 1977 when an article, 'Managers and Leaders: Are They Different?' by Abraham Zaleznik, appeared in the *Harvard Business Review*. In the article, which has become one of the most famous in leadership studies, Zaleznik argued that where managers look for order and control, and work to rapidly resolve any problems they face, leaders tend to tolerate chaos and lack of structure and occasionally avoid offering a solution for the sake of innovation.

Zaleznik argued that managers and leaders were fundamentally different in the way they work with others, and in their attitude towards goals. Leaders, he said, shape rather than respond to ideas and change how people think about what's desirable and possible. The goals of managers, on the other hand, arise out of necessity rather than desire. Leaders seek risk when opportunities seem to be promising, whereas managers tend to avoid risk. And while managers communicate by giving unambiguous signals and tend to be emotionally detached from their subordinates, leaders communicate directly and by appealing to human emotions. Zaleznik's article is sometimes seen as being rather hard on managers, but in fact he points out that organisations need both managers and leaders to survive.

WHO SAID IT

“Management is doing things right. Leadership is doing the right thing.”

– Peter Drucker

In business terms, management is about planning, budgeting, organising and problem-solving. Leaders may manage on a day-to-day basis but their ultimate role is far more significant. Leaders establish a direction for the group or organisation. And once they have decided on a direction they must communicate it to everyone, persuade everyone to buy into the idea and motivate them to achieve the target. Leadership and change, as we will see in Chapter 7, go hand in hand – change cannot happen without leadership.

This is, effectively, the modern view of leadership, in which the leader sets the ‘dream’, or direction, for the organisation and uses his or her skills in motivating and inspiring people to persuade them to perform at their best in order to achieve it. But this is a relatively new

interpretation of the role of the leader – as we go back in history, the view of the leader had more in common with what Zaleznik might see as a manager. In other words, where modern leaders lead through power of persuasion and inspiration, in the past leaders have led through authority, hierarchy or sometimes fear.

A SHORT HISTORY OF LEADERSHIP

For almost as long as leaders have led, attempts have been made to understand what makes a leader, and what behaviour and characteristics differentiate leaders from followers. Early analysis of leadership, for example, can be seen in many pieces of classical literature. In *Parallel Lives*, for example, Plutarch discusses what impact the character of a man has on his destiny. Many of Shakespeare's plays stuffed full of studies of leadership: good leaders (*Henry V*), hopeless leaders (*Henry VI*, *Richard II*), flawed leaders (*Coriolanus*) and even potentially strong leaders who used their power to gain a position to which they had no right, and then die horribly (*Macbeth*, *Henry IV*).

The first works almost solely devoted to the question of leadership, though, can be traced to the mid-nineteenth century. The Scottish historian and philosopher Thomas Carlyle published two books in the 1840s, *Heroes and Hero Worship* and *The Letters and Speeches of Oliver Cromwell*, which attempted to deconstruct the qualities

and characteristics of leaders throughout history. Another Victorian intellectual (and a distant relative of Charles Darwin), Sir Francis Galton, began exploring at around the same time the question of whether human ability (and leadership qualities) were genetically linked. The result of his research, *Hereditary Genius*, was published in 1869.

These early works were essentially variations of a view that had been long held – that leaders were born, and could not be made. This may have had its roots in the belief, documented time and time again in Shakespeare's works, of the 'divine right of kings' – that God decided who was to lead the country and therefore, leaders must have been chosen before their birth by the same divine hand. This view reached its peak at the turn of the twentieth century, when studies of leadership tended to concentrate on the political and social élite. Some men (inevitably they were men) were born to lead and the rest of us, well, all we could do was watch. The First World War did much to debunk this myth, as many a 'great man' proved to be less than effective as a military strategist or motivator of the troops.

This can be seen quite clearly in the way the accepted definition of leadership has changed over the years. In 1927, for instance, one definition of leadership read that it was 'the ability to impress the will of the leader on those led and to induce obedience, respect, loyalty and cooperation'. But by 1942 this definition had developed: 'Leadership is the art of influencing, as opposed to

compelling, people by persuasion or example to follow a line of action’. This is result of more the sophisticated analysis of leadership theory began to emerge in the late 1920s and early 1930s, when people began to explore the specific skills displayed by leaders and the situational factors that might affect their behaviour, rather than focusing on the qualities of individual leaders.

Since then, leadership theory has developed in a series of distinct stages. That is not to say that one theory would disappear as the next one emerged – some are still argued vehemently today, while others have faded away only to reappear again a few years later in an embellished form. And the accepted view of leadership has steadily changed with each new study and leadership model so, for instance, the view in the 1960s was that leadership was ‘a series of acts by persons which influence other persons in a shared direction’, while by the turn of this century academics were talking about leadership as ‘ultimately about creating a way for people to contribute to making something extraordinary happen’.

SOME ARE BORN ‘GREAT’

Taking all the developments over the twentieth century, the way that academics and others think about leadership can be loosely sorted into several categories. The traditional and long-standing view that leaders are born and not made is known as ‘Great Man’ theory. While

some would still argue that some people are born with a personality type that makes some sort of leadership role inevitable, the 'Great Man' theory has been comprehensively disproven and is now considered to be terminally unfashionable. 'Great Man' theory is closely connected to the 'command and control' view of leadership, which many people traditionally see as a military style of leadership (this is inaccurate, incidentally, since modern military leaders stress above all the importance of gaining the trust and respect of their men and rarely lead purely through the command structure). Command and control was particularly prevalent in the first half of the twentieth century and is still enthusiastically practiced by some leaders today (although generally not those who are considered to be good). As the name suggests, it is a leadership style that is based on authority, unquestioning acceptance of orders by the followers, and often fear.

Once the 'Great Man' view of leadership began to fall out of favour, people began to wonder if leaders all possessed some specific personality traits that set them apart from others. This view of leadership is known as trait theory, and argues that leadership is based on individual attributes. The Victorian studies of Galton and Carlyle were early versions of this approach, in their attempts to identify the behavioural characteristics and unique talents of leaders. Several studies during the 1930s and 1940s attempted to identify universal traits that were common to all leaders – suggestions put forward include decisiveness, adaptability, self-confidence, intelligence, insight and initiative – but consensus on a definitive list

was never reached. As a result trait theory fell out of favour, but the term is still widely used today.

LEADERS' BEHAVIOUR

The next step in the examination of what makes a leader was to look at the behavioural characteristics of leadership. One of the early and most influential figures in this movement was an American psychologist of German descent, Kurt Lewin. Lewin developed a theory (now known as Lewin's equation, $B = f(P, E)$) that argued that behaviour is a function of the person and their environment. He applied his observations of behavioural psychology to the study of leadership and in 1939 published a paper, with his colleagues Ronald Lipitt and Ralph White, which identified three leadership styles: autocratic leadership; participative (or democratic) leadership and laissez-faire leadership. The research clarified some of the leadership theories that had been developed until that point, and would form the foundations of theoretical studies in the future.

Briefly, Lewin defined autocratic leadership (seen in the command and control approach) as one where leaders made decisions alone and demanded strict adherence to the path they set. The decision-making power is centralised, and although the leader is not necessarily hostile, he does not contribute to the work carried out by others. Praise and criticism of followers plays a significant role in

authoritative leadership. A participative leadership style is one where the leader asks for input and suggestions from others, before deciding on the direction for the group. Praise or criticism is offered subjectively by the leader. Laissez-faire leadership, by contrast, allows the group to make decisions for themselves without any input from the leader unless they are specifically asked to participate, and little praise or criticism of followers is offered. Lewin's research of the three styles using a control group suggested that the democratic style was the most popular among followers.

Behavioural theory faltered as an academic pursuit when researchers found that they were unable to identify a definitive list of behaviours to define leadership. However, behavioural theory was one of the first models to suggest that leadership skills could be learned.

ADAPTABLE LEADERS

In the 1960s, emphasis shifted towards identifying the behaviour patterns of leaders that work in specific situations, which resulted in the development of the contingency view of leadership. The theory argues that there is no single style of leadership that will work in all situations, and that good leadership depends on a number of factors, including the quality of the followers. A variation of this theory is situational leadership, which argues that