CHAPTER 8: 
BECOMING AN EFFECTIVE LEADER

The purpose of this chapter is to present information about leadership that students can apply to developing their leadership skills. As a consequence, we omit from consideration here the underlying leadership research and theory. Advanced students may want to read the underlying knowledge base on their own.

CHAPTER OUTLINE AND LECTURE NOTES

To develop leadership capability a person needs the right personal characteristics, and must carry out the right actions. Leadership is the ability to inspire support and confidence among the people who are needed to achieve company goals. Leaders make a difference. Leadership status can be derived from being appointed to a formal position or inspiring others through personal characteristics and actions.

I. KEY LEADERSHIP TRAITS TO DEVELOP

An important part of being an effective leader is to have the right stuff. Yet different situations may require a different set of personal characteristics for leadership effectiveness. Each of the eight leadership traits described next can be developed.

A. Self-confidence
Realistic self-confidence is required in virtually every leadership situation. The leader must also project self-confidence to the group. Self-confidence is also a behavior, such as being cool under pressure. Developing self-confidence is a life-long process of performing well in a variety of situations.

B. Trustworthiness
Group members consistently believe that leaders must display honesty, integrity, and credibility and therefore be trustworthy. Being honest with team members helps to build trust, which in turn leads to good cooperation and team spirit. Dale Zand says that trust, along with knowledge and power, are the three foundations of leadership.

C. Assertiveness.
A widely-recognized leadership trait is assertiveness, being forthright in expressing demands, opinions, feelings, and attitudes. Assertiveness helps leaders perform tasks and achieve goals such as confronting people about their mistakes, and setting high expectations. Assertiveness stands in contrast to aggressiveness and passivity.

Developing assertiveness is much like attempting to become less shy. People must
force themselves to take the opportunity to express their feelings and demands. Expressing demands is easier for most people than expressing feelings.

D. Emotional Stability.
Emotional stability is important for a leader because group members expect and need consistency in the way they are treated. Emotional stability is difficult to develop, but people can learn to control many of their emotional outbursts.

E. Sense of Humor.
Whether a trait or a behavior, the effective use of humor is considered an important part of a leader’s role. Self-effacing humor is the choice of comedians and organizational leaders alike. Humor requires creativity.

F. Self-awareness and Self-Objectivity.
Effective leaders are aware of their strengths and limitations, enabling them to capitalize upon their strengths and develop their weaknesses. Self-awareness and self-objectivity can be developed by asking for feedback from others regularly. Taking self-examination exercises is also helpful.

G. Cognitive Skills.
Mental ability as well as personality is important for leadership success. Problem-solving and intellectual skills are referred to collectively as cognitive factors. Knowledge of the business, or technical skill, is another cognitive skill of major importance.

H. Emotional Intelligence
Emotional intelligence also refers to being able to work effectively with the emotions of others and to resolve problems, including listening and empathizing. Multifirm research by Daniel Goleman suggests that superb leaders all have superb emotional intelligence. To develop emotional intelligence, look to understand the feelings and emotions of people around you.

I. Passion and Enthusiasm
A prominent characteristic of effective leaders is the passion and enthusiasm they have for their work, much like the same quality in creative people. The passion is directed toward the business, customers, and employees. To display passion and enthusiasm for your work, you must first find work that creates an inner spark.

II. SUGGESTIONS FOR DEVELOPING CHARISMA
Much attention is being paid to the importance of inspirational leaders who guide others toward great heights of achievement. Charisma is a special quality of leaders whose purposes, powers, and extraordinary determination differentiate them from others. Charisma reflects a subjective perception on the part of the person being
influenced. Leaders at all levels can project charisma. Following are suggestions for behaving in a charismatic manner.

1. Communicate a vision. (A vision describes an ideal version of the future.)
2. Make frequent use of metaphors and analogies.
3. Inspire trust and confidence.
4. Be highly energetic and goal oriented.
5. Be emotionally expressive and warm.
6. Make ample use of true stories.
7. Smile frequently, even if you are not in a happy mood.
8. Be candid.
9. Make everybody feel that he or she is quite important.
10. Multiply the effectiveness of your handshake.
11. Stand up straight and also use other nonverbal signals of self-confidence.
12. Be willing to take personal risks.
13. Be self-promotional. (Charismatic leaders toot their own horns.)

Caution: being excessively and flamboyantly charismatic can backfire because others may perceive you as self-serving.

III. DEVELOPING TEAM LEADERSHIP SKILLS
With the use of teams being so widespread, team leadership opportunities have increased. The team leader acts as a facilitator and coach who shares decision making with team members. A team leader practices participative leadership, or sharing authority with the group. Suggestions for developing team leadership skills follow.

1. **Build a Mission Statement.** A mission should contain a specific goal, purpose, and be optimistic and uplifting. The leader can help develop the mission when the team is first formed or at any other time. Developing a mission for a long-standing team breathes new life into its activities.

2. **Show Your Team Members that they Are Trusted.** An effective leader trusts team members, and recognizes and rewards ethical behavior particularly when there is a temptation to be dishonest.

3. **Encourage Team Members to Recognize Each Other’s Accomplishments.** Members of a high-spirited team look for ways to encourage and praise each other. Team spirit develops as members receive frequent positive feedback from each other.

4. **Establish a Sense of Urgency and High Performance Standards.** To build teamwork, members need to believe that the team has urgent, constructive
purposes. A demanding performance challenge helps create and sustain the team.

5. *Encourage Honest Criticism.* Being a good team leader includes offering honest feedback on mistakes and flawed ideas.

6. *Use Team Symbols.* Symbols can be an effective team builder in sports as well as in business.

7. *Use Peer Evaluations.* With peer evaluations systems the team members contribute to the evaluation by submitting evaluations of each other. Peer evaluations contribute to teamwork because team members realize that helping each other becomes as important as helping the boss.

8. *Help Team Members See the big Picture.* The team is likely to work together more smoothly when members have a clear understanding of how their work contributes to the company.

9. *Minimize Formation of In-Groups and Out-Groups.* According to the leader-exchange model, leaders establish unique working relationships with group members. Avoid allowing these relationships to develop into in-groups and out-groups, thereby hurting morale for some.

IV. DEVELOPING YOUR LEADERSHIP POTENTIAL

Here we describe five strategies for developing your leadership potential in addition to studying and participating in formal programs.

1. Acquire broad experience. (Because leadership varies somewhat with the situation, leadership effectiveness can be improved by gaining supervisory experience in different settings.)

2. Model effective leaders. (Observe capable leaders in action and then model some of their approaches.)

3. Self-develop leadership traits and behaviors. (Identify several traits and behaviors that need development, and then work on them with a combination of determination and training. A formal method of obtaining feedback about your leadership effectiveness is the 360-degree survey.)

4. Become an integrated human being. (The model leader is first and foremost a fully functioning person. The process of becoming a leader is the process of becoming an integrated human being. Also, know thyself.)
5. Practice a little leadership. (Look for opportunities to exert a small amount of helpful leadership in contrast to waiting for opportunities to accomplish extraordinary deeds.)

6. Help your leader lead. When you help people above you avoid a mistake or capitalize upon an opportunity, you help the entire company. At the same time, you are developing your ability to take the initiative and lead.

ANSWERS TO DISCUSSION AND REVIEW QUESTIONS

1. Informal observation suggests that people who were voted the most likely to succeed in high school are frequently found in leadership positions later in life. What explanation can you offer for these predictions about success so often being true?

One strong possibility is that a person’s leadership traits have already started to develop in high school, such as being self-confident and passionate. Another is that being voted the most likely to succeed is a big self-confidence booster that helps propel the person into leadership positions later on in life.

2. How do you explain the fact that a person can be a leader, although lacking a job that includes responsibility for others?

A person can exhibit leadership outside of a formal position by influencing the opinions of others. Being looked up to for advice is another indicator of leadership stature.

3. What does it mean to say that a person has the right stuff for being a leader?

Having the right stuff for being a leader refers to having the right personal characteristics and traits to become a leader. For example, without appropriate self-confidence, intelligence, and personal appeal, it would be difficult for a person to function effectively as a leader.

4. Assertiveness is said to be important for leadership effectiveness. Yet can you give an example of an effective leader who is downright aggressive and obnoxious? (If necessary, give an example from sports leadership.)

Some entrepreneurial leaders are downright aggressive and obnoxious partly because they are so pressed for time. Corporate leaders are more likely to be assertive and genteel. A few successful athletic coaches are aggressive and obnoxious. Students should be able to contribute a few choice examples here.
5. A sense of humor is important for leadership effectiveness, yet telling rehearsed jokes is not considered effective. How do you account for this discrepancy?

A problem with rehearsed jokes is that they are quite often not related to the situation. As a result the joke does not relieve tension or help people understand the incongruity in a situation.

6. What does the term *self-objectivity* mean to you, and why is it important for leadership?

Students may have difficulty understanding that self-objectivity means the ability to be objective about one’s strengths and limitations. Self-objectivity is important for leadership because it helps a person capitalize on strengths and develop weak areas.

7. In what way do the concepts of charismatic leadership and participative leadership differ substantially from each other?

In its full meaning, the charismatic leader inspires others to accept his or her leadership by virtue of personal magnetism. In the extremes of participative leadership, the group members are making many decisions for themselves and are therefore assuming much of the leadership responsibility. They are less reliant upon a leader to direct their activities.

8. Give an example of somebody you have worked for, or have read about, practicing a little leadership.

Germane examples of little leadership include coaching a team member experiencing a problem; volunteering to take responsibility for an important problem facing the group; and suggesting a new market for an established product.

9. Assume that a student obtains a part-time job as an assistant store manager. What can this person do to capitalize on this position as leadership experience?

To capitalize on the assistant manager position as leadership experience, the student should practice as many leadership behaviors as fit the situation. The student might also make an effort to exhibit leadership characteristics.
ANSWERS TO CASE QUESTIONS

Charismatically-Challenged Colleen

This case illustrates an important workplace reality: a person needs a little spark to advance.

1. What career advice can you offer Colleen McFerguson?

   Accept the feedback from her two managers, and begin a program of becoming more noticeable and charismatic.

2. What might Colleen do to develop more charisma?

   She should take some of the steps in the chapter section about developing charisma. A good starting point would be to express her opinions and feelings more frequently.

3. What is your opinion of the fairness of the ValuTracker program?

   So long as the people placed in the ValuTracker group are not chosen arbitrarily or through favoritism, the program is fair. Many large organizations identify potential leaders early in their careers because the long-range success of the organization depends on having a strong cadre of leaders.

COMMENTS ABOUT QUIZZES AND EXERCISES

Test Your Leadership Skills

Although this exercise is transparent, it does sensitize the student to beneficial leadership practices. It may be helpful to explain the significance of several of the statements, such as "I acknowledge mistakes."

The Assertiveness Scale

Lengthy experience with this scale suggests that it reasonably measures behavior on the assertiveness continuum. The scores obtained by students frequently match their self-evaluation of their degree of assertiveness. The scale can be an effective developmental tool.

The Witty Leader
An important byproduct of this exercise is that it points to the high level of skill required to make effective witty comments. Here are illustrative witty comments for the three exercises:

**Scenario 1 (Store Manager):** The store manager explains to the group, "Our business has been declining 20 percent a week for three consecutive weeks. You must be as discouraged as I am. But do not despair. We cannot get any lower than no business at all, and if the trend continues, we will hit that in two weeks."

**Scenario 2 (Frozen Salaries):** The leader says to the group, "I have some good news and some bad news. The good news is that nobody will have to pay more taxes next year. The bad news is that nobody will get a salary increase either."

**Scenario 3 (Extra Hours):** The manager says to the group, "As you may have heard we will all be working about 65 hours per week for the next ten weeks. I’m proud of the management. They have finally empowered us to display our strong work ethic."

**Scenario 4 (Downsizing the Downsizers):** The company founder explains to the group, "Finally, the world can no longer say that our firm fails to practice what it preaches. We are going to follow our own advice, and start downsizing ourselves.

*Creating a Vision*

Students enjoy developing visions, and can be counted on to derive sensible vision statements. The biggest problem is for the student groups to concisely state their visions. Some student groups develop vision statements of about 75 words. Another problem is that some student groups will develop vision statements that are simply sales forecasts.

*What Style Leader Are You or Would You Be?*

The quiz is designed to provide insights into the specific practices of participative management. Students carrying out leadership roles can practice some of these ideas.

*Developing a Team Mission Statement*

The challenges of developing a mission statement are similar to those of developing a vision. My experience is that student teams consistently develop sensible mission statements in about 15 minutes. Students might be reminded that the mission statement identifies the team’s place in the world, and describes what business the team is really in.
EXAMINATION QUESTIONS

Multiple Choice

(b) 1. Leadership in the workplace is mostly concerned with
   a. controlling and giving orders.
   b. influencing and persuading others.
   c. taking care of business transactions.
   d. disciplining group members.

(d) 2. A distinguishing behavior of a leader is that the person
   a. enjoys interacting with people.
   b. organizes activities for the benefit of others.
   c. works harder than other members of the group.
   d. makes a difference.

(a) 3. In addition to occupying a formal position, leadership often stems from
   a. one’s personal characteristics.
   b. job title.
   c. holding a top-level position.
   d. owning a business.

(d) 4. The observation that leaders must have the right stuff means that effective
    leadership requires
   a. the right position.
   b. years of experience.
   c. effective behaviors.
   d. certain characteristics.

(c) 5. A person who is self-confident is likely to
   a. regard leadership positions as unimportant.
   b. freely criticize others.
   c. be composed under pressure.
   d. have difficulties handling pressure.

(a) 6. Self-confidence is the most likely to develop as a result of
   a. performing well in a variety of situations.
   b. finding a job after being fired.
   c. winning an argument with the boss.
   d. being good at public speaking.
(a)  7. Part of trusting group members is to
   a. give up some control over them.
   b. maintain tight controls over them.
   c. attend company picnics with them.
   d. establish detailed rules for expense accounts.

(b)  8. An important part of being assertive is to
   a. manipulate people into doing what you want.
   b. confront people about their mistakes.
   c. think first of the demands of other people.
   d. be obnoxious when necessary.

(c)  9. A recommended way of becoming more assertive is to
   a. repeat to yourself, "I can do it."
   b. practice insulting people with more power than yourself.
   c. force yourself to express your feelings and demands.
   d. say "time out" when another person begins to argue with you.

(b)  10. A sense of humor is particularly valuable in the workplace because it
   a. is a good substitute for low wages.
   b. helps defuse hostility.
   c. increases tension, thus preventing workers from becoming too relaxed.
   d. takes some power away from leaders.

(c)  11. The most effective form of humor on the job pokes fun at
   a. ethnic groups.
   b. top management.
   c. oneself.
   d. coworkers.

(a)  12. The most effective technique for increasing self-objectivity is to
   a. ask for feedback from others.
   b. set objectives for self-improvement.
   c. take frequent vacations.
   d. adopt a relaxed, casual attitude.

(c)  13. A leader with good cognitive skills would
   a. give emotional support to group members.
   b. exercise good control over anger.
   c. be mentally sharp.
   d. be able to criticize others with a smile.
(b) 14. According to research, superb leaders all have one trait in common:
   a. superb spatial intelligence
   b. superb emotional intelligence
   c. above-average street smarts.
   d. average imagination and creativity.

(d) 15. Leadership passion often reflects itself in the leader
   a. playing video games for a diversion.
   b. disciplining employees who are late for work.
   c. pursuing external rewards such as stock options.
   d. having a relentless drive to get work accomplished.

(a) 16. A distinguishing characteristic of charismatic leaders is that they
   a. guide others toward great heights of achievement.
   b. have a firm, confident handshake.
   c. turn leadership responsibility over to the group.
   d. are open to criticism.

(d) 17. To function as a charismatic leader, a person must
   a. hold a high-level position.
   b. work his or her way up through the ranks.
   c. have high integrity.
   d. be perceived as charismatic by others.

(c) 18. Which one of the following actions is the least likely to help a person
develop charisma?
   a. Be emotionally expressive and warm.
   b. Be a risk taker.
   c. Be laid back and slow paced.
   d. Smile frequently.

(b) 19. Which one of the following actions is the most likely to help a person
develop charisma?
   a. Be emotionally reserved.
   b. Make other people feel important.
   c. Reserve saying thank you for special occasions.
   d. Be a conservative risk taker.

(a) 20. A team leader can practice participative leadership by
   a. sharing authority with the group.
   b. asking team members to approve big decisions.
   c. participating in group activities.
   d. participating in company-wide activities.
21. Which one of the following is the most likely to contribute to the development of teamwork?
   a. avoidance of criticism within the group
   b. all evaluations done by the team leader
   c. high performance standards
   d. more than enough time to accomplish goals

22. Which one of the following is the most likely to contribute to the development of teamwork?
   a. keeping team members away from seeing the big picture
   b. having the leader be the one person to dispense recognition
   c. keeping performance standards low
   d. trusting team members

23. A 360-degree survey helps leaders develop by
   a. adjusting their income based on performance.
   b. providing multiple feedback about their traits and behaviors.
   c. sending them around the world for training.
   d. encouraging them to find mentors.

24. "Become an integrated human being" is considered to be a strategy for developing leadership potential because
   a. the model leader is a fully functioning person.
   b. leaders must integrate the work of others.
   c. a good family life is essential for leadership success.
   d. leadership is not supposed to be a full-time job.

25. A recommended way of developing your leadership potential is to
   a. allow your leader to make a mistake.
   b. help your leader lead.
   c. aim for leadership breakthroughs and minimize small acts of leadership.
   d. be self-confident enough to ignore feedback about your traits and behaviors.

True/False

1. An important part of leadership is to get people to engage in activities they would choose to do anyway if the leader were not on the scene.

2. A worker can exhibit leadership even without the benefit of occupying a job that puts him or her in charge of the work activities of other people.
3. Self-confidence appears to be a much more important leadership characteristic in factory settings than in office settings.

4. Pointing the index finger outward will often be interpreted as a sign of self-confidence.

5. Being assertive helps a leader effectively confront people about their mistakes.

6. It is easier for most people to express feelings than to express demands.

7. Emotional stability is an important leadership quality because it leads to consistent treatment of group members.

8. Self-awareness and self-objectivity are important leadership traits because they help a leader capitalize upon strengths and ignore weaknesses.

9. An important cognitive factor in leadership effectiveness is knowledge of the business, or technical skill.

10. Research conducted in several companies suggests that emotional intelligence is essential for being an effective leader.

11. Leaders in hot pursuit of external rewards such as bonuses and stock options are the most likely to be passionate about their work.

12. To qualify as a charismatic leader, a person must inspire others toward great heights of achievement.

13. A vision in terms of leadership refers to basically a five-year forecast of where the group is headed.

14. A key contributor to being perceived as charismatic is to use colorful language.

15. Charismatic leaders tend to be shy about letting others know of their accomplishments.

16. Team leaders typically use participative leadership in working with the group.

17. A recommended way of showing trust in team members is for the leader to lower expectations of ethical behavior, so the group members do not have to be perfect.
18. Team spirit is likely to increase when the team has an urgent, constructive purpose.

19. A plausible tactic for enhancing teamwork within a work group is to adopt a team symbol, much like an athletic team.

20. A key part of peer evaluations is that they get everybody in the group focused on pleasing the boss.

21. Explaining the big picture to group members involves describing how their work contributes to the company.

22. According to the leader-exchange model, a high level of teamwork exists within the in-group.

23. Practicing a little leadership refers to once and a while performing great leadership feats.

24. The 360-degree survey is useful in helping leaders make the right career choices for themselves.

25. According to one explanation of leadership, becoming a leader is much like the process of becoming an integrated human being.