

## Can One Person Make a Difference?

The leadership challenge is essentially concerned with the extent to which a leader can influence the factors driving performance. Everyday we see articles with examples suggesting leaders can make a difference to the success of businesses. So what do we mean by the term 'leader'?

Firstly leadership and management are two terms that are often confused so what is the difference between them? Two suggested definitions are:

Good **leadership** is about coping with change. Leaders establish direction by developing a vision of the future; they align people by communicating the vision and inspiring them to overcome hurdles.

Good **management** brings about order and consistency by drawing up formal plans, designing organisation structures and monitoring results against the plans.

As management positions come with some degree of formally designated authority, a person may assume a leadership role simply because of the position s/he holds. But not all leaders are managers; nor, for that matter are all managers leaders. Just because an organisation provides its managers with certain formal rights is no assurance that they will be able to lead effectively. Often the non-sanctioned leadership is often more important than formal influence. In other words, leaders can emerge from within a group as well as by formal appointment to lead a group.

There are many theories around what leadership is and what makes a good leader. Trait theories consider personal qualities and characteristics that differentiate leaders from non-leaders and behavioural theories propose that specific behaviours make this differentiation. Styles of leadership and their effectiveness have also been widely studied. An employee-orientated leader emphasises interpersonal relations, taking a personal interest in the needs of employees and accepting individual differences among them. A production-orientated leader emphasises technical or task aspects of the job. A leader who values experimentation, seeks new ideas and generates and implements change is a development-orientated leader. While these theories have identified consistent relationships between leadership behaviour and group performance they have not to a large degree considered the situational aspects that influence success or failure. These aspects have been looked at in seeking to identify the contingency factors affecting leadership effectiveness.

Taking all this into account how do we ensure we have effective leaders in our businesses to establish strategic direction by developing a vision of the future; aligning people by communicating the vision and inspiring them to overcome hurdles to improve overall organisation performance?

Organisations spend billions of dollars on leadership training every year. So what are the benefits?:

- Improve productivity and performance
- Increase interpersonal effectiveness
- Create greater leadership capability
- Results in better business performance
- Improve teamwork
- Enhance customer service
- Increase job satisfaction

Key traits identified as important for effective leadership are extraversion, conscientiousness, openness to experience, agreeableness and emotional stability. However recent studies are showing that emotional intelligence (EI) is another trait indicating effective leadership. People with high emotional intelligence (EI) tend to be more transformational in their leadership style, have better negotiation skills, higher stress tolerance and less absenteeism. Emotional intelligence focuses on a person's capability to effectively manage their own and others' emotions. Unlike personality and IQ, which are generally regarded as fixed throughout a person's life, emotional intelligence can be learned and developed. Business leaders who are better able to understand and control their emotions are likely to achieve greater workplace performance, results and success – positive effects that will impact on their business, their lives and the lives of those that work within the business.

Organisations send managers to a wide range of leadership training activities, including formal MBA programmes, leadership seminars, weekend retreats and adventure-type courses. They appoint mentors and 'fast-track' high-potential individuals so they can gain a variety of the 'right kinds of experience. All this training assumes an organisation knows what leadership is and that individuals can be trained to do it. Here in lies a keystone of leadership training. Before sending an individual off on 'leadership training' ensure the employee has the potential, capability and traits that align with the type of leadership the organisation identifies as necessary to move its business forward and be future-proofed for the opportunities and challenges that lie ahead.

There are a number of tools such as 360 degree feedback questionnaire that can be used to gain the necessary information to make these decisions and identify the key leadership traits and styles the organisation has identified as key to business success, and the employees that display the required behaviours.

Businesses must be cognisant of the fact that while it is easy to teach individuals 'about' leadership it is something quite different to teach people 'how' to actually lead. Things an organisation should consider are the degree to which personality is a critical element in leadership effectiveness, that individuals may not be able to substantially alter their basic leadership style and even given a perfect match in both these areas it is nearly impossible for any normal human being to assimilate all the variables and be capable of enacting the right behaviours in every situation. When choosing leadership training businesses need to ensure these factors are taken into account to ensure their training dollar is well spent i.e. have they selected the right employees to attend and have they selected the right training provider or course/programme. While the outcome may not produce 'perfect leaders' it most definitely will produce 'better' leaders.