

What a Real Leader Knows

Developing Fundamental Leadership Skills

Decision making is a key leadership skill.

What is it that distinguishes 'good' leaders from 'mediocre' ones? Is it their decision-making abilities, their charismatic persuasiveness, or the clarity of their vision? Do great leaders have these qualities naturally, or were they acquired at college?

The good news is that you can learn to be a leader, just as long as you put in the time needed to learn the fundamental skills needed. How these skills are applied on a day-to-day basis, however, is what sets good leaders apart from mediocre ones.

So, if you want to be a better leader, what specifically do you need to learn to do? Do you need to go business school to learn these things? Or can you learn them on the job?

J. Sterling Livingston, a professor at Harvard Business School, attempted to answer these questions by studying the connection between formal education and successful leadership. In 1971, he published "The Myth of the Well-Educated Manager" in the Harvard Business Review.

One of Livingston's conclusions was that a formal business education, such as an MBA, was not a good predictor of leadership success in the long term. This finding is much less surprising now than it was back in the early 1970s. However, his other main observation is as relevant today as it was back then - namely, that four key skills define successful leadership:

1. Effective decision making.
2. Successful problem finding.
3. Effective opportunity finding.
4. Leadership style.

By developing your skills in these fundamental areas, he argued that you can lead people, and inspire them to change. You can also be dynamic and effective in how you tackle the problems and challenges you face on a daily basis.

Let's look at these four skill areas in more detail.

Decision Making

The ability to solve problems and make good decisions is extremely important for effective leadership. But decision making and problem solving are commonly taught skills - so, with all those problem solvers out there, why can good leaders be so hard to find?

According to Livingston, the difference often lies in your approach to finding solutions. If you face a problem believing that you have to find the 'right' answer, this can actually lead to failure. You can analyze a problem forever, and still not be 100% sure that your solution is the best. If you're in this frame of mind, the only way to assess your decision is by looking back, after the fact. Even then, there are sometimes too many variables to determine whether or not you definitely chose the right action.

Effective leaders use practical and responsive approaches to decision making. They know you can't wait to make a 'perfect' decision. When you're in the middle of a situation, you have to be confident enough to do what needs to be done right now. This often means you must quickly evaluate the situation, and take the action that has a high probability of success. Leaders make decisions under pressure that might not be perfect, but they're consistent with the desired outcome.

Strong leaders also know that problem solving and decision making aren't entirely rational processes. We all have emotions, so completely objective decisions don't really exist. Successful leaders therefore use critical thinking (premium members only) - a technique that questions every step of your thinking process - to deal with the subjective side of decision making.

Ultimately, what sets apart effective leaders is that they know HOW to decide. They know when to take the time to use more analytical and thorough decision-making processes. They know when to engage the whole team, and when to make the decision on their own: this knowledge doesn't come from a book, but from practical experience. As a developing leader, look for opportunities to make decisions in a wide variety of situations to help you gain that experience.

See the Mind Tools decision-making skills page for many specific tools to help you make better decisions across a wide range of situations. The more tools you know, the more options you'll have to help you make good decisions, and find better solutions.

Problem Finding

Leaders don't simply solve problems that people bring to them - they look for problems that may be hidden. In other words, they often recognize potential issues before they become problems.

The quicker you discover a problem, the more time you have to find a solution, and the more able you are to tackle the problem before it becomes serious. Skillful leaders are proactive, and they continuously ask questions. The 5 Whys problem-solving technique - a tool that helps you get to the root of a problem quickly - is something that good leaders often do instinctively when they first 'find' a problem.

Also, look for potential problems that may be caused by a solution - before that solution is implemented. When time allows, leaders use approaches like Failure Modes and Effects Analysis (premium members only) to spot problems before they take action. Sometimes this happens more intuitively and less formally, but the objective is the same - to find a problem before it develops into a much larger, and potentially damaging, issue.

See our problem-solving skills page for a wide variety of tools to help you find problems - including flow charts, swim lane diagrams (premium members only), systems diagrams, and appreciative inquiry.

Opportunity Finding

When you solve problems, you make sure the organization can continue on its defined path toward its goals. When you find opportunities, however, you focus on redefining - and hopefully improving - the company's overall direction.

As management expert Peter Drucker famously said, "The pertinent question is not how to do things right, but how to find the right things to do, and to concentrate resources and efforts on them."

Successful leaders find opportunities and use them effectively. In practical terms, they understand leverage, and they constantly look for ways to achieve more with the same amount of effort. Simplex is a sophisticated tool for finding problems and opportunities - and eventually taking action.

Natural Leadership Style

Finally, good leaders use effective styles of leadership. You may find all kinds of problems and opportunities, and you may make great decisions to move the organization forward - but if you can't inspire people to take action, there's little chance of success.

Livingston argued that there's no one correct leadership style that everyone can use across all situations. He said that strong leaders recognize this, and adapt their approach as necessary. But they always use authentic styles that naturally fit their personalities.

It's also important to be inspirational - to lead by your example, your words, and your vision. Leaders like this, "transformational leaders", motivate; inspire trust; have a clear vision; are trustworthy; and are committed both to their people and to making the organization better.

A large part of being an effective leader is the willingness to accept responsibility and accountability. This strengthens the integrity and trustworthiness of your actions, decisions, and motives. By committing to an open and honest relationship with your superiors, peers, and staff, you can become a real leader who motivates others to work with you to achieve a common goal.

Note:

At Mind Tools, we agree with some of these points, and we disagree with others.

First of all, MBAs are useful for learning skills in all of these areas and many others, in a condensed and accelerated

way. A good MBA will package all of the learning from many years' practical experience, plus business theory, into a one- or two-year course. (You can also learn very many of these skills right now within the Mind Tools Career Excellence Club.)

Secondly, while there is no one leadership style that suits all business situations, the 'transformational leadership' style does suit very many of them. This is a style of leadership by which a leader creates an inspiring vision of the future, motivates his or her team to achieve that vision, manages implementation of the vision effectively, and coaches and develops his or her team so that individual team members are even more effective when the next team task comes up.

Career Excellence Club members can learn how to become a transformational leader, and learn all of the skills they need to be effective in business, by downloading 'How to Lead: Discover the Leader Within You,' the Mind Tools leadership course. (This course, retailing at US\$67, is a powerful joining bonus for new members of the Career Excellence Club.)

Key Points

Leaders aren't created overnight. Strong leadership is something you need to work on every day. It's more than learning how to solve problems and make decisions - you must focus on making your organization better through everything you do. This means that you need to understand how and when to make a decision, recognize problems before they appear, constantly look for opportunities to improve, and be aware of your leadership style. When people believe in you, they'll likely trust your decisions and actions - and that's the mark of a true leader.

Apply This to Your Life:

1. Challenge yourself to learn and use one new decision-making tool each month.

2. Think about the last key decision you made.

* Did you use critical thinking as part of your process? How did that impact the result?

* Did you feel pressure to make the 'right' decision? If so, how did that affect the timeliness of your decision?

3. What problem can you see right now that your company should address? How can you help influence a solution - and will you do so?

4.

What opportunity can you see right now that your organization should pursue? Start creating a plan to evaluate your idea.

5. Describe your natural leadership style. Think of a time when you acted as a leader, but you weren't true to who you

are - and you used a style that didn't naturally fit your personality. How did you feel, and how did it impact the effectiveness of your leadership?

A Final Note from James

I hope this article has shown you that leadership skills can indeed be learned - and that it helps you identify ways to develop your own approach to leadership. It doesn't take long to learn how to do this (we think you need just 24 hours of study), however you'll receive the benefits of this effort very many times over, throughout the rest of your life. I really do encourage you to make the effort to build these skills!

In our next issue, we're thinking about the current corporate reality. If your organization is budget conscious right now, then our featured resource in two weeks' time will be able to help you and your team work more cost-effectively. Our article, "The Thrifty Manager" gives tips and guidance on how to make cost savings in your workplace. And, to keep up team morale, we'll share some Team-Building Exercises with you.

Best wishes for a truly excellent week!

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Essential Skills for an Excellent Career!