[9] "In Conference," HBR, March–April 1954, p. 44.

[10] William H. Whyte, Jr., "The Fallacies of 'Personality' Testing," *Fortune*, September 1954, p. 117.

[11] For a further discussion of this point, see F. J. Roethlisberger, "Training Supervisors in Human Relations," HBR, September 1951, p. 47.

[12] See, for example, A. Winn, "Training in Administration and Human Relations," *Personnel*, September 1953, p. 139; see also, Kenneth R. Andrews, "Executive Training by the Case Method," HBR, September 1951, p. 58.

[13] For a more complete development of the concept of "coaching," see Myles L. Mace, *The Growth and Development of Executives* (Boston, Division of Research, Harvard Business School, 1950).

[14] "What Should a President Do?" *Dun's Review*, July 1951, p. 14.

Managerial Roles

Henry Mintzberg

In thinking about *what* managers do it is useful to consider the concept *role*, a term that has made its way from the theatre to management via the behavioral sciences. A role is defined as an organized set of behaviors belonging to an identifiable office or position. Individual personality may affect *how* a role is performed, but not *that* it is performed. Thus, actors, managers, and others play roles that are predetermined, although individuals may interpret them in different ways. . . .

A Set of Ten Roles

It should be made clear at the outset that the view of managerial roles presented here is one among many that are possible. The delineation of roles is essentially a categorizing process, a somewhat arbitrary partitioning of the manager's activities into affinity groups. The result must ultimately be judged in terms of its usefulness.

This statement of roles was derived initially from the observational study of the work of five chief executives. Each contact and piece of mail observed during this study was analyzed in terms of one basic question—why did the manager do this? The answers, gathered together in logical groupings, emerged as a statement of ten roles.

Despite the basis for these results, there is a logical argument as well as considerable empirical evidence to support the contention that these ten roles are common to the work of all managers. Each manager stands between his organizational unit and its environment. The president guides his firm and looks out to an environment consisting of competitors, suppliers, governments, and so on. The foreman guides his shop and looks out to other foremen and staff groups within the firm, and to suppliers (and others) outside

marizing both self and colleague ratings. Principals could choose to get sepa-
rate feedback from different constituents, such as teachers, parents, and
central office administrators. . . .

Where We Are: A Summary

The cognitive frames of school administrators can be measured using
both qualitative and quantitative methods. Qualitative work suggests that most
principals use only one or two of the frames, with context a significant deter-
minant of which frames are salient. In both the United States and Singapore,
for example, school administrators use the symbolic frame much less than any
other, but administrators in Singapore appear to be significantly more attuned
to symbols and less attuned to politics than are their American counterparts.

Both qualitative and quantitative results suggest that the ability to use
multiple frames is critical to principals' effectiveness as both manager and
leader. A survey measure of leadership orientations showed that leadership
effectiveness is strongly associated with a symbolic orientation but only mod-
estly related to the structural frame. Effectiveness as a manager is highly asso-
ciated with a structural orientation, but the symbolic frame is more strongly
associated with managerial effectiveness for principals than for administra-
tors in other sectors.

The human resource and political frames are significant positive predic-
tors of success as both leader and manager. Pre-service and in-service pro-
grams for school administrators rarely give much attention to symbolic and
political skills, yet our results show that they are crucial components for effec-
tive leadership.

Comparisons of male and female administrators in both the United
States and Singapore show that, on the whole, men and women in compara-
ble jobs are not very different from each other, although women tend to be
rated slightly higher than men on most variables. The findings are consistent
with other research showing that women perform as well or better than men
in comparable positions. Underrepresentation of women in school adminis-
tration is not a function of their inability to do the job. Comparable perfor-
mance may not yield comparable results because of subtle differences in what
is expected of men and women. Among U.S. school administrators, women
are judged more on their ability to be organized and rational, whereas men
are judged more on their ability to be warm and participative.

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What Leaders Really Do

John P. Kotter

Leadership is different from management, but not for the reason most peo-
ple think. Leadership isn't mystical and mysterious. It has nothing to do with hav-
ing "charisma" or other exotic personality traits. It is not the province of a chosen
few. Nor is leadership necessarily better than management or a replacement for it.

Rather, leadership and management are two distinctive and complemen-
tary terms of action. Each has its own function and characteristic activities.
Both are necessary for success in an increasingly complex and volatile busi-
ness environment.

Most U.S. corporations today are overmanaged and underled. They need
to develop their capacity to exercise leadership. Successful corporations don't
wait for leaders to come along. They actively seek out people with leadership
potential and expose them to career experiences designed to develop that
potential. Indeed, with careful selection, nurturing, and encouragement, doz-
ens of people can play important leadership roles in a business organization.

But while improving their ability to lead, companies should remember
that strong leadership with weak management is no better, and is sometimes
actually worse, than the reverse. The real challenge is to combine strong lead-
ership and strong management and use each to balance the other.

Of course, not everyone can be good at both leading and managing.
Some people have the capacity to become excellent managers but not strong
leaders. Others have great leadership potential but, for a variety of reasons,
have great difficulty becoming strong managers. Smart companies value both
kinds of people and work hard to make them a part of the team.

But when it comes to preparing people for executive jobs, such compa-
nies rightly ignore the recent literature that says people cannot manage *and*
lead. They try to develop leader-managers. Once companies understand the
fundamental difference between leadership and management, they can begin
to groom their top people to provide both.

In 1977 when Abraham Zaleznik wrote *Managers and Leaders: Are they Different?*, management development focused exclusively on building competence, control, and the appropriate balance of power. Zaleznik argued that this omitted essential leadership elements of inspiration, vision, and human passion. Today we know how right he was. This article stimulated serious debate and sits squarely in the middle of discussions of the role of individual traits and characteristics. In this reading Zaleznik introduces a new variable to the leadership mix—the role of, and reaction to, one's life situation as one is maturing. This, he asserts, is a major factor differentiating leaders and managers—their underlying conceptions of chaos and order.

The fourth reading in this section, *Leadership: Do Traits Matter?*, takes a nontraditional approach to the investigation of leader traits. Kirkpatrick and Locke view certain traits as critical not necessarily because they are directly related to leadership effectiveness, but because they are "preconditions" likely to lead to actions that will enhance leadership effectiveness. They go a long way in helping us understand the role of personal traits and characteristics as they relate to successful leadership.

Manfred Kets de Vries believes that much of the literature on leadership is too academic and thus in *The Leadership Mystique* he presents a view grounded in day-to-day life. This view includes the "inner theater" of the leader. His model of leadership captures the variables inherent in the charismatic and instrumental roles of the leader. A thorough discussion of the characteristic of narcissism and its role in leadership is particularly insightful.

As noted in several of the readings, some characteristics or personal traits of interest in the leadership arena are inherited while others are acquired. In *Emotional Intelligence and Leadership*, Daniel Goleman presents a workable definition of emotional intelligence and its components. He explains how such qualities as self-awareness, self-regulation, and empathy complement the more traditional characteristics associated with effective leaders. One of the encouraging elements of this presentation for any leader/manager is that emotional intelligence, unlike IQ, can be improved. It is, indeed, one of those personal characteristics that can be learned, although the process is not easy. However, those who expend the effort to develop their emotional intelligence will likely find the rewards well worth the effort.

The final selection in this section explores the bright and dark side of narcissistic leaders—those grandiose, self-promoting, larger-than-life individuals who emerged in the late 1990s and early 2000s. Michael Maccoby explains the difference between productive and unproductive narcissistic leaders, delineating the strengths and weaknesses of this personality type and providing suggestions on how productive narcissists can avoid the pitfalls of their own personality. The article also discusses narcissistic leaders from the perspective of followers, and presents options to those who happen to have a narcissist as their leader/manager.

Confucius's Values-Based Leadership

Juan Antonio Fernandez

In a time when some of our corporate heroes have become villains, it is necessary to revisit our models of leadership. The problem resides in a wrong understanding of leadership as merely a series of behaviors that when properly applied will produce the desired results—namely, motivated followers who will happily strive to achieve the goals of the organization or, on some occasions, those of the leader. This concept of leadership contains a fundamental flaw: lack of internal consistency between behavior and values. One can adjust one's behavior to what is expected, but one's actions may not be the true reflection of one's convictions and preferences. The behavioral model of leadership can produce false or hypocritical leaders. A leader's actions may fit the situation, but his intentions do not. In today's business world, we need to search for a model in which behavior is a reflection of something deeper within the person. We need to search for a model not to substitute for, but to complement, views of leadership developed during recent decades. . . .

The Confucian Path to Leadership

In the Confucian system of thought, leadership is an emergent quality of the character that radiates and makes others want to follow, based on the respect and trust the leader generates. A critical condition for leadership is to have exemplary conduct, being a model to the people. Leadership originates from within the person, but this does not mean that one is born with those qualities; on the contrary, they can be acquired through a conscious effort of

acquires status through active participation and demonstration of his capacity for carrying cooperative tasks through to completion. Significant aspects of this capacity for organizing and expediting cooperative effort appear to be intelligence, alertness to the needs and motives of others, and insight into situations, further reinforced by such habits as responsibility, initiative, persistence, and self-confidence. The studies surveyed offer little information as to the basic nature of these personal qualifications. Cattell's (1946) studies suggest that they may be founded to some degree on basic intelligence, but Cattell and others also suggest that they are socially conditioned to a high degree. Problems which appear to be in need of thorough investigation are those relating to factors which condition social participation, insight into situations, mood control, responsibility, and transferability of leadership from one situation to another. Answers to these questions seem basic not only to any adequate understanding of the personal qualifications of leaders, but also to any effective training for leadership. . . .

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Leadership Run Amok

Scott W. Spreier, Mary H. Fontaine, and Ruth L. Malloy

The desire to achieve is a major source of strength in business, both for individual managers and for the organizations they lead. It generates passion and energy, which fuel growth and help companies sustain performance over the long term. And the achievement drive is on the rise. We've spent 35 years assessing executive motivation, and we've seen a steady increase during the past decade in the number of managers for whom achievement is the primary motive. Businesses have benefited from this trend: Productivity has risen, and innovation, as measured by the number of patents issued per year, has soared.

In the short term, through sheer drive and determination, overachieving leaders may be very successful, but there's a dark side to the achievement motive. By relentlessly focusing on tasks and goals—revenue or sales targets, say—an executive or company can, over time, damage performance. Overachievers tend to command and coerce, rather than coach and collaborate, thus stifling subordinates. They take frequent shortcuts and forget to communicate crucial information, and they may be oblivious to the concerns of others. Their teams' performance begins to suffer, and they risk missing the very goals that initially triggered the achievement-oriented behavior.

Too intense a focus on achievement can demolish trust and undermine morale, measurably reducing workplace productivity and eroding confidence in management, both inside and outside the corporation. While profits and innovation have risen during the past decade, public trust in big business has slid. In our executive coaching practice, we've seen very talented leaders crash and burn as they put ever more pressure on their employees and themselves to produce.

At the extreme are leaders like Enron's Jeffrey Skilling, a classic overachiever by most accounts, driven by results regardless of how they were

Managers and Leaders

Are They Different?

Abraham Zaleznik

What is the ideal way to develop leadership? Every society provides its own answer to this question, and each, in groping for answers, defines its deepest concerns about the purposes, distributions, and uses of power. Business has contributed its answer to the leadership question by evolving a new breed called the manager. Simultaneously, business has established a new power ethic that favors collective over individual leadership, the cult of the group over that of personality. While ensuring competence, control, and the balance of power among groups with the potential for rivalry, managerial leadership unfortunately does not necessarily ensure imagination, creativity, or ethical behavior in guiding the destinies of corporations.

Leadership inevitably requires using power to influence the thoughts and actions of other people. Power in the hands of an individual entails human risks: first, the risk of equating power with the ability to get immediate results; second, the risk of ignoring the many different ways people can legitimately accumulate power; and third, the risk of losing self-control in the desire for power. The need to hedge these risks accounts in part for the development of collective leadership and the managerial ethic. Consequently, an inherent conservatism dominates the culture of large organizations. In *The Second American Revolution,* John D. Rockefeller III describes the conservatism of organizations:

> An organization is a system, with a logic of its own, and all the weight of tradition and inertia. The deck is stacked in favor of the tried and proven way of doing things and against the taking of risks and striking out in new directions.[1]

Out of this conservatism and inertia, organizations provide succession to power through the development of managers rather than individual leaders.

Ironically, this ethic fosters a bureaucratic culture in business, supposedly the last bastion protecting us from the encroachments and controls of bureaucracy in government and education.

Manager versus Leader Personality

A managerial culture emphasizes rationality and control. Whether his or her energies are directed toward goals, resources, organization structures, or people, a manager is a problem solver. The manager asks: "What problems have to be solved, and what are the best ways to achieve results so that people will continue to contribute to this organization?" From this perspective, leadership is simply a practical effort to direct affairs, and to fulfill his or her task, a manager requires that many people operate efficiently at different levels of status and responsibility. It takes neither genius nor heroism to be a manager, but rather persistence, tough-mindedness, hard work, intelligence, analytical ability, and perhaps most important, tolerance and goodwill.

Another conception of leadership, however, attaches almost mystical beliefs to what a leader is and assumes that only great people are worthy of the drama of power and politics. Here leadership is a psychodrama in which a brilliant, lonely person must gain control of himself or herself as a precondition for controlling others. Such an expectation of leadership contrasts sharply with the mundane, practical, and yet important conception that leadership is really managing work that other people do.

Three questions come to mind. Is the leadership mystique merely a holdover from our childhood—from a sense of dependency and a longing for good and heroic parents? Or is it true that no matter how competent managers are, their leadership stagnates because of their limitations in visualizing purposes and generating value in work? Driven by narrow purposes, without an imaginative capacity and the ability to communicate, do managers then perpetuate group conflicts instead of reforming them into broader desires and goals?

If indeed problems demand greatness, then judging by past performance, the selection and development of leaders leave a great deal to chance. There are no known ways to train "great" leaders. Further, beyond what we leave to chance, there is a deeper issue in the relationship between the need for competent managers and the longing for great leaders.

What it takes to ensure a supply of people who will assume practical responsibility may inhibit the development of great leaders. On the other hand, the presence of great leaders may undermine the development of managers who typically become very anxious in the relative disorder that leaders seem to generate.

It is easy enough to dismiss the dilemma of training managers, though we may need new leaders, or leaders at the expense of managers, by saying that the need is for people who can be both. But just as a managerial culture differs from the entrepreneurial culture that develops when leaders appear in organizations, managers and leaders are very different kinds of people. They

Notes

[1] (HarperCollins, 1973).

[2] Alfred P. Sloan, Jr., *My Years with General Motors* (Doubleday, 1964).

[3] Ibid.

[4] Ibid.

[5] Ibid.

[6] Dwight D. Eisenhower, *At Ease: Stories I Tell to Friends* (Doubleday, 1967).

[7] Ibid.

[8] "Jack Hanley Got There by Selling Harder," *Fortune*, November 1976.

Leadership

Do Traits Matter?

Shelley A. Kirkpatrick and Edwin A. Locke

Few issues have a more controversial history than leadership traits and characteristics. In the 19th and early 20th centuries, "great man" leadership theories were highly popular. These theories asserted that leadership qualities were inherited, especially by people from the upper class. Great men were born, not made (in those days, virtually all business leaders were men). Today, great man theories are a popular foil for so-called superior models. To make the new models plausible, the "great men" are endowed with negative as well as positive traits. In a recent issue of the *Harvard Business Review*, for example, Slater and Bennis write,

> The passing years have . . . given the coup de grace to another force that has retarded democratization—the "great man" who with brilliance and farsightedness could preside with dictatorial powers as the head of a growing organization.[1]

Such great men, argue Slater and Bennis, become "outmoded" and dead hands on "the flexibility and growth of the organization." Under the new democratic model, they argue, "the individual *is* of relatively little significance."

Early in the 20th century, the great man theories evolved into trait theories. ("Trait" is used broadly here to refer to people's general characteristics, including capacities, motives, or patterns of behavior.) Trait theories did not make assumptions about whether leadership traits were inherited or acquired. They simply asserted that leaders' characteristics are different from non-leaders. Traits such as height, weight, and physique are heavily dependent on heredity, whereas others such as knowledge of the industry are dependent on experience and learning.

Whatever happens to leaders, however enlightened they may be, it is important that they keep a check on their narcissism. The hubris of leaders is all too familiar, and narcissism and hubris go hand in hand. Glory is a great temptress and the pursuit of glory can be surprisingly self-destructive. All too often, insufficient heed is paid to its dangers. For leaders, the narcissistic pull is frequently too strong. As Napoleon (an expert on the topic) once said: "Glory is fleeting but obscurity lasts forever." In pursuing glory, many leaders end up as victims of hubris. Such an ending could be avoided, however, if they paid attention to their intrapsychic life, and found help in exploring their blind spots.

In their interpersonal relationships, leaders who are wary of the dangers of hubris should bear in mind what I term the three H's of leadership: humility, humanity, and a good sense of humor. Such qualities help to prevent excessive organizational neurosis, and may contribute to emotional stability. As someone who obviously had some knowledge of leadership once said to me, "Any time you think you possess power as a leader, try ordering around someone else's dog!"

Notes

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[2] Bass, op. cit.; Murray R. Barrick and Michael K. Mount, "The Big Five Personality Dimensions and Job Performance: A Meta-Analysis," *Personnel Psychology* 44, 1991, 1–26.

[3] Theodore Millon, *Disorders of Personality* (New York: John Wiley and Sons, 1981).

[4] Lester Luborsky, Paul Crits-Christoph, Jim Minz, and Arthur Auerbach, *Who Will Benefit from Psychotherapy?* (New York: Basic Books, 1988).

[5] Samuel S. Marquis, *Henry Ford: An Interpretation* (Boston: Little, Brown, 1923).

[6] Anne Jardim, *Henry Ford and the Ford Motor Company* (Cambridge: MIT Press, 1969).

[7] Manfred F. R. Kets de Vries, *Leaders, Fools and Impostors* (San Francisco: Jossey-Bass, 1993).

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[13] Otto Kernberg, *Borderline Conditions and Pathological Narcissism* (New York: Jason Aronson, 1975).

[14] Kets de Vries and Perzow, *op. cit.*

[15] Manfred F. R. Kets de Vries and Danny Miller, *The Neurotic Organization* (San Francisco: Jossey-Bass, 1984).

[16] Manfred F. R. Kets de Vries and Danny Miller, *Unstable at the Top* (New York: New American Library Penguin, 1987).

Emotional Intelligence and Leadership

Daniel Goleman

Every businessperson knows a story about a highly intelligent, highly skilled executive who was promoted into a leadership position only to fail at the job. And they also know a story about someone with solid—but not extraordinary—intellectual abilities and technical skills who was promoted into a similar position and then soared.

Such anecdotes support the widespread belief that identifying individuals with the "right stuff" to be leaders is more art than science. After all, the personal styles of superb leaders vary: Some leaders are subdued and analytical; others shout their manifestos from the mountaintops. And just as important, different situations call for different types of leadership. Most mergers need a sensitive negotiator at the helm, whereas many turnarounds require a more forceful authority.

I have found, however, that the most effective leaders are alike in one crucial way: They all have a high degree of what has come to be known as *emotional intelligence*. It's not that IQ and technical skills are irrelevant. They do matter, but mainly as "threshold capabilities"; that is, they are the entry-level requirements for executive positions. But my research, along with other recent studies, clearly shows that emotional intelligence is the sine qua non of leadership. Without it, a person can have the best training in the world, an incisive, analytical mind, and an endless supply of smart ideas, but he still won't make a great leader.

In the course of the past year, my colleagues and I have focused on how emotional intelligence operates at work. We have examined the relationship between emotional intelligence and effective performance, especially in leaders. And we have observed how emotional intelligence shows itself on the job.

Narcissistic Leaders

The Incredible Pros, the Inevitable Cons

Michael Maccoby

There's something new and daring about the CEOs who are transforming today's industries. Just compare them with the executives who ran large companies in the 1950s through the 1980s. Those executives shunned the press and had their comments carefully crafted by corporate PR departments. But today's CEOs—superstars such as Bill Gates, Andy Grove, Steve Jobs, Jeff Bezos, and Jack Welch—hire their own publicists, write books, grant spontaneous interviews, and actively promote their personal philosophies. Their faces adorn the covers of magazines like *Business Week, Time,* and the *Economist.* What's more, the world's business personalities are increasingly seen as the makers and shapers of our public and personal agendas. They advise schools on what kids should learn and lawmakers on how to invest the public's money. We look to them for thoughts on everything from the future of e-commerce to hot places to vacation.

There are many reasons today's business leaders have higher profiles than ever before. One is that business plays a much bigger role in our lives than it used to, and its leaders are more often in the limelight. Another is that the business world is experiencing enormous changes that call for visionary and charismatic leadership. But my 25 years of consulting both as a psychoanalyst in private practice and as an adviser to top managers suggest a third reason—namely, a pronounced change in the personality of the strategic leaders at the top. As an anthropologist, I try to understand people in the context in which they operate, and as a psychoanalyst, I tend to see them through a distinctly Freudian lens. Given what I know, I believe that the larger-than-life leaders we are seeing today closely resemble the personality type that Sigmund Freud dubbed narcissistic. "People of this type impress others as being

'personalities,'" he wrote, describing one of the psychological types that clearly fall within the range of normality. "They are especially suited to act as a support for others, to take on the role of leaders, and to give a fresh stimulus to cultural development or damage the established state of affairs."

Throughout history, narcissists have always emerged to inspire people and to shape the future. When military, religious, and political arenas dominated society, it was figures such as Mahatma Gandhi, Napoléon Bonaparte, and Franklin D. Roosevelt who determined the social agenda. But from time to time, when business became the engine of social change, it, too, generated its share of narcissistic leaders. That was true at the beginning of this century, when men like Andrew Carnegie, John D. Rockefeller, Thomas Edison, and Henry Ford exploited new technologies and restructured American industry. And I think it is true again today.

But Freud recognized that there is a dark side to narcissism. Narcissists, he pointed out, are emotionally isolated and highly distrustful. Perceived threats can trigger rage. Achievements can feed feelings of grandiosity. That's why Freud thought narcissists were the hardest personality types to analyze. Consider how an executive at Oracle describes his narcissistic CEO, Larry Ellison: "The difference between God and Larry is that God does not believe he is Larry." That observation is amusing, but it is also troubling. Not surprisingly, most people think of narcissists in a primarily negative way. After all, Freud named the type after the mythical figure Narcissus, who died because of his pathological preoccupation with himself.

Yet narcissism can be extraordinarily useful—even necessary. Freud shifted his views about narcissism over time and recognized that we are all somewhat narcissistic. More recently, psychoanalyst Heinz Kohut built on Freud's theories and developed methods of treating narcissists. Of course, only professional clinicians are trained to tell if narcissism is normal or pathological. In this article, I discuss the differences between productive and unproductive narcissism but do not explore the extreme pathology of borderline conditions and psychosis.

Leaders like Jack Welch and George Soros are examples of productive narcissists. They are gifted and creative strategists who see the big picture and find meaning in the risky challenge of changing the world and leaving behind a legacy. Indeed, one reason we look to productive narcissists in times of great transition is that they have the audacity to push through the massive transformations that society periodically undertakes. Productive narcissists are not only risk takers willing to get the job done but also charmers who can convert the masses with their rhetoric. The danger is that narcissism can turn unproductive when, lacking restraining anchors and self-knowledge, narcissists become unrealistic dreamers. They nurture grand schemes and harbor the illusion that only circumstances or enemies block their success. This tendency toward grandiosity and distrust is their Achilles' heel. Because of it, even brilliant narcissists can come under suspicion for self-involvement,

[6] Lewin and Kounin believe that, as the individual develops needs and abilities, the boundaries between them become more rigid. This explains why an adult is better able than a child to be frustrated in one activity and behave constructively in another. See Lewin, Kurt, *A Dynamic Theory of Personality* (New York: McGraw-Hill, 1935); and Kounin, Jacob S., "Intellectual Development and Rigidity," in *Child Behavior and Development* (ed.) Barker, R., Kounin, J. and Wright, H. R. (New York: McGraw-Hill, 1943), pp. 179–198.

[7] White, Robert W., *op. cit.*, p. 347.

[8] Lewin also cites the billions of dollars that are invested in insurance policies. Lewin, Kurt, "Time Perspective and Morale," in *Resolving Social Conflicts* (New York: Harper, 1948), p. 105.

[9] Bakke, E. W., *The Unemployed Worker* (New Haven: Yale University Press, 1940), pp. 23–24.

[10] Rogers, Carl R., *Client-Centered Therapy* (Cincinnati: MHE Foundation, 1951).

[11] Bakke, E. W., *op. cit.*, p. 247.

[12] Bakke, E. W., *op. cit.*, p. 29.

[13] Another related but discrete set of developmental dimensions may be constructed to measure the protective (defense) mechanisms individuals tend to create as they develop from infancy to adulthood. Exactly how these would be related to the above model is not clear.

[14] It is possible that adults may be found who report that they prefer jobs that permit them to be in a world similar to the infant's. These adults could be immature or neurotic or they could be defending themselves by not desiring self-expression while at work.

Leadership and the Nature of Man

Douglas McGregor

It has become trite to say that industry has the fundamental know-how to utilize physical science and technology for the material benefit of mankind, and that we must now learn how to utilize the social sciences to make our human organizations truly effective.

To a degree, the social sciences today are in a position like that of the physical sciences with respect to atomic energy in the thirties. We know that past conceptions of the nature of man are inadequate and, in many ways, incorrect. We are becoming quite certain that, under proper conditions, unimagined resources of creative human energy could be come available within the organization setting.

We cannot tell industrial management how to apply this new knowledge in simple, economic ways. We know it will require years of exploration, much costly development research, and a substantial amount of creative imagination on the part of management to discover how to apply this growing knowledge to the organization of human effort in industry.

Management's Task: The Conventional View

The conventional conception of management's task in harnessing human energy to organizational requirements can be stated broadly in terms of three propositions. In order to avoid the complications introduced by a label, let us call this set of propositions "Theory X":

1. Management is responsible for organizing the elements of productive enterprise—money, materials, and people—in the interest of economic ends.

as of workers. Genuine "industrial citizenship"—to borrow a term from Drucker—is a remote and unrealistic idea, the meaning of which has not even been considered by most members of industrial organizations. . . .

Another way of saying this is that Theory X places exclusive reliance upon external control of human behavior, while Theory Y relies heavily on self-control and self-direction. It is worth noting that this difference is the difference between treating people as children and treating them as mature adults. After generations of the former, we cannot expect to shift to the latter overnight.

Applying the Ideas

Concepts such as decentralization, delegation, job enlargement and participation are certainly congruent with the tenets of Theory Y. However, the not infrequent failure of such ideas as these to work as well as expected is often attributable to the fact that management has "bought the idea" but within the framework of Theory X and its assumptions.

Delegation is not an effective way of exercising management by control. Participation becomes a farce when it is applied as a sales gimmick or a device for kidding people into thinking they are important. Only the management that has confidence in human capacities and is itself directed toward organizational objectives rather than toward the preservation of personal power can grasp the implications of this emerging theory. Such management will find and apply successfully other innovative ideas as we move slowly toward the full implementation of a theory like Y. . . .

The Managerial Grid

Robert Blake and Jane Mouton

A variety of theories regarding managerial behavior can be identified. These theories, or sets of assumptions, are based on the way in which three organization universals are connected to one another.[1] One of the three is *concern for production;* the amount of emphasis supervision places on achieving production. A second is *concern for people;* the productive unit of the organization. The third is hierarchy; the *boss* aspect. Whenever a man acts as a manager, he is in some way making assumptions about how to solve problems of achieving organization purposes of production through people.[2]

Dimensions of the Grid

Before going on let's define exactly what we mean by "concern for." This is not meant to indicate *how much* (such as, how much production, meaning quantity), nor is it intended to reflect the degree that the needs of people actually are met. Rather, emphasis here is on the *degree* of "concern for" which is present in the *boss* because his *actions* are rooted in, and flow out of, his own *basic attitudes.* What is significant is *how* a supervisor is concerned about production and *how* he concerns himself about people, and *how* these concerns intertwine.[3,4]

Concern for Production

The words *production* or *people* cover a range of considerations. Attitudes of concern toward production, for example, may be seen in the quality of policy decisions, the number of creative ideas that applied research turns into useful products, procedures or processes; number of accounts processed; quality and thoroughness of staff services; workload and efficiency measurements; volume of sales or units of physical output. Production as used here is

faction with manager) to indirect relationships (e.g., business volume) to no relationship (e.g., advanced underwriting).

8. Leadership, as conceived and operationalized here, is not adequate alone to predict effectiveness: instead, additional and, in some cases, intervening constructs must be included to improve prediction. These "other" constructs are of several distinct types:

   a. *Leadership related.* Regional manager's expert power, regional manager's influence acceptance and rivalry among agents.

   b. *Work patterns.* Percentage of time in miscellaneous activities, in paperwork for clients and in professional development.

   c. *Personal and motivational.* Education, level of aspiration, need for affiliation, goal compatibility of individual and organization and classical business ideology.

Notes

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[2] F. C. Mann, "Toward an Understanding of the Leadership Role in Formal Organization," in R. Dubin, G. C. Homans, F. C. Mann, and D. C. Miller, *Leadership and Productivity* (San Francisco, Calif.: Chandler Publishing Company, 1965), pp. 68–103.

[3] J. K. Hemphill and A. E. Coons, "Development of the Leader Behavior Description Questionnaire," in R. M. Stogdill and A. E. Coons (eds.), *Leader Behavior: Its Description and Measurement* (Research Monograph No. SS, Columbus, Ohio: Bureau of Business Research, the Ohio State University, 1957), pp. 6–38.

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[6] R. L. Kahn, "The Prediction of Productivity," *Journal of Social Issues*, 12 (1956), 41–49.

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[9] Cartwright and A. Zander, *Group Dynamics Research and Theory* (Evanston, Ill.: Row, Peterson & Co., 1960).

[10] Hemphill and Coons, *op. cit.*

[11] Mann, *op. cit.*

[12] R. Likert, *New Patterns of Management* (NY: McGraw-Hill, 1961), p.103.

[13] Ibid., p. 104.

[14] Ibid., p. 8.

[15] Ibid., p. 171.

[16] Ibid., p. 171.

[17] B. M. Bass, *Leadership, Psychology, and Organizational Behavior* (New York: Harper & Bros., 1960); Cartwright and Zander, *op. cit.;* M. and Carolyn W. Sherif, *An Outline of Social Psychology* (New York: Harper & Bros., 1956).

Servant Leadership
Its Origin, Development and Application

Sen Sendjaya and James C. Sarros

Although the notion of servant leadership has been recognized in the leadership literature since Burns' (1978) and Greenleaf's (1977) publications, the movement has gained momentum only recently. Bowman (1997) argues that to date there is only anecdotal evidence to support a commitment to an understanding of servant leadership. For example, Spears' (1995) identification of ten characteristics of servant leadership (i.e. listening, empathy, healing, awareness, persuasion, conceptualization, foresight, stewardship, commitment to the growth of people, and building community) is based solely on his readings of Greenleaf's essays, and is not grounded in solid research studies.

One reason for the scarcity of research on servant leadership is that the very notion of "servant as leader" is an oxymoron. It may be difficult to think and act both as leader and servant at the same time—a leader who serves and a servant who leads. Nevertheless, the dynamic conceptual relationships and complementary roles between servant-hood and leadership have recently attracted the attention of leadership scholars and practitioners (Bass, 1999; Bowman, 1997; Buchen, 1998; Chappel, 2000; Choi & Mai-Dalton, 1998; De Pree, 1989; Farling, Stone, & Winston, 1999; Graham, 1991; Pollard, 1997; Russell, 2001; Senge, 1990, 1995; Spears, 1995).

Bass (2000) asserts that, as a concept, servant leadership theory requires substantial empirical research. Bass does believe that its profound philosophical foundation provides avenues for its theoretical development: "The strength of the servant leadership movement and its many links to encouraging follower learning, growth, and autonomy, suggests that the untested theory will play a role in the future leadership of the learning organization" (2000:33). Given the current organizational context which puts an emphasis on a sense of community, empowerment, shared authority, and relational

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A 1976 Theory of Charismatic Leadership

Robert J. House

Charisma is the term commonly used in the sociological and political science literature to describe leaders who by force of their personal abilities are capable of having profound and extraordinary effects on followers.[1] These effects include commanding loyalty and devotion to the leader and of inspiring followers to accept and execute the will of the leader without hesitation or question or regard to one's self-interest. The term *charisma*, whose initial meaning was "gift," is usually reserved for leaders who by their influence are able to cause followers to accomplish outstanding feats. Frequently such leaders represent a break with the established order and through their leadership major social changes are accomplished.

Most writers concerned with charisma or charismatic leadership begin their discussion with Max Weber's conception of charisma. Weber describes as charismatic those leaders who "reveal a transcendent mission or course of action which may be in itself appealing to the potential followers, but which is acted on because the followers believe their leader is extraordinarily gifted" (Weber, 1947, p. 358). Transcendence is attributed implicitly to both the qualities of the leader and the content of his mission, the former being variously described as "supernatural, superhuman or exceptional" (Weber, 1947, p. 358).

Shils (1965) points out that Weber conceived of charismatic leadership as one of the processes through which routinized social processes, norms and legal rules are changed. Weber distinguished innovators and creators from maintainers and attributed the "gift" of charisma in part to the creative or innovative quality of the leader's goals.

Several writers contend that charismatic leadership can and does exist in formal complex organizations (Dow, 1969; Oberg, 1972; Runciman, 1963;

From Transactional to Transformational Leadership

Learning to Share the Vision

Bernard M. Bass

Sir Edmund Hillary of Mount Everest fame liked to tell a story about one of Captain Robert Falcon Scott's earlier attempts, from 1901 to 1904, to reach the South Pole. Scott led an expedition made up of men from the Royal Navy and the merchant marine, as well as a group of scientists. Scott had considerable trouble dealing with the merchant marine personnel, who were unaccustomed to the rigid discipline of Scott's Royal Navy. Scott wanted to send one seaman home because he would not take orders, but the seaman refused, arguing that he had signed a contract and knew his rights. Since the seaman was not subject to Royal Navy disciplinary action, Scott did not know what to do. Then Ernest Shackleton, a merchant navy officer in Scott's party, calmly informed the seaman that he, the seaman, was returning to Britain. Again the seaman refused—and Shackleton knocked him to the ship's deck. After another refusal, followed by a second flooring, the seaman decided he would return home. Scott later became one of the victims of his own inadequacies as a leader in his 1911 race to the South Pole. Shackleton went on to lead many memorable expeditions; once, seeking help for the rest of his party, who were stranded on the Antarctic Coast, he journeyed with a small crew in a small open boat from the edge of Antarctica to South Georgia Island.

Leadership Today

Most relationships between supervisors and their employees are quite different today. Few managers depend mainly on their legitimate power, as

Scott did, or on their coercive power, as Shackleton did, to persuade people to do as they're told. Rather, managers engage in a transaction with their employees: They explain what is required of them and what compensation they will receive if they fulfill these requirements.

A shift in management style at Xerox's Reprographic Business Group (RBG) provides a good example. In the first step toward establishing management in which managers take the initiative and show consideration for others, 44 specific, effective management behaviors were identified. Two factors that characterize modern leadership were found in many of these behaviors. One factor—initialing and organizing work—concentrates on accomplishing the tasks at hand. The second factor—showing consideration for employees—focuses on satisfying the self-interest of those who do good work. The leader gets things done by making, and fulfilling, promises of recognition, pay increases, and advancement for employees who perform well. By contrast, employees who do not do good work are penalized. This transaction or exchange—this promise and reward for good performance, or threat and discipline for poor performance—characterizes effective leadership. These kinds of transactions took place in most of the effective 44 leadership behaviors identified at Xerox's RBG. This kind of leadership, which is based on transactions between manager and employees, is called "transactional leadership."

In many instances, however, such transactional leadership is a prescription for mediocrity. This is particularly true if the leader relies heavily on passive management-by-exception, intervening with his or her group only when procedures and standards for accomplishing tasks are not being met. My colleagues and I have arrived at this surprising but consistent finding in a number of research analyses. Such a manager espouses the popular adage, "If it ain't broken, don't fix it." He or she stands in back of the caboose of a moving freight train and says, "Now I know where we are going." This kind of manager may use disciplinary threats to bring a group's performance up to standards—a technique that is ineffective and, in the long run, likely to be counterproductive.

Moreover, whether the promise of rewards or the avoidance of penalties motivates the employees depends on whether the leader has control of the rewards or penalties, and on whether the employees want the rewards or fear the penalties. In many organizations, pay increases depend mainly on seniority, and promotions depend on qualifications and policies about which the leader has little to say. The breaking of regulations may be the main cause of penalties. Many an executive has found his or her hands tied by contract provisions, organizational politics, and inadequate resources.

Transformational Leadership

Superior leadership performance—transformational leadership—occurs when leaders broaden and elevate the interests of their employees, when they generate awareness and acceptance of the purposes and mission of the group,

Life Cycle Theory of Leadership

Paul Hersey and Kenneth H. Blanchard

The recognition of task and relationships as two important dimensions of leader behavior has pervaded the works of management theorists[1] over the years. These two dimensions have been variously labeled as "autocratic" and "democratic"; "authoritarian" and "equalitarian"; "employee-oriented" and "production-oriented"; "goal achievement" and "group maintenance"; "task-ability" and "likeability"; "instrumental and expressive"; "efficiency and effectiveness." The difference between these concepts and task and relationships seems to be more semantic than real.

For some time, it was believed that task and relationships were either/or styles of leader behavior and, therefore, should be depicted as a single dimension along a continuum, moving from very authoritarian (task) leader behavior at one end to very democratic (relationships) leader behavior at the other.[2]

Ohio State Leadership Studies

In more recent years, the feeling that task and relationships were either/or leadership styles has been dispelled. In particular, the leadership studies initiated in 1945 by the Bureau of Business Research at Ohio State University[3] questioned whether leader behavior could be depicted on a single continuum.

In attempting to describe *how* a leader carries out his activities, the Ohio State staff identified "initiating structure" (task) and "consideration" (relationships) as the two most important dimensions of leadership. "Initiating structure" refers to "the leader's behavior in delineating the relationship between himself and members of the work-group and in endeavoring to establish well-defined patterns of organization, channels of communication,

and methods of procedure." On the other hand, "consideration" refers to "behavior indicative of friendship, mutual trust, respect, and warmth in the relationship between the leader and the members of his staff."[4]

In the leadership studies that followed, the Ohio State staff found that leadership styles vary considerably from leader to leader. The behavior of some leaders is characterized by rigidly structuring activities of followers in terms of *task* accomplishments, while others concentrate on building and maintaining good personal *relationships* between themselves and their followers. Other leaders have styles characterized by both task and relationships behavior. There are even some individuals in leadership positions whose behavior tends to provide little structure or development of interpersonal relationships. No dominant style appears. Instead, various combinations are evident. Thus, task and relationships are not either/or leadership styles as an authoritarian-democratic continuum suggests. Instead, these patterns of leader behavior are separate and distinct dimensions which can be plotted on two separate axes, rather than a single continuum. Thus, the Ohio State studies resulted in the development of four quadrants to illustrate leadership styles in terms of initiating structure (task) and consideration (relationships) as shown in Figure 1.

The Managerial Grid

Robert R. Blake and Jane S. Mouton[5] in their Managerial Grid have popularized the task and relationships dimensions of leadership and have used them extensively in organization and management development programs.

In the Managerial Grid, five different types of leadership based on concern for production (task) and concern for people (relationships) are located in the four quadrants identified by the Ohio State studies.
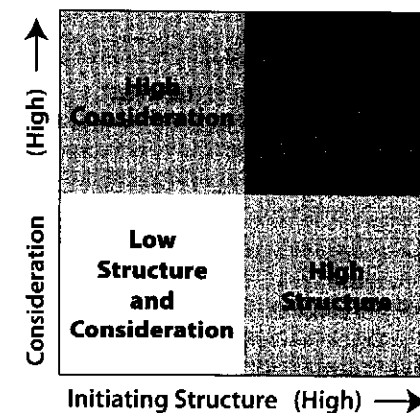

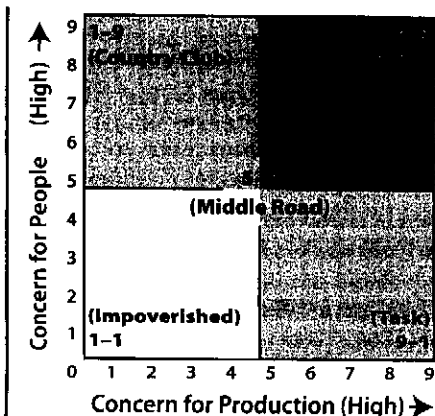**Figure 1 The Ohio State Leadership Quadrants**

Figure 2 The Managerial Grid Leadership Styles

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Leadership and Decision Making

Victor H. Vroom and Arthur G. Jago

Introduction

Several scholarly disciplines share an interest in the decision-making process. On one hand, there are related fields of operations research and management science, both concerned with how to improve the decisions which are made. Their models of decision making, aimed at providing a rational basis for selecting among alternative courses of action, are termed *normative* or *prescriptive* models. On the other hand, there have been attempts by psychologists, sociologists, and political scientists to understand the decisions and choices that people do make. March and Simon (1958) were among the first to suggest that an understanding of the decision-making process could be central to an understanding of the behavior of organizations—a point of view that was later amplified by Cyert and March (1963) in their behavioral theory of the firm. In this tradition, the goal is understanding rather than improvement, and the models are descriptive rather than normative.

Whether the models are normative or descriptive, the common ingredient is a conception of decision making as an information-processing activity, frequently one which takes place within a single manager. Both sets of models focus on the set of alternative decisions or problem solutions from which the choice is, or should be, made. The normative models are based on the consequences of choices among these alternatives, the descriptive models on the determinants of these choices.

In this article, the authors take a somewhat different, although complementary, view of managerial decision making. They view decision making as

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Motivation, Leadership, and Organization

Do American Theories Apply Abroad?

Geert Hofstede

A well-known experiment used in organizational behavior courses involves showing the class an ambiguous picture—one that can be interpreted in two different ways. One such picture represents either an attractive young girl or an ugly old woman, depending on the way you look at it. Some of my colleagues and I use the experiment, which demonstrates how different people in the same situation may perceive quite different things. We start by asking half of the class to close their eyes while we show the other half a slightly altered version of the picture—one in which only the young girl can be seen—for only five seconds. Then we ask those who just saw the young girl's picture to close their eyes while we give the other half of the class a five-second look at a version in which only the old woman can be seen. After this preparation we show the ambiguous picture to everyone at the same time.

The results are amazing—most of those "conditioned" by seeing the young girl first see only the young girl in the ambiguous picture, and those "conditioned" by seeing the old woman tend to see only the old woman. We then ask one of those who perceive the old woman to explain to one of those who perceive the young girl what he or she sees, and vice versa, until everyone finally sees both images in the picture. Each group usually finds it very difficult to get its views across to the other one and sometimes there's considerable irritation at how "stupid" the other group is.

dyad (pair). The process by which roles are defined and exchanges take place between leader and follower will resonate with readers who have been in either position. In particular, the insights of this work heighten awareness of the role-making process, in-group and out-group dynamics, and the power of leader-member exchange. Practical implications for organizations interested in team building are clearly articulated.

The selection titled *Power Acquisition and Retention* highlights the classic work of Gerald R. Salancik and Jeffrey Pfeffer, which explores power as a function of strategic contingencies. Specifically, these authors view power as something that accrues to organizational subunits (individuals, departments) that cope with critical organizational problems. Their model provides explanations and guidance regarding power in organizations that go beyond those which restrict power to an interpersonal process. Moreover, it holds a number of practically relevant implications for all leader/managers.

The "empowerment" movement was born with Bandura's work on the concept of self-efficacy (sense of self power) and its consequences. In *Leadership: The Art of Empowering Others*, Jay A. Conger provides a lucid explanation of the process of empowerment, its relevance and probable advantages, and implementation issues. Although the promise of empowerment has not materialized for many organizations that initially bought into the concept, this has more to do with ill-advised methods of implementation and the weakness of top leader/managers than it has to do with the integrity, relevance, and applicability of the concept. Conger's excellent article provides clear direction to leader/managers.

The final reading in this section is *Goodbye, Command and Control*, an insightful and timely essay by Margaret Wheatley. Wheatley notes that the relevance and implications of self-organizing systems, so prevalent in nature, cannot be overlooked. The environment in which all organizations operate is more complex, interdependent, and rapidly changing than ever before. Is it possible for leader/managers to be effective by behaving as though events are predictable when they are no longer so? How do we, as leader/managers, capture the hearts, minds, and creativity of our members? And how do organizations that attempt to incorporate participation and self-management deal with such issues as the fear of losing control and trust? Wheatley's cogent analysis addresses these and other questions relating to self-organizing systems.

Machiavelli and Leadership

Richard P. Calhoon

Niccolo Machiavelli would applaud the widespread application of his precepts of leadership in today's organizations and the sophisticated refinements added as a consequence of changing culture and increased knowledge. That his keen, insightful observations have continued to live for five hundred years is a testimonial to two facts: (1) tactics that are sound, based on a realistic knowledge of behavior, and (2) ploys that are "natural" courses of action, undertaken by leaders of any period to acquire power, resist aggression, and control subordinates.

The full extent and ubiquity of Machiavelli's concepts relevant to present day organizational administrators have largely escaped notice. Emphasis on "good" practices and "principles" of management on the one hand have tended to obscure the action of leaders that are unsavory but effective. On the other hand, the prevailing connotation of "Machiavellian" as a conniving, manipulative, cold-blooded means for arriving at selfish ends has completely overshadowed the need for and validity of his concepts. Actually, modern organizational leaders operate much more according to the various teachings of Machiavelli than anyone might care to admit. Moreover, they have developed gambits, machinations, and pressures far beyond those that Machiavelli ever dreamed of advancing.

Machiavellian concepts and actions are much more germane to the "guts" of interactions in business than social scientists and/or management analysts care to recognize. Responsibility for downplaying Machiavellianism in modern organizations is the same as in political science:

> I think that the unpleasant but realistic picture of politics that Machiavelli saw in his reading of history and formulation into a science, is the principal reason for the aversion in which he is generally held. No one likes to be told of shortcomings.[1]

Notes

1. Guiseppe Prezzolini, "The Kernel of Machiavelli," *The National Review* (April 8, 1961), p. 217.
2. George S. Odiorne, "Reality in Management," *Michigan Business Review* (Nov., 1967), p. 23.
3. The moral tone of Francis Bacon's *Essays* (1597–1623), *The Art of Worldly Wisdom* by Baltazer Gracian y Morales (1653), and the ethics of Friedrich Nietzsche (1844–1900) are spotted examples reflective of the objective, realistic point of view seen in Machiavelli's work.
4. Livy was born in 59 B.C. and died in 17 A.D. His fame rests upon his history of Rome, some 142 volumes.
5. Count Carlo Sforza, *The Living Thoughts of Machiavelli* (Longmans, Greene & Co., 1940), p. 13.
6. Antony Jay, *Management and Machiavelli* (New York: Holt, Rinehart & Winston, 1967), p. 26.
7. Jay, p. 4.
8. Jay, p. 4.
9. Jay, p. 17.
10. Jay, p. 17.
11. Jay, p. 28.
12. Prezzolini, p. 216.
13. Stephen B. Miles Jr., "The Management Politician," *Harvard Business Review*, 39 (Jan.–Feb., 1961), p. 36.

Leadership Power Bases

John R. P. French, Jr. and Bertram Raven

The processes of power are pervasive, complex, and often disguised in our society. Accordingly one finds in political science, in sociology, and in social psychology a variety of distinctions among different types of social power or among qualitatively different processes of social influence.[1] Our main purpose is to identify the major types of power and to define them systematically so that we may compare them according to the changes which they produce and the other effects which accompany the use of power. The phenomena of power and influence involve a dyadic relation between two agents which may be viewed from two points of view: (a) What determines the behavior of the agent who exerts power? (b) What determines the reactions of the recipient of this behavior? We take this second point of view and formulate our theory in terms of the life space of P, the person upon whom the power is exerted. In this way we hope to define basic concepts of power which will be adequate to explain many of the phenomena of social influence, including some which have been described in other less genotypic terms.

Recent empirical work, especially on small groups, has demonstrated the necessity of distinguishing different types of power in order to account for the different effects found in studies of social influence. Yet there is no doubt that more empirical knowledge will be needed to make final decisions concerning the necessary differentiations, but this knowledge will be obtained only by research based on some preliminary theoretical distinctions. We present such preliminary concepts and some of the hypotheses they suggest.

Our findings suggest the fruitfulness of our decision to forsake the traditional path to leadership (involving the assumption of homogeneous vertical dyads) for the relatively unexplored role-making path (allowing heterogeneous vertical dyads). We hope that the fruits of this role-making approach to leadership will convince others to view these processes as developmental phenomena and seek to understand them through longitudinal and "open systems" designs (Graen, 1975)

Once leadership is viewed as part of a larger developmental process it begins to lose much of its mystique. For example, the influence of a leader need not be attributed to some mysterious inner power called charisma. Rather, it can be viewed as developing within vertical dyads into leader-member exchanges which contain interlocking behavior and relationship norms. Of course, these processes may not be active at all times. More likely, they are activated by appropriate sets of events, complete their sequences, and become dormant until activated anew. Only by monitoring these processes when they are active can we hope to document their nature. Cross-sectional studies of the dormant period can only reveal residual traces of these events and foster further mystery.

It seems apparent that to enhance the positive outcomes of managerial team building we must achieve a better understanding of these developmental processes. We must discover the conditions which activate these processes and learn to guide them toward desired outcomes and away from undesired outcomes. At the present time we have a beginning—only a beginning.

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Power Acquisition and Retention

Gerald R. Salancik and Jeffrey Pfeffer

Power is held by many people to be a dirty word or, as Warren Bennis has said, "It is the organization's last dirty secret."

This article will argue that traditional "political" power, far from being a dirty business, is, in its most naked form, one of the few mechanisms available for aligning an organization with its own reality. However, institutionalized forms of power—what we prefer to call the cleaner forms of power: authority, legitimization, centralized control, regulations, and the more modern management information systems—tend to buffer the organization from reality and obscure the demands of its environment. Most great states and institutions declined, not because they played politics, but because they failed to accommodate to the political realities they faced. Political processes, rather than being mechanisms for unfair and unjust allocations and appointments, tend toward the realistic resolution of conflicts among interests. And power, while it eludes definition, is easy enough to recognize by its consequences—the ability of those who possess power to bring about the outcomes they desire.

The model of power we advance is an elaboration of what has been called strategic-contingency theory, a view that sees power as something that accrues to organizational subunits (individuals, departments) that cope with critical organizational problems. Power is used by subunits, indeed, used by all who have it, to enhance their own survival through control of scarce critical resources, through the placement of allies in key positions, and through the definition of organizational problems and policies. Because of the processes by which power develops and is used, organizations become both

for one context than another, we do so from the perspective of an outsider and on the basis of reasonable assumptions as to the problems the organization will face and the capabilities they will need. The fact that we have been able to predict the distribution of influence and the characteristics of leaders suggests that our reasoning is not incorrect. However, we do not think that all organizations follow the same pattern. The fact that we have not been able to predict outcomes with 100 percent accuracy indicates they do not.

Selected Bibliography

The literature on power is at once both voluminous and frequently empty of content. Some is philosophical musing about the concept of power, while other writing contains popularized palliatives for acquiring and exercising influence. Machiavelli's *The Prince,* if read carefully, remains the single best prescriptive treatment of power and its use. Most social scientists have approached power descriptively, attempting to understand how it is acquired, how it is used, and what its effects are. Mayer Zald's edited collection *Power in Organization* (Vanderbilt University Press, 1970) is one of the more useful sets of thoughts about power from a sociological perspective, while James Tedeschi's edited book, *The Social Influence Processes* (Aldine-Atherton, 1972) represents the social psychological approach to understanding power and influence. The strategic contingency's approach, with its emphasis on the importance of uncertainty for understanding power in organizations, is described by David Hickson and his colleagues in "A Strategic Contingencies Theory of Intraorganizational Power" (*Administrative Science Quarterly,* December 1971, pp. 216–229).

Unfortunately, while many have written about power theoretically, there have been few empirical examinations of power and its use. Most of the work has taken the form of case studies. Michel Crozier's *The Bureaucratic Phenomenon* (University of Chicago Press, 1964) is important because it describes a group's source of power as control over critical activities and illustrates how power is not strictly derived from hierarchical position. J. Victor Baldridge's *Power and Conflict in the University* (John Wiley & Sons, 1971) and Andrew Pettigrew's study of computer purchase decisions in one English firm *(Politics of Organizational Decision-Making,* Tavistock, 1973) both present insights into the acquisition and use of power in specific instances. Our work has been more empirical and comparative, testing more explicitly the ideas presented in this article. The study of university decision making is reported in articles in the June 1974, pp. 135–151, and December 1974, pp. 453–473, issues of the *Administrative Science Quarterly,* the insurance firm study in J. G. Hunt and L. L. Larson's collection, *Leadership Frontiers* (Kent State University Press, 1975), and the study of hospital administrator succession in the *Academy of Management Journal,* 1977.

Leadership
The Art of Empowering Others

Jay A. Conger

One ought to be both feared and loved, but as it is difficult for the two to go together, it is much safer to be feared than loved . . . for love is held by a chain of obligation which, men being selfish, is broken whenever it serves their purpose; but fear is maintained by a dread of punishment which never fails.

The Prince, Niccolo Machiavelli

In his handbook, *The Prince,* Machiavelli assures his readers—some being aspiring leaders, no doubt—that only by carefully amassing power and building a fearsome respect could one become a great leader. While the shadowy court life of 16th-century Italy demanded such treachery to ensure one's power, it seems hard to imagine Machiavelli's advice today as anything but a historical curiosity. Yet, interestingly, much of the management literature has focused on the strategies and tactics that managers can use to increase their own power and influence.[1] As such, a Machiavellian quality often pervades the literature, encouraging managers to ensure that their power base is strong and growing. At the same time a small but increasing number of management theorists have begun to explore the idea that organizational effectiveness also depends on the sharing of power—that the distribution of power is more important than the hoarding of power.[2]

While the idea of making others feel more powerful contradicts the stereotype of the all-powerful executive, research suggests that the traditional ways of explaining a leader's influence may not be entirely correct. For example, recent leadership studies argue that the practice of empowering—or instilling a sense of power—is at the root of organizational effectiveness, especially during times of transition and transformation.[3] In addition, studies

Goodbye, Command and Control

Margaret Wheatley

Old ways die hard. Amid all the evidence that our world is radically changing, we cling to what has worked in the past. We still think of organizations in mechanistic terms, as collections of replaceable parts capable of being reengineered. We act as if even people were machines, redesigning their jobs as we would prepare an engineering diagram, expecting them to perform to specifications with machine-like obedience. Over the years, our ideas of leadership have supported this metaphoric myth. We sought prediction and control, and also charged leaders with providing everything that was absent from the machine: vision, inspiration, intelligence, and courage. They alone had to provide the energy and direction to move their rusting vehicles of organization into the future.

But in the late 1990s, we are surrounded by too many organizational failures to stay with this thinking. We know, for example, that in many recent surveys senior leaders report that more than two-thirds of their organizational change efforts fail. They and their employees report deep cynicism at the endless programs and fads; nearly everyone suffers from increased stress of the organizational lives we have created together. Survey after survey registers our loss of hope and increased uncertainty for every major institutional form in our society. Do we know how to organize anything anymore so that people want to engage in productive and contributing work?

But there is good news also. We have known for nearly half a century that self-managed teams are far more productive than any other form of organizing. There is a clear correlation between participation and productivity; in fact, productivity gains in truly self-managed work environments are at minimum 35 percent higher than in traditionally managed organizations. And in

all forms of institutions, Americans are asking for more local autonomy, insisting that they, at their own level, can do it better than the huge structures of organizations now in place. There is both a desire to participate more and strong evidence that such participation leads to the effectiveness and productivity we crave.

With so much evidence supporting participation, why isn't everyone working in a self-managed environment right now? This is a very bothersome question because it points to the fact that over the years, leaders consistently have chosen control rather than productivity. Rather than rethinking our fundamental assumptions about organizational effectiveness, we have stayed preoccupied with charts and plans and designs. We have hoped they would yield the results we needed but when they have failed consistently, we still haven't stopped to question whether such charts and plans are the real route to productive work. We just continue to adjust and tweak the various control measures, still hoping to find the one plan or design that will give us what we need.

Organizations of all kinds are cluttered with control mechanisms that paralyze employees and leaders alike. Where have all these policies, procedures, protocols, laws, and regulations come from? And why is it so difficult to avoid creating more, even as we suffer from the terrible confines of overcontrol? These mechanisms seem to derive from our fear, our fear of one another, of a harsh competitive world, and of the natural processes of growth and change that confront us daily. Years of such fear have resulted in these byzantine systems. We never effectively control people with these systems, but we certainly stop a lot of good work from getting done.

In the midst of so much fear, it's important to remember something we all know: People organize together to accomplish more, not less. Behind every organizing impulse is a realization that by joining with others we can accomplish something important that we could not accomplish alone. And this impulse to organize so as to accomplish more is not only true of humans, but is found in all living systems. Every living thing seeks to create a world in which it can thrive. It does this by creating systems of relationships where all members of the system benefit from their connections. This movement toward organization, called self-organization in the sciences, is everywhere, from microbes to galaxies. Patterns of relationships form into effective systems of organization. Organization is a naturally occurring phenomenon. The world seeks organization, seeks its own effectiveness. And so do the people in our organizations.

As a living system self-organizes, it develops shared understanding of what's important, what's acceptable behavior, what actions are required, and how these actions will get done. It develops channels of communication, networks of workers, and complex physical structures. And as the system develops, new capacities emerge from living and working together. Looking at this list of what a self-organizing system creates leads to the realization that the system can do for itself most of what leaders have felt was necessary to do to

Conditions for Effective Leadership

Douglas McGregor

This discussion of relationships among people at work is written from the point of view of dynamic psychology which, because of its origin in the clinic, directs attention to the whole individual living and interacting within a world of other individuals. Life, from the point of view of dynamic psychology, is a continuous striving to satisfy ever-changing needs in the face of obstacles. The work life is but a segment—although a large one—of the whole.

The Setting

Within this framework we shall examine some of the important forces and events in the work situation which aid or hinder the individual as he strives to satisfy his needs. First of all, we must recognize a fundamental fact: The direct impact of almost all these forces upon the individual is through the behavior of other people. This is obvious when we speak of an order from the boss, or pressures exerted by fellow workers to get the individual to join a union. It is perhaps less obvious when we speak of the impact of the business cycle, or the consequences of a fundamental technological change. Nevertheless, the direct influence of these forces on the individual—whether he is a worker or a plant manager—occurs through the medium of the actions of other people. We must include not only the easily observed actions of others, but subtle, fleeting manifestations of attitude and emotion to which the individual reacts almost unconsciously.

For purposes of discussion we may arbitrarily divide the actions of other people which influence the individual in the work situation into three classes: actions of superiors, of subordinates, and of associates. We shall limit our

attention mainly to the actions of superiors as they affect the subordinate in his striving to satisfy his needs. This relationship is logically prior to the others, and it is in many ways the most important human relationship in industry.

The fundamental characteristics of the subordinate-superior relationship are identical whether one talks of the worker and the supervisor, the assistant superintendent and the superintendent, or the vice-president and the president. There are, to be sure, differences in the content of the relationship, and in the relative importance of its characteristics, at different levels of the industrial organization. The underlying aspects, however, are common to all levels.

The Dependence of the Subordinate

The outstanding characteristic of the relationship between the subordinate and his superiors is his dependence upon them for the satisfaction of his needs. Industry in our civilization is organized along authoritative lines. In a fundamental and pervasive sense, the subordinate is dependent upon his superiors for his job, for the continuity of his employment, for promotion with its accompanying satisfactions in the form of increased pay, responsibility, and prestige, and for a host of other personal and social satisfactions to be obtained in the work situation.

This dependence is not adequately recognized in our culture. For one thing, it is not consistent with some of our basic social values. The emphasis is usually placed upon the importance of the subordinate's own efforts in achieving the satisfaction of his needs. Nevertheless, the dependence is real, and subordinates are not unaware of it. Among workers, surveys of attitudes invariably place "fair treatment by superiors" toward the top of the list of factors influencing job satisfaction.[1,2] And the extent to which unions have attempted to place restrictions upon management's authority reflects not only a desire for power but a conscious attempt to reduce the dependence of workers upon their bosses.[3,4]

Psychologically, the dependence of the subordinate upon his superiors is a fact of extraordinary significance, in part because of its emotional similarity to the dependence characteristic of another earlier relationship: that between the child and his parents. The similarity is more than an analogy. The adult subordinate's dependence upon his superiors actually reawakens certain emotions and attitudes which were part of his childhood relationship with his parents, and which apparently have long since been outgrown. The adult is usually unaware of the similarity because most of this complex of childhood emotions has been repressed. Although the emotions influence his behavior, they are not accessible to consciousness under ordinary circumstances.

Superficially, it may seem absurd to compare these two relationships, but one cannot observe human behavior in industry without being struck by the fundamental similarity between them. Space limitations prevent elaboration of this point here, in spite of its great importance.[5]

How Leaders Embed and Transmit Culture

Edgar H. Schein

The simplest explanation of how leaders get their message across is through charisma, in that one of the main elements of that mysterious quality undoubtedly is a leader's ability to communicate major assumptions and values in a vivid and clear manner (Bennis and Nanus, 1985; Conger, 1989; Leavitt, 1986). The problem with charismatic vision as an embedding mechanism is that leaders who have it are rare and their impact is hard to predict. Historians can look back and say that certain people had charisma or had a great vision. It is not always clear at the time, however, how they transmitted the vision. For clues to that process we must look to more mundane organizational phenomena.

Some of the mechanisms that leaders use to communicate their beliefs, values, and assumptions are conscious deliberations; others are unconscious and may even be unintended (Kunda, 1992). The leader may be conflicted and may be sending mutually contradictory messages (Kets de Vries and Miller, 1984, 1987). Subordinates will tolerate and accommodate contradictory messages because, in a sense, persons at higher levels are always granted the right to be inconsistent and, in any case, are too powerful to be confronted. The emerging culture will then reflect not only the leader's assumptions but the complex internal accommodations created by subordinates to run the organization in spite of or around the leader. The group, sometimes acting on the assumption that the leader is a creative genius who has idiosyncrasies, may develop compensatory mechanisms, such as buffering layers of managers, to protect the organization from the dysfunctional aspects of the leader's behavior. In those cases the culture may become a defense mechanism against the anxieties unleashed by inconsistent leader behavior. In other

cases the organization's style of operating will reflect the very biases and unconscious conflicts that the leader experiences, thus causing some scholars to call such organizations neurotic (Kets de Vries and Miller, 1984). In the extreme, the subordinates or the board of directors may have to find ways to move the leader out altogether.

Because the initiative tends always to be with the leader, however, we will examine the process of cultural embedding from the point of view of how the power of the leader can be used to inculcate assumptions. The mechanisms, as shown in Exhibit 1, vary along several dimensions: (1) how widespread their effects are, (2) how implicit or explicit the messages conveyed are, and (3) how intentional they are.

Primary Embedding Mechanisms

Taken together, the six primary embedding mechanisms shown in Exhibit 1 create what would typically be called the "climate" of the organization (Schneider, 1990). At this stage, climate created by founder leaders precedes the existence of group culture. At a later stage, climate will be a reflection and manifestation of cultural assumptions, but early in the life of a group it reflects only the assumptions of leaders.

What Leaders Pay Attention to, Measure, and Control

One of the most powerful mechanisms that founders, leaders, managers, or even colleagues have available for communicating what they believe in or

Exhibit 1. Culture-Embedding Mechanisms	
Primary Embedding Mechanisms	**Secondary Articulation and Reinforcement Mechanisms**
What leaders pay attention to, measure, and control on a regular basis	Organization design and structure
How leaders react to critical incidents and organizational crises	Organizational systems and procedures
Observed criteria by which leaders allocate scarce resources	Design of physical space, facades, and buildings
Deliberate role modeling, teaching, and coaching	Stories, legends, and myths about people and events
Observed criteria by which leaders allocate rewards and status	Formal statements of organizational philosophy, values, and creed
Observed criteria by which leaders recruit, select, promote, retire and excommunicate organizational members	

The Discipline of Personal Mastery

Peter M. Senge

The way to begin developing a sense of personal mastery is to approach it as a *discipline,* as a series of practices and principles that must be applied to be useful. Just as one becomes a master artist by continual practice, so the following principles and practices lay the groundwork for continually expanding personal mastery.

Personal Vision

Most adults have little sense of real vision. We have goals and objectives, but these are not visions. When asked what they want, many adults will say what they want to get rid of. They'd like a better job—that is, they'd like to get rid of the boring job they have. They'd like to live in a better neighborhood, or not have to worry about crime, or about putting their kids through school. They'd like it if their mother-in-law returned to her own house, or if their back stopped hurting. Such litanies of "negative visions" are sadly commonplace, even among very successful people. They are the by-product of a lifetime of fitting in, of coping, of problem solving. As a teenager in one of our programs once said, "We shouldn't call them 'grown ups' we should call them 'given ups.'"

A subtler form of diminished vision is "focusing on the means not the result." Many senior executives, for example, choose "high market share" as part of their vision. But why? "Because I want our company to be profitable." Now, you might think that a high profit is an intrinsic result in and of itself, and indeed it is for some. But for surprisingly many other leaders, profits too are a means toward a still more important result. Why choose high annual profits?

"Because I want us to remain an independent company, to keep from being taken over." Why do you want that? "Because I want to keep our integrity and our capacity to be true to our purpose in starting the organization." While all the goals mentioned are legitimate, the last—being true to our purpose—has the greatest intrinsic significance to this executive. All the rest are means to the end, means which might change in particular circumstances. *The ability to focus on ultimate intrinsic desires, not only on secondary goals, is a cornerstone of personal mastery.*

Real vision cannot be understood in isolation from the idea of purpose. By purpose, I mean an individual's sense of why he is alive. No one could prove or disprove the statement that human beings have purpose. It would be fruitless even to engage in the debate. But as a working premise, the idea has great power. One implication is that happiness may be most directly a result of living consistently with your purpose. George Bernard Shaw expressed the idea pointedly when he said:

> This is the true joy in life, the being used for a purpose recognized by yourself as a mighty one . . . the being a force of nature instead of a feverish, selfish little clod of ailments and grievances complaining that the world will not devote itself to making you happy.[1]

This same principle has been expressed in some organizations as "genuine caring." In places where people felt uncomfortable talking about personal purpose, they felt perfectly at ease talking about genuine caring. When people genuinely care, they are naturally committed. They are doing what they truly want to do. They are full of energy and enthusiasm. They persevere, even in the face of frustration and setbacks, because what they are doing is what they must do. It is *their work.*

Everyone has had experiences when work flows fluidly; when he feels in tune with a task and works with a true economy of means. Someone whose vision calls him to a foreign country, for example, may find himself learning a new language far more rapidly than he ever could before. You can often recognize your personal vision because it creates such moments; it is the goal pulling you forward that makes all the work worthwhile.

But vision is different from purpose. Purpose is similar to a direction, a general heading. Vision is a specific destination, a picture of a desired future. Purpose is abstract. Vision is concrete. Purpose is "advancing man's capability to explore the heavens." Vision is "a man on the moon by the end of the 1960s." Purpose is "being the best I can be," "excellence." Vision is breaking four minutes in the mile.

It can truly be said that nothing happens until there is vision. But it is equally true that a vision with no underlying sense of purpose, no calling, is just a good idea—all "sound and fury, signifying nothing." Conversely, purpose without vision has no sense of appropriate scale. As Bill O'Brien, former president of Hanover Insurance, says,

> You and I may be tennis fans and enjoy talking about ground strokes, our

How I Learned to Let My Workers Lead

Ralph Stayer

In 1980, I was the head of a successful family business—Johnsonville Sausage—that was in great shape and required radical change.

Our profits were above the average for our industry, and our financial statements showed every sign of health. We were growing at a rate of about 20% annually, with sales that were strong in our home state of Wisconsin and steadily rising in Minnesota, Michigan, and Indiana. Our quality was high. We were respected in the community. I was making a lot of money.

And I had a knot in my stomach that wouldn't go away. For one thing, I was worried about competition. We were a small, regional producer with national competitors who could outpromote, outadvertise, and underprice us any time they chose.

In addition to our big national competitors, we had a host of local and regional producers small enough to provide superior service to customers who were virtually their neighbors. We were too big to have the small-town advantage and too small to have advantages of national scale. Our business was more vulnerable than it looked.

What worried me more than the competition, however, was the gap between potential and performance. Our people didn't seem to care. Every day I came to work and saw people so bored by their jobs that they made thoughtless, dumb mistakes. They mislabeled products or added the wrong seasonings or failed to mix them into the sausage properly. Someone drove the prongs of a forklift right through a newly built wall. Someone else ruined a big batch of fresh sausage by spraying it with water while cleaning the work area. These were accidents. No one was deliberately wasting money, time, and materials; it was just that people took no responsibility for their work.

They showed up in the morning, did halfheartedly what they were told to do, and then went home.

Now, I didn't expect them to be as deeply committed to the company as I was. I owned it, and they didn't. But how could we survive a serious competitive challenge with this low level of attentiveness and involvement?

Getting to Points B and A

In 1980, I began looking for a recipe for change. I started by searching for a book that would tell me how to get people to care about their jobs and their company. Not surprisingly, the search was fruitless. No one could tell me how to wake up my own work force; I would have to figure it out for myself.

And yet, I told myself, why not? I had made the company, so I could fix it. This was an insight filled with pitfalls but it *was* an insight: the fault was not someone else's, the fault was mine.

Of course, I hadn't really built the company all alone, but I had created the management style that kept people from assuming responsibility. Of course, it was counterproductive for me to own all the company's problems by myself, but in 1980 every problem did, in fact, rest squarely on my shoulders, weighing me down and—though I didn't appreciate it at the time—crippling my subordinates and strangling the company. If I was going to fix what I had made, I would have to start by fixing myself. In many ways that was my good luck, or, to put the same thought another way, thank God I was the problem so I could be the solution.

As I thought about what I should do, I first asked myself what I needed to do to achieve the company's goals. But what *were* the company's goals? What did I really want Johnsonville to be? I didn't know.

This realization led me to a second insight: nothing matters more than a goal. The most important question any manager can ask is, "In the best of all possible worlds, what would I really want to happen?"

I tried to picture what Johnsonville would have to be to sell the most expensive sausage in the industry and still have the biggest market share. What I saw in my mind's eye was definitely not an organization where I made all the decisions and owned all the problems. What I saw was an organization where people took responsibility for their own work, for the product, for the company as a whole. If that happened, our product and service quality would improve, our margins would rise, and we could reduce costs and successfully enter new markets. Johnsonville would be much less vulnerable to competition.

The image that best captured the organizational end state I had in mind for Johnsonville was a flock of geese on the wing. I didn't want an organizational chart with traditional lines and boxes, but a "V" of individuals who knew the common goal, took turns leading, and adjusted their structure to the task at hand. Geese fly in a wedge, for instance, but land in waves. Most

Principle-Centered Leadership

Stephen R. Covey

From study and observation and from my own strivings, I have isolated eight discernible characteristics of people who are principle-centered leaders. These traits not only characterize effective leaders, they also serve as signs of progress for all of us. I will briefly discuss each in turn.

They Are Continually Learning

Principle-centered people are constantly educated by their experiences. They read, they seek training, they take classes, they listen to others, they learn through both their ears and their eyes. They are curious, always asking questions. They continually expand their competence, their ability to do things. They develop new skills, new interests. They discover that the more they know, the more they realize they don't know; that as their circle of knowledge grows, so does its outside edge of ignorance. Most of this learning and growth energy is self-initiated and feeds upon itself.

You will develop your abilities faster by learning to make and keep promises or commitments. Start by making a small promise to yourself; continue fulfilling that promise until you have a sense that you have a little more control over yourself. Now take the next level of challenge. Make yourself a promise and keep it until you have established control at that level. Now move to the next level; make the promise, keep it. As you do this, your sense of personal worth will increase; your sense of self-mastery will grow, as will your confidence that you can master the next level.

Be serious and intent in the whole process, however, because if you make this commitment to yourself and then break it, your self-esteem will be weakened and your capacity to make and keep another promise will be decreased.

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They Are Service-Oriented

Those striving to be principle-centered see life as a mission, not as a career. Their nurturing sources have armed and prepared them for service. In effect, every morning they "yoke up" and put on the harness of service, thinking of others.

See yourself each morning yoking up, putting on the harness of service in your various stewardships. See yourself taking the straps and connecting them around your shoulders as you prepare to do the work assigned to you that day. See yourself allowing someone else to adjust the yoke or harness. See yourself yoked up to another person at your side—a co-worker or spouse—and learning to pull together with that person.

I emphasize this principle of service or yoking up because I have come to believe that effort to become principle-centered without a load to carry simply will not succeed. We may attempt to do it as a kind of intellectual or moral exercise, but if we don't have a sense of responsibility, of service, of contribution, something we need to pull or push, it becomes a futile endeavor.

They Radiate Positive Energy

The countenances of principle-centered people are cheerful, pleasant, happy. Their attitude is optimistic, positive, upbeat. Their spirit is enthusiastic, hopeful, believing.

This positive energy is like an energy field or an aura that surrounds them and that similarly charges or changes weaker, negative energy fields around them. They also attract and magnify smaller positive energy fields. When they come into contact with strong, negative energy sources, they tend either to neutralize or to sidestep this negative energy. Sometimes they will simply leave it, walking away from its poisonous orbit. Wisdom gives them a sense of how strong it is and a sense of humor and of timing in dealing with it.

Be aware of the effect of your own energy and understand how you radiate and direct it. And in the middle of confusion or contention or negative energy, strive to be a peacemaker, a harmonizer, to undo or reverse destructive energy. You will discover what a self-fulfilling prophecy positive energy is when combined with the next characteristic.

They Believe in People

Principle-centered people don't overreact to negative behaviors, criticism, or human weaknesses. They don't feel built up when they discover the weaknesses of others. They are not naive; they are aware of weakness. But they realize that behavior and potential are two different things. They believe in the unseen potential of all people. They feel grateful for their blessings and feel naturally to compassionately forgive and forget the offenses of others.

Managing Oneself

Peter F. Drucker

History's great achievers—a Napoleón, a da Vinci, a Mozart—have always managed themselves. That, in large measure, is what makes them great achievers. But they are rare exceptions, so unusual both in their talents and their accomplishments as to be considered outside the boundaries of ordinary human existence. Now, most of us, even those of us with modest endowments, will have to learn to manage ourselves. We will have to learn to develop ourselves. We will have to place ourselves where we can make the greatest contribution. And we will have to stay mentally alert and engaged during a 50-year working life, which means knowing how and when to change the work we do.

What Are My Strengths?

Most people think they know what they are good at. They are usually wrong. More often, people know what they are not good at and even then more people are wrong than right. And yet, a person can perform only from strength. One cannot build performance on weaknesses, let alone on something one cannot do at all.

Throughout history, people had little need to know their strengths. A person was born into a position and a line of work: The peasant's son would also be a peasant; the artisan's daughter, an artisan's wife; and so on. But now people have choices. We need to know our strengths in order to know where we belong.

The only way to discover your strengths is through feedback analysis. Whenever you make a key decision or take a key action, write down what you expect will happen. Nine or 12 months later, compare the actual results with your expectations. I have been practicing this method for 15 to 20 years now, and every time I do it, I am surprised. The feedback analysis showed me,

for instance—and to my great surprise—that I have an intuitive understanding of technical people, whether they are engineers or accountants or market researchers. It also showed me that I don't really resonate with generalists.

Feedback analysis is by no means new. It was invented sometime in the fourteenth century by an otherwise totally obscure German theologian and picked up quite independently, some 150 years later, by John Calvin and Ignatius of Loyola, each of whom incorporated it into the practice of his followers. In fact, the steadfast focus on performance and results that this habit produces explains why the institutions these two men founded, the Calvinist church and the Jesuit order, came to dominate Europe within 30 years.

Practiced consistently, this simple method will show you within a fairly short period of time, maybe two or three years, where your strengths lie—and this is the most important thing to know. The method will show you what you are doing or failing to do that deprives you of the full benefits of your strengths. It will show you where you are not particularly competent. And finally, it will show you where you have no strengths and cannot perform.

Several implications for action follow from feedback analysis. First and foremost, concentrate on your strengths. Put yourself where your strengths can produce results.

Second, work on improving your strengths. Analysis will rapidly show where you need to improve skills or acquire new ones. It will also show the gaps in your knowledge—and those can usually be filled. Mathematicians are born, but everyone can learn trigonometry.

Third, discover where your intellectual arrogance is causing disabling ignorance and overcome it. Far too many people—especially people with great expertise in one area—are contemptuous of knowledge in other areas or believe that being bright is a substitute for knowledge. First-rate engineers, for instance, tend to take pride in not knowing anything about people. Human beings, they believe, are much too disorderly for the good engineering mind. Human resources professionals, by contrast, often pride themselves on their ignorance of elementary accounting or of quantitative methods altogether. But taking pride in such ignorance is self-defeating. Go to work on acquiring the skills and knowledge you need to fully realize your strengths.

It is equally essential to remedy your bad habits—the things you do or fail to do that inhibit your effectiveness and performance. Such habits will quickly show up in the feedback. For example, a planner may find that his beautiful plans fail because he does not follow through on them. Like so many brilliant people, he believes that ideas move mountains. But bulldozers move mountains; ideas show where the bulldozers should go to work. This planner will have to learn that the work does not stop when the plan is completed. He must find people to carry out the plan and explain it to them. He must adapt and change it as he puts it into action. And finally, he must decide when to stop pushing the plan.

At the same time, feedback will also reveal when the problem is a lack of

university, even though she may be fully qualified for it. There are tragedies in one's family life: the breakup of one's marriage or the loss of a child. At such times, a second major interest—not just a hobby—may make all the difference. The engineer, for example, now knows that he has not been very successful in his job. But in his outside activity—as church treasurer, for example—he is a success. One's family may break up, but in that outside activity there is still a community.

In a society in which success has become so terribly important, having options will become increasingly vital. Historically, there was no such thing as "success." The overwhelming majority of people did not expect anything but to stay in their "proper station," as an old English prayer has it. The only mobility was downward mobility.

In a knowledge society, however, we expect everyone to be a success. This is clearly an impossibility. For a great many people, there is at best an absence of failure. Wherever there is success, there has to be failure. And then it is vitally important for the individual, and equally for the individual's family, to have an area in which he or she can contribute, make a difference, and be *somebody*. That means finding a second area—whether in a second career, a parallel career, or a social venture—that offers an opportunity for being a leader, for being respected, for being a success.

The challenges of managing oneself may seem obvious, if not elementary. And the answers may seem self-evident to the point of appearing naive. But managing oneself requires new and unprecedented things from the individual, and especially from the knowledge worker. In effect, managing oneself demands that each knowledge worker think and behave like a chief executive officer. Further, the shift from manual workers who do as they are told to knowledge workers who have to manage themselves profoundly challenges social structure. Every existing society, even the most individualistic one, takes two things for granted, if only subconsciously—that organizations outlive workers, and that most people stay put.

But today the opposite is true. Knowledge workers outlive organizations, and they are mobile. The need to manage oneself is therefore creating a revolution in human affairs.
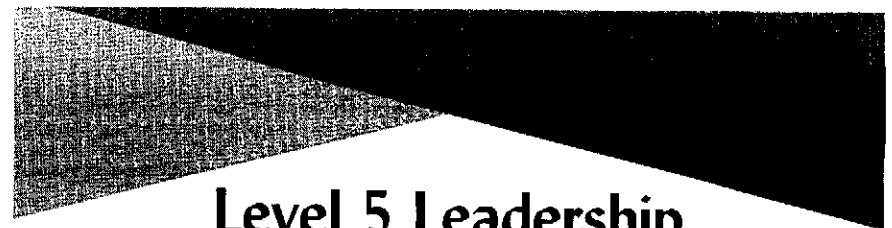
Level 5 Leadership
The Triumph of Humility and Fierce Resolve

Jim Collins

In 1971, a seemingly ordinary man named Darwin E. Smith was named chief executive of Kimberly-Clark, a stodgy old paper company whose stock had fallen 36% behind the general market during the previous 20 years. Smith, the company's mild-mannered in-house lawyer, wasn't so sure the board had made the right choice—a feeling that was reinforced when a Kimberly-Clark director pulled him aside and reminded him that he lacked some of the qualifications for the position. But CEO he was, and CEO he remained for 20 years.

What a 20 years it was. In that period, Smith created a stunning transformation at Kimberly-Clark, turning it into the leading consumer paper products company in the world. Under his stewardship, the company beat its rivals Scott Paper and Procter & Gamble. And in doing so, Kimberly-Clark generated cumulative stock returns that were 4.1 times greater than those of the general market, outperforming venerable companies such as Hewlett-Packard, 3M, Coca-Cola, and General Electric.

Smith's turnaround of Kimberly-Clark is one the best examples in the twentieth century of a leader taking a company from merely good to truly great. And yet few people—even ardent students of business history—have heard of Darwin Smith. He probably would have liked it that way. Smith is a classic example of a Level 5 leader—an individual who blends extreme personal humility with intense professional will. According to our five-year research study, executives who possess this paradoxical combination of traits are catalysts for the statistically rare event of transforming a good company into a great one. (The research is described in the sidebar "One Question, Five Years, 11 Companies.")

Self-Mastery

When you know yourself, you can master yourself. You can keep your ego in check, take responsibility for your behavior, adapt to change, embrace new ideas, and adhere to your standards of integrity and honesty under all conditions.

Self-mastery is the key to true self-confidence. We're talking about the kind that's authentic and positive, as opposed to the kinds that mask weakness or insecurity—the studied demeanor of confidence, or outright arrogance.

Self-confident people contribute the most to dialogues. Their inner security gives them a methodology for dealing with the unknown and for linking it to the actions that need to be taken. They know they don't know everything; they are actively curious, and encourage debate to bring up opposite views and set up the social ambience of learning from others. They can take risks, and relish hiring people who are smarter than themselves. So when they encounter a problem, they don't have to whine, cast blame, or feel like victims. They know they'll be able to fix it.

Humility

The more you can contain your ego, the more realistic you are about your problems. You learn how to listen and admit that you don't know all the answers. You exhibit the attitude that you can learn from anyone at any time. Your pride doesn't get in the way of gathering the information you need to achieve the best results. It doesn't keep you from sharing the credit that needs to be shared. Humility allows you to acknowledge your mistakes. Making mistakes is inevitable, but good leaders both admit and learn from them and over time create a decision-making process based on experience. . . .

How do you develop these qualities in yourself? There are, of course, books on the subject, some of them useful. Many companies, including GE and Citicorp, include self-assessment tools in their leadership development programs.

But the ultimate learning comes from paying attention to experience. As people reflect on their experiences, or as they get coached, blockages crumble and emotional strengths develop. Sometimes the ahas also come from watching others' behaviors; your observational capabilities make you realize that you too have a blockage that you need to correct. Either way, as you gain experience in self-assessment, your insights get converted into improvements that expand your personal capacity.

Such learning is not an intellectual exercise. It requires tenacity, persistence, and daily engagement. It requires reflection and modifying personal behavior. But my experience is that once an individual gets on this track, his or her capacity for growth is almost unlimited.

The behavior of a business's leaders is, ultimately, the behavior of the organization. As such, it's the foundation of the culture.
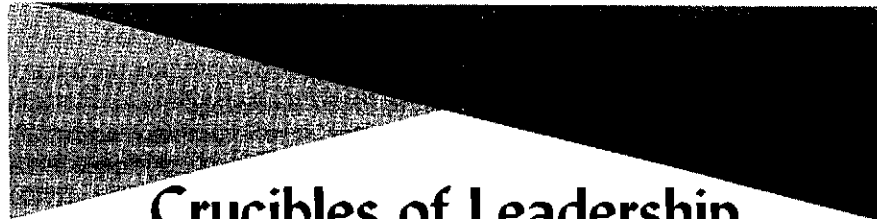
Crucibles of Leadership

Warren G. Bennis and Robert J. Thomas

As lifelong students of leadership, we are fascinated with the notion of what makes a leader. Why is it that certain people seem to naturally inspire confidence, loyalty, and hard work, while others (who may have just as much vision and smarts) stumble, again and again? It's a timeless question, and there's no simple answer. But we have come to believe it has something to do with the different ways that people deal with adversity. Indeed, our recent research has led us to conclude that one of the most reliable indicators and predictors of true leadership is an individual's ability to find meaning in negative events and to learn from even the most trying circumstances. Put another way, the skills required to conquer adversity and emerge stronger and more committed than ever are the same ones that make for extraordinary leaders.

Take Sidney Harman. Thirty-four years ago, the then-48-year-old businessman was holding down two executive positions. He was the chief executive of Harman Kardon (now Harman International), the audio components company he had cofounded, and he was serving as president of Friends World College, now Friends World Program, an experimental Quaker school on Long Island whose essential philosophy is that students, not their teachers, are responsible for their education. Juggling the two jobs, Harman was living what he calls a "bifurcated life," changing clothes in his car and eating lunch as he drove between Harman Kardon offices and plants and the Friends World campus. One day while at the college, he was told his company's factory in Bolivar, Tennessee, was having a crisis.

He immediately rushed to the Bolivar factory, a facility that was, as Harman now recalls, "raw, ugly, and, in many ways, demeaning." The problem, he found, had erupted in the polish and buff department, where a crew of a dozen workers, mostly African Americans, did the dull, hard work of polishing mirrors and other parts, often under unhealthy conditions. The men on

:quired. Klein built it into Transoft Networks, which Hewlett-Packard :quired in 1999. Consider, too, Mickie Siebert, who used her sense of umor to curtail offensive conversations. Or Sidney Rittenberg's strength dur-1g his imprisonment. He drew on his personal memories and inner strength) emerge from his lengthy prison term without bitterness.

It is the combination of hardiness and ability to grasp context that, above .1, allows a person to not only survive an ordeal, but to learn from it, and to nerge stronger, more engaged, and more committed than ever. These :tributes allow leaders to grow from their crucibles, instead of being :stroyed by them—to find opportunity where others might find only :spair. This is the stuff of true leadership.

Try Feedforward Instead of Feedback

Marshall Goldsmith

Providing feedback has long been considered to be an essential skill for leaders. As they strive to achieve the goals of the organization, employees need to know how they are doing. They need to know if their performance is in line with what their leaders expect. They need to learn what they have done well and what they need to change. Traditionally, this information has been communicated in the form of "downward feedback" from leaders to their employees. Just as employees need feedback from leaders, leaders can benefit from feedback from their employees. Employees can provide useful input on the effectiveness of procedures and processes as well as input to managers on their leadership effectiveness. This "upward feedback" has become increasingly common with the advent of 360° multi-rater assessments.

But there is a fundamental problem with all types of feedback: it focuses on *the past*, on what has already occurred, not on the infinite variety of opportunities that can happen in the future. As such, feedback can be limited and static, as opposed to expansive and dynamic.

Over the past several years, I have observed more than ten thousand leaders as they participated in a fascinating experiential exercise. In the exercise, participants are each asked to play two roles. In one role, they are asked to provide *feedforward**—that is, to give someone else suggestions for the future and *help as much as they can*. In the second role, they are asked to accept *feedforward*—that is, to listen to the suggestions for the future and *learn as much as they can*. The exercise typically lasts for 10–15 minutes, and the average participant has 6–7 dialogue sessions. In the exercise participants are asked to:

* The term "feedforward" was coined in a discussion that I had with Jon Katzenbach, author of *The Wisdom of Teams, Real Change Leaders,* and *Peak Performance.*

Authentic Leadership

Bill George

Not long ago I was meeting with a group of high-talent young executives at Medtronic. We were discussing career development when the leader of the group asked me to list the most important characteristics one has to have to be a leader in Medtronic. I said, "I can summarize it in a single word: authenticity."

After years of studying leaders and their traits, I believe that leadership begins and ends with authenticity. It's being yourself; being the person you were created to be. This is not what most of the literature on leadership says, nor is it what the experts in corporate America teach. Instead, they develop lists of leadership characteristics one is supposed to emulate. They describe the styles of leaders and suggest that you adopt them.

This is the opposite of authenticity. It is about developing the image or *persona* of a leader. Unfortunately, the media, the business press, and even the movies glorify leaders with high-ego personalities. They focus on the style of leaders, not their character. In large measure, making heroes out of celebrity CEOs is at the heart of the crisis in corporate leadership.

The Authentic Leader

Authentic leaders genuinely desire to serve others through their leadership. They are more interested in empowering the people they lead to make a difference than they are in power, money, or prestige for themselves. They are as guided by qualities of the heart, by passion and compassion, as much as they are by qualities of the mind.

Authentic leaders are not born that way. Many people have natural leadership gifts, but they have to develop them fully to become outstanding leaders. Authentic leaders use their natural abilities but they also recognize their shortcomings and work hard to overcome them. They lead with purpose,

meaning, and values. They build enduring relationships with people. Oth follow them because they know where they stand. They are consistent a self-disciplined. When their principles are tested, they refuse to compromi Authentic leaders are dedicated to developing themselves because they kn that becoming a leader takes a lifetime of personal growth.

Being Your Own Person

Leaders are all very different people. Any prospective leader who bu into the necessity of attempting to emulate all the characteristics of a leade doomed. I know because I tried it early in my career. It simply doesn't wor

The one essential quality a leader must have is to be your own perso authentic in every regard. The best leaders are autonomous and highly inc pendent. Those who are too responsive to the desires of others are likely to whipsawed by competing interests, too quick to deviate from their course unwilling to make difficult decisions for fear of offending. My advice to t people I mentor is simply to be themselves.

Being your own person is most challenging when it feels like everyone pressuring you to take one course and you are standing alone. In the fu semester of business school we watched *The Loneliness of the Long Distance Ru ner.* In many ways I did not relate to the film's message, as I had always su rounded myself with people to avoid being lonely. Learning to cope with tl loneliness at the top is crucial so that you are not swayed by the pressure. Bei able to stand alone against the majority is essential to being your own person

Shortly after I joined Medtronic as president, I walked into a meetii where it quickly became evident that a group of my new colleagues had pi arranged a strategy to settle a major patent dispute against Siemens on tl basis of a royalty-free cross-license as a show of good faith.

Intuitively, I knew the strategy was doomed to fail, so I stood aloi against the entire group, refusing to go along. My position may not ha· made me popular with my new teammates, but it was the right thing to d We later negotiated a settlement with Siemens for more than $400 million, the time the second-largest patent settlement ever.

Developing Your Unique Leadership Style

To become authentic, each of us has to develop our own leadership styl consistent with our personality and character. Unfortunately, the pressures an organization push us to adhere to a normative style. But if we conform t a style that is not consistent with who we are, we will never become authei tic leaders.

Contrary to what much of the literature says, your type of leadership sty is not what matters. Great world leaders—George Washington, Abrahai Lincoln, Winston Churchill, Franklin Roosevelt, Margaret Thatcher, Marti