How You Lead Matters

Introduction

The context in which a leader operates today is vastly different from that which prevailed last century. Volatility, uncertainty, complexity and ambiguity are the name of the game, replacing the more fixed, stable, disconnected and centralised conditions that prevailed last century[1,2].

The question therefore is how do you lead effectively in this environment?

Most leaders come to rely on one or two preferred leadership styles. You build and refine your leadership approach over decades of watching others lead, through seeing what works and what doesn't, and through experimentation. Your natural preferences (based on your values, traits, what motivates you, and how you see yourself) together with the situations that you face, also play an important role in how you lead. In other words, leadership behaviour is a function of the person and the situation[3].

Unlike 20th century leaders, effective 21st century leaders require a high degree of social and emotional intelligence. With the exception of pattern recognition (one of the cognitive competencies), IQ and technical abilities have become threshold skills for top leaders (necessary but not sufficient)[4,5,6].

Emotionally intelligent leaders also deliberately use a range of leadership styles, not just relying on those with which they are most comfortable. Each style has a place depending on the context and specific situation and each has an impact on organisational climate[4,5].

Organisational climate matters; people operating in a positive organisational climate are more engaged, more likely to stay with their employer and more likely to put in discretionary effort. There are numerous studies showing the linkage between leadership styles, organisational climate and overall business performance[7,8], and some studies have shown that organisational climate alone can account for 20-30% of business performance[4].

The following describes six leadership styles that are frequently cited in the leadership literature and notes their impact on organisational climate[4,5].

As you review each style, reflect on how frequently you adopt that style and in what situation.



Visionary

Visionary leaders provide an authoritative and clear outline of the bigger picture, why it matters, and what employees need to do to achieve it. They articulate where a group is going, but not how it will get there. This sets people free to innovate, experiment and take calculated risks. Visionary leaders engage people, seeking their reactions and input, and they provide timely, positive and constructive feedback about progress and performance.

Using inspiration together with self-confidence, self-awareness, and empathy, visionary leaders articulate a purpose in which they truly believe. This helps them guide others with a firm hand, especially during times of change. Visionary leaders don't subscribe to the "information is power" mantra; rather they are transparent and

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believe that distributing knowledge is the secret to success. Finally, through understanding the perspectives and feelings of others, visionary leaders can articulate a truly inspirational vision and invoke discretionary effort.

The visionary style works well in many business situations, but it is particularly effective:

- During times of change and uncertainty, e.g. when changes in the organisation require a new vision, or when a clear direction is needed; and/or
- When the leader is trusted and perceived to be credible and knowledgeable.

Visionary leadership doesn't work in every situation including when:

- There is an issue that requires immediate compliance;
- The leader is working with a team of experts who are more experienced than the leader; and/or
- The leader is not perceived as credible or the leader's actions and behaviours are not aligned with the message.

Ways to develop this style:

- Make sure you have a clear understanding of your vision, strategy, objectives and standards, and can describe them in terms your team can understand. Narratives/stories are a particularly powerful way to communicate.
- Develop the trust and credibility necessary for your team to listen to and believe in you.
- Identify the values, passions and motives of your individual team members and articulate your vision in a way that appeals to these.
- Observe how your team reacts and responds to your Visionary leadership. Solicit input and continue to refine and modify your approach as needed.
- Delegate responsibility clearly. Your job is to persuade and influence others to do their best. It is not about doing the work yourself.
- Provide feedback. Let each person know when you feel they are supporting the direction you are trying to take the organisation, or when they are not. Be specific about the behaviour you see. Give feedback on a regular, ongoing basis.

Impact on climate: Visionary leaders drive the emotional climate upwards and transform the spirit of the organisation at many levels. They also retain their most valued employees. This style builds resonance and is the most strongly positive in terms of impact on organisational climate as long as the leader employs it as his or her core style in all situations, not just on 'special occasions'.

The next three leadership styles have a very similar and positive impact on organisational climate. Think of them as a cluster and not a hierarchy.



AFFILIATIVE

Affiliative leaders focus on people, their needs and feelings, and on relationships, rather than on their performance. They strive to keep people happy and create harmony and, along with the visionary and coaching styles, the style builds credibility, trust and strong relationships. It is a good "all weather" resonance builder, but leaders must not rely solely on this style as work/performance can take second place to feelings.

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Affiliative leadership is the most effective:

- When there is a need to heal rifts in a team, motivate others during stressful times, strengthen connections, improve communications or rebuild trust;
- When dealing with employees in the midst of personal crises or in high-stress situations; and/or
- In matrix management situations with team members who are not direct reports.

It is less effective:

- When used to avoid challenging conversations or unpopular decisions; and/or
- In crises or complex situations needing clear direction and control.

Ways to develop this style:

- Be transparent, open and honest with your team.
- Get to know the members of your team as people. What are their backgrounds, likes and dislikes, personal traits, passions, fears, concerns and aspirations?
- Listen. Really listen. And respond appropriately.
- Meet team members 'where they are' and not just on your terms or 'turf'.
- Look for things you have in common with them and talk about those things.
- Take time to understand and express compassion for how people feel. Commiserate with team members when things are not going well for them.
- Avoid putting the goals of the organisation before the welfare of your people.
- Trust that your team will perform well if they are treated well. If you care about them, they will reward you with loyalty and performance.

The affiliative leadership style *should not be used alone* because its focus on praise can allow poor performance to go uncorrected and employees may perceive that mediocrity is tolerated. In addition, because affiliative leaders rarely offer constructive advice on how to improve, employees are left on their own to figure out how to do so. That's why many affiliative leaders use this style in close conjunction with the visionary approach. Visionary leaders state a mission, set standards, and let people know whether their work is furthering the group goals. Ally that with the caring approach of the affiliative leader and you have a potent combination.

Impact on climate: Affiliative leadership is often misused, resulting in leaders avoiding difficult decisions and conflict and thus creating frustration, favouritism and indecision. However, when combined with the visionary, coaching and participative styles, it can be highly effective.



Participative (or Democratic)

Participative leaders (sometimes referred to as Democratic leaders) engage others in the leadership process, assuming equality and equal capability of team members. Leaders who execute this style effectively start by providing context and establishing processes, rules and boundaries. Then they then listen, avoiding offering negative feedback that could stifle the discussion, and they must be willing to accept the agreed outcome.
The style works well:

- Even if a leader has a strong vision, as it surfaces ideas about how to implement that vision or it can generate fresh ideas for executing it;
- When the leader is uncertain about what direction to take and needs ideas from capable team members;
- In matrix management situations where cooperation and collaboration are needed; and/or
- To resolve conflict, build consensus and commitment.

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It is less effective:

- If the leader overly relies on the approach, resulting in endless meetings in which ideas are mulled over, consensus remains elusive and the only visible outcome is to schedule more meetings;
- When employees lack competence or crucial information, or need close supervision; and/or
- In times of crisis, when urgent events demand on-the-spot decisions.

Ways to develop this style:

- Make sure you provide the necessary clarity and context. (Note: mastering the Visionary style is critical to being an effective Participative leader.)
- Choose the right team or group. Do the members have the necessary skills, knowledge and trust in one another to be successful?
- Establish clear boundaries and rules of engagement for working together including 'how we reach agreement'.
- Monitor progress, but give the group the scope it needs to be effective. Resist the urge to step into the discussion or take it over. Don't unilaterally change the rules or expected outcomes.
- Encourage high performance by giving your team positive feedback and rewarding their more productive efforts.
- Develop effective meeting management. Provide a detailed agenda, manage time, draw out reticent people while holding back dominant participants, listen and maintain control of your own feelings and behaviour.
- Seek consensus and, when appropriate, share decision-making with others. Avoid taking action or making a decision until everyone has been heard and can agree to support the outcome as the best course of action given the circumstances.

Impact on climate: The participative style keeps team morale high and generally has a positive impact on climate.



COACHING

The coaching leadership style is all about developing capability. Coaching leaders focus on people and their potential (rather than on the task), helping them to identify their unique strengths and weaknesses, to develop the skills and behaviours they need to achieve their professional aspirations and to connect these to the overall vision and purpose of the organisation. Despite the commonly held view that contemporary leaders need to be good coaches, leaders frequently don't tend to exhibit this style. In high-pressure, tense times, leaders say that they 'don't have time' for coaching, but by ignoring this style, they pass up a powerful tool.

Coaching leaders are good at delegating, giving employees challenging assignments that stretch them, rather than tasks that simply get the job done. They can also tolerate short-term failure, understanding that it can further an employee's dream.

Coaching leadership works best:

- With employees who show initiative and want professional development; and/or
- When there is a trusting relationship between the leader and team members.

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It is least effective when:

- The leader is perceived as not credible and/or not trustworthy;
- The issue demands the urgent accomplishment of a specific task; and/or
- Employees lack motivation or require excessive personal direction and feedback.

When coaching leadership is poorly executed it looks more like micro-management or excessive control. This is especially important for leaders who also rely on the pace-setting style described below.

Ways to develop this style:

- Decide with whom you are willing to invest your time and energy to coach, and ask them if they want help – you can't coach someone who doesn't want to be coached.
- Communicate that you want to help them develop capabilities that will make them more valuable in the future.
- Help them identify and articulate their longer term aspirations, hopes and dreams so that you can jointly determine what capabilities would best help them achieve those aspirations.
- Provide coaching as part of your regular interaction with the individual. Informal opportunities are often of more value than more formal meetings.
- In formal coaching conversations, agree on the purpose, process, focus, aspirations and goals of the coaching, as well as how and when you will provide support and feedback.
- Take the time to help team members think through and reality test their strengths and areas of development.
- Give team members space to learn new behaviours. Provide timely feedback but don't micromanage (that's pacesetting, not coaching).
- Seek opportunities for your team members. Try to find or create opportunities to enhance their professional development.

Impact on climate: Even though coaching focuses on personal development rather than accomplishing tasks, the style generally predicts positive emotional response and better business results, almost irrespective of the other styles a leader employs. Coaching creates an ongoing conversation that allows employees to listen to performance feedback more openly, seeing it as serving their own aspirations, not just the boss's interests.



Pace Setting

Pace Setting leaders expect excellence and exemplify it. They are all about doing better and faster and typically they have high standards and expect the same of others (whether that is about the quality of the outcome or the speed at which it must be delivered, or both). Pace setting leaders lead by example. They pinpoint poor performers quickly, demand more from them, and if they don't rise to the occasion, often rescue the situation by stepping in and doing the work themselves; such is their achievement focus.

This style is most effective:

- With highly skilled professional or technical teams, or with hard driving sales teams, who are highly competent, motivated and need little direction;
- In the entrepreneurial phase of a company's life cycle when growth is all important; and/or
- In crisis or turn-around situations in which everyone, including the leader, must help with the task.

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The pace setting style is often applied poorly or excessively, or in the wrong setting, in which case it can:

- Leave employees feeling pushed too hard by the leader's relentless demands;
- Leave followers having to second guess what the leader wants, as pace setting leaders often tend to be unclear about guidelines (as they expect people to 'know what to do'); and/or
- Lead to plummeting morale and a lack of trust.

Ways to develop this style:

- Maintain your expertise (professional or technical knowledge and skills). You must be a credible expert for your pacesetting to be accepted.
- Reflect on your intentions. Are you pacesetting because you are a credible expert who can set the standard, improve the outcome or teach others through your involvement? Or are you simply micromanaging because you can't 'let go' and delegate?
- Know when to get involved, and when to step back when your involvement is not necessary.
- Teach by example. Model the behaviour you want to see in your team. At the same time, provide context and commentary about what you are doing and why. Without such explanation, the learning will be lost.
- Delegate low to moderate risk tasks that you are fairly certain the person can handle well. If the outcomes are critical, try to have an experienced person as backup.
- Emphasize results. Let your team know that they won't get any interference from you as long as they are getting the results you are looking for. However, if they need help, show how willing you are to step in with advice or assistance.

Impact on climate: This is the preferred leadership style for many high achieving leaders. However often the leader's good intention of striving for perfection backfires and he/she can be seen as taking over the task. Used in small doses, this style can create resonance by leading others to meet challenges and exciting goals. Frequently though, such leaders are driven by outcomes alone – which provokes anxiety. Continual high pressure can be debilitating, and people shift away from pursuing an inspiring vision and into survival mode. When the style it is poorly executed or in the wrong situation, its impact on climate is negative (in other words it erodes climate).



Directive (or Commanding or Coercive)

Directive leaders (sometimes referred to as Commanding or even Coercive leaders) rely on directives rather than direction, with little context setting or dialogue. Rather than delegating authority, they seek tight control of the situation and monitor it studiously. Performance feedback from such leaders tends to be negative, corrective, and at times, coercive.

The directive leadership style is most effective:

- When applied to simple straightforward tasks;
- In a crisis or to kick-start a turnaround, because it can soothe fear by giving clear direction in an emergency; and/or
- With problem employees.

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It is least effective:

- When applied to complex tasks and situations requiring detailed information;
- With self-motivated, capable employees; and
- When the stated consequences of not complying are unrealistic or are not enforced.

Ways to develop this style:

- Develop a thorough knowledge of what needs to be done – including the details – and the standards to which it must be done.
- Develop the trust and credibility necessary for your team to listen to and believe in you.
- Identify the 'non-negotiables' and write down what you will do if they are not met.
- Make sure you follow through on corrective action – decide what you will do and say if your team doesn't perform.
- Carefully manage your emotions when you provide feedback. Remember that demonstrating frustration or anger limits the impact of Directive leadership.

Impact on climate: The directive leadership style is the least effective in most situations. Given that emotional contagion spreads most readily from the top down, an intimidating, cold leader contaminates everyone's mood. By rarely using praise and freely criticising team members, the directive leader erodes people's spirits and the pride and satisfaction they take in their work – the very things that motivate most high-performing teams. Accordingly, the style undermines a critical tool that all leaders need: the ability to give people the sense that their job fits into a grand, shared mission. Instead, people are left feeling less committed, even alienated from their own jobs, and wondering, "How does any of this matter"?

Over time, the directive leadership style destroys the climate of the organisation. Despite this, coercive leaders thrive the world over in surprisingly large numbers, a legacy of the old command-and-control hierarchies that typified 20th century businesses.

WHAT NEXT?

There are various instruments that can measure your leadership preferences and the impact that your particular leadership style(s) has on those you lead. Alternatively, conversations with those around you can help you determine your style and its impact. Working with a coach or mentor can help you strengthen a particular leadership style, so that your repertoire is more rounded.

Whatever way is most effective for you, once you have a sound base of understanding, the next step is to develop, and then implement, a plan for improving your leadership effectiveness.

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