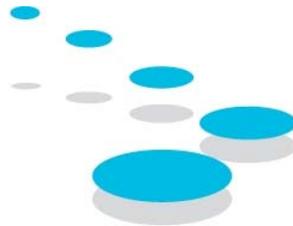




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Leadership: An Overview



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Growth Resources Inc. - Clay Garner - 847-208-8709
Marcy Calkins - 847-542-3486 - mcalkins@growthresource.com

Leadership: An Overview

"there's a huge difference between managing and leading, and I believe that if you went back 20 years most of the people running companies were managing. Now I think people at the top of large corporations aren't -- or shouldn't -- be devoting much time to management. Most of their time should be going toward leadership. The world is much more competitive and is changing faster, and there isn't enough time for executives to manage, to control, to track results. You need to focus on vision and beliefs and values and inspiring people and breaking roadblocks for people to be able to accomplish more."

Bob Eaton, Chairman and Co-CEO, DaimlerChrysler

Lessons from the Top: The Search for America's Best Business Leaders

Essential Leadership Competencies

What does it take to be a great leader? We often associate leadership with powerful, heroic figures -- Alexander the Great, George Washington, Winston Churchill -- but the term applies to tyrants and dictators as well.

In the business world, heroic figures lead organizations, drive change, inspire employees. Unfortunately, in some companies, tyrants and dictators are in charge. Does this mean a leader *has* to be a dictator in order to succeed?

Not so, according to Vistage Best Practices experts [Ben Gill](#), [Don Schmincke](#) and [Lee Thayer](#). These three leadership experts analyze, dissect and recommend the behavioral traits and qualities most necessary for the business leader to succeed in the 21st century. They say that leading out of fear is not the answer. If anything, it's a recipe for disaster.

Here are basic competencies deemed vital for effective leadership:

- Know yourself.** Leaders serve to remind people what is most important, but first they must know what's important to them. They must be *authentic*. Their actions must align harmoniously with specific values, behaviors and principles.
- Be optimistic.** As the leader, you set the tone for those around you. If your outlook is positive and upbeat, others most likely will emulate this view.
- Connect with others.** Understand what makes your employees perform at their best and what they need to help the business succeed. Develop good character traits in others that help them fulfill their professional responsibilities.
- Take responsibility for your actions.** If your actions or decisions backfire, don't blame others. Assume responsibility yourself. Take inventory of the situation, determine realistic solutions and act on them.

- **Make timely decisions.** With the resources available to you, make a sound decision and move on. Another challenge always waits around the corner.
- **Communicate!** This is perhaps a leader's most significant function. Keep people informed throughout the organization. Let them know what's going on -- the good news *and* the bad.
- **Develop a vision.** With a competent, motivated staff, the leader is free to develop a vision of the organization's future. From there, the leader's job is defining the vision for others and inspiring them to follow.

"A leader is a person who's been given something larger than himself," says Vistage Speaker Lee Thayer. "His duty is to make all that can possibly be made of it."

Building Trust

Leaders fail when they become too self-centered, too detached from those around them.

This only compounds the natural distance between leader and followers inherent in any organization. In general, employees only know what's on the CEO's mind from written memos or e-mail, or through what others say about him. They have no easy way to decide if the CEO is trustworthy, capable of leading the business or even interested in their own well-being.

At the same time, employees have an uncanny sense of when something isn't right - when important information or the consequences of decisions are being withheld from them. That's when trust starts ebbing away. And without trust, there are no leaders, no followers, no teamwork, and no customers.

Good leaders don't belittle employees behind their backs. They don't take personal credit for achievements that belong to the team. They give credit where credit is due, and help employees celebrate their successes. A leader's words and actions must match at all times -- not just when it's convenient.

"Hidden agendas and dysfunctional behavior do not generate allegiance in others," says Vistage Speaker Don Schmincke.

What are the tangible benefits of inspiring trust in the organization?

- People accept and execute decisions even if they don't fully understand them.

- People give up short-term benefits for long-term, mutually beneficial rewards.
- People share the burden in difficult times, respond with understanding to work emergencies and invest their ideas and suggestions in the future.

Trust also serves the leader's vision of change. "In our fast-moving times, people are often reluctant to make the changes that are necessary for a business to survive," notes Vistage Speaker Ben Gill. "A leader who has gained their trust can help them make the leap into the future because they understand they're all in it together."

"Leaders keep their commitments," says Vistage Speaker Lee Thayer. "They don't promise anything they can't deliver. People have a long memory for unfulfilled promises."

Adds Schmincke: "The people you've chosen to work for your business are intelligent and perceptive. They understand the need to withhold sensitive information at certain times, as well as the need to present a unified front in difficult situations. When trust breaks down, it's usually because they feel a lack of honesty on issues that affect them directly."

If you have any questions about this article or you would like information on Vistage International, the world's largest CEO organization, contact Clay Garner. Clay is the president of Growth Resources, Inc. and chairs several Vistage groups in the Chicagoland area. He can be reached at 847-208-8709 or cgarner@growthresource.com.