

*New research suggests that the most effective executives use a collection of distinct leadership styles – each in the right measure, at just the right time. Such flexibility is tough to put into action, but it pays off in performance. And better yet, it can be learned.*

# Leadership that gets *Results*

by Daniel Goleman

Ask any group of business people the question ‘What do effective leaders do?’ and you’ll hear a sweep of answers. Leaders set strategy; they motivate; they create a mission; they build a culture. Then ask ‘What *should* leaders do?’ If the group is seasoned, you’ll likely hear one response: the leader’s singular job is to get results.

But how? The mystery of what leaders can and ought to do in order to spark the best performance from their people is age-old. In recent years, that mystery has spawned an entire cottage industry: literally thousands of ‘leadership experts’ have made careers of testing and coaching executives, all in pursuit of creating business people who can turn bold objectives – be they strategic, financial, organisational, or all three – into reality.

Still, effective leadership eludes many people and organisations. One reason is that until recently, virtually no quantitative research has demonstrated which precise leadership behaviours yield positive results. Leadership experts proffer advice based on inference, experience, and instinct. Sometimes that advice is right on target; sometimes it’s not.

But new research by the consulting firm Hay/McBer, which draws on a random sample of 3,871 executives selected from a database of more than 20,000 executives worldwide, takes much of the mystery out of effective leadership. The research found six distinct leadership styles, each springing from different components of emotional intelligence. The styles, taken individually, appear to have a direct and unique impact on the working atmosphere of a company, division, or team, and in turn, on its financial performance. And perhaps most important, the research indicates that leaders with the best results do not rely on only one leadership style; they use most of them in a given week – seamlessly and in different measure – depending on the business situation. Imagine the styles, then, as the array of clubs in a golf pro’s bag. Over the course of a game, the pro picks and chooses clubs based on the demands of the shot. Sometimes he has to ponder his selection, but usually it is automatic. The pro senses the challenge ahead, swiftly pulls out the right tool, and elegantly puts it to work. That’s how high-impact leaders operate, too.

## Emotional Intelligence: A Primer

Emotional intelligence – the ability to manage ourselves and our relationships effectively – consists of four fundamental capabilities: self-awareness, self-management, social awareness and social skill. Each capability, in turn, is composed of specific sets of competencies.

Below is a list of the capabilities and their corresponding traits.

Self-awareness	Self-management	Social awareness	Social skill
<ul style="list-style-type: none"> <li>▪ <i>Emotional self-awareness</i>: the ability to read and understand your emotions as well as recognise their impact on work performance, relationships, and the like.</li> <li>▪ <i>Accurate self-assessment</i>: a realistic evaluation of your strengths and limitations.</li> <li>▪ <i>Self-confidence</i>: a strong and positive sense of self worth.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Self-control</i>: the ability to keep disruptive emotions and impulses under control.</li> <li>▪ <i>Trustworthiness</i>: a consistent display of honesty and integrity.</li> <li>▪ <i>Conscientiousness</i>: the ability to manage yourself and your responsibilities.</li> <li>▪ <i>Adaptability</i>: skill at adjusting to changing situations and overcoming obstacles.</li> <li>▪ <i>Achievement orientation</i>: the drive to meet an internal standard of excellence.</li> <li>▪ <i>Initiative</i>: a readiness to seize opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Empathy</i>: skill at testing other people's emotions, understanding their perspective, and taking an active interest in their concerns.</li> <li>▪ <i>Organisational awareness</i>: the ability to read the currents of organisational life, build decision networks, and navigate politics.</li> <li>▪ <i>Service orientation</i>: the ability to recognise and meet customers' needs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Visionary leadership</i>: the ability to take charge and inspire with a compelling vision.</li> <li>▪ <i>Influence</i>: the ability to wield a range of persuasive tactics.</li> <li>▪ <i>Developing others</i>: the propensity to bolster the abilities of others through feedback and guidance.</li> <li>▪ <i>Communication</i>: skill at listening and at sending clear, convincing, and well-tuned messages.</li> <li>▪ <i>Change catalyst</i>: proficiency in initiating new ideas and leading people in a new direction.</li> <li>▪ <i>Conflict management</i>: the ability to de-escalate disagreements and orchestrate resolutions.</li> <li>▪ <i>Building bonds</i>: proficiency at cultivating and maintaining a web of relationships.</li> <li>▪ <i>Teamwork and collaboration</i>: competence at promoting cooperation and building teams.</li> </ul>

What are the six styles of leadership? None will shock workplace veterans. Indeed, each style, by name and brief description alone, will likely resonate with anyone who leads, is led, or as is the case with most of us, does both. *Directive leaders* demand immediate compliance. *Visionary leaders* mobilise people toward a vision. *Affiliative leaders* create emotional bonds and harmony. *Participative leaders* build consensus through participation. *Pacesetter leaders* expect excellence and self direction. And *coaching leaders* develop people for the future.

Close your eyes and you can surely imagine a colleague who uses any one of these styles. You most likely use at least one yourself. What is new in this research, then, is its implications for action. First, it offers a fine grained understanding of how different leadership styles affect performance and results. Second, it offers clear guidance on when a manager should switch between them. It also strongly suggests that switching flexibly is well advised. New, too, is the research's finding that each leadership style springs from different components of emotional intelligence.

## Measuring leadership's impact

It has been more than a decade since research first linked aspects of emotional intelligence to business results. The late David McClelland, a noted Harvard University psychologist, found that leaders with strengths in a critical mass of six or more emotional intelligence competencies were far more effective than peers who lacked such strengths.

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For instance, when he analysed the performance of division heads at a global food and beverage company, he found that among leaders with this critical mass of competence, 87% placed in the top third for annual salary bonuses based on their business performance. More telling, their divisions on average outperformed yearly revenue targets by 15% to 20%. Those executives who lacked emotional intelligence were rarely rated as outstanding in their annual performance reviews, and their divisions underperformed by an average of almost 20%.

Our research set out to gain a more molecular view of the links among leadership and emotional intelligence, and climate and performance. A team of McClelland's colleagues headed by Mary Fontaine and Ruth Jacobs from Hay/McBer studied data about or observed thousands of executives, noting specific behaviours and their impact on climate.<sup>1</sup> How did each individual motivate direct reports? Manage change initiatives? Handle crises? It was in a later phase of the research that we identified which emotional intelligence capabilities drive the six leadership styles. How does he rate in terms of self control and social skill? Does a leader show high or low levels of empathy?

The team tested each executive's immediate sphere of influence for its climate. 'Climate' is not an amorphous term. First defined by psychologists George Litwin and Richard Stringer and later refined by McClelland and his colleagues, it refers to six key factors that influence an organisation's working environment: its *flexibility* – that is, how free employees feel to innovate unencumbered by red tape; their sense of *responsibility* to the organisation; the level of *standards* that people set; the sense of accuracy about performance feedback and aptness of *rewards*; the *clarity* people have about mission and values; and finally, the level of *commitment* to a common purpose.

We found that all six leadership styles have a measurable effect on each aspect of climate (For details, see the exhibit 'Getting Molecular: The Impact of Leadership Styles on Drivers of Climate'). Further, when we looked at the impact of climate on financial results – such as return on sales, revenue growth, efficiency, and profitability – we found a direct correlation between the two. Leaders who used styles that positively affected the climate had decidedly better financial results than those who did not. That is not to say that organisational climate is the only driver of performance.

## Getting Molecular: The Impact of Leadership Styles on Drivers of Climate

Our research investigated how each leadership style affected the six drivers of climate, or working atmosphere. The figures below show the correlation between each leadership style and each aspect of climate. So, for instance, if we look at the climate driver of flexibility, we see that the directive styles has a -.28 correlation while the participative style has a .28 correlation, equally strong in the opposite direction. Focusing on the visionary leadership style, we find that it has a .54 correlation with rewards – strongly positive – and a .21 correlation with

responsibility – positive, but not as strong. In other words, the style's correlation with rewards was more than twice that with responsibility.

According to the data, the visionary leadership style has the most positive effect on climate, but three others – affiliative, participative, and coaching – follow close behind. That said, the research indicates that no style should be relied on exclusively, and all have at least short-term uses.

	Directive	Visionary	Affiliative	Participative	Pacesetting	Coaching
Flexibility	-.28	.32	.27	.28	-.07	.17
Responsibility	-.37	.21	.16	.23	.04	.08
Standards	.02	.38	.31	.22	-.27	.39
Rewards	-.18	.54	.48	.42	-.29	.43
Clarity	-.11	.44	.37	.35	-.28	.38
Commitment	-.13	.35	.34	.26	-.20	.27
<b>Overall impact on climate</b>	<b>-.26</b>	<b>.54</b>	<b>.46</b>	<b>.43</b>	<b>-.25</b>	<b>.42</b>

## The Six Leadership Styles at a Glance

		Directive <b>1</b>	Visionary <b>2</b>
Our research found that leaders use six styles, each springing from different components of emotional intelligence. Here is a summary of the styles, their origin, when they work best, and their impact on an organisation's climate and thus its performance.	The leader's modus operandi	Demands immediate compliance	Mobilises people toward a vision
	The style in a phrase	'Do what I tell you'	'Come with me'
	Underlying emotional intelligence competencies	Drive to achieve, initiative, self control	Self confidence, empathy, change catalyst
	When the style works best	In a crises, to kick start a turnaround, or with problem employees	When changes require a new vision, or when a clear direction is needed
	Overall impact on climate	Negative	Most strongly positive

Economic conditions and competitive dynamics matter enormously. But our analysis strongly suggests that climate accounts for nearly a third of results. And that's simply too much of an impact to ignore.

### The styles in detail

Executives use six leadership styles, but only four of the six consistently have a positive effect on climate and results. Let's look then at each style of leadership in detail (For a summary of the material that follows, see the chart 'The Six Leadership Styles at a Glance').

**The directive style.** The computer company was in crises mode – its sales and profits were falling, its stock was losing value precipitously, and its shareholders were in an uproar. The board brought in a new CEO with a reputation as a turnaround artist. He set to work chopping jobs, selling off divisions, and making the tough decisions that should have been executed years before. The company was saved, at least in the short-term.

From the start, though, the CEO created a reign of terror, bullying and demeaning his executives, roaring his displeasure at the slightest misstep. The company's top echelons were decimated not just by his erratic firings but also by defections. The CEO's direct reports, frightened by his tendency to blame the bearer of bad news, stopped bringing him any news at all. Morale was at an all-time low – a fact reflected in another downturn in the business after the short term recovery. The CEO was eventually fired by the board of directors.

It's easy to understand why of all the leadership styles, the directive one is the least effective in most situations. Consider what the style does to an organisation's climate. Flexibility is the hardest hit. The leader's extreme top-down decision making kills new ideas on the vine. People feel so disrespected that they think, 'I won't even bring my ideas up – they'll only be shot down'. Likewise, people's sense of responsibility evaporates: unable to act on their own initiative, they lose their sense of ownership and feel little accountability for their performance. Some become so resentful they adopt the attitude, 'I'm not going to help this bastard'.

Directive leadership also has a damaging effect on the rewards system. Most high-performing workers are motivated by more than money – they seek the satisfaction of work well done. The directive style erodes such pride. And finally, the style undermines one of the leader's prime tools – motivating people by showing them how their job fits into a grand, shared mission. Such a loss, measured in terms of alienated from their own jobs, wondering, 'How does any of this matter?'

Given the impact of the directive style, you might assume it should never be applied. Our research, however, uncovered a few occasions when it worked masterfully. Take the case of a division president who was brought in to change the direction of a food company that was losing money. His first act was to have the executive conference room demolished. To him, the room – with its long marble table that looked like 'the deck of the Starship Enterprise' – symbolised the tradition-bound formality that was paralysing the company. The destruction of the room, and the subsequent move to a smaller, more

Affiliative <b>3</b>	Participative <b>4</b>	Pacesetting <b>5</b>	Coaching <b>6</b>
Creates harmony and builds emotional bonds	Forges consensus through participation	Sets high standards for performance	Develops people for the future
'People come first'	'What do you think?'	'Do as I do, now'	'Try this'
Empathy, building relationships, communication	Collaboration, team leadership, communication	Conscientious, drive to achieve, initiative	Developing others, empathy, self awareness
To heal rifts in a team or to motivate people during stressful circumstances	To build buy in or consensus, or to get input from valuable employees	To get quick results from a highly motivated and competent team	To help an employee improve performance or develop long-term strengths
Positive	Positive	Negative	Positive

informal setting, sent a message no one could miss, and the division's culture changed quickly in its wake.

That said, the directive style should be used only with extreme caution and in the few situations when it is absolutely imperative, such as during a turnaround or when a hostile takeover is looming. In those cases, the directive style can break failed business habits and shock people into new ways of working. It is always appropriate during a genuine emergency, like in the aftermath of an earthquake or a fire. And it can work with problem employees with whom all else has failed. But if a leader relies solely on this style or continues to use it once the emergency passes, the long-term impact of his insensitivity to the morale and feelings of those he leads will be ruinous.

**The visionary style.** Tom was the vice president of marketing at a floundering national restaurant chain that specialised in pizza. Needless to say, the company's poor performance troubled the senior managers, but they were at a loss for what to do. Every Monday, they met to review recent sales, struggling to come up with fixes. To Tom, the approach didn't make sense. "We were always trying to figure out why our sales were down last week. We had the whole company looking backward instead of figuring out what we had to do tomorrow."

Tom saw an opportunity to change people's way of thinking at an off-site strategy meeting. There, the conversation began with stale truisms: the company had to drive up shareholder wealth and increase return on assets. Tom believed those concepts didn't have the power to inspire a restaurant manager to be innovative or to do better than a good enough job.

So Tom made a bold move. In the middle of a meeting, he made an impassioned plea for his colleagues to think from the customer's perspective. Customers want convenience, he said. The company was not in the restaurant business, it was in the business of distributing high-quality, convenient-to-get pizza. That notion – and nothing else – should drive everything the company did.

With his vibrant enthusiasm and clear vision – the hallmarks of the visionary style – Tom filled a leadership vacuum at the company. Indeed, his concept became the core of the new mission statement. But this conceptual breakthrough was just the beginning. Tom made sure that the mission statement was built into the company's strategic planning process as the designated driver of growth. And he ensured that the vision was articulated so that local restaurant managers understood they were the key to the company's success and were free to find new ways to distribute pizza.

Changes came quickly. Within weeks, many local managers started guaranteeing fast, new delivery times. Even better, they started to act like entrepreneurs, finding ingenious locations to open new branches: kiosks on busy street corners and in bus and train stations, even from carts in airports and hotel lobbies.

Tom's success was no fluke. Our research indicates that of the six leadership styles, the visionary one is most effective, driving up every aspect of climate. Take clarity. The visionary leader is authoritative; he motivates people by making clear to them how their work fits into a larger vision for the organisation. People who work for such leaders understand that what they do matters and why.



Visionary leadership also maximises commitment to the organisation's goals and strategy. By framing the individual tasks within a grand vision, the visionary leader defines standards that revolve around that vision. When he gives performance feedback – whether positive or negative – the singular criterion is whether or not that performance furthers the vision. The standards for success are clear to all, as are the rewards. Finally, consider the style's impact on flexibility. A visionary leader states the end but generally gives people plenty of leeway to devise their own means. Visionary leaders give people the freedom to innovate, experiment, and take calculated risks.

Because of its positive impact, the visionary style works well in almost any business situation. But it is particularly effective when a business is adrift. A visionary leader charts a new course and sells his people on a fresh long-term vision.

The visionary style, powerful though it may be, will not work in every situation. The approach fails, for instance, when a leader is working with a team of experts or peers who are more experienced than he is; they may see the leader as pompous or out-of-touch. Another limitation: if a manager trying to be visionary becomes overbearing, he can undermine the egalitarian spirit of an effective team. Yet even with such caveats, leaders would be wise to grab for the visionary 'club' more often than not. It may not guarantee a hole in one, but it certainly helps with the long drive.

**The affiliative style.** If the directive leader demands, 'Do what I say', and the visionary urges, 'Come with me', the affiliative leader says, 'People come first'. This leadership style revolves around people – its proponents value individuals and their

**A** visionary leader states the end but gives people plenty of leeway to devise their own means.

emotions more than tasks and goals. The affiliative leader strives to keep employees happy and to create harmony among them. He manages by building strong emotional bonds and then reaping the benefits of such an approach, namely fierce loyalty. The style also has a markedly positive effect on communication. People who like one another a lot talk a lot. They share ideas; they share inspiration.

And the style drives up flexibility; friends trust one another, allowing habitual innovation and risk taking. Flexibility also rises because the affiliative leader, like a parent who adjusts household rules for a maturing adolescent, doesn't impose unnecessary strictures on how employees get their work done. They give people the freedom to do their job in the way they think is most effective.

As for a sense of recognition and reward for work well done, the affiliative leader offers ample positive feedback. Such feedback has special potency in the workplace because it is all too rare: outside of an annual review, most people usually get no feedback on their day-to-day efforts – or only negative feedback. That makes the affiliative leader's positive words all the more motivating. Finally, affiliative leaders are masters at building a sense of belonging. They are, for instance, likely to take their direct reports out for a meal or a drink, one-on-one, to see how they're doing. They will bring in a cake to celebrate a group accomplishment. They are natural relationship builders.

Joe Torre, the heart and soul of the New York Yankees, is a classic affiliative leader. During the 1999 World Series, Torre tended ably to the psyches of his players as they endured the emotional pressure cooker of a pennant race. All season long, he made a special point to praise Scott Brosius, whose father had died during the season, for staying committed even as he mourned. At the celebration party after the team's final game, Torre specifically sought out right fielder Paul O'Neill. Although he had received the news of his father's death that morning, O'Neill chose to play in the decisive game – and he burst into tears the moment it ended. Torre made a point of acknowledging O'Neill's personal struggle, calling him a 'warrior'. Torre also used the spotlight of the victory celebration to praise two players whose return the following year was threatened by contract disputes. In doing so, he sent a clear message to the team and to the club's owner that he valued the players immensely – too much to lose them.

Along with ministering to the emotions of his people, an affiliative leader may also tend to his own emotion openly. The year Torre's brother was near death awaiting a heart transplant, he shared his worries with his players. He also spoke candidly with the team about his treatment for prostate cancer.

The affiliative style's generally positive impact makes it a good all-weather approach, but leaders should employ it particularly when trying to build team harmony, increase morale, improve

communication, or repair broken trust. For instance, one executive in our study was hired to replace a ruthless team leader. The former leader had taken credit for his employees' work and had attempted to pit them against one another. His efforts ultimately failed, but the team he left behind was suspicious and weary. The new executive managed to mend the situation by unstintingly showing emotional honesty and rebuilding ties. Several months in, her leadership had created a renewed sense of commitment and energy.

Despite its benefits, the affiliative style should not be used alone. Its exclusive focus on praise can allow poor performance to go uncorrected; employees may perceive that mediocrity is tolerated. And because affiliative leaders rarely offer constructive advice on how to improve, employees must figure out how to do so on their own. When people need clear directives to navigate through complex challenges, the affiliative style leaves them rudderless. Indeed, if overly relied on, this style can actually steer a group to failure. Perhaps that is why many affiliative leaders, including Torre, use this style in close conjunction with the visionary style. Visionary leaders state a vision, set standards, and let people know how their work is furthering the group's goals. Alternate that with the caring, nurturing approach of the affiliative leader, and you have a potent combination.

**The participative style.** Sister Mary ran a Catholic school system in a large metropolitan area. One of the schools – the only private school in an impoverished neighbourhood – had been losing money for years, and the archdiocese could no longer afford to keep it open. When Sister Mary eventually got the order to shut it down, she didn't just lock the doors. She called a meeting of all the teachers and staff at the school and explained to them the details of the financial crisis – the first time anyone working at the school had been included in the business side of the institution. She asked for their ideas on ways to keep the school open and on how to handle the closing, should it come to that. Sister Mary spent much of her time at the meeting just listening.

She did the same at later meetings for school parents and for the community and during a successive series of meetings for the school's teachers and staff. After two months of meetings, the consensus was clear: the school would have to close. A plan was made to transfer students to other schools in the Catholic system.

The final outcome was no different than if Sister Mary had gone ahead and closed the school the day

she was told to. But by allowing the school's constituents to reach that decision collectively, Sister Mary received none of the backlash that would have accompanied such a move. People mourned the loss of the school, but they understood its inevitability. Virtually no one objected.

Compare that with the experiences of a priest in our research who headed another Catholic school. He, too, was told to shut it down. And he did – by fiat. The result was disastrous: parents filed lawsuits, teachers and parents picketed, and local newspapers ran editorials attacking his decision. It took a year to resolve the disputes before he could finally go ahead and close the school.

Sister Mary exemplifies the participative style in action – and its benefits. By spending time getting people's ideas and buy-in, a leader builds trust, respect, and commitment. By letting workers themselves have a say in decisions that affect their goals and how they do their work, the participative leader drives up flexibility and responsibility. And by listening to employees' concerns, the participative leader learns what to do to keep morale high. Finally, because they have a say in setting their goals and the standards for evaluating success, people operating in a participative system tend to be very realistic about what can and cannot be accomplished.

However, the participative style has its drawbacks, which is why its impact on climate is not as high as some of the other styles. One of its more exasperating consequences can be endless meetings where ideas are mulled over, consensus remains elusive, and the only visible result is scheduling more meetings. Some participative leaders use the style to put off making crucial decisions, hoping that enough thrashing things out will eventually yield a blinding insight. In reality, their people end up feeling confused and leaderless. Such an approach can even escalate conflicts.

When does the style work best? This approach is ideal when a leader is himself uncertain about the best direction to take and needs ideas and guidance from able employees. And even if a leader has a strong vision, the participative style works well to generate fresh ideas for executing that vision.

The participative style, of course, makes much less sense when employees are not competent or informed enough to offer sound advice. And it almost goes without saying that building consensus is wrongheaded in times of crisis. Take the case of a CEO whose computer company was severely

threatened by changes in the market. He always sought consensus about what to do. As competitors stole customers and customers' needs changed, he kept appointing committees to consider the situation. When the market made a sudden shift because of new technology, the CEO froze in his tracks. The board replaced him before he could appoint yet another task force to consider the situation. The new CEO, while occasionally participative and affiliative, relied heavily on the visionary style, especially in his first months.

**The pacesetter style.** Like the directive style, the pacesetter style has its place in the leader's repertoire, but it should be used sparingly. That's not what we expected to find. After all, the hallmarks of the pacesetter style sound admirable. The leader sets extremely high performance standards and exemplifies them himself. He is obsessive about doing things better and faster, and he asks the same of everyone around him. He quickly pinpoints poor performers and demands more from them. If they don't rise to the occasion, he replaces them with people who can. You would think such an approach would improve results, but it doesn't.

In fact, the pacesetter style destroys climate. Many employees feel overwhelmed by the pacesetter's demands for excellence, and their morale drops. Guidelines for working may be clear in the leader's head, but she does not state them clearly; she expects people to know what to do and even thinks, 'If I have to tell you, you're the wrong person for the job'. Work becomes not a matter of doing one's best along a clear course so much as second-guessing what the leader wants. At the same time, people often feel that the pacesetter doesn't trust them to work in their own way or to take initiative. Flexibility and responsibility evaporate; work becomes so task focused and routinised it's boring.

As for rewards, the pacesetter either gives no feedback on how people are doing or jumps in to take over when he thinks they're lagging. And if the leaders should leave, people feel directionless – they're so used to 'the expert' setting the rules. Finally, commitment dwindles under the regime of a pacesetter leader because people have no sense of how their personal efforts fit into the big picture.

For an example of the pacesetter style, take the case of Sam, a biochemist in R&D at a large pharmaceutical company. Sam's superb technical expertise made him an early star: he was the one everyone turned to when they needed help. Soon he was promoted to head of a team developing a new product. The other scientists on the team were as

competent and self-motivated as Sam; his *métier* as team leader became offering himself as a model of how to do first-class scientific work under tremendous deadline pressure, pitching in when needed. His team completed its task in record time.

But then came a new assignment: Sam was put in charge of R&D for his entire division. As his tasks expanded and he had to articulate a vision, coordinate projects, delegate responsibility, and help develop others, Sam began to slip. Not trusting that his subordinates were as capable as he was, he became a micromanager, obsessed with details and taking over for others when their performance slackened. Instead of trusting them to improve with guidance and development, Sam found himself working nights and weekends after stepping in to take over for the head of a floundering research team. Finally, his own boss suggested, to his relief, that he return to his old job as head of a product development team.

Although Sam faltered, the pacesetter style isn't always a disaster. The approach works well when all employees are self-motivated, highly competent, and need little direction or coordination – for example, it can work for leaders of highly skilled and self-motivated professional, like R&D groups or legal teams. And, given a talented team to lead, pacesettering does exactly that: gets work done on time or even ahead of schedule. Yet like any leadership style, pacesettering should never be used by itself.

**The coaching style.** A product unit at a global computer company had seen sales plummet from twice as much as its competitors to only half as much. So Lawrence, the president of the manufacturing division, decided to close the unit and reassign its people and products. Upon hearing the news, James, the head of the doomed unit, decided to go over his boss's head and plead his case to the CEO.

What did Lawrence do? Instead of blowing up at James, he sat down with his rebellious direct report and talked over not just the decision to close the division but also James' future. He explained to James how moving to another division would help him develop new skills. It would make him a better leader and teach him more about the company's business.

Lawrence acted more like a counsellor than a traditional boss. He listened to James' concerns and hopes, and he shared his own. He said he believed James had grown stale in his current job; it was,



after all, the only place he'd worked in the company. He predicted that James would blossom in a new role.

The conversation then took a practical turn. James had not yet had his meeting with the CEO – the one he had impetuously demanded when he heard of his division's closing. Knowing this – and also knowing that the CEO unwaveringly supported the closing – Lawrence took the time to coach James on how to present his case in that meeting. "You don't get an audience with the CEO very often", he noted, "let's make sure you impress him with your thoughtfulness". He advised James not to plead his personal case but to focus on the business unit: "If he thinks you're in there for your own glory, he'll throw you out faster than you walked through the door". And he urged him to put his ideas in writing; the CEO always appreciated that.

Lawrence's reason for coaching instead of scolding? "James is a good guy, very talented and promising", the executive explained to us, "and I don't want this to derail his career. I want him to stay with the company, I want him to work out, I want him to learn, I want him to benefit and grow. Just because he screwed up doesn't mean he's terrible".

Lawrence's actions illustrate the coaching style par excellence. Coaching leaders help employees identify their unique strengths and weaknesses and tie them to their personal and career aspirations. They encourage employees to establish long-term development goals and help them conceptualise a plan for attaining them. They make agreements with their employees about their role and responsibilities in enacting development plans, and they give plentiful instruction and feedback. Coaching leaders excel at delegating; they give employees challenging assignments, even if that means the tasks won't be accomplished quickly. In other words, these leaders are willing to put up with short-term failure if it furthers long-term learning.

Of the six styles, our research found that the coaching style is used least often. Many leaders told us they don't have the time in this high-pressure economy for the slow and tedious work of teaching people and helping them grow. But after a first session, it takes little or no extra time. Leaders who ignore this style are passing up a powerful tool: its impact on climate and performance are markedly positive.

Admittedly, there is a paradox in coaching's positive effect on business performance because coaching focuses primarily on personal development, not on immediate work-related tasks. Even so, coaching

improves results. The reason: it requires constant dialogue, and that dialogue has a way of pushing up every driver of climate. Take flexibility. When an employee knows his boss is watching him and cares about what he does, he feels free to experiment. After all, he's sure to get quick and constructive feedback. Similarly, the ongoing dialogue of coaching guarantees that people know what is expected of them and how their work fits into a larger vision or strategy. That affects responsibility and clarity. As for commitment, coaching helps there, too, because the style's implicit message is, 'I believe in you, I'm investing in you, and I expect your best efforts'. Employees very often rise to that challenge with their heart, mind, and soul.

The coaching style works well in many business situations, but it is perhaps most effective when people on the receiving end are 'up for it'. For instance, the coaching style works particularly well when employees are already aware of their weaknesses and would like to improve their performance. Similarly, the style works well when employees realise how cultivating new abilities can help them advance. In short, it works best with employees who want to be coached.

**L**eaders who have mastered four or more – especially the visionary, participative, affiliative, and coaching styles – have the best climate and business performance.

By contrast, the coaching style makes little sense when employees, for whatever reason, are resistant to learning or changing their ways. And it flops if the leader lacks the expertise to help the employee along. The fact is, many managers are unfamiliar with or simply inept at coaching, particularly when it comes to giving ongoing performance feedback that motivates rather than creates fear or apathy. Some companies have realised the positive impact of the style and are trying to make it a core competence. At some companies, a significant portion of annual bonuses are tied to an executive's development of his or her direct reports. But many organisations have yet to take full advantage of this leadership style. Although the coaching style may not scream 'bottom-line results', it delivers them.

## Leaders need many styles

Many studies, including this one, have shown that the more styles a leader exhibits, the better. Leaders

who have mastered four or more – especially the visionary, participative, affiliative, and coaching styles – have the very best climate and business performance. And the most effective leaders switch flexibly among the leadership styles as needed. Although that may sound daunting, we witnessed it more often than you might guess, at both large corporations and fine start-ups, by seasoned veterans who could explain exactly how and why they lead and by entrepreneurs who claim to lead by gut alone.

Such leaders don't mechanically match their style to fit a checklist of situations – they are far more fluid. They are exquisitely sensitive to the impact they are having on others and seamlessly adjust their style to get the best results. These are leaders, for example, who can read in the first minutes of conversation that a talented but underperforming employee has been demoralised by an unsympathetic, do-it-the-way-I-tell-you manager and needs to be inspired through a reminder of why her work matters. Or that leader might choose to reenergise the employee by asking her about her dreams and aspirations and finding ways to make her job more challenging. Or that initial conversation might signal that the employee needs an ultimatum: improve or leave.

For an example of fluid leadership in action, consider Joan, the general manager of a major division at a global food and beverage company. Joan was appointed to her job while the division was in a deep crisis. It had not made its profit targets for six years; in the most recent year, it had missed by \$50 million. Morale among the top management team was miserable; mistrust and resentments were rampant. Joan's directive from above was clear: turn the division around.

Joan did so with a nimbleness in switching among leadership styles that is rare. From the start, she realised she had a short window to demonstrate effective leadership and to establish rapport and trust. She also knew that she urgently needed to be informed about what was not working, so her first task was to listen to key people.

Her first week on the job she had lunch and dinner meetings with each member of the management team. Joan sought to get each person's understanding of the current situation. But her focus was not so much on learning how each person diagnosed the problem as on getting to know each manager as a person.

## Growing your emotional intelligence

Unlike IQ, which is largely genetic – it changes little from childhood – the skills of emotional intelligence can be learned at any age. It's not easy, however. Growing your emotional intelligence takes practice and commitment. But the payoffs are well worth the investment.

Consider the case of a marketing director for a division of a global food company. Jack, as I'll call him, was a classic pacesetter; high energy, always striving to find better ways to get things done, and too eager to step in and take over when, say, someone seemed about to miss a deadline. Worse, Jack was prone to pounce on anyone who didn't seem to meet his standards, flying off the handle if a person merely deviated from completing a job in the order Jack thought best.

Jack's leadership style had a predictably disastrous impact on climate and business results. After

two years of stagnant performance, Jack's boss suggested he seek out a coach. Jack wasn't pleased but, realising his own job was on the line, he complied.

The coach, an expert in teaching people how to increase their emotional intelligence, began with a 360 degree evaluation of Jack. A diagnosis from multiple viewpoints is essential in improving emotional intelligence because those who need the most help usually have blind spots. In fact, our research found that top-performing leaders overestimate their strengths on, at most, one emotional intelligence ability, whereas poor performers overrate themselves on four or more. Jack was not that far off, but he did rate himself more glowingly than his direct reports, who gave him especially low grades on emotional self-control and empathy.

Initially, Jack had some trouble accepting the feedback data. But

when his coach showed him how those weaknesses were tied to his inability to display leadership styles dependent on those competencies – especially the visionary, affiliative, and coaching styles – Jack realised he had to improve if he wanted to advance in the company. Making such a connection is essential. The reason: improving emotional intelligence isn't done in a weekend or during a seminar – it takes diligent practice on the job, over several months. If people do not see the value of the change, they will not make that effort.

Once Jack zeroed in on areas for improvement and committed himself to making the effort, he and his coach worked up a plan to turn his day-to-day job into a learning laboratory. For instance, Jack discovered he was empathetic when things were calm, but in a crisis, he tuned out others. This tendency hampered his ability to listen to what people were telling him in the very moments he most needed to

Here Joan employed the affiliative style: she explored their lives, dreams, and aspirations.

She also stepped into the coaching role, looking for ways she could help the team members achieve what they wanted in their careers. For instance, one manager who had been getting feedback that he was a poor team player confided his worries to her. He thought he was a good team member, but he was plagued by persistent complaints. Recognising that he was a talented executive and a valuable asset to the company, Joan made an agreement with him to point out (in private) when his actions undermined his goal of being seen as a team player.

She followed the one-on-one conversations with a three-day off-site meeting. Her goal here was team building, so that everyone would own whatever solution for the business problems emerged. Her initial stance at the off-site meeting was that of a participative leader. She encouraged everyone to express freely their frustrations and complaints.

The next day, Joan had the group focus on solutions: each person made three specific proposals about what needed to be done. As Joan clustered the

suggestions, a natural consensus emerged about priorities for the business, such as cutting costs. As the group came up with specific action plans, Joan got the commitment and buy-in she sought.

With that vision in place, Joan shifted into the visionary style, assigning accountability for each follow-up step to specific executives and holding them responsible for their accomplishment. For example, the division had been dropping prices on products without increasing its volume. One obvious solution was to raise prices, but the previous VP of sales had dithered and had let the problem fester. The new VP of sales now had responsibility to adjust the price points to fix the problem.

Over the following months, Joan's main stance was visionary. She continually articulated the group's new vision in a way that reminded each member of how his or her role was crucial to achieving these goals. And, especially during the first few weeks of the plan's implementation, Joan felt that the urgency of the business crisis justified an occasional shift into the directive style should someone fail to meet his or her responsibility. As she put it, "I had to be brutal about this follow up and make sure this stuff

do so. Jack's plan required him to focus on his behaviour during tough situations. As soon as he felt himself tensing up, his job was to immediately step back, let the other person speak, and then ask clarifying questions. The point was to not act judgemental or hostile under pressure.

The change didn't come easily, but with practice Jack learned to defuse his flare-ups by entering into a dialogue instead of launching a harangue. Although he didn't always agree with them, at least he gave people a chance to make their case. At the same time, Jack also practiced giving his direct reports feedback and reminding them of how their work contributed to the group's mission. And he restrained himself from micromanaging them.

Jack met with his coach every week or two to review his progress and get advice on specific problems.

For instance, occasionally Jack would find himself falling back on his old pacesetting tactics – cutting people off, jumping in to take over, and blowing up in a rage. Almost immediately, he would regret it. So he and his coach dissected those relapses to figure out what triggered the old ways and what to do the next time a similar moment arose. Such 'relapse prevention' measures inoculate people against future lapses or just giving up. Over a six-month period, Jack made real improvement. His own records showed he had reduced the number of flare-ups from one or more a day at the beginning to just one or two a month. The climate had improved sharply, and the division's numbers were starting to creep upward.

Why does improving an emotional intelligence competence take months rather than days? Because the emotional centres of the brain,

not just the neocortex, are involved. The neocortex, the thinking brain that learns technical skills and purely cognitive abilities, gains knowledge very quickly, but the emotional brain does not. To master a new behaviour, the emotional centres need repetition and practice. Improving your emotional intelligence, then, is akin to changing your habits. Brain circuits that carry leadership habits have to unlearn the old ones and replace them with the new. The more often a behavioural sequence is repeated, the stronger the underlying brain circuits become. At some point, the new neural pathways become the brain's default option. When that happened, Jack was able to go through the paces of leadership effortlessly, using styles that worked for him – and the whole company.

happened. It was going to take discipline and focus”.

The results? Every aspects of climate improved. People were innovating. They were talking about the division’s vision and crowing about their commitment to new, clear goals. The ultimate proof of Joan’s fluid leadership style is written in black ink: after only seven months, her division exceeded its yearly profit target by \$5 million.

## Expanding your repertoire

Few leaders, of course, have all six styles in their repertory, and even fewer know when and how to use them. In fact, as we have brought the findings of our research into many organisations, the most common responses have been, ‘But I have only two of those!’ and, ‘I can’t use all those styles. It wouldn’t be natural’.

Such feelings are understandable, and in some cases, the antidote is relatively simple. The leader can build a team with members who employ styles she lacks. Take the case of a VP for manufacturing. She successfully ran a global factory system largely by using the affiliative style. She was on the road constantly, meeting with plant managers, attending to their pressing concerns, and letting them know how much she cared about them personally. She left the division’s strategy – extreme efficiency – to a trusted lieutenant with a keen understanding of technology, and she delegated its performance standards to a colleague who was adept at the visionary approach. She also had a pacesetter on her team who always visited the plants with her.

An alternative approach, and one I would recommend more, is for leaders to expand their own style repertoires. To do so, leaders must first understand which emotional intelligence competencies underlie the leadership styles they are lacking. They can then work assiduously to increase their quotient of them.

For instance, an affiliative leader has strengths in three emotional intelligence competencies: in

empathy, in building relationships, and in communication. Empathy – sensing how people are feeling in the moment – allows the affiliative leader to respond to employees in a way that is highly congruent with that person’s emotions, thus building rapport. The affiliative leader also displays a natural ease in forming new relationships, getting to know someone as a person, and cultivating a bond. Finally, the outstanding affiliative leader has mastered the art of interpersonal communication, particularly in saying just the right thing or making the apt symbolic gesture at just the right moment.

So if you are primarily a pacesetter leader who wants to be able to use the affiliative style more often, you would need to improve your level of empathy and, perhaps, your skills at building relationships or communicating effectively. As another example, a visionary leader who wants to add the participative style to his repertory might need to work on the capabilities of collaboration and communication. Such advice about adding capabilities may seem simplistic – ‘Go change yourself’ – but enhancing emotional intelligence is entirely possible with practice (For more on how to improve emotional intelligence, see the sidebar, ‘Growing your emotional intelligence’).

## More science, less art

Like parenthood, leadership will never be an exact science. But neither should it be a complete mystery to those who practice it. In recent years, research has helped parents understand the genetic, psychological, and behavioural components that affect their ‘job performance’. With our new research, leaders, too, can get a clearer picture of what it takes to lead effectively. And perhaps as important, they can see how they can make that happen.

The business environment is continually changing, and a leader must respond in kind. Hour to hour, day to day, week to week, executives must play their leadership styles like a pro – using the right one at just the right time and in the right measure. The payoff is in the results.

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<sup>i</sup> Daniel Goleman consults with Hay/McBer on leadership development.