

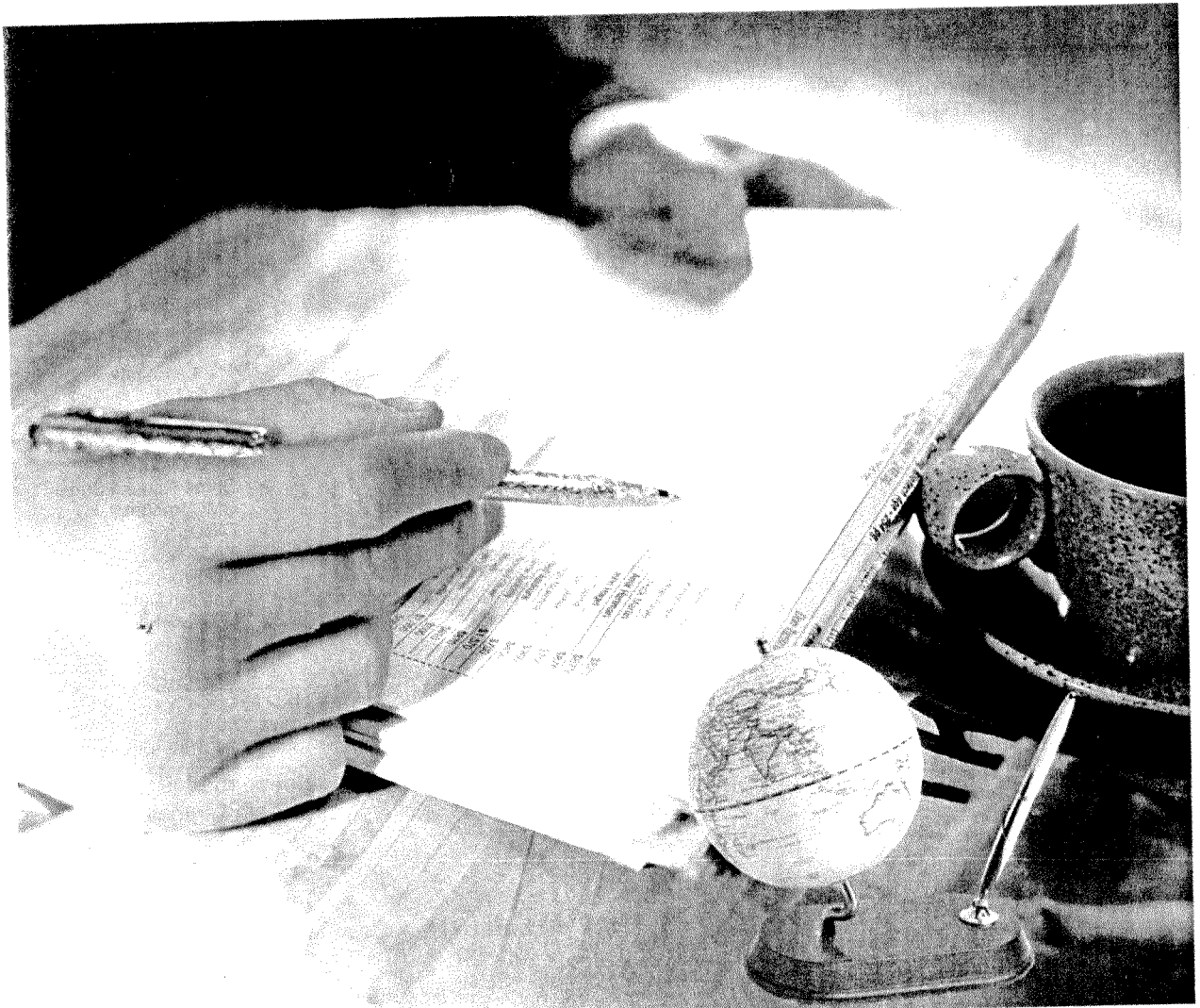
LEADERSHIP

In the last decade or so, India's economy, and with it corporate India, has experienced high rates of growth. The growth has, on the one hand, opened up opportunities for talented people to rise up to leadership positions very quickly and, on the other hand, created a strong challenge for the boards and CEOs of the companies to identify and promote those people to leadership positions who have a better chance of not only succeeding but also lasting and growing with the organization. The rate of success, however, is not very encouraging. Stories abound of high achieving, aggressive leaders who after an initial period of high performance, fail and either leave or are eased out. In the last couple

of years this challenge has got even more complex. While the growth rate has sustained, the nature of growth has changed. The next phase of growth is making companies expand globally to exploit opportunities that have opened up post the financial crisis, dig deeper into the local markets to service the increasingly educated, aware and prosperous semi-urban and rural markets, innovate products and services to meet the need of the Indian consumer rather than replicate western models, graduate to solution providers from being transaction processors and so on. They need to do all of this in a substantially talent starved market. Today's corporate leaders need broader experience, more business

acumen, and other key leadership skills to stay on top. "The speed of change has been greater in the last two or three years than over the entire last decade," said a senior executive of a large conglomerate. "We need leaders in the business to stay ahead of where the next tsunami is coming from." CEOs are also under increasing pressure to steer organizations on a legal, ethical, and risk-aware course-while at the same time containing costs and increasing growth and profits. It is no surprise, therefore, that executive search firms are being asked by companies to find them leaders who are very different from the ones they have currently.

In the light of this, we examined a. the kind of leaders that



license to lead

■ BY DHRUV PRAKASH

Personal attributes that maximize the impact of the most successful leaders.

organizations are looking for and b. the attributes that are most likely to help leaders succeed.

What do organizations look for in leaders?

An analysis of the briefings received by us for hiring of CEO and CXO level candidates reveals that the Judgment, Strategic Thinking and Drive are the characteristics most often looked for whereas Assertiveness and Competitiveness are spoken of least often.

The defining features of potential CEOs seem to include the ability to reduce complexity, analytical skills, common sense, optimism and self-belief. Others referred more specifically to the necessary ability to "fly high and deep dive" as well as the need to be "inclusive in strategy and excellent in execution."

It also emerged that would-be CEOs need to be in touch with their emotional side - to have "empathy", "compassion" and "emotional intelligence". An interesting characteristic outlined was Courage.

"You must be a person who is willing to stand up alone, when things aren't going right, and communicate the message in a timely fashion," said one CEO by way of explanation. Courage also means being proactive and unafraid to innovate. In this new economy, successful CEOs don't just deliver results they shape the organization's thinking by anticipating the problems, risks, and needs that lie ahead. The perfect candidate must strike a fine, rare and barely perceptible balance between inner strength and outer confidence.

Similarly, examining what people say about the characteristics that they definitely would not like to see in potential CEO and CXO candidates are Indecisiveness, Micromanaging, Lack of Courage and Arrogance/

Personal attributes that make leaders successful

When we examined the attributes that are most likely to make leaders succeed in today's environment of

high growth, rapid and broad change and the need for strong risk management while creating value, we found that these fall broadly into three categories:

Authenticity and self awareness:

"Do you want to look good, or do the right thing?" is a question that most leaders have to answer in almost everything that they do. For many looking good is important. They think this way because organizations and communities recognize and reward the degree to which we master our external environment. Revenue, profits, market share are some of the measures of external results. When leaders assume 'impression management' as their default style, it ultimately undermines the people who work with them and lowers engagement. It also affects their personal development and potential to grow. Such leaders stifle innovation and make organizations risk averse and defensive. Effective leaders exhibit authenticity. The reality is we lead by virtue of who we are.

LEADERSHIP



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Dhruv Prakash is a Managing Director of Korn/Ferry International's Leadership and Talent Consulting business in India, based in the Firm's New Delhi office. In addition to over 36 years of expansive and varied industry experience, he possesses an extensive background in consulting, having worked with several of India's leading businesses to manage change, coach senior management, build high performance cultures, restructure and conduct post merger integration. Prakash holds an MBA from the Indian Institute of Management, Ahmedabad, and a Masters degree in Chemistry from Meerut University.

According to Terry Bacon, Senior Partner at Korn/Ferry International and author of the book, 'The Elements of Power', says "Character is a key source of leadership power. It enhances your ability to influence others for three reasons: 1. they trust your intentions; 2. they are more confident in your leadership; and 3. they see you as a person worth emulating."

Authenticity cannot be achieved or sustained without the leader being highly self-aware. High performers who rapidly rise to leadership positions tend to get deeply invested in their way of doing things and believe that they do not need a mirror to check the impact that they are having. As people graduate from being individual contributors to leaders of organizations they need to modify the way they address people and deal with work. Unfortunately past success prevents them from recognizing the inflexion points and the direction of change required to maintain effectiveness. In any case, leaders are less likely to get feedback and, when they do, are likely, more often than not, to be told how well they are doing. In some cases leaders may get 360 degree feedback. However, by that they are more likely to learn how to act rather than how to be. According to Kevin Cashman, Senior Partner Korn/Ferry International and author of the best selling book 'Leadership from the Inside Out', says 'What you need for your leaders is 720 degree development. Typically, 360 degree feedback encourages people to simply deliver the desired behaviours without giving them the personal insight and motivation to grow- a formula destined to limit authentic influence by creating actors versus leaders. For many people, moving ahead in their careers is about mastering some skill set. Instead of being seen as an ongoing internal growth process, mastery is usually seen as mastery of something outside of ourselves. **Leadership competencies:** The first leadership competency is 'superior

business acumen'. "It is essential to have a great understanding of the business," said a senior executive "If you don't, your job can be pretty hard. You need systemic thinking, the ability to connect the dots and understand the implications and consequences of business decisions in order to utilize resources in the most effective way."

The business world is undergoing massive change. Organizations are facing restructuring, reengineering, downsizing, globalization, and unprecedented scrutiny. Every business function, under mandate from the board, is seeking ways to become more efficient. Leaders build credibility by demonstrating a firm grasp of business models, concisely stating the value proposition and visualizing and creating the big picture while retaining a command over the specifics. People look to leaders to figure out what strategy will best serve the market and outrun the competition. Business environment is ambiguous making decision making complex; there is rarely one clear answer. Leaders need to be capable of navigating such an environment and create value for all stakeholders. The visionary executive anticipates what is around the corner.

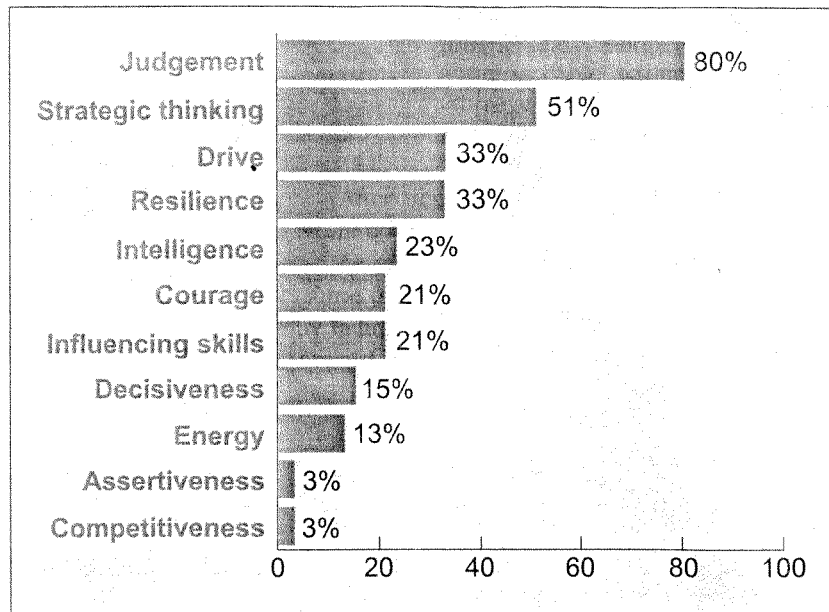
The second leadership competency is 'using power and influence'. Leaders by virtue of their role wield power. Role power is one of the strongest sources of power a person can have. Its strength comes from our tendency to accept a leader's legitimate right to tell, ask, lead or influence us to do what he wants. However, people are not sheep. There is a constant tension between the urge to conform and the need for autonomy and freedom. Because of this tension, when role power is used to lead or influence people, the outcome is more likely compliance and not commitment. People may accept what someone with legitimate role power wants them to do but they rarely embrace it.

There are two styles of leadership.

One is hard driving with a strong sense of personal power. Hard-driving leadership takes its toll on others. People become worn out. The other style is more interpersonally connected, they are collaborative and synergistic. If we aspire to genuine leadership, we need to develop both. Having personal and relational awareness in a supporting dynamic is the essence of emotional intelligence.

According to Terry Bacon, leaders have 11 sources of power, some stemming from their position and others from personal attributes and capabilities. Power sources could also turn into a power drain if inappropriately applied. 'In other words, leaders, like batteries, can lose their voltage and, with it, their ability to lead and influence others.

Kevin Cashman says 'Anyone authentically influencing to create value is leading. Some may influence and create value through ideas, others through systems, others through people, but the essence is the same. Deep from their core, the



person brings forward their talents, connects with others, and serves multiple constituencies.'

The third leadership competency is 'communication skill'. Strong communication skills have essentially become table stakes

to the game. 'It's important that messages are delivered clearly so people can understand the magnitude of an issue; is it a rock or a pebble? And a sense of the pulse of the industry, for instance. A sign of a good leader is the ability

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FUTURE OF LEADERSHIP

Fine learners make the best leaders:

Leadership can be learnt from life experiences rather than learning leadership theory in a vacuum. The paper, 'Power to the People', says that learning leadership is a role of how people approach, go through, and reflect on developmental experiences — a course which is called 'mindful engagement'.

A set of leadership principles:

Teaching leadership needs to include a set of leadership principles that can be applied across situations internationally. This will create an adaptive ability that enables people to effectually lead in the present multifaceted and vibrant business environment.

Rewarding leadership development:

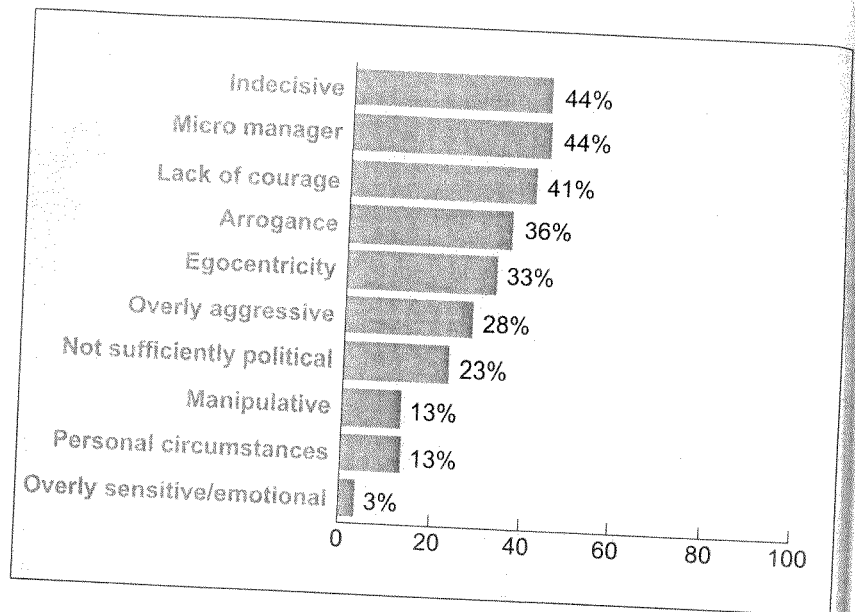
Instead giving lip service to the significance of developing people, organizations can reward the development of its people. This creates buy in for leadership development and companies would not be losing their key talents to other opportunities.

Developing leadership at all levels:

It is always said that leadership is not about positions. If that is true, then why do most leadership development programs focus on senior and middle level executives? The aim should be to find methods to ably and cost-effectively develop leaders throughout the organization.

Make it simple: Leadership is intricate, but leadership development can be effortless. Just give key talent clear metrics and development priorities that offer a clear-cut path for realizing their leadership potential. Unfortunately, this is not done in most organizations. One Fortune 500 company created a leadership competency model that specified 54 different competencies across 15 diverse leadership skills. The result was the employees were puzzled, and evaluation data was mediocre. Probably three or four competencies that differentiate top performers across different levels of the company are enough, which can be then rewarded and promoted built on those competencies.

(Source: HBR)



to communicate that." Delivering internal messages is just one aspect of a multi-faceted communication. Effective communicators provide a clear message that is understood by everyone. Their messages are consistent, fine tuned to the situation. They establish credibility through effective communication. Successful leaders also coach and mentor their people on this important skill.

Ability to learn from experiences and succeed in first time situation:

The dynamic and complex business environment requires leaders to deal with situations, challenges and opportunities that they or their peers have never experienced before. The ability to navigate and succeed in such an environment is critical to success of leaders.

Successful executives learn faster than those who 'derail', not because they are more intelligent, but because they have the necessary skills and strategies, and are therefore 'learning agile'. By contrast, those that do not learn from their jobs, and simply repeat their previous performance in each new role, will never become the most effective leaders.

Failures to learn new things almost inevitably result in failures to perform over the long term. Changing circumstances call for rapid learning and fresh skills. Many

studies note learning quickness or street smarts as a key in performing in difficult transitions or new jobs. In contrast to those with similar experiences who derailed, successful executives were different or were helped to become different in several ways:

- They sought and got more feedback (from self or others) on how they came across to others and what they needed to do to improve and perform better.
- They had roughly twice the variety (but sometimes the same number) in the "on the job" leadership challenges they faced.
- They responded to this newness and adversity by learning new skills and additional ways of thinking.

India Inc's ability to grasp the tremendous opportunity that the 'New Economic Order' offers will significantly depend on our ability to develop a sufficient number of leaders with the requisite characteristics in double quick time. An analysis of our database of candidates assessed shows that only about 8% are 'ready now'. We need to find ways of accelerating development and getting younger and less experienced people ready for leadership. We believe that the best way is to use lessons of experience rigorously for development, strongly supported by feedback, coaching and mentoring.

(HC)