THE FIVE PRACTICES OF EXEMPLARY LEADERSHIP

Since 1983 we've been conducting research on personal-best leadership experiences, and we've discovered that there are countless examples of how leaders, like Dick and Claire, mobilize others to get extraordinary things done in virtually every arena of organized activity. We've found them in profit-based firms and nonprofits, manufacturing and services, government and business, health care, education and entertainment, and work and community service. Leaders reside in every city and every country, in every position and every place. They're employees and volunteers, young and old, women and men. Leadership knows no racial or religious bounds, no ethnic or cultural borders. We find exemplary leadership everywhere we look.

From our analysis of thousands of personal-best leadership experiences, we've discovered that ordinary people who guide others along pioneering journeys follow rather similar paths. Though each experience we examined was unique in expression, every case followed remarkably similar patterns of action. We've forged these common practices into a model of leadership, and we offer it here as guidance for leaders as they attempt to keep their own bearings and steer others toward peak achievements.

As we looked deeper into the dynamic process of leadership, through case analyses and survey questionnaires, we uncovered five practices common to personal-best leadership experiences. When getting extraordinary things done in organizations, leaders engage in these Five Practices of Exemplary Leadership:

- Model the Way
- Inspire a Shared Vision
- Challenge the Process
- Enable Others to Act
- Encourage the Heart

The Five Practices—which we discuss briefly in this chapter and then in depth in Chapters Three through Twelve—aren't the private property of the people we studied or of a few select shining stars. Leadership is not about personality; it's about behavior. The Five Practices are available to anyone who accepts the leadership challenge. And they're also not the accident of a unique moment in history. The Five Practices have stood the test of time, and our most recent research confirms that they're just as relevant today as they were when we first began our investigation more than twenty-five years ago.

Model the Way

Titles are granted, but it's your behavior that wins you respect. As Tom Brack, with Europe's SmartTeam AG, told us, "Leading means you have to be a good example, and live what you say." This sentiment was shared across all the cases that we collected. Exemplary leaders know that if they want to gain commitment and achieve the highest standards, they must be models of the behavior they expect of others. Leaders model the way.

To effectively model the behavior they expect of others, leaders must first be clear about guiding principles. They must clarify values. As Lindsay Levin, chairman for Whites Group in England, explained, "You have to open up your heart and let people know what you really think and believe. This means talking about your values." Leaders must find their own voice, and then they must clearly and distinctively give voice to their values. As the personal-best stories illustrate, leaders are supposed to stand up for their beliefs, so they'd better have some beliefs to stand up for. But it's not just the leader's values that are important. Leaders aren't just representing themselves. They speak and act on behalf of a larger organization. Leaders must forge agreement around common principles and common ideals.
Eloquent speeches about common values, however, aren't nearly enough. Leaders' deeds are far more important than their words when one wants to determine how serious leaders really are about what they say. Words and deeds must be consistent. Exemplary leaders go first. They go first by setting the example through daily actions that demonstrate they are deeply committed to their beliefs. As Prabha Seshan, principal engineer for SSA Global, told us, "One of the best ways to prove something is important is by doing it yourself and setting an example." She discovered that her actions spoke volumes about how the team needed to "take ownership of things they believed in and valued." There wasn't anything Prabha asked others to do that she wasn't willing to do herself, and as a result, "while I always trusted my team, my team in turn trusted me." For instance, she wasn't required to design or code features but by doing some of this work she demonstrated to others not only what she stood for but also how much she valued the work they were doing and what their end user expected from the product.

The personal-best projects we heard about in our research were all distinguished by relentless effort, steadfastness, competence, and attention to detail. We were also struck by how the actions leaders took to set an example were often simple things. Sure, leaders had operational and strategic plans. But the examples they gave were not about elaborate designs. They were about the power of spending time with someone, of working side by side with colleagues, of telling stories that made values come alive, of being highly visible during times of uncertainty, and of asking questions to get people to think about values and priorities.

Modeling the way is about earning the right and the respect to lead through direct involvement and action. People follow first the person, then the plan.

**Inspire a Shared Vision**

When people described to us their personal-best leadership experiences, they told of times when they imagined an exciting, highly attractive future for their organization. They had visions and dreams of what could be. They had absolute and total personal belief in those dreams, and they were confident in their abilities to make extraordinary things happen. Every organization, every social movement, begins with a dream. The dream or vision is the force that invents the future. Leaders inspire a shared vision. As Mark D’Arcangelo, system memory product marketing manager at Hitachi Semiconductor, told us about his personal-best leadership experience, "What made the difference was the vision of how things could be and clearly painting this picture for all to see and comprehend."

Leaders gaze across the horizon of time, imagining the attractive opportunities that are in store when they and their constituents arrive at a distant destination. They envision exciting and ennobling possibilities. Leaders have a desire to make something happen, to change the way things are, to create something that no one else has ever created before. In some ways, leaders live their lives backward. They see pictures in their mind’s eye of what the results will look like even before they’ve started their project, much as an architect draws a blueprint or an engineer builds a model. Their clear image of the future pulls them forward. Yet visions seen only by leaders are insufficient to create an organized movement or a significant change in a company. A person with no constituents is not a leader, and people will not follow until they accept a vision as their own. Leaders cannot command commitment, only inspire it.

Leaders have to enlist others in a common vision. To enlist people in a vision, leaders must know their constituents and speak their language. People must believe that leaders understand their needs and have their interests at heart. Leadership is a dialogue, not a monologue. To enlist support, leaders must have intimate knowledge of people’s dreams, hopes, aspirations, visions, and values. Evelia Davis, merchandise manager for Mervyns, told us that while she was good at telling people where they were going together, she also needed to do a good job of explaining why they should follow her, how they could help reach the destination, and what this meant for them. As Evelia put it, "If you don’t believe enough to share it, talk about it, and get others excited about it then it’s not much of a vision!"
Leaders breathe life into the hopes and dreams of others and enable them to see the exciting possibilities that the future holds. Leaders forge a unity of purpose by showing constituents how the dream is for the common good. Leaders stir the fire of passion in others by expressing enthusiasm for the compelling vision of their group. Leaders communicate their passion through vivid language and an expressive style.

Whatever the venue, and without exception, the people in our study reported that they were incredibly enthusiastic about their personal-best projects. Their own enthusiasm was catching; it spread from leader to constituents. Their belief in and enthusiasm for the vision were the sparks that ignited the flame of inspiration.

**Challenge the Process**

Every single personal-best leadership case we collected involved some kind of challenge. The challenge might have been an innovative new product, a cutting-edge service, a groundbreaking piece of legislation, an invigorating campaign to get adolescents to join an environmental program, a revolutionary turnaround of a bureaucratic military program, or the start-up of a new plant or business. Whatever the challenge, all the cases involved a change from the status quo. Not one person claimed to have achieved a personal best by keeping things the same. All leaders **challenge the process**.

Leaders venture out. None of the individuals in our study sat idly by waiting for fate to smile upon them. “Luck” or “being in the right place at the right time” may play a role in the specific opportunities leaders embrace, but those who lead others to greatness seek and accept challenge. Jennifer Cun, in her role as a budget analyst with Intel, noted how critical it is for leaders “to always be looking for ways to improve their team, taking interests outside of their job or organization, finding ways to stay current of what the competition is doing, networking, and taking initiative to try new things.”

Leaders are pioneers. They are willing to step out into the unknown. They **search for opportunities to innovate, grow, and improve**. But leaders aren’t the only creators or originators of new products, services, or processes. In fact, it’s more likely that they’re not: innovation comes more from listening than from telling. Product and service innovations tend to come from customers, clients, vendors, people in the labs, and people on the front lines; process innovations, from the people doing the work. Sometimes a dramatic external event thrusts an organization into a radically new condition. Leaders have to constantly be looking outside of themselves and their organizations for new and innovative products, processes, and services. “Mediocrity and status quo will never lead a company to success in the marketplace,” is what Mike Pepe, product marketing manager at O3 Entertainment, told us. “Taking risks and believing that taking them is worthwhile,” he went on to say, “are the only way companies can ‘jump’ rather than simply climb the improvement ladder.”

When it comes to innovation, the leader’s major contributions are in the creation of a climate for experimentation, the recognition of good ideas, the support of those ideas, and the willingness to challenge the system to get new products, processes, services, and systems adopted. It might be more accurate, then, to say that leaders aren’t the inventors as much as they are the early patrons and adopters of innovation.

Leaders know well that innovation and change involve **experimenting and taking risks**. Despite the inevitability of mistakes and failures leaders proceed anyway. One way of dealing with the potential risks and failures of experimentation is to approach change through incremental steps and small wins. Little victories, when piled on top of each other, build confidence that even the biggest challenges can be met. In so doing, they strengthen commitment to the long-term future. Not everyone is equally comfortable with risk and uncertainty. Leaders must pay attention to the capacity of their constituents to take control of challenging situations and become fully committed to change. You can’t exhort people to take risks if they don’t also feel safe.

It would be ridiculous to assert that those who fail over and over again eventually succeed as leaders. Success in any endeavor isn’t a process of simply buying enough lottery tickets. The key that unlocks the door to opportunity is
learning. Claude Meyer, with the Red Cross in Kenya, put it to us this way: “Leadership is learning by doing, adapting to actual conditions. Leaders are constantly learning from their errors and failures.” Life is the leader’s laboratory, and exemplary leaders use it to conduct as many experiments as possible. Try, fail, learn. Try, fail, learn. Try, fail, learn. That’s the leader’s mantra. Leaders are learners. They learn from their failures as well as their successes, and they make it possible for others to do the same.

**Enable Others to Act**

Grand dreams don’t become significant realities through the actions of a single person. It requires a team effort. It requires solid trust and strong relationships. It requires deep competence and cool confidence. It requires group collaboration and individual accountability. To get extraordinary things done in organizations, leaders have to enable others to act.

After reviewing thousands of personal-best cases, we developed a simple test to detect whether someone is on the road to becoming a leader. That test is the frequency of the use of the word we. In our interviews, we found that people used we nearly three times more often than I in explaining their personal-best leadership experience. Hewlett-Packard’s Angie Yim was the technical IT team leader on a project involving core team members from the United States, Singapore, Australia, and Hong Kong. In the past, Angie told us, she “had a bad habit of using the pronoun I instead of we,” but she learned that people responded more eagerly and her team became more cohesive when people felt part of the we. “This is a magic word,” Angie realized. “I would recommend that others use it more often.”

Leaders foster collaboration and build trust. This sense of teamwork goes far beyond a few direct reports or close confidants. They engage all those who must make the project work—and in some way, all who must live with the results. In today’s virtual organizations, cooperation can’t be restricted to a small group of loyalists; it must include peers, managers, customers and clients, suppliers, citizens—all those who have a stake in the vision.

Leaders make it possible for others to do good work. They know that those who are expected to produce the results must feel a sense of personal power and ownership. Leaders understand that the command-and-control techniques of traditional management no longer apply. Instead, leaders work to make people feel strong, capable, and committed. Leaders enable others to act not by hoarding the power they have but by giving it away. Exemplary leaders strengthen everyone’s capacity to deliver on the promises they make. As Kathryn Winters learned working with the communications department at NVIDIA Corporation, “You have to make sure that no one is outside the loop or uninvolved in all the changes that occur.” She continually ensures that each person has a sense of ownership for his or her projects. She seeks out the opinions of others and uses the ensuing discussion not only to build up their capabilities but also to educate and update her own information and perspective. “Inclusion (not exclusion),” she finds, “ensures that everyone feels and thinks that they are owners and leaders—this makes work much easier.” Kathryn realized that when people are trusted and have more discretion, more authority, and more information, they’re much more likely to use their resources to produce extraordinary results.

In the cases we analyzed, leaders proudly discussed teamwork, trust, and empowerment as essential elements of their efforts. A leader’s ability to enable others to act is essential. Constituents neither perform at their best nor stick around for very long if their leader makes them feel weak, dependent, or alienated. But when a leader makes people feel strong and capable—as if they can do more than they ever thought possible—they’ll give it their all and exceed their own expectations. Authentic leadership is founded on trust, and the more people trust their leader, and each other, the more they take risks, make changes, and keep organizations and movements alive. Through that relationship, leaders turn their constituents into leaders themselves.

**Encourage the Heart**

The climb to the top is arduous and long. People become exhausted, frustrated, and disenchanted. They’re often tempted to give up. Leaders encourage
the heart of their constituents to carry on. Genuine acts of caring uplift the spirits and draw people forward. In her personal-best leadership experience Ankush Joshi, the service line manager with Informix USA, learned that “writing a personal thank-you note, rather than sending an e-mail, can do wonders.” Janel Ahrens, marcom manager with National Semiconductor, echoed Ankush’s observation. Janel would make notes about important events in other people’s lives and then follow up with them directly after or simply wish them luck prior to an important event. Every person was “genuinely touched that I cared enough to ask them about how things are going.” She told us that in her organization “work relationships have been stronger since this undertaking.” Janel’s and Ankush’s experiences are testimony to the power of a “thank you.”

Recognizing contributions can be one-to-one or with many people. It can come from dramatic gestures or simple actions. One of the first actions that Abraham Kuruvilla took upon becoming CEO of the Dredging Corporation of India (a government-owned private-sector company providing services to all ten major Indian ports) was to send out to every employee a monthly newsletter (DCI News) that was full of success stories. In addition, he introduced, for the first time, a public-recognition program through which awards and simple appreciation notices were given out to individuals and teams for doing great work. Abraham made sure that people were recognized for their contributions, because he wanted to provide a climate in which “people felt cared about and genuinely appreciated by their leaders.”

It’s part of the leader’s job to show appreciation for people’s contributions and to create a culture of celebrating values and victories. In the cases we collected, we saw thousands of examples of individual recognition and group celebration. We’ve heard and seen everything from handwritten thank-yous to marching bands and “This Is Your Life”–type ceremonies.

Recognition and celebration aren’t about fun and games, though there is a lot of fun and there are a lot of games when people encourage the hearts of their constituents. Neither are they about pretentious ceremonies designed to create some phony sense of camaraderie. When people see a charlatan making noisy affectations, they turn away in disgust. Encouragement is, curiously, serious business. It’s how leaders visibly and behaviorally link rewards with performance. When striving to raise quality, recover from disaster, start up a new service, or make dramatic change of any kind, leaders make sure people see the benefit of behavior that’s aligned with cherished values. Leaders also know that celebrations and rituals, when done with authenticity and from the heart, build a strong sense of collective identity and community spirit that can carry a group through extraordinarily tough times.

LEADERSHIP IS A RELATIONSHIP

Our findings from the analysis of personal-best leadership experiences challenge the myth that leadership is something that you find only at the highest levels of organizations and society. We found it everywhere. These findings also challenge the belief that leadership is reserved for a few charismatic men and women. Leadership is not a gene and it’s not an inheritance. Leadership is an identifiable set of skills and abilities that are available to all of us. The “great person”—woman or man—theory of leadership is just plain wrong. Or, we should say, the theory that there are only a few great men and women who can lead others to greatness is just plain wrong. Likewise, it is plain wrong that leaders only come from large, or great, or small, or new organizations, or from established economies, or from start-up companies. We consider the women and men in our research to be great, and so do those with whom they worked. They are the everyday heroes of our world. It’s because there are so many—not so few—leaders that extraordinary things get done on a regular basis, especially in extraordinary times.

To us this is inspiring and should give everyone hope. Hope, because it means that no one needs to wait around to be saved by someone riding into town on a white horse. Hope, because there’s a generation of leaders searching for the opportunities to make a difference. Hope, because right down the
block or right down the hall there are people who will seize the opportunity to lead you to greatness. They’re your neighbors, friends, and colleagues. And you are one of them, too.

There’s still another crucial truth about leadership. It’s something that we’ve known for a long time, but we’ve come to prize even more today. In talking to leaders and reading their cases, there was a very clear message that wove itself throughout every situation and every action. The message was: leadership is a relationship. Leadership is a relationship between those who aspire to lead and those who choose to follow. It’s the quality of this relationship that matters most when we’re engaged in getting extraordinary things done. A leader-constituent relationship that’s characterized by fear and distrust will never, ever produce anything of lasting value. A relationship characterized by mutual respect and confidence will overcome the greatest adversities and leave a legacy of significance.

Evidence abounds for this point of view. For instance, in examining the critical variables for executive success in the top three jobs in large organizations, Jodi Taylor and Valerie Sessa at the Center for Creative Leadership found the number one success factor to be “relationships with subordinates.”

We were intrigued to find that even in this nanosecond world of e-everything, opinion is consistent with the facts. In an online survey, respondents were asked to indicate, among other things, which would be more essential to business success in five years—social skills or skills in using the Internet. Seventy-two percent selected social skills; 28 percent, Internet skills. Internet literati completing a poll online realize that it’s not the web of technology that matters the most, it’s the web of people.

Similar results were found in a study by Public Allies, an AmeriCorps organization dedicated to creating young leaders who can strengthen their communities. Public Allies sought the opinions of eighteen- to thirty-year-olds on the subject of leadership. Among the items was a question about the qualities that were important in a good leader. Topping the respondents’ list is “Being able to see a situation from someone else’s point of view.” In second place is “Getting along well with other people.”

Success in leadership, success in business, and success in life have been, are now, and will continue to be a function of how well people work and play together. Success in leading will be wholly dependent upon the capacity to build and sustain those human relationships that enable people to get extraordinary things done on a regular basis.

THE TEN COMMITMENTS OF LEADERSHIP

Embedded in The Five Practices of Exemplary Leadership are behaviors that can serve as the basis for learning to lead. We call these The Ten Commitments of Leadership (Table 1.1). These ten commitments serve as the guide for our discussion of how leaders get extraordinary things done in organizations and as the structure for what’s to follow. We’ll fully explore each of these commitments in Chapters Three through Twelve. Before delving into the practices and commitments further, however, let’s consider leadership from the vantage point of the constituent. If leadership is a relationship, as we have discovered, then what do people expect from that relationship? What do people look for and admire in a leader? What do people want from someone whose direction they’d be willing to follow?
CREDIBILITY IS THE FOUNDATION OF LEADERSHIP

"Leadership is in the eyes of other people; it is they who proclaim you as a leader."

Carrie Gilstrap, Hewlett-Packard

Model the way, inspire a shared vision, challenge the process, enable others to act, and encourage the heart: these are the leadership practices that emerge from thousands of personal-best cases. But they paint only a partial picture. Leaders don’t get extraordinary things done all by themselves! The portrayal
can be completed only when we add in what constituents expect from their leaders. With these brush strokes the picture takes on depth and vitality.

What leaders say they do is one thing; what constituents say they want and how well leaders meet these expectations is another. Because leadership is a reciprocal process between leaders and their constituents, any discussion of leadership must attend to the dynamics of this relationship. Strategies, tactics, skills, and practices are empty without an understanding of the fundamental human aspirations that connect leaders and constituents.

To balance our understanding of leadership, we investigated the expectations that constituents have of leaders. We asked constituents to tell us what they look for in a person that they would be willing to follow, someone who had the personal traits, characteristics, and attributes they wanted in a leader. Their responses both affirm and enrich the picture that emerged from our studies of personal leadership bests.

**WHAT PEOPLE LOOK FOR AND ADMIRE IN LEADERS**

We began our research on what constituents expect of leaders more than twenty-five years ago by surveying thousands of business and government executives. We asked the following open-ended question: “What values, personal traits, or characteristics do you look for and admire in a leader?” In response to that question, respondents identified several hundred different values, traits, and characteristics. Subsequent content analysis by several independent judges, followed by further empirical analyses, reduced these items to a list of twenty characteristics (each grouped with several synonyms for clarification and completeness).

From this list of twenty characteristics, we developed a survey questionnaire called “Characteristics of Admired Leaders.” We’ve administered this questionnaire to over seventy-five thousand people around the globe, and we update the findings continuously. We distribute a one-page checklist and ask respondents to select the seven qualities that they most look for and admire in a leader, someone whose direction they would willingly follow.” We tell them that the key word in this question is willingly. What do they expect from a leader they would follow, not because they have to, but because they want to?

The results have been striking in their regularity over the years, and they do not significantly vary by demographical, organizational, or cultural differences. Wherever we’ve asked the question, it’s clear, as the data in Table 2.1 illustrate, that there are a few essential “character tests” someone must pass before others are willing to grant the designation leader.

Although every characteristic receives some votes, and therefore each is important to some people, what is most striking and most evident is that only four over time (with the exception of Inspiring in 1987) have always received over 60 percent of the votes. And these same four have consistently been ranked at the top across different countries, as shown by the data in Table 2.2.

What people most look for in a leader (a person that they would be willing to follow) has been constant over time. And our research documents this consistent pattern across countries, cultures, ethnicities, organizational functions and hierarchies, gender, educational, and age groups. For people to follow someone willingly, the majority of constituents believe the leader must be:

- Honest
- Forward-looking
- Inspiring
- Competent

These investigations of desired leader attributes demonstrate consistent and clear relationships with the stories we heard people tell us about their personal-best leadership experiences. The Five Practices of Exemplary Leadership and the behaviors of people whom others think of as exemplary leaders are complementary perspectives on the same subject. When they’re
### Table: Characteristics of Admired Leaders

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*Note: These percentages represent respondents from six continents: Africa, North America, South America, Asia, Europe, and Australia. The majority of respondents are from the United States. Since we asked people to select seven characteristics, the total adds up to more than 100 percent.*

### Table: Cross-Cultural Comparisons of the Characteristics of Admired Leaders

<table>
<thead>
<tr>
<th>Country</th>
<th>Honest</th>
<th>Forward-looking</th>
<th>Inspiring</th>
<th>Competent</th>
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<td>United States</td>
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Performing at their peak, leaders are doing more than just getting results. They're also responding to the expectations of their constituents.²

As we weave the themes of being honest, forward-looking, inspiring, and competent into the text of the subsequent chapters on The Five Practices, you'll see in more detail how exemplary leaders respond to the expectations of their constituents. For example, leaders cannot Model the Way without being seen as honest. The leadership practice of Inspire a Shared Vision involves being forward-looking and inspiring. When leaders Challenge the Process, they also enhance the perception that they're dynamic. Trustworthiness, often a synonym for honesty, plays a major role in how leaders Enable Others to Act, as does the leader's own competency. Likewise, leaders who recognize and celebrate significant accomplishments—who Encourage the Heart—show inspiration and positive energy, which increases their constituents'
understanding of the commitment to the vision and values. When leaders demonstrate capacity in all of The Five Practices, they show others they have the competence to get extraordinary things done.

Let’s take a closer look at each of the four attributes that have been selected by the majority of respondents since the early 1980s.

**Honest**

In almost every survey we’ve conducted, honesty has been selected more often than any other leadership characteristic; overall, it emerges as the single most important factor in the leader-constituent relationship. The percentages vary, but the final ranking does not. Since the very first time we conducted our studies honesty has been at the top of the list.

It’s clear that if people anywhere are to willingly follow someone—whether it’s into battle or into the boardroom, the front office or the front lines—they first want to assure themselves that the person is worthy of their trust. They want to know that the person is truthful, ethical, and principled. When people talk to us about the qualities they admire in leaders, they often use the terms integrity and character as synonymous with honesty. No matter what the setting, everyone wants to be fully confident in their leaders, and to be fully confident they have to believe that their leaders are individuals of strong character and solid integrity.³

We—all of us—don’t want to be lied to or deceived. We want to be told the truth. We want a leader who knows right from wrong. Sure, we want our team to win, but we don’t want to be led—better to say, misled—by someone who cheats in the process of attaining victory. It lowers our current and future motivational levels; we just won’t work as hard for a person or a cause once we’ve been tricked.

We want our leaders to be honest because their honesty is also a reflection upon our own honesty. Of all the qualities that people look for and admire in a leader, honesty is by far the most personal. More than likely this is also why it consistently ranks number one. It’s the quality that can most en-

**Forward-Looking**

A little more than 70 percent of our most recent respondents selected the ability to look ahead as one of their most sought-after leadership traits. People expect leaders to have a sense of direction and a concern for the future of the organization. This expectation directly corresponds to the ability to envision the future that leaders described in their personal-best cases. Whether we call that ability vision, a dream, a calling, a goal, or a personal agenda, the message is clear: leaders must know where they’re going if they expect others to willingly join them on the journey. They have to have a point of view about the future envisioned for their organizations, and they need to be able to connect that point of view to the hopes and dreams of their constituents.

By forward-looking, people don’t mean the magical power of a prescient visionary. The reality is far more down to earth. It’s the ability to imagine or discover a desirable destination toward which the company, agency, congregation, or community should head. Vision reveals the beckoning summit that provides others with the capacity to chart their course toward the future. As constituents, we ask that a leader have a well-defined orientation toward the
people upward and forward. When people are worried, discouraged, frightened, and uncertain about the future, the last thing needed is a leader who feeds those negative emotions. Instead, they need leaders who communicate in words, demeanor, and actions that they believe their constituents will overcome. Emotions are contagious, and positive emotions resonate throughout an organization and into relationships with other constituents. To get extraordinary things done in extraordinary times, leaders must inspire optimal performance—and that can only be fueled with positive emotions.

**Competent**

To enlist in a common cause, people must believe that the leader is competent to guide them where they’re headed. They must see the leader as having relevant experience and sound judgment. If they doubt the person’s abilities, they’re unlikely to join in the crusade.

*Leadership competence* refers to the leader’s track record and ability to get things done. This kind of competence inspires confidence that the leader will be able to guide the entire organization, large or small, in the direction in which it needs to go. It doesn’t refer specifically to the leader’s abilities in the core technology of the operation. In fact, the type of competence demanded seems to vary more with the leader’s position and the condition of the organization. Although people demand a base level of understanding of the fundamentals of the industry, market, or professional service environment, they also know that leaders can’t be expected to be the most technically competent in their fields. Organizations are too complex and multifunctional for that ever to be the case. This is particularly true as people reach the more senior levels. For example, those who hold officer positions are definitely expected to demonstrate abilities in strategic planning and policymaking. If a company desperately needs to clarify its core competence and market position, a CEO who is savvy in competitive marketing may be perceived as a fine leader. But in the line function, where people expect guidance in technical areas, these same strategic marketing abilities will be insufficient. A leader on
the line or at the point of customer or client contact will typically have to be more technically competent than someone less engaged in providing services or making products. What's often most significant is that the leader takes the time to learn the business and to know the current operation.

Relevant experience is a dimension of competence, one that is different from technical expertise. Experience is about active participation in situational, functional, and industry events and activities and the accumulation of knowledge derived from participation. Experience correlates with one's track record, and the broader one's experience, the more likely he or she is to be successful across organizations and industries. An effective leader in a high-technology company, for example, may not need to be a master programmer but must understand the business implications of electronic data interchange, networking, and the Internet. A health care administrator with experience only in the insurance industry is more than likely doomed; the job needs extensive experience in the delivery of human services. There may be notable exceptions, but it is highly unlikely that a leader can succeed without both relevant experience and, most important, exceptionally good people skills.

PUTTING IT ALL TOGETHER: CREDIBILITY IS THE FOUNDATION

Honest, forward-looking, inspiring, and competent: these are the characteristics that have remained constant over more than twenty years of economic growth and recession, the surge in new technology enterprises, the birth of the World Wide Web, the further globalization of business and industry, the ever-changing political environment, and the expansion, bursting, and regeneration of the Internet economy. The relative importance of the most desired qualities has varied somewhat over time, but there has been no change in the fact that these are the four qualities people want most in their leaders. Whether they believe their leaders are true to these values is another matter, but what they would like from them has remained constant.

This list of four consistent findings is useful in and of itself—but there's a more profound implication revealed by our research. Three of these four key characteristics make up what communications experts refer to as "source credibility." In assessing the believability of sources of communication—whether newscasters, salespeople, physicians, or priests; whether business managers, military officers, politicians, or civic leaders—researchers typically evaluate them on three criteria: their perceived trustworthiness, their expertise, and their dynamism. Those who are rated more highly on these dimensions are considered to be more credible sources of information.

Notice how strikingly similar these three characteristics are to the essential leader qualities of being honest, competent, and inspiring—three of the top four items selected in our survey. What we found in our investigation of admired leadership qualities is that more than anything, people want to follow leaders who are credible. Credibility is the foundation of leadership.

Above all else, we as constituents must be able to believe in our leaders. We must believe that their word can be trusted, that they're personally passionate and enthusiastic about the work that they're doing, and that they have the knowledge and skill to lead.

We also must believe that they know where we're headed and have a vision for the future. Adding forward-looking to what we expect from our leaders is what sets leaders apart from other credible individuals. Compared to other sources of information (for example, news anchors), leaders must do more than be reliable reporters of the news. Leaders make the news, interpret the news, and make sense of the news. We expect our leaders to have a point of view about the future. We expect them to articulate exciting possibilities. We want to be confident that our leaders know where they're going.

Even so, although compelling visions are necessary for leadership, if the leader is not credible the message rests on a weak and precarious foundation.
Leaders therefore must be ever-diligent in guarding their credibility. Their ability to take strong stands, to challenge the status quo, and to point us in new directions depends on their being highly credible. Leaders must never take their credibility for granted, regardless of the times or their positions. If leaders ask others to follow them to some uncertain future—a future that may not be realized in their lifetime—and if the journey is going to require sacrifice, isn’t it reasonable that constituents should believe in them? To believe in the exciting future possibilities leaders present, constituents must first believe in their leaders.

Because these findings about the characteristics of admired leaders—people we would willingly follow—have been so pervasive and so consistent, we’ve come to call this “The Kouzes-Posner First Law of Leadership”:

If you don’t believe in the messenger, you won’t believe the message.

**Credibility Matters**

At this point, some people might well say, “So what? I know people who are in positions of power, and I know people who are enormously wealthy, and I don’t find them credible. Does credibility really matter? Does it make a difference?”

It’s a legitimate concern, so we decided to study the question of whether or not credibility mattered. But rather than ask about the credibility of “top management” or “elected officials,” we decided to ask questions about people closer to home. We asked people to rate their immediate managers. As part of our quantitative research, using a behavioral measure of credibility, we asked organization members to think about the extent to which their immediate manager exhibited credibility-enhancing behaviors. In our studies we found that when people perceive their immediate manager to have high credibility, they’re significantly more likely to

- Be proud to tell others they’re part of the organization
- Feel a strong sense of team spirit
- See their own personal values as consistent with those of the organization
- Feel attached and committed to the organization
- Have a sense of ownership of the organization

When people perceive their manager to have low credibility, however, they’re significantly more likely to

- Produce only if they’re watched carefully
- Be motivated primarily by money
- Say good things about the organization publicly but criticize it privately
- Consider looking for another job if the organization experiences problems
- Feel unsupported and unappreciated

This evidence of the significant impact of leadership credibility on employee attitudes and behavior certainly provides clear dictates for organizational leaders. Credibility makes a difference, and leaders must take it personally. Loyalty, commitment, energy, and productivity depend on it.

Credibility goes far beyond employee attitudes. It influences customer and investor loyalty as well as employee loyalty. In an extensive study of the economic value of business loyalty, Frederick Reichheld and his Bain & Company colleagues found that businesses concentrating on customer, employee, and investor loyalty generate superior results compared with those engendering disloyalty. They found further that disloyalty can dampen performance by a stunning 25–50 percent. Loyalty is clearly responsible for extraordinary value creation. So what accounts for business loyalty? When they investigated this question, the researchers found that “The center of gravity for business loyalty—whether it be the loyalty of customers, employees, investors, suppliers, or dealers—is the personal integrity of the senior leadership team and its ability to put its principles into practice.” And what’s true for bricks-and-mortar companies is just as true for the clicks companies. “In fact, when Web shoppers were asked to name the attributes of e-tailers that were most important in earning their business, the number one answer was ‘a Web site I
know and trust.' All other attributes, including lowest cost and broadest selection, lagged far behind. Price does not rule the Web; trust does.”

**What Is Credibility Behaviorally?**

The data confirm that credibility is the foundation of leadership. But what is credibility behaviorally? How do you know it when you see it?

We've asked this question of tens of thousands of people around the globe, and the response we get is essentially the same, regardless of how it may be phrased in one company versus another or one country versus another. Here are some of the common phrases people use to describe how they know credibility when they see it:

- “They practice what they preach.”
- “They walk the talk.”
- “Their actions are consistent with their words.”
- “They put their money where their mouth is.”
- “They follow through on their promises.”
- “They do what they say they will do.”

The last is the most frequent response. When it comes to deciding whether a leader is believable, people first listen to the words, then they watch the actions. They listen to the talk, and then they watch the walk. They listen to the promises of resources to support change initiatives, and then they wait to see if the money and materials follow. They hear the promises to deliver, and then they look for evidence that the commitments are met. A judgment of “credible” is handed down when words and deeds are consonant. If people don’t see consistency, they conclude that the leader is, at best, not really serious, or, at worst, an outright hypocrite. If leaders espouse one set of values but personally practice another, people find them to be duplicitous. If leaders practice what they preach, people are more willing to entrust them with their livelihood and even their lives.

This realization leads to a straightforward prescription for leaders on how to establish credibility. This is “The Kouzes-Posner Second Law of Leadership”:

**DWYSYWD: Do What You Say You Will Do**

This commonsense definition of credibility corresponds directly to one of The Five Practices of Exemplary Leadership identified in the personal-best cases. DWYSYWD has two essential elements: say and do. To be credible in action, leaders must be clear about their beliefs; they must know what they stand for. That’s the “say” part. Then they must put what they say into practice; they must act on their beliefs and “do.” The practice of Model the Way links directly to these two dimensions of people’s behavioral definition of credibility. This practice includes the clarification of a set of values and being an example of those values to others. This consistent living out of values is a behavioral way of demonstrating honesty and trustworthiness. People trust leaders when their deeds and words match.

To gain and sustain the moral authority to lead, it’s essential to Model the Way. Because of this important connection between words and actions, we’ve chosen to start our discussion of The Five Practices with a thorough examination of the principles and behaviors that bring Model the Way to life.