The Five Practices of Exemplary Leadership

Leadership is a Relationship between those who aspire to lead and those who choose to follow. Sometimes the relationship is one-to-one. Sometimes it's one-to-many. Regardless of the number, to emerge, grow, and thrive in these disquieting times, leaders must master the dynamics of this relationship. They must learn how to mobilize others to want to struggle for shared aspirations.

Over the past two decades we've looked deeply into the leader-constituent relationship. Through hundreds of interviews, thousands of case analyses, and hundreds of thousands of survey questionnaires, we've discovered that leaders at all levels follow rather similar paths as they guide others along pioneering journeys. By studying the times when leaders performed at their personal best, we were able to identify five practices common to most extraordinary leadership achievements. We've forged these common patterns into The Five. Practices of Exemplary Leadership.® These practices are not the private property of the people we studied or of a few select shining stars. They have stood the test of time, and they are available to anyone, in any organization or situation, who accepts the leadership challenge.

Model the Way

The most important personal quality people lookfor and admire in a leader is personal credibility. Credibility is the foundation of leadership. If people don't believe in the messenger, they won't believe the message. Titles may be granted, but leadership is earned. Leaders *Model the Way by clarifying their values and setting an example.*

Leaders are supposed to stand up for their beliefs, so they'd better have beliefs to stand up for. Leaders must be clear about their guiding principles. They must find their own voices, and then they must clearly and authentically give voice to their values. Yet leaders can't simply impose their values on others and expect commitment. They have to engage others in common aspirations. Modeling the Way begins with the clarification of personal values and involves building and affirming shared values that all can embrace.

Eloquent speeches about common values are not nearly enough. Exemplary leaders know that it's their behavior that earns them respect The real test is whether they *do* what they say; whether their words and deeds are consistent. Leaders set an example and build commitment through simple, daily acts that create progress and build momentum.The personal-best projects we studied were distinguished by the fact that all of them required relentless effort, steadfastness, competence, andattention to detail. It wasn't the grand gesture that had the most lasting impact. Instead it was 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, of handling critical incidents with grace and discipline, and of asking questions to get people to focus on values and priorities.

Inspire a Shared Vision

When people described their personal-best leadership experiences, they told of times during which they imagined an exciting, highly attractive future for their organization. For example, Alan imagined a company of quality people with diverse backgrounds all working together to produce imaginative

new programs; Lindsay imagined a new and even more responsive partnership between employees and their customers.

Leaders are driven by their clear image of possibility and what their organization could become. Leaders *Inspire a Shared Vision by envisioning the future and enlisting others in a common vision.*

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Being at Our Personal Best as Leaders

In different cultures and under difficult circumstances, Alan Keith and Lindsay Levin (see case studies) each seized the opportunity to lead. They chose pioneering paths and led their organizations to new summits of excellence. Although their cultures and circumstances are distinct, we can learn some important lessons about leadership from Alan, Lindsay, and the thousands of others who told us their personal-best experiences. We can learn what it takes to mobilize other people-by the force of their own free will and despite hard work and potential risk-to want to climb to the summit. While each story is unique in expression, each path is marked by some common patterns of action, patterns that provide a route for leaders to follow to keep their own bearings and guide others toward peak achievements. Alan Keith and Lindsay Levin both understood the need to open up their hearts and to let people know what they believed. They understood that leaders go first. Neither would think of asking anyone else to do anything he or she was unwilling to do first. That's why Alan started with himself when it came to receiving upward feedback and Lindsay took the time to orient a new salesperson. They knew that people first follow the person; then they follow the plan. In the end, the legacy you leave is the life you lead.

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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. Leaders passionately believe that they can make a difference. They have a desire to make something better than it is today, change the way things are, and create something that no one else has ever produced. Yet visions seen only by leaders are insufficient to create an organized movement or a significant change in a product, let alone in an organization. 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; they can only inspire it. What may begin as "my" vision emerges as "our" vision.

To enlist people in a vision, leaders must get to know their constituents and learn to speak their language. People must believe that leaders understand their needs and have their interests at heart if they are to sign up for journeys into the future. Leaders forge a unity of purpose by showing constituents how the dream is for the common good. Leaders breathe life into visions-through vivid language and an expressive style. Their own enthusiasm and excitement are contagious and spread from the leader to constituents. Their belief in and enthusiasm for the vision are the sparks that ignite the flame of inspiration. Leaders uplift people's spirits with an ennobling perspective about why they should strive to be better than they are today.

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Alan Keith

BY ACQUIRING HANNA-BARBERA CARTOONS, INC., and its extensive library of classic cartoons--including The Flintstones, Scooby Doo, and The Jetsons--the Turner Broadcasting System
(TBS) got instant animated programming for the Cartoon Network. But that programming wasn't enough for the market and it wasn't cool enough for the younger audience TBS was going after. Fresher cartoons were needed. Ted Turner, then TBS chairman, gave the Hanna-Barbera team two years to produce new content and turn the studio around: if they couldn't, he'd close the studio down.

Alan Keith was asked to take on the role of vice president of business operations and become part of the senior team, whose challenge was to completely reinvent the Hanna-Barbera studios. At the time, as Alan told us, a manufacturing mentality ruled the studio. "It was about doing it cheaply, getting it out the door, and getting it on the air as quickly as possible:' The studio had a highly centralized structure in which all decisions about creative issues were made by one or two people, and all the work was divided into functional departments. Creativity had been dampened, and there was no free flow of ideas. Something had to be done--and quickly.

To re-create Hanna-Barbera, the new team had to make a dramatic shift from a manufacturing philosophy to a focus on *creativity.* This seems like an obvious thing when you're talking about animation but, as Alan understood, it required a profound shift in perspective: "Once we were able to articulate [that shift in focus], so many things flowed from that statement:'

"The vision," Alan explained, "was to ultimately be viewed as the world's leader in producing cartoon animation:" But vision is one thing, action is another. Ultimately, the team decided to launch a program of unique, individual shorts, with all different characters and all different stories. The concept was both unique and risky. Producing animation is an expensive proposition, one that becomes cost-effective only with long-run syndicated programs. Thus began a huge, real-time research and development effort. The Cartoon Network would air the shorts in different time slots, against other programs, promote them in different ways, and collect data on ratings and viewer feedback. That feedback would indicate which handful were really the ones that seemed to appeal to audiences and therefore the ones they wanted to pursue.

To support this dramatic departure from the past, the old factory approach had to go. The team "turned the organization on its ear, and we questioned every paradigm that the business had about how it worked, how it was set up, how it was structured, and how it was operated:' explained Alan. The old departmental structure was reorganized into highly decentralized production units and cross-functional teams. Each unit focused on one of the shorts, hired its own team, and developed its own ideas. The support functions, depending on what they did, were assigned to work with different teams in the facility. What evolved was a much thinner, yet stronger, support system. The job of all those in leadership roles shifted from control to providing the backing for people to do what they were brought on to do. It was radical and risk--and forced a higher sense of accountability.

To teach people how to work in this new, trusting system, lots of team building, off-site meetings, and other forms of training took place. Alan dedicated himself to personally developing leadership within the organization. One of the interventions Alan sponsored was a 360-degree feedback review process, done on a multi-year basis so that employees' perceptions could be tracked over time. Alan set the example by going first. He told us: "That was probably one of the most significant ways that I showed I was walking the walk, not just talking the talk"

While turning around the Hanna-Barbera Studio was serious business, Alan told us that since the organization "was about creating animation for kids, it should be a fun place to work." They frequently had celebratory parties around the shows and "Anyone who did something that was incredibly useful or important to the mission was recognized publicly."

Alan remarked, "The whole face of the place changed. It was a very gray, dank-looking building when I first arrived. When I left, we had zany furniture in the lobby, the buildings were painted bright colors, and the conference tables had all of our characters' names engraved in them. It was like coming to work in a cartoon every day. That happened organically as we started to really change the place."

The Hanna-Barbera turnaround was a huge success story. It created programs and merchandise that have produced billions of dollars in revenue for the Cartoon Network-and a whole new, trustworthy system for producing cartoon animation. Alan has since been recruited by Lucas Digital Ltd., LLC. As chief administrative officer, he's applying the lessons he learned at Hanna-Barbera to get extraordinary things done. What does he see as a key lesson? "Know what you value, be willing to take a risk, and lead from the heart--lead from what you believe in." We couldn't have said it better.

Lindsay Levin

WHEN LINDSAY LEVIN TOOK OVER THE REINS OF WHITES, a car dealership and repair group based in the South East of London, she already had a sense that, if they were to remain competitive and thrive, things needed to be different than they were-and she had a strong inner conviction about what needed to change. Simply put, she wanted every customer to have "an excellent experience dealing with us. I didn't want it to be okay; I wanted it to be amazing--every time." It was a big goal--and Lindsay had no illusions about the size of the task. She had started working in the family business (founded by her great-grandfather) as a teenager, but still professes to know little about motor engines and the product side of the enterprise. What she does know is people. This was the essential value-added and transformational competence she brought to the leadership of Whites. She knew, she told us, "that our ability to deliver amazing customer service was all about people-and making them feel motivated, empowered, and trusted:' As she said, "If we are not-really committed to our own people, how can we expect them to be committed to our customers?" She knew that everyone at Whites needed to know the stakes and how they make a difference; they also needed to feel involved and valued.

Lindsay had this vision--yet Whites had an organizational, structure, system, and culture that had remained substantially unchanged for many years. Its three departments--sales, service, and parts--operated largely independently, frequently blaming one another for any problems. The workforce was neither highly motivated nor committed. In short, she faced a situation all too familiar to businesses around the globe.

Lindsay started by holding focus groups of customers and playing back videotapes of the proceedings to the employees. The results were electrifying, for employees recognized themselves as the subject of customers' complaints. To help solve the problems, Lindsay asked employees to talk about the changes they wanted to see happen. Employees formed small voluntary teams to work on implementing these changes. Initially these weren't steps that had much impact on customers, but they put employees at all levels into the right frame of mind and gave teams the confidence to move on to bigger projects. Ultimately, they made fundamental changes in working practices, most notably by operating as integrated and self-managing units in direct contact with customers. "As a result;' says Lindsay, "a very new way of working in teams developed." The teams also transformed relationships with customers and

technicians alike--so much so that employees now sometimes drop in on their days off to check progress on customers' vehicles.

Lindsay made a commitment to training--sixteen hours a month--an expensive and even sometimes unpopular proposition--but it has paid off. Skills transfer is a reality. People who have been in training courses (covering both technical and people skills) go on to train others on the job. The bottom line? Revenue and growth have more than doubled, contributing to many awards both inside and outside the. car industry. Lindsay herself has received her country's Turnaround Entrepreneur of the Year award!

"We really try very hard at Whites," says Lindsay, "to make certain that we are 'zapping' people on a regular basis and not 'sapping' them. Zapping means giving people positive strokes--boosting their motivation by recognizing a job well done and giving them the confidence to push themselves further." After all, as she says, "If everyone is doing a great job, what's the problem in letting them know that?"

All managers take time out to say thank you personally at every opportunity. Each month twenty-five to fifty awards are generated by anyone in the organization, to publicly recognize people for "Going the Extra Mile" in pursuit of serving the customer. Lindsay understands that it uplifts everyone's hearts to learn what people are doing on their own, whether it's traveling to Scotland to deal with a customer whose car has broken down or delivering a car after midnight to a customer who was returning from an overseas flight.

Lindsay firmly believes "You have to open up your heart and let people know what you really think and believe. This means talking about your values and the values in your organization." She clearly knows the critical importance of doing what you say you'll do and leading from the front: By demonstrating exemplary leadership skills, Lindsay has developed and guided a committed team to revolutionize the business and make it customer and people focused. At Whites, as in all high-performing organizations, leadership truly is everyone's business. •

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Challenge the Process

Leaders venture out. Those who lead others to greatness seek and accept challenge. For example, Alan and Lindsay both confronted their traditional organizational cultures with some radical new ideas, ideas that enabled them to reinvent their organizations. Every single personal-best leadership case we collected involved some kind of challenge. Not one person said he or she achieved a personal best by keeping things the same. Leaders Challenge the Process by searching for opportunities and by experimenting, taking risks, and learning from experience.

Leaders are pioneers--they are willing to stepout into the unknown. The work of leaders is change, and the status quo is unacceptable to them. They search for opportunities to innovate, grow, and improve. But leaders need not always be the creators or originators. In fact, it's just as likely that they're not. Sometimes a dramatic external event thrusts an organization into a radically new condition. Therefore, leaders must remain open to receiving ideas from anyone and anywhere. The leader's primary

contribution is in recognizing and supporting good ideas and being willing to challenge the system to get new products, processes, services, and systems adopted.

Leaders are early supporters and adopters of innovation. Leaders know well that innovation and challenge involve experimentation, risk, and even failure. Experiments don't always work out as planned. People often make mistakes when they try something new. Instead of trying to fix blame for mistakes, leaders learn from them and encourage others to do the same. Leaders understand that the key that unlocks the door to opportunity is learning, especially in the face of obstacles. Ai; weather shapes mountains, problems shape leaders. Leaders are learners.

Change can be stressful, so leaders must also create a climate in which people are psychologically Hardy--in which they feel in charge of change. Part of creating a psychologically hardy team is making sure that the magnitude of change isn't overwhelming. Leaders provide energy and generally approach change through incremental steps and small wins. Little victories, when piled on top of each other, build confidence that even the greatest challenges can be met. In so doing they strengthen commitment to the long-term future. Extraordinary things don't get done in huge leaps forward. They get done one step at a time.

Enable others to act

Leaders know they can't do it alone. Leadership is a team effort. Like many of the leaders we've met, Alan and Lindsay used the word "we" nearly three times more often than the word "I" in explaining their personal-best leadership experiences. Leaders *Enable Others to Act by fostering collaboration and strengthening others.*

In the cases we analyzed, leaders proudly explained how teamwork, trust, and empowerment were essential to strengthening everyone)s capacity to deliver on promises and, in the process, often exceeded their own expectations. Collaboration is the master skill that enables teams, partnerships, and other alliances to function effectively. So leaders engage all those who must make the project work and, in some way, all those who must live with the results. In today's "virtual" organization, cooperation can't be restricted to a small group of loyalists. Leaders make it possible for everyone to do extraordinary work.

At the very heart of cooperation is trust. Leaders help create a trusting climate. They understand that mutual respect is what sustains extraordinary efforts. When leadership is understood as a relationship founded on trust and confidence, people take risks, make changes, and keep programs, organizations, and movements alive. Without trust and con fidence, people do not take risks. Without risks, there is no change.

Creating a climate where people are involved and feel important is at the heart of strengthening others. It's essentially the process of turning constituents into leaders themselves-making people capable of acting on their own initiative. Leaders know that people do their best when they feel a sense of personal power and ownership. Commitment -and-support structures have replaced command-and-control structures. For example, Alan and Lindsay recognized that they had to give people on the front line proper vision and training and follow that up with responsibility, information, and more training so they could act on decisions.

The work of leaders is making people feel strong, capable, informed, and connected. Exemplary leaders use their power in service of others; they enable others to act, not by hoarding the power they have, but by giving it away. When people have more discretion, more authority, and more information, they're much more likely to use their energies to produce extraordinary results.

Encourage the Heart

The climb to the top is arduous and long; people can become exhausted, frustrated, and disenchanted. They're often tempted to give up. Leaders *Encourage the Heart by recognizing contributions and celebrating values and victories.* Genuine acts of caring uplift the spirits and draw people forward. For example, Alan created a workplace that was a fun place to be and found creative ways to ensure that people's contributions were noted. Lindsay made it a point to let each person, as well as the entire team, know about the good work being done.

Exemplary leaders set high standards and have high expectations of their organizations. Leaders also expect the best of people and create self-fulfilling prophecies about how ordinary people can produce extraordinary results. By paying attention, offering encouragement, personalizing appreciation, and maintaining a positive outlook, leaders stimulate, rekindle, and focus people's energies.

Part of the leader's job is to show appreciation for people's contributions and to create a climate of celebration. Encouragement can come from dramatic gestures or simple actions. In the cases we collected, there were thousands of examples of individual recognition and group celebration--including marching bands, ringing bells, T-shirts, note cards, and personal thank-you's. Leaders know that in a winning team, the members need to share in the rewards of their efforts. Public celebrations let everyone know that "We're all in this together."

Yet recognition and celebration aren't simply about fun and games. Neither are they about pretentious ceremonies designed to create some phony sense of camaraderie. Encouragement is a curiously serious business. By celebrating people's accomplishments visibly and in group settings, leaders create and sustain team spirit; by basing celebrations on the accomplishment of key values and milestones, they sustain people's focus. Encouraging the Heart is how leaders visibly and behaviorally link rewards with performance and behavior with cherished values. Leaders 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 turbulent and difficult times. Caring is at the heart of leadership.

Learning to Lead

THE MOST PERNICIOUS MYTH is that leadership is reserved for only a very few of us. This myth is perpetuated daily whenever anyone asks, "Are leaders born or made?" Leadership is certainly not a gene. And it is most definitely not something mystical and ethereal that cannot be understood by ordinary people. As we said, it is a myth that only alucky few can ever decipher the leadership code. Our research has shown us that leadership is an observable, learnable set of practices.

In fact, in over two decades of research, we have been fortunate to hear and read the stories of thousands of ordinary people who have led others to get extraordinary things done. There are millions more stories. The belief that leadership cannot be learned is a far more powerful deterrent to its development than is the nature of the leadership process itself. If there is one singular lesson about leadership from all of the cases we have gathered, it is this: Leadership is everyone's business.

The self-confidence required to lead comes from learning about ourselves--our skills, prejudices, talents, and shortcomings. Self-confidence develops as we build 1m strengths and overcome weaknesses. Formal training and education can help. In fact, many leadership skills are successfully learned in the classroom. But training alone is insufficient. We also learn from other people and from experiences. Those who become the best leaders take advantage of the broadest possible range of opportunities. They try, fail, and learn from their mistakes. Leaders develop best when they are enthusiastic participants in change. Ultimately, leadership development is self-development. Musicians have their instruments. Engineers have their computers. Accountants have their calculators. Leaders have themselves. They are their own instruments.

Studies using the Leadership Practices Inventory

We translated the actions that make up the five practices of exemplary leadership into *behavioral* statements so that managers and non-managers (individual contributors), across both private and public organizations, could assess their skills and use this feedback to improve their leadership abilities. The result was the *Leadership Practices Inventory* (LPI), which has been called "the most reliable leadership development instrument available today."

The LPI lends quantitative evidence to the qualitative data provided by personal-best leadership case studies. If these are the practices of leaders when they were at their personal bests, then we should expect those people who are engaged in The Five Practices of Exemplary Leadership to be more effective than those who are not. Similarly, we should expect the work teams and organizations characterized by leaders engaging in The Five Practices to be more motivated and productive. Their commitment and satisfaction levels should be greater when people report being led by those whose behaviors match up with The Five Practices of Exemplary Leadership. Indeed, these are precisely the findings from our empirical studies, as well as the conclusions from research projects conducted by more than two hundred other scholars and doctoral students (summaries of which can be viewed at www.leadershipchallenge.com). *The Five Practices of Exemplary Leadership make a difference.* Consider just a few of the interesting conclusions documented by these studies:

- LPI scores are positively related to job satisfaction and employee commitment levels.
- The job satisfaction of ministerial staff members is significantly related to the LPI scores they give for their pastors.
- Teachers from high-performing schools report consistently higher LPI scores for their principals than do teachers from less effective schools.
- LPI scores of hospital managers are significantly correlated with constituent reports of workplace empowerment, job satisfaction, and productivity.
- Effective bank managers have consistently higher LPI scores than those of less effective managers.
- College students view the effectiveness of their leaders across a diverse set of organizations (for example, fraternity and sorority chapter presidents, student body officers, and resident advisers, and so on) as directly related to the LPI scores of these leaders.
- Burnout among mental health professionals is decreased when their supervisors have high LPI scores.

Findings such as these have been noted around the globe. For example, studies reported from the United States, Canada, Mexico, Europe, Asia, Japan, and Australia reveal that job satisfaction, productivity, and organizational commitment are significantly correlated with the The Five Practices of Exemplary Leadership.

Description of the Instrument

The LPI consists of thirty statements that address the essential behaviors found when people report being at their personal best as leaders. In addition to a "Self" version, the "Observee' version allows for 360-degree feedback from constituents, managers, colleagues, and others in order to provide a balanced picture of leadership behaviors and constructive discussion of ways to improve. There is also a version of the LPI designed specially for use with students (Student-LPI).

Responses are marked on a ten-point scale, with behavioral anchors. For each statement, respondents indicate the frequency with which the particular behavior is engaged in 15y the individual. Responses range from 1, indicating "almost never" to *10,* indicating "almost always," Six statements comprise each of the five leadership practice measures. Computerized scoring software provides feedback along a number of dimensions, including comparisons by respondent category or relationship with the normative database, rankings by frequency, and variances between "Self" and "Observer" scores. The *LPI Participant's Workbook* provides helpful interpretive feedback and space for participants to make plans for improvement in each leadership practice assessed. There are sections on how to "make sense" of the feedback, identifying both personal strengths and areas for further development, as well as advice on how to collect additional information and discuss the data with constituents. The *LPI Leadership Development Planner,* a companion piece to the *LPI Participant's Workbook,* presents a process for continuous leadership development over time and includes over one hundred specific tips and strategies for learning how to be a more effective leader and to continue to develop and hone one's leadership capabilities.

Psychometric Properties of the LPI

The *Leadership Practices Inventory* has been field tested and proven reliable in identifying the behaviors that make a difference in leaders' effectiveness. The LPI, consisting of only thirty statements, takes about ten minutes to complete. So that 360-degree feedback can be provided, responses from one's manager, peers, or direct reports can be generated. With data from over two hundred thousand respondents, the LPI has demonstrated sound psychometric properties (the most current information on the LPI can be found on our website at www.leadershipchallenge.com).

Reliability

Internal reliability (the extent to which items in a scale are associated with one another) is quite strong. All five leadership practices have internal reliability scores (as measured statistically) that are above .75 for the Self version, and all scores on the Observer version are consistently above the .85 level. Test-retest reliability scores are very robust and routinely in the .90+ range. Tests showed no significant social desirability bias.

Validity

Validity is the answer to the question: *"So what* difference do scores on the LPI make?" This question

is addressed empirically by looking at how LPI scores are correlated with other measures, typically of important outcomes such as job satisfaction, employee commitment, work group productivity, credibility, sales performance, and the like. To minimize self-report biases, responses from the LPI-Observer (constituents) are used in these analyses rather than responses from the LPI Self. In one study, LPI scores explained over 55 percent *(p < .0001)* of the variance in work gro1,lp effectiveness (as conceptualized along six dimensions). In another study, LPI scores were used to?' successfully predict performance levels of managers *(p < .0001)*. Leadership, as measured by the LPI, has consistently been found by researchers to be related to positive employee and organizational outcomes. These relationships have been reported across industries and disciplines, within public and nonprofit organizations as well as in private sector businesses, despite possible individual differences (for example, gender, ethnicity, age, and so on). These findings are relatively consistent both within and across U.S.-based and non-U.S.-based organizations and countries around the globe .

Chart

The Five Practices and Ten Commitments of Exemplary Leadership

Model the Way
1. **CLARIFY VALUES** by finding your voice and affirming shared ideals
2. **SET THE EXAMPLE** by aligning actions with shared values.

Inspire a Shared Vision
3. **ENVISION THE FUTURE** by imagining exciting and ennobling possibilities.
4. ENLIST OTHERS in a common vision by appealing to shared aspirations .

Challenge the Process
5. **SEARCH FOR OPPORTUNITIES** by seizing the initiative and, by looking outward for innovative ways to improve.
6. **EXPERIMENT AND TAKE RISKS** by constantly generating small wins and learning from experience.

Enable Others to Act
7**. FOSTER COLLABORATION** by building trust and facilitating relationships

8. **STRENGTHEN OTHERS** by increasing self-determination and developing competence**.**

Encourage the Heart
9. **RECOGNIZE CONTRIBUTIONS** by showing appreciation for individual excellence
10. **CELEBRATE THE VALUES AND VICTORIES** by creating a spirit of community.