

Six Personality Traits of a Leader

by Ram Charan

There are dozens of personal traits that can affect leadership and some, namely integrity and character, that are absolute. But in my years of experience, I have observed that the ways leaders develop and deploy the eight know-hows are especially influenced by a handful of them: ambition, drive and tenacity, self-confidence, psychological openness, realism and an insatiable appetite for learning. ??These personal traits come out in many different ways. Do you stew over a decision alone or bring in trusted advisors for candid discussions? Do you allow yourself to be influenced by other people, changing your position in light of better analysis by a subordinate? Are you a procrastinator who wants more and more data -- more certainty -- before making a decision? Or are you impulsive, making a snap decision based on your gut instincts? Do you like to be liked? Your personality and psychology play an important role in how you interact with your business, whether you impose your will on the organization or seek a productive consensus that aligns the entire business with your goals.

Ambition: A desire to achieve something visible and noteworthy propels individual leaders and their companies to strive to reach their potential. Leaders need a healthy dose of it to push themselves and others. But ambition can be blind. That's when you see leaders making flashy acquisitions that are financially unsound or setting attention-getting goals or taking on more priorities than the organization can handle out of a desire to do everything. Overambitiousness, combined with a lack of integrity, can lead to undesirable behavior and even corruption.

Drive and Tenacity: Some leaders have an inner motor that pushes them to get to the heart of an issue and find solutions. They drill for specific answers and don't give up until they get them. Their high energy is infectious. They consistently drive their priorities through the organization. They search tenaciously for information they're missing and keep tweaking their mental models until they arrive at a positioning that works. But drive and tenacity can cause a leader to stick to a plan that isn't working or to outdated assumptions or an investment that is no longer promising.

Self-Confidence: You have to be able to listen to your own inner voice and endure the lonely moments when an important decision falls on your shoulders. You have to be able to speak your mind and act decisively, knowing that you can withstand the consequences. It's not a matter of acting tough. It's having a tough inner core, or what some refer to as emotional fortitude. Underlying fears and insecurities can be just as detrimental to your know-hows as can excessive self-confidence in the form of narcissism or arrogance.

Some leaders have a *need to be liked*. They therefore tend to go easy on people. They have an especially hard time dismissing people who have been loyal to them. Such leaders often find their own progress slowed, because they promote people for the wrong reasons, tolerate nonperformers and allow the social system to corrode.

A *fear of response* is also common. Such leaders tend to avoid conflicts and find it hard to challenge people on their performance or point of view. They back off when they should be giving brutally honest feedback and sometimes have a third party do that work for them.

Leaders with a *fear of failure* are often indecisive, defensive and less likely to spot opportunities because they're risk averse. They find it hard to select goals for fear of choosing the wrong ones and wait too long to connect the dots in the external environment or to reposition the business.

Self-confidence also affects your *use or abuse of power*. Every leader has to use power from time to time in assigning tasks, allocating resources, selecting or promoting people, giving differentiated rewards or redirecting dialogue. An excessive fear of failure or fear of response can make a leader uncomfortable using power, and not using power appropriately actually erodes it. Failure to deal with a recalcitrant direct report, for instance, diminishes the leader's power. On the other hand, narcissistic leaders tend to abuse power, using it irrationally or against the interests of the organization.

Psychological Openness: The willingness to allow yourself to be influenced by other people and to share your ideas openly enhances the know-hows, while being psychologically closed can cause problems. Leaders who are psychologically open seek diverse opinions, so they see and hear more and factor a wider range of information into their decisions. Their openness permeates the social system, enhancing candor and

communication. Those who are psychologically closed are secretive and afraid to test their ideas, often cloaking that fear under the guise of confidentiality. They're distant from their direct reports and have no one outside to bounce ideas off or to provide information that counters their own beliefs. In the new environment of complexity, being psychologically closed makes it particularly difficult to reposition the business, because the leader lacks perspectives from diverse disciplines, functions and cultures.

Realism: Realism is the mid-point between optimism and pessimism, and the degree to which you tend toward one or the other has a particularly powerful effect on your use of the know-hows. Optimism can lead, for example, to ambitious goals that outstrip the company's ability to accomplish them or can compromise your judgments of people: "I know his ego has no bounds, but I can coach him to become a team player." But pessimists don't want to hear ambitious plans or bold initiatives and can find all the flaws and risks in pursuing them when they do. They're likely to miss opportunities. A realist is open to whatever hand reality deals him. Only the realist wants to get unfiltered information that can be weighed, measured, evaluated and tested to determine what step to take next. He spends time interacting with customers, employees and suppliers, getting information and a "feel" from those constituencies about their thinking.

Appetite for Learning: Know-hows improve with exposure to diverse situations with increasing levels of complexity, so an eagerness for new challenges is essential. Leaders who seek out new experiences and learn from them will build their know-hows faster than those who don't.

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