

Leadership

From the Chartered Institute of Personnel and Development

<http://www.cipd.co.uk/hr-resources/factsheets/leadership.aspx>

Revised March 2011

In this factsheet

- [What is leadership?](#)
- [How does leadership differ from management?](#)
- [Leadership transitions](#)
- [Leadership development](#)
- [Strategic leadership](#)
- [CIPD viewpoint](#)
- [References](#)
- [Further reading](#)

What is leadership?

Leadership may be defined as the capacity to influence people, by means of personal attributes and/or behaviours, to achieve a common goal. However, while leadership is currently much discussed, and academic studies on the topic have multiplied since the 1970s, there is no single definition or concept of leadership that satisfies all commentators.

It is important to recognise that most people, at some points in their lives, are leaders. Leadership is not just about the qualities of an elite few, although the leadership skills of chief executives and their teams are of fundamental importance for organisations.

Experience also suggests that successful leaders do not invariably behave in identical ways. They may, in fact, act very differently even in similar situations and they may have quite different personalities. Moreover, different leadership qualities may be needed in different circumstances. To take an obvious example, Churchill was a great wartime leader but less successful in peacetime. Similarly, CEOs who excel in turning round ailing companies may perform less well when things are on a more even keel.

There is therefore no single template of leadership behaviour, which in turn poses the question of whether leaders can be developed: what are the qualities (or competencies) of leadership, and how can organisations bring out such qualities among their employees?

How does leadership differ from management?

Evolution of management and leadership theories

The idea of management that evolved in the nineteenth century, and was later developed into theories by F W Taylor, was based to a large extent upon the military principles of command and control. Managing was, and to some extent still is, about the planning, organisation, co-ordination and implementation of strategies, tactics and policies imposed from the top in an apparently rational manner. Administration is the essence of this view of management.

The idea of leadership started to gain ground from around the 1960s, in line with a growing acknowledgement that there was more to managing than simply administering. Driven by the need for business survival in a more competitive and less predictable world, the concept of influencing people by virtue of personal attributes and behaviours has gained ground.

There has also been an increasing recognition that all managers, including first-line supervisors, need at some level to be leaders and to understand the concept of leadership, albeit the higher the organisational level, the more complex leadership becomes and the more it is concerned with broader and long-term aims.

Hence in some organisations – hospitals and research organisations are good examples – many people may be senior professionals such as doctors or scientists but not defined as managers (at least in terms of the formal organisational hierarchy). It would be naive, however, not to think of them as leaders or potential leaders.

Distributed leadership

In light of recent developments, one key manifestation of modern theory is the 'distributed leadership' approach where leadership is equally exercised by the various levels of management. In this model, managers who are close to the workforce, such as supervisors and professional, technical and administrative managers, are expected both to lead and to manage. This approach is more complex than simply devolving leadership. rather, it is people at all levels taking responsibility for leadership¹.

The need for leadership across all organisational levels is highlighted by our recent research into sustainable organisational performance. This factor is identified as one of several key characteristics that can enable organisations to maintain high levels of performance in the long term.

- [Visit our 'Shaping the Future' final report: Sustainable organisation performance](#)

Ethical and authentic leadership

The emergence of theories of 'ethical leadership', centring on the possession of certain core values alongside a sense of purpose, is another new trend driven partly by the 'soul searching' that has developed in the wake of the recent global financial crisis.

Another approach involves the idea of 'authentic leadership', as pioneered by renowned CEO-turned-academic Bill George². This approach emphasises that there is no single set of characteristics or one model of leadership: while it is possible to learn from the experiences of other leaders, it is not effective to simply try to directly copy their leadership style.

Leadership and management as complementary qualities

The focus on leadership in recent decades has created a business environment where, arguably, the quality of leadership is held in higher esteem than that of management. A number of commentators have attempted to redress the balance, however, by highlighting the importance to organisations of both leadership and management skills, at the same time as acknowledging and attempting to define differences between the two concepts.

At the heart of many interpretations, leadership is deemed to involve developing an initial vision and inspiring others with an overview of how that vision may be achieved, while management involves translating the vision into reality by marshalling and guiding the actions and behaviours of a group of people on a day-to-day basis. Clearly, in this analysis, both leadership and management are essential attributes for an organisation.

'Just as management without leadership encourages an uninspired style, which deadens activities, leadership without management encourages a disconnected style, which promotes hubris', as observed by business academics Mintzberg and Gosling³.

As defined in a 2010 research report from Towers Watson⁴, leadership encompasses:

- envisioning an improved situation (for instance, achieving an organizational goal)
- determining the best path to reach the desired end
- inspiring in others the self-motivation to achieve the goal
- boosting energy (for example, by recognising success).

While distinguishing clearly between the qualities of management and leadership, this report also highlights the ways in which the two aspects often blend together effectively in practice.

The 'management versus leadership' debate is placed in sharp current focus by an analysis from London Business School by Professor Julian Birkinshaw detailing how a 'failure of management' contributed to the recent banking crisis⁵. This failure is attributed partly to the 'aggrandisement of leadership at the expense of management'. Birkinshaw highlights the need for individuals to

demonstrate both management and leadership qualities if long-term business objectives are to be achieved.

Leadership transitions

Our research produced in association with talent management specialists DDI has highlighted that 'leadership transitions', or the stages when leaders' responsibilities, time allocation and priorities change as a result of promotion, introduce particular challenges for leaders. The specific difficulties identified by the research as leaders progress include:

- transition anxiety
- looking at things with a new perspective
- growing awareness of 'politics'
- becoming more aware of gender and age differences.
- [Go to the CIPD/DDI Leadership transitions report](#)

There may, moreover, be distinct issues for certain groups when adapting to new leadership roles. As illustrated in our *Women in the boardroom* report, for example, there is some evidence that female executives tend to be allocated exceptionally challenging leadership exercises.

- [Visit our Women in the boardroom report](#)

These findings indicate how critical it is to provide the appropriate leadership development and support at all stages of leadership.

Leadership development

People vary in their capacity for leadership. A few possess innate capacity (although even 'born' leaders will need to be developed further) while some arguably have none, but most potential managers have the capacity for leadership in some degree. Selection of the right people, whether from inside or outside the organisation, is a good part of the battle, but they will also need training. This may be only a small part of their development but it is important to get it right. British leadership guru John Adair says the seven hallmarks of successful courses in this area are that they should be 'simple, practical, participative, [characterised by] variety, enjoyable, relevant and short'.⁶

Another CIPD/DDI survey UK highlights: global leadership forecast 2008-2009 illustrates that a variety of leadership development activities are included within leadership programmes, the most common being formal workshops, special projects and internal coaching. However, this survey also suggests that only a minority of UK leaders are satisfied with the development opportunities available to them, indicating that HR professionals should continue to review the programmes they offer to ensure they are valuable to leaders.

- [Go to the UK highlights survey](#)

Then comes perhaps the most important part: development through experience. This is where leadership development overlaps with a number of other issues. For a detailed description of the various techniques, including the increasingly important mentoring and coaching, see our factsheets on relevant topics.

- [Go to our Coaching and mentoring factsheet](#)
- [Go to our Management development factsheet](#)
- [Go to our Succession planning factsheet](#)
- [Go to our Talent management factsheet](#)

Strategic leadership

Although US authors in particular often emphasise the importance of the top leader almost to the exclusion of other leaders in the organisation (the CEO as super-hero), it is true that the chief executive sets the tone and his or her leadership role is crucial. Adair⁷ says that the strategic leader must have the ability to:

- see the point
- sense relationships and analogies quickly
- identify the essentials in a complex picture
- put two and two together
- find the salient factors in past experience
- be able to distinguish clearly between ends and means
- appraise situations readily
- see their significance in the total setting of present and past experience
- take the cue as to the likely line of wise action.

In their analysis, UK-based leadership specialists Potter and Hooper⁸ distinguish seven core strategic leadership competencies:

- direction, vision, mission, strategies and values
- alignment
- example and role model issues
- developing people at all levels
- effective communication

- ability to act as change agents
- capacity to take action whether in times of crisis or ambiguity.

It is unlikely that all the qualities listed by each of these analyses can be found in one person. The notion of leadership teams therefore seems to be finding growing acceptance, but these must of course function as genuine teams, pulling in the same direction, rather than as individuals with their own priorities and agendas. Making sure that they do so is also a key role for the CEO of each organisation.

HR leadership

Within the HR function, according to our Next Generation HR research, a 'new breed' of HR leader is emerging as the function moves from a service- or process-driven focus towards a more insight-driven role. Where it occurs, this transition is associated with two key characteristics:

- a real sense of voice and influence for HR leaders in the organisation>
- the capacity for HR leaders to act as 'provocateurs', encouraging innovative ways of doing business or new areas of strategic focus.

The second phase of our Next Generation research programme focuses on emerging practice in Asia. Echoing certain themes from the UK, this stage finds that HR professionals in the region are 'actively involved in acts of leadership in the business that sit outside of the classic people arena'.

- [Visit our Next Generation HR report](#)
- [View our Next Generation Asia report](#)

CIPD viewpoint

In times of great challenge and uncertainty, effective leadership becomes even more vital. The co-ordinating and monitoring function of leaders needs to be balanced with a supportively challenging approach to developing people. Our 'Shaping the Future' project focuses on leadership as a key variable in sustainable organisation performance. The project challenges leaders across organisations to be aware of the need to build more collaborative and involving leadership approaches. Whilst driven and directive leadership can be necessary at times, organisational capability and agility may suffer.

The role of HR leadership is also critical, as identified in our 'Next Generation HR' research. The operational role of HR leadership is to be 'business-, people- and organisational-savvy' and to act with purpose, humility and resolve. HR leaders who act in this way are seen by others as having real voice and influence. They also demonstrate the ability to be provocateurs, challenging existing ways of doing things, not by being 'out-there marginalised mavericks', but by using influence and insight. In

this way, HR leaders are able to move beyond the service- and process-driven approach of old towards an insight-driven focus, leading the organisation and its people in a sustainable but challenging way.

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