

LEADERSHIP CHALLENGES: ROLE OF EXEMPLARY LEADERS

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Abstract *The success or failure of any organization can largely be attributed to its leadership. Thus, to have the appropriate kind of leadership that makes the organization sail through good and bad times is highly crucial. Leadership is all about safeguarding the interest of the organization and its people, and making a positive difference wherever they are. The test of leadership is the ability to deal with ambiguity, uncertainty and complexities. So, in today's competitive world, one needs to identify what differentiates an average leader from a great one or a great leader from an exemplary leader. This paper tries to find out the leadership challenges of today and the growing importance of exemplary leaders in the divergent sphere of the business world.*

Keywords: *Circumstantial Leader, Growth Leader, Collaborative Leadership.*

INTRODUCTION

Every organisation follows a theory of existence based on three assumptions: environment, mission and core competencies (responsible leadership). The assumption about environment define what an organization is paid for; the assumption about mission defines what an organization considers to be meaningful results; in other words, they point to how it envisions itself making a difference in the economy and in the society at large. Finally, the assumptions about core competencies define where an organization must exceed in order to maintain leadership.

Leadership is the ability to decide on a compelling vision to take the organization to the next level and in the process guiding and developing its people. It is the process of giving meaningful direction to collective effort. Leadership entails giving meaning, setting a direction and achieving extraordinary results from ordinary people. A leader is one who has a long term perspective, is ethical, appreciates team members, provides direction, energizes and recognizes and rewards people. A leader is therefore a charge agent.

In today's hectic times, in order to take the organization to the desired level of success, only 'good leadership' is not sufficient. The need of the hour is the exemplary leadership through which a company contributes toward economic development.

WHAT MOTIVATES LEADERSHIP?

Henry Murray, an early nineteenth – century psychologist, tried to assess the inner beliefs and motivations of people using a test called the Thematic Appreciation Test (TAT). Later David McClelland identified three of Murray's 'motives' as significant factors behind the success or failures of managers:

- **Achievement Motivation:** The need to do better than other people, set new standards, engage in doing something unique. Most successful managers are motivated by this.
- **Affiliation Motivation:** The need to establish relationships, maintain them or restore them. A large number of managers work actively to build meaningful relationships.
- **Power Motivation:** The need to influence, dominate and overpower to win an argument or establish supremacy over others. Although 'personal power' aims at empowering self but 'social power' is used for the wellbeing of the *aam admi*.
- **Extension Motivation:** Prof. Uday Pareek added this and by means of it he referred a country like India where managers offer motivated by their need to help others and work for a greater cause.

Again, two other work-related motivations are independence and dependence. An individual with high dependence

motivation may prefer a bureaucratic setup while a manager with greater independence motivation is likely to prefer an environment that is less regulated.

LEADERSHIP CHALLENGES

In the rapidly changing competitive business environment, a leader faces a unique set of challenges where he has to be highly adaptive to the changes in the environment, while at the same time holding on to the core values, being optimistic as well as pragmatic, maintaining the right balance between rationality and emotionality while making decisions. The challenge to leadership is also to break out from the self-imposed confines of our boundaries, limitations and mind-sets. Some of the leadership challenges are:

- **Leading by Example:** One of the responsibilities of a leader is to inspire and influence his people. It also entails being self-directed and being governed by a set of values that come from within. Leading by example means having integrity and being principle-centered.
- **Developing Leaders at all Levels:** Having a long term perspective and contributing to the organisation also means developing leaders through empowerment. Such an approach will take care that there is no leadership crisis.
- **Creating Transparency:** The organisational responsibilities can be handled effectively if there are systems in place and there is transparency. This would ensure that there is less of scope for misinterpretation of rules and guidelines.
- **Ability to Take the Organization to the Higher Level:** This is one of the major responsibilities of the leader. Leaders are not only appointed to manage and operate the organization but also to ensure growth and development of the organization.
- **Trap of Unethical Practices:** Leaders who have greater potential to create values are also likely to flounder it. The more successful a leader becomes, the higher the chances of being pulled into unethical and immoral business practices. The ripple effect created by the collapse of Enron, Satyam, Xerox will hang in the minds of people.
- **Result – Reward Linkage:** In the highly competitive global market, leaders produce denominator managers. To motivate people to execute well, companies offer reward star performing divisions, plans and this can make people reluctant to share ideas or best practices with their colleagues – making others turn against each other. This results in unhealthy internal competition. The leaders have to maintain a balance between result-reward – unethical internal competition.

- **Results Get Centre Stage and the Process Gets Diverted:** Now-a-days the number – driven managers often end up producing reams of low quality data. Leaders face this challenge across the globe.

PRE-REQUISITE OF AN EFFECTIVE LEADER

Studies throughout the world suggest that no one can lead who does not first acquire power, and no leader can be great who does not know how to use power. The pursuit of power changes people in profound ways. Once sitting on the top, people often feel compelled to give up the same attitude and behavior such as modesty, courtesy, compassion, prudence and self-restraint that made them successful in the first place. In this changing environment some of the required qualities of an effective leader are:

Being aware of their impact on others but not using it to their personal advantage.

- Ability to adapt to changing situations.
- Questioning the status – quo and making necessary changes.
- Being passionate about what they do and infusing that passion into their people.
- Ability to connect with their people emotionally.
- Combining their zeal for results with sensitivity towards their people.
- Ability to judge people without being judgmental.
- Having empathy for others; yet taking tough decisions when required.
- Working towards developing people.
- Balancing feelings and logical thinking in making decisions.

ETHICS IN BUSINESS AND LEADERSHIP

For the business to succeed, an employee needs to have a sense of belonging to the organisation. This would happen when employee comes to trust the employer. And trust would exist only where the employer was seen to act ethically, where his action sprang from ‘warm-heartedness’. Ethical action was also required because success in the business would not bring about peace of mind or satisfaction. Only actions that were rooted in ‘warm-heartedness’ would prove constructive.

The US has taken more of a self regulatory approach due to their respect for free market and their desire to be left alone and their belief that the government should legislate to remedy only known problems. With the spate of

corporate disasters, a compliance-based approach emerged for corporate America. In North- America, the vote of the ethics officer has been formalized, while in Europe ethics champions have developed their roles along with other managerial responsibilities. In the East, among Japanese and Korean conglomerates, a value- led approach is pursued since the benefits of team work can be unlocked, only when they stick to certain group values and goals, minimizing internal competition.

There are several myths on business ethics arising out of confusion which the leaders need to tackle very carefully. Some of them include:

- Business ethics is more of a religion than management.
- Employees are ethical, so there is no need to pay attention to business ethics.
- Business ethics is a fad or movement led by philosophers and academicians.
- Business ethics is superfluous- it only asserts the obvious: 'to do good'.
- Business ethics is a matter of the good guys preaching to the bad guys.
- Business ethics is the new police person on the block.
- Ethics cannot be managed.
- Since the organization is not in trouble with the law, it is ethical.

A manager's efficacy depends not just on his technical competence, functional knowledge and management skills, but also on his management style. This stems from his ideas about how people need to be managed and led. If the leader is not sensitive to the emotional needs of his subordinates and does not use the appropriate style of supervision and leadership, there is a great danger of crippling the growth of subordinates.

Studies of Indian managers suggest that they adopt one of the management styles:

The Paternalistic Style

It may also be called benevolent management. Managers who adopt it see themselves as father figures and providers of resources.

Their power to give makes them sensitive to the needs of others. They are instinctively proactive of teams working under them and are well loved throughout the organisation.

The Authoritarian Style:

This type of managers reprimand, criticize and direct. They often see themselves as disciplinarians and constantly

supervise and micro-manage their subordinates, with damaging consequences for employees morale.

The Self-Dispensing Style

These managers are concerned with building their juniors as potential leaders. They are democratic, respect their junior's decisions, and create opportunities for them to do things independently and experience a sense of ownership and empowerment.

Unless the leaders walk the talk and create a foundation of trust, they cannot create super structures of their competence. So,

Ethical leadership = Character x Competence

Ethical leaders should have many distinct traits:

- They should work to turn aspirations into actions.
- Each of them should be firm with great character and integrity.
- They have to build teams and carry everyone together.
- They should have the courage to stand up against the world when duty calls upon them to do it.
- These leaders should never look for followers. They should be keen to create more leaders.
- They should switch from apex leadership to shared leadership.

EXEMPLARY LEADERSHIP—THE NEED OF THE HOUR

An exemplary leader is one in whose presence the team feels lifted, tries things outside its zone of comfort and understands that there is a leader standing behind them encouraging, applauding and making the best effort. He puts a stake on the ground on certain core values, a vision for both the company and individuals and then has an honest dialogue on where the organization stands on value and vision. So, an exemplary leader is one who creates standards of excellence, maps the way for others to follow, inspires a shared vision for exciting possibilities; challenges the existing process and searches for new opportunities; empowers others to move toward his vision and recognizes individual contributions to encourage others to accomplish the extraordinary. Effective leadership starts with 'example' and ends with 'ethics' and significant throughout this process are the factors of energy, enthusiasm, endurance, emotional intelligence, eloquence, empowerment, effectiveness, execution and excellence. He must learn ways to manage complexity and uncertainty. He/ She must harbor a local as well as global mindset and equip himself/herself with cross-cultural skills. Eventually, he/ she must be a situational leader who can shift from various

leadership styles as per the changing situation to achieve organizational goals and objectives.

STRESS ON INTEGRITY AND DEDICATION

Exemplary leaders set an example through every decision that is difficult to implement. Starting from cost-cutting to working smart and helping teams succeed, these leaders make sure their presence is felt and they make a big difference.

There is no room for wastage and non-value added spending. This principle is followed even when the company is profitable. It's a way of life and not a tool for sailing through tough times and it is during such unpredictable, challenging times that exemplary leaders should shine the most.

Exemplary leaders are capable of anticipating challenges and must then prepare their organisation to face them with a complete buy-in of the team members. It is in challenging times that they demonstrate transparency in spirit and word.

Without dedication, it is impossible to drive oneself to success. Personal and professional integrity helps gain staff confidence and business loyalty, whilst a simple ability to empathize with virtually anyone and understand their needs, will inspire people to follow the leader. Again, the future generation of leaders must develop flexible leadership skills. Flexibility is a particularly valued asset and being adaptable in a rapidly changing business environment is a skill and a majority of top business leaders find vital to success.

THE ART OF TRUSTWORTHINESS AND INTER-PERSONAL SKILL

An exemplary leader possesses great self-belief with a vision and moves in the right direction. He requires emotional intelligence especially when dealing with a team of individuals. With trustworthiness and support, an average leader climbs a step up towards being exemplary.

With increasing competition and companies becoming leaner and more horizontal, team work is far more important than the hierarchical pattern of working. An exemplary leader today inspires interpersonal relations and displays empathy towards employees.

CIRCUMSTANTIAL LEADER

The current role of a leader in an organization is judged and appraised depending on how well he handles the circumstances that occur on a regular basis; be it with the team, difficulties in strategies, communicating, making decisions – and other dilemmas associated with that position. A good leader is thus born out of the circumstances surrounding the problems he faces. In today's competitive

world, circumstances and the 'right here right now' attitude to a solution matter the most, irrespective of experience in that industry.

THE ART OF HUMAN CAPITAL RISK MANAGEMENT

In the organisational context, risks are more pronounced and every organisation has specific expectations from employees. Today, human capital risks are more pronounced than earlier as there is a change in the attitudes of employees. The modern-day employees are more committed to growth in the career space and are ambitious. A leader has a prominent role in dealing with human capital risk and ensuring trust within the organization. To retain the skilled employees a leader must introduce, convince and imbibe the values, beliefs and processes of the organisation in the minds of employees, not only on paper but also in spirit. An exemplary leader is one who sees the turmoil in the global economy as a crucial time to manage human capital risk and prepare the organisation in anticipation of the future.

GROWTH LEADERS

Growth leaders essentially 'think big' and set themselves ambitious growth agendas. They speak the language of growth and are able to influence and mobilize commitment from their teams. They strategically make business growth a joint responsibility of the leadership team. Enormous amount of enthusiasm and energy is spent on seeking a buy-in from colleagues. Together, they create opportunities by relentlessly pursuing a growth recipe that revolves around customer insights and marketplace dynamics. As leaders, they demonstrate that execution is an integral part of their roles as leaders and not necessarily to be relegated as operational responsibilities. They think that strategic intent or implementation go hand-in-hand and over a period of time, this kind of 'think and do' culture gets to percolate down to the lower levels in the organization.

ROLE AS A CTO (CHIEF TALENT OFFICER)

Research from across the globe has revealed that several leaders (commonly termed as CEOs) are now playing the role as CTOs and indulging in several talent management activities. With the increasing acknowledgement of people being the biggest asset of any business, leaders have started making conscious efforts towards honoring their assets skills.

In today's context, with the ever-growing need for talent, especially in a highly competitive and slowing economy, it has become extremely critical for a CEO to become the CTO

of his enterprise. Today, by interacting with employees on a regular basis, a leader can know the pulse of the organisation. One of his main tasks as company leader is to motivate and engage employees and bring the best out of them. This is not only important for the growth and success of the company, but also allows its people to grow and develop their unique identity. The core focus areas of a leader in talent related activities should be: enhancing values within the enterprise, preparing for the future, leadership development and creating wholeness.

COLLABORATIVE LEADERSHIP STYLE

As the world evolves and businesses expand all over the globe, the essence of leadership is rapidly developing as well. Leadership is no longer a 'one-man show', but a more collective effort where each person takes the onus of his / her job. There is a shift happening in terms of responsibility being given to more individuals at an earlier stage of their careers. However, conversely, in terms of accountability, the parameters seem to be moving in the opposite direction with the span of accountability for senior leaders only increasing rapidly.

The shift from a leader to a group of people is largely due to the fact that the times of doing business are changing. In this changing global business scenario the role of an organisational leader has become precarious. To seek opportunities and avert threats in such an environment is no easy task. Therefore, adaptability has become one of the biggest requirements of the current leader. Again, organisational structures are getting more complex and matrix-oriented as opposed to the simple, linear structures of the past. This in itself necessitates collective team work.

CONCLUSION

Leadership is all about safeguarding the interest of the organisation and its people, and making a positive difference wherever they are. The true test of leadership is its ability to deal with ambiguity, uncertainty and complexities. It is imperative for any leader to have a strong vision, which transforms itself into a robust business strategy. A leader must understand the dynamics of the ever-changing business environment and should chalk out strategies to stay firm in the competitive world. An ordinary leader should be pro-people, think globally but should act locally, stay grounded, which will make him an exemplary leader. Exemplary leaders must deliberately slow their pace, stay connected with their team, enlist others to help fulfill their visions and keep the team motivated. Eventually, leaders are remembered only for the contributions they make. Exemplary leaders do not just make the moment; they meet it and, in the process, are changed by it.

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