



Harvard Business  
School Online

# How to Become a More Effective Leader



## Contents

- 3** Leadership vs. Management: What's the Difference?
- 6** Essential Leadership Skills and Qualities
- 27** Identifying Your Leadership Style
- 31** Developing as a Leader
- 35** Your Leadership Journey

**Effective leadership is vital to organizational success.** According to a [study](#) by global consulting firm DDI, organizations with strong leadership talent outperform their competitors by:

- **Acting more decisively**
- **Navigating through complexity with greater efficiency**
- **Anticipating and reacting to business challenges with ease**

[Research](#) shows that 80 percent of organizations consider leadership a high priority, but just 41 percent are ready to meet the demands of finding and developing leadership talent.

Whether you're a seasoned professional or new to the workforce, you can hone your leadership skills to meet the growing demand and advance your career.

In this guide, you'll learn about the difference between leadership and management, uncover the qualities and skills that characterize an effective leader, gain an understanding of common leadership styles, and explore how you can unleash the potential in yourself and others.



# Leadership vs. Management: What's the Difference?

*Before delving into what makes an effective leader, it's important to understand the difference between leadership and management.*

*While there's some overlap between the work that leaders and managers do, there are also significant distinctions.*

*Here are three differences between leadership and management.*

## 1. Process vs. Vision

Effective leadership is centered on a vision to guide change. Whereas managers set out to achieve organizational goals through implementing processes, such as budgeting, organizational structuring, and staffing, leaders are more intent on thinking ahead and capitalizing on opportunities.

“I think of management as working with other people to make sure the goals an organization has articulated are executed,” says Harvard Business School Dean Nitin Nohria in the online course [Management Essentials](#). “It’s the process of working with others to ensure the effective execution of a chosen set of goals. Leadership is about developing what the goals should be. It’s more about driving change.”

## 2. Organizing vs. Aligning

In the book, *On Becoming a Leader*, scholar Warren Bennis presents a list of key differences between managers and leaders, including:

- The manager administers; the leader innovates
- The manager maintains; the leader develops
- The manager focuses on systems and structure; the leader focuses on people

Managers pursue goals through coordinated actions and tactical processes, or tasks and activities that unfold over stages to reach a certain outcome. For example, they may implement a decision-making process when leading a critical meeting, or when devising a plan for communicating organizational change.

Leaders, on the other hand, are less focused on how to organize people to get work done and more on finding ways to align and influence them.

### 3. Position vs. Quality

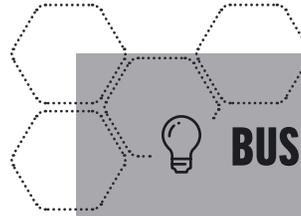
The title “manager” often denotes a specific role within an organization’s hierarchy, while referring to someone as a “leader” has a more fluid meaning.

“Manager is a title. It’s a role and set of responsibilities,” writes leadership coach Doc Norton in [Forbes](#). “Having the position of manager does not make you a leader. The best managers are leaders, but the two are not synonymous. Leadership is the result of action. If you act in a way that inspires, encourages, or engages others, you are a leader. It doesn’t matter your title or position.”

Leadership is a quality that needs to be shaped. Through learning how to influence others, you can build greater self-awareness and boost your team’s performance.

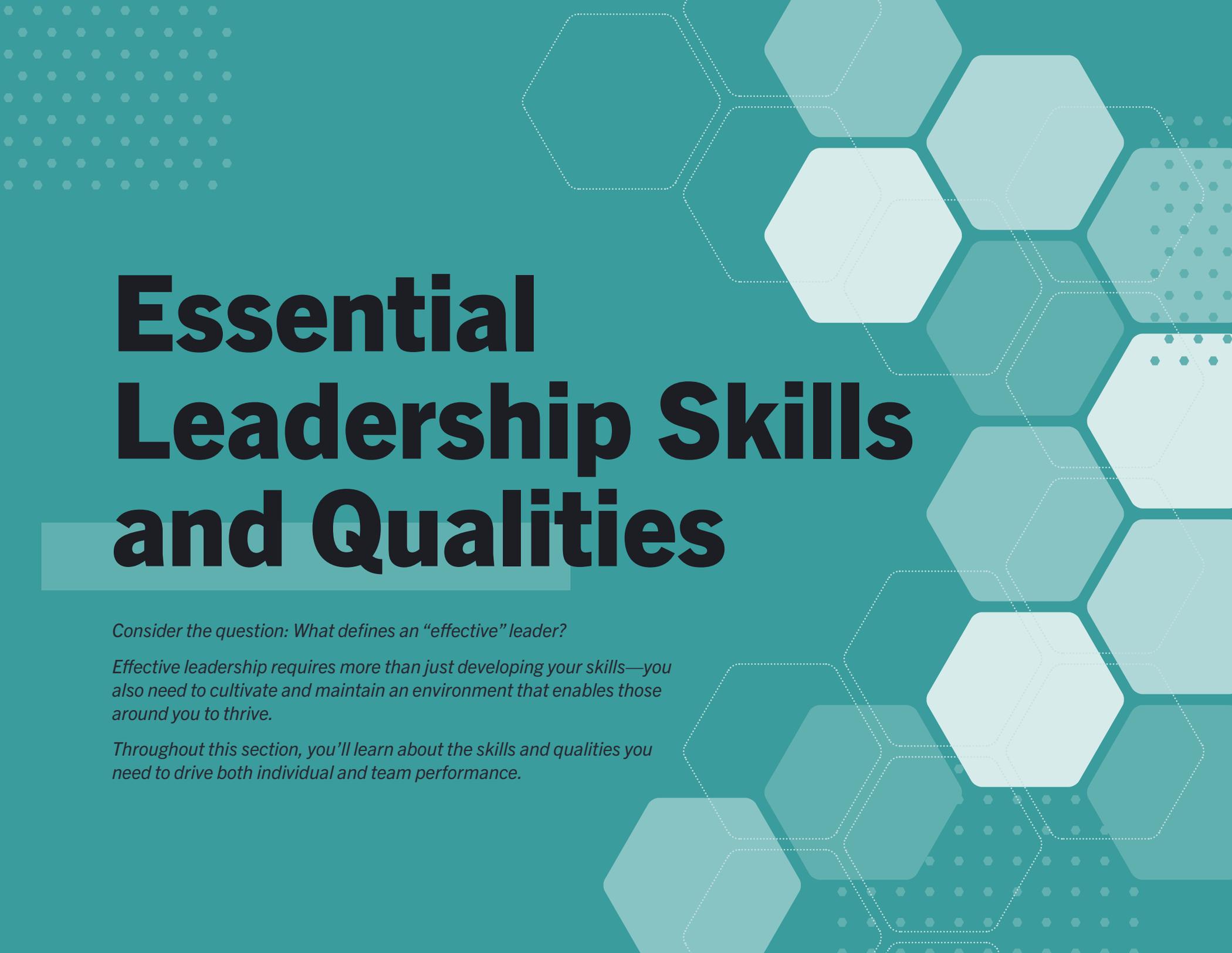
*Understanding how the work of a leader differs from that of a manager is foundational to your leadership journey.*

*Next, you’ll learn about the skills and qualities you need to be an effective leader.*



### BUSINESS INSIGHT: LEADERSHIP VS. MANAGEMENT

	Leadership	Management
<b>Purpose</b>	<ul style="list-style-type: none"> <li>• Dealing with change</li> </ul>	<ul style="list-style-type: none"> <li>• Dealing with complexity</li> </ul>
<b>Focus</b>	<ul style="list-style-type: none"> <li>• Thinking</li> <li>• Change and innovation</li> <li>• “Doing the right things”</li> </ul>	<ul style="list-style-type: none"> <li>• Doing</li> <li>• Execution and implementation</li> <li>• “Doing things right”</li> </ul>
<b>Main Processes/ Skills</b>	<ul style="list-style-type: none"> <li>• Formulating visions</li> <li>• Aligning people</li> <li>• Motivating and inspiring</li> <li>• Influencing</li> </ul>	<ul style="list-style-type: none"> <li>• Planning projects</li> <li>• Organizing people</li> <li>• Monitoring progress and performance</li> <li>• Problem-solving</li> </ul>
<b>Orientation</b>	<ul style="list-style-type: none"> <li>• Future</li> <li>• Long-term</li> </ul>	<ul style="list-style-type: none"> <li>• Present</li> <li>• Short-term</li> </ul>
<b>Daily Work</b>	<ul style="list-style-type: none"> <li>• High-level</li> <li>• Strategic</li> </ul>	<ul style="list-style-type: none"> <li>• Ground-level</li> <li>• Tactical</li> </ul>
<b>Seeks to Achieve</b>	<ul style="list-style-type: none"> <li>• Change</li> <li>• Newness</li> <li>• Effectiveness</li> <li>• Movement</li> </ul>	<ul style="list-style-type: none"> <li>• Order</li> <li>• Consistency</li> <li>• Efficiency</li> <li>• Stability</li> </ul>



# Essential Leadership Skills and Qualities

*Consider the question: What defines an “effective” leader?*

*Effective leadership requires more than just developing your skills—you also need to cultivate and maintain an environment that enables those around you to thrive.*

*Throughout this section, you’ll learn about the skills and qualities you need to drive both individual and team performance.*



## **SKILL 1: EMOTIONAL INTELLIGENCE**

Emotional intelligence is the ability to understand and manage your emotions, as well as recognize and influence the emotions of those around you. The term was first coined in 1990 by researchers John Mayer and Peter Salovey, but later popularized by psychologist Daniel Goleman.

Emotional intelligence—also known as EQ—is typically broken down into four core competencies: self-awareness, self-management, social awareness, and relationship management.

[Research](#) shows that 90 percent of top performers are high in emotional intelligence. By building your EQ, you can bring out the best in others and cultivate successful teams.

Here are five emotional intelligence skills you need and ways you can develop them.

### **1. Self-Awareness**

Self-awareness is having a clear understanding of your strengths, limitations, emotions, beliefs, and motivations. It sounds simple enough, yet a [survey](#) by organizational consulting firm Korn Ferry found that 79 percent of executives had at least one blind spot—or a skill they ranked among their strongest that others reported as a weakness.

Leaders who are adept at recognizing and managing their emotions are better equipped to perceive others' feelings and know how to motivate employees. Those who don't could see a slip in performance: [Research](#) in the *Harvard Business Review* found that teams with individuals who lack self-awareness make worse decisions and are less effective at conflict management.

## 2. Self-Regulation

Self-regulation refers to how you manage your emotions, behaviors, and impulses. The more self-aware you are, the easier this becomes. If you can recognize what you're feeling and why, you can respond appropriately.

“In my experience, I've never seen the tendency toward radical outbursts to surface as an indicator of strong leadership,” writes Daniel Goleman, the psychologist who popularized emotional intelligence, [on his website](#).

If prone to emotional outbursts or overreacting, there are tactics you can use to improve your self-regulation:

- **Pause before responding:** Give yourself time to stop and think before immediately replying. This could be as simple as taking a deep breath and allowing for a 20-second pause so that your feelings get out of the way of your thoughts.
- **Take a step back:** Sometimes, you might need to leave the room, and that's OK. It's often better to take a walk, drink some water, or call a friend than to make a snap judgment, send a scathing email, or lash out at your team.
- **Recognize your emotions:** Try jotting down what it is you're feeling and what caused the distress. You'll likely start identifying patterns. If you know what triggers you, the next time a similar situation occurs, you'll be better positioned to handle it in a healthy, positive way.

If you acknowledge your emotions and give yourself time to process them, you can carefully craft how you respond and avoid doing anything that could jeopardize the goodwill you've worked hard to build.

## 3. Empathy

Empathy is the capability of understanding another person's experiences and emotions, and has been ranked as the top leadership skill needed today by global consulting firm DDI. According to DDI's [research](#), leaders who excel at listening and responding with empathy perform more than 40 percent higher in coaching, planning, and decision-making.

By actively listening to your employees and taking the time to understand their wants and needs, you can boost engagement, build trust, and more effectively coach them through challenges. The more your team feels appreciated, the more invested they'll be, which, in turn, leads to higher morale and a stronger company culture.

## 4. Motivation

Motivation refers to your ability to inspire both yourself and others to action. Here, it's essential to lead by example. Self-motivated leaders care more about hitting organizational milestones than monetary awards. They set goals, take initiative, rise to the challenge, and stay optimistic during turbulent times.

The more positive you are, the more confident your team will feel. Your intrinsic motivation will permeate the organization, and you'll have a better understanding of how to empower employees.

## 5. Social Skills

Social skills are all about how you perceive emotions and interact and communicate with others. For example, emotionally intelligent leaders can walk into a room of employees with pursed lips and clenched fists and not only sense the tension but know how to address and resolve the conflict before it escalates.

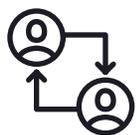
The more in tune you are with your emotions, the easier it will be to assess others'. And if you can assess others' feelings, you can more easily build and maintain relationships. Leaders with strong social skills know they can't achieve success alone. Surpassing goals and reaching milestones requires collaboration, communication, and a shared vision.



### BUSINESS INSIGHT

#### How to Develop Emotional Intelligence Skills

- ✓ **Try Journaling**  
At the end of the workday, reflect on how your meetings, projects, and interactions went—whether positive or negative. By writing your thoughts down, you can spot specific patterns about your behaviors and reactions, as well as others'.
- ✓ **Undergo a 360-Degree Assessment**  
In a 360-degree assessment, you solicit feedback from your manager, colleagues, and peers, while also undergoing an individual self-assessment. Through the process, you gain valuable insights into what your co-workers perceive as your strengths and weaknesses and uncover any blind spots you might have.
- ✓ **Take an Online Course or Training**  
Online courses offer working professionals the flexibility to complete coursework on their schedule and connect with a global community of like-minded peers, all while gaining new skills and knowledge.



## **SKILL 2: EMPLOYEE ENGAGEMENT**

Employee engagement is vital to business longevity and success. According to [findings](#) by analytics and advisory company Gallup, highly engaged employees tend to:

- **Produce substantially better outcomes at work**
- **Deliver higher-quality service to customers and help attract new ones**
- **Remain with their organization longer than less-engaged colleagues**
- **Experience less burnout in their roles**

Gallup's [research](#) also shows that managers account for 70 percent of variance in employee engagement, highlighting how critical it is for companies to ensure that business leaders are equipped with the skills and knowledge to bring out the best in themselves and others.

If you want to maximize your team's performance, here are six strategies for engaging your employees.

### **1. Base Feedback on Observations**

Knowing how to provide feedback effectively is a critical business skill. It's been found that an environment wherein managers regularly evaluate their employees' work can be a boon to business performance. In a [survey](#) by the Society for Human Resource Management and Globoforce, 89 percent of HR professionals said that ongoing peer feedback and check-ins are key to successful outcomes.

When delivering feedback, make it a point to observe others as they complete their daily tasks, so your comments are based on facts, rather than personal impressions or feelings.

In *Management Essentials*, Meghan Joyce, who previously worked at Uber and is now chief operating officer at Oscar Health, says gathering observations by sitting in on meetings or simply wandering around the office can be deeply telling.

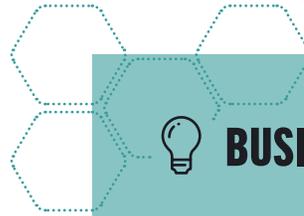
"Observing [employees] in their own environment can be so insightful," Joyce says. "I've found that some of the smallest tweaks we've been able to make by observing those people in action are some of the most meaningful."

## 2. Show Recognition

Assuring your employees that their work and opinions are important is essential to enabling your team to perform at its optimal level. According to [research](#) by cloud-based software company Salesforce, professionals who believe their voice is heard are over four times more likely to feel empowered to do their best work.

When considering solutions to key business challenges, encourage your employees to participate in the decision-making process, and give equal consideration to each person's point-of-view, so they feel their ideas are valued.

Following the successful execution of an important project or initiative, offer praise to your team and underscore how much you appreciate their contributions.



### BUSINESS INSIGHT: TIPS ON HOW TO GIVE AND GET FEEDBACK

	Giving	Getting
<b>Frequency</b>	<ul style="list-style-type: none"> <li>Provide informal feedback regularly. Don't wait until the annual performance review.</li> </ul>	<ul style="list-style-type: none"> <li>Seek feedback daily or weekly to improve your own performance.</li> </ul>
<b>Preparation</b>	<ul style="list-style-type: none"> <li>Observe others so your feedback is based on facts, rather than impressions or feelings.</li> </ul>	<ul style="list-style-type: none"> <li>Find an employee or colleague you trust who is willing to observe you and speak honestly about your strengths and weaknesses. Focus on a few key topics.</li> </ul>
<b>Delivery and Reception</b>	<ul style="list-style-type: none"> <li>Focus on employees' performance and progress toward business goals, not on their personality.</li> </ul>	<ul style="list-style-type: none"> <li>Ask clarifying questions, but don't argue or refute what the person is trying to tell you.</li> </ul>
<b>Mindset</b>	<ul style="list-style-type: none"> <li>Help the person follow through on your suggestions by creating an action plan, providing support, and serving as a sounding board.</li> </ul>	<ul style="list-style-type: none"> <li>Thank your peers for their time. Brainstorm ways to go forward together.</li> </ul>
<b>Post-Feedback</b>	<ul style="list-style-type: none"> <li>High-level</li> <li>Strategic</li> </ul>	<ul style="list-style-type: none"> <li>Ground-level</li> <li>Tactical</li> </ul>
<b>Follow-Up</b>	<ul style="list-style-type: none"> <li>Plan to check in again to review progress, praise changes, and/or redirect behavior, if necessary.</li> </ul>	<ul style="list-style-type: none"> <li>Begin your action plan to change and plan to check in on multiple occasions.</li> </ul>

### 3. Foster Transparent Communication

Effective communication is foundational to fostering strong team dynamics and collaboration. A [report](#) from the Economist Intelligence Unit found that poor communication in the workplace can yield a range of negative outcomes, including:

- **A delay or failure to complete projects**
- **Low morale**
- **Missed performance goals**
- **Lost sales**

To help your organization avoid these pitfalls, cultivate a culture centered on open and transparent communication. If you find yourself tasked with leading employees through a complex business situation, like organizational change, clearly explain why change is needed and establish a regular cadence to keep everyone apprised of progress. Note how each person's role contributes to larger organizational objectives and can help drive the change process. In addition, emphasize your willingness to discuss any questions or concerns, so your employees feel they have someone to approach and confide in as shifts happen.

### 4. Delegate Work

Delegating important tasks and projects to your team is a highly useful means of demonstrating trust and empowering your employees.

To delegate effectively, ensure you're assigning tasks to employees who are equipped with the knowledge, skills, and resources to handle them, or who stand to gain a valuable learning experience by taking on additional responsibilities.

Be sure to play to your team members' strengths when entrusting them with work. [Studies](#) show that when employees know and flex their strengths, they're more engaged, perform better, and are less likely to leave the company.



## 5. Be Respectful

Treating others with respect is paramount to being a successful manager. According to a report by [The Energy Project and the Harvard Business Review](#), respect has a bigger impact on employees' sense of safety, trust, and ability to focus than any other leadership behavior.

The report also found that employees who felt their leaders treated them with respect were:

**55%**

**more engaged**

**58%**

**more focused**

**63%**

**more satisfied with  
their jobs**

**110%**

**more likely to stay with  
their organization**

Being respectful involves honing your emotional intelligence and building social awareness, so that you can be more empathetic and attuned to others' feelings and perspectives. It also requires having faith in your team members and not micromanaging their every move, so they feel confident in their abilities and are motivated to perform their best work.

## 6. Support Learning and Development

Encouraging your employees to bolster their skills and knowledge through professional development and learning opportunities can pay dividends for both your team and company.

In a survey conducted by City Square Associates, eight out of 10 HBS Online learners said taking an online course impacted their professional lives for the better, and more than half of respondents said they gained additional responsibilities at work as a result of furthering their education.

“Learning is essential to survive and prosper both inside and outside of businesses,” says HBS Professor David Garvin in Management Essentials. “That means organizations and their managers must engage in the learning process at formal and informal levels.”

Let your team members know that you support their ongoing development, and serve as an advocate when they approach you with an interest in pursuing additional education while balancing the demands of a full-time job.

Focus on your own development too, and seek out training programs that can help you reach your personal and professional goals.



## BUSINESS INSIGHT

### How to Foster Employee Engagement When Your Team Is Remote

Remote work is on the rise. [Studies](#) show that the number of people working remotely has increased by 159 percent over the last 12 years, with 73 percent of teams [projected to include remote employees by 2028](#).

This shift has prompted many business leaders to adapt to managing employees virtually. If you want to boost your team's performance, employ these four tips to help foster engagement when your employees are remote.

#### ☑ **Hold Regular Check-In Meetings**

Without the face-to-face interactions that come with working in an office, check-ins are even more important when managing remote employees. [Research](#) shows employees who regularly meet with their managers are three times more engaged than those who don't.

#### ☑ **Engage in Collaborative Goal-Setting**

Setting specific, attainable goals is critical to your team's success. Highlight how each individual's efforts connect to the work of their colleagues and the company as a whole. [Data](#) shows doing so can improve performance by up to 10 percent.

#### ☑ **Solicit Input and Encourage Participation**

[Research](#) by IBM found that 83 percent of employees have a more positive work experience when they feel their ideas and suggestions matter. Strive to create a psychologically safe environment in which team members feel welcome to speak up and share their opinions.

#### ☑ **Create Opportunities for Personal Connection**

Find ways for your employees to socialize and build personal connections virtually. Some suggestions for cultivating camaraderie among your remote team include leveraging video conferencing software to host a virtual happy hour, or organizing an online book club so employees can bond over a shared interest.



## **SKILL 3: NEGOTIATION**

Whether you're interviewing for a job, pitching an idea to a client, or asking for a raise, honing your negotiation skills is a worthwhile endeavor.

Negotiation is, by nature, chaotic, as you don't know the desired outcome of those seated across the table. That said, there are things you can do to improve your odds of getting what you want. Here are seven negotiation tactics to try the next time you're at the bargaining table.

### **1. Keep an Open Mind**

Attitude is everything in a negotiation. It's important to go in with an open mind and be prepared to improvise. "Adaptability is imperative in negotiation from start to finish," HBS Online [Negotiation Mastery](#) Professor Mike Wheeler writes in his book, *The Art of Negotiation: How to Improvise Agreement in a Chaotic World*. "Opportunities will pop up. So will obstacles. Power ebbs and flows. Talks that crawl along can race forward or veer off in another direction. Even our own objectives may evolve. We have to make the best of whatever unfolds." In a negotiation, patience and an open mind will prevail.

### **2. Show Your Cards**

People may think "holding your cards close to the vest," or not giving away your agenda, is wise in a negotiation, but Wheeler encourages the opposite. He suggests stating what you want because it can improve the opportunity for both sides. "By laying your cards on the table, you can expand the pie by making mutually beneficial trades," Wheeler writes.



"As a US citizen working abroad in Germany, it's become abundantly clear how pivotal the role of culture is in business. Negotiating from a position of strength by creating a favorable impression, understanding clients' needs, and confidently navigating tense discussions is all the more challenging on a foreign continent. I wanted to learn how to bolster my negotiation and persuasion skills in order to prepare myself for a managerial role in an international setting."

**Shane Sabine**  
Negotiation Mastery  
Participant

### 3. Set and Stretch Your Goal

Preparation is paramount in a negotiation. Wheeler recommends going to the bargaining table with a clear goal. Write it down and commit it to memory. He then suggests setting a stretch goal and making that your starting point.

You should also determine the bare minimum you'll accept. You may go in asking for the moon, but be sure you know when to walk away.



#### BUSINESS INSIGHT

##### 5 Mistakes to Avoid at the Bargaining Table

While knowing what you should do in a negotiation is essential for success, it's just as important to know what you shouldn't do. Here five common mistakes to keep in mind the next time you're at the bargaining table.

- ☑ **Forgetting to Shake Hands**  
It may seem like a simple gesture, but starting a negotiation with a handshake can send a powerful non-verbal signal that demonstrates your willingness to work toward a fair agreement.
- ☑ **Negotiating Against Yourself**  
If you don't have a full picture of what the other person wants, avoid prematurely presenting numbers and solutions that could work against you. Rather, hold firm to your initial position and allow the flow of the conversation to uncover more about what's truly at stake.
- ☑ **Using Too Many "I" Statements**  
Instead of the pronoun "I," emphasize your willingness to work together by using "we" statements and empathetic phrasing that acknowledges how the other side feels.
- ☑ **Losing Sight of Your Values**  
As obstacles arise and you respond to shifting demands, every decision you make should be informed by your values and the objectives you hope to accomplish.
- ☑ **Rushing the Process**  
It can be tempting to concede to demands early to avoid conflict, but you need to commit to your bargaining strategy and see it through to the very end. The repercussions of a deal can be far-reaching, and your exchanges with the other party might present new and exciting opportunities that you hadn't anticipated prior to the negotiation.

## 4. Turn Anxiety into Excitement

Approaching a negotiation can cause blood pressure to soar, but keeping your cool is key. Research by HBS Assistant Professor Alison Wood-Brooks can help people manage natural anxiety.

“Try your utmost to avoid feeling anxious while negotiating,” she writes in the [Harvard Business Review](#). “How can you manage that? Train, practice, rehearse, and keep sharpening your negotiating skills. Anxiety is often a response to novel stimuli, so the more familiar the stimuli, the more comfortable and the less anxious you will feel.”

Wood-Brooks advises how to turn jitters into opportunity. In an interview with [The Atlantic](#), she described research where she and her colleagues gave participants a difficult assignment: to sing Journey’s “Don’t Stop Believin’” in front of a group. Before they sang, participants were told to either say, “I’m nervous” or “I’m excited.” The results showed the “excited” participants actually felt more comfortable. Even more surprising, it seemed to improve their singing.

While doing karaoke in a crowded bar isn’t required, framing your anxiety as excitement may help you maintain your composure.

## 5. Project Power

How you carry yourself is critical in deal-making. You should be sure your body language projects confidence and power.

Joe Navarro, former FBI special agent and author of *Louder Than Words: Take Your Career from Average to Exceptional with the Hidden Power of Nonverbal Intelligence*, is an expert in how body language can propel your career. In a [Forbes](#) article, Navarro shared this tip:

**“STAND WITH YOUR HEAD SLIGHTLY TILTED AND YOUR HANDS CLASPED, AND WITH A SMILE AND A GAZE THAT MEETS THE OTHER PERSON’S. THE HEAD TILT EXPOSES THE NECK AND SAYS, ‘I AM LISTENING, I AM COMFORTABLE, I AM RECEPTIVE.’ BY CONTRAST, IF YOU TOUCH YOUR NECK OR COVER THE DIMPLE AT THE BASE OF IT, YOU’RE SAYING YOU ARE UNCOMFORTABLE, INSECURE, OR CONCERNED.”**

By paying attention to your facial expressions, eye contact, posture, and even hand gestures, you can heighten your chances for success.

## 6. Take a Timeout

Knowing when to take a break can be a powerful tool. Not only will it give you time to collect yourself, but it can disarm your “opponent.” This technique is often used by athletes when things aren’t going their way.

“It works like a reset button,” Wheeler says in his book, “interrupting whatever dysfunctional pattern has emerged. Remember to take a break before you actually need it, so that you’re constantly performing at the highest level.”

## 7. Silence Can Be Golden

If you can’t physically leave the room, at least take deep breaths. Pausing can be a great way to get what you want. It gives you time to absorb, digest, and carefully consider your response, but might also create discomfort on the other side, which could lead to a better deal.

HBS Online’s [short lesson on salary negotiation](#) offers a great example of how silence by former NHL player Derek Sanderson led to a huge salary windfall.



### BUSINESS INSIGHT

#### How to Create Value in a Negotiation

Negotiation is a two-way street. It’s a process that involves not just claiming value, but creating it. If you want to become a more skilled negotiator, here are three ways you can create value the next time you’re at the bargaining table.



#### Build Trust

Trust is a foundational component of any effective negotiation. Throughout bargaining talks, foster a relationship with the other side by sharing information. Avoid divulging details that could compromise your position, but show you’re willing to provide some insight into your strategy in order to reach an agreement. Express genuine interest in understanding the other party’s priorities, too. Ask open-ended questions that invite them to explain their stance—rather than just state it—so you can get a better sense of their motivations.



#### Find Uncommon Ground

Value creation requires focusing on areas where you and the other party have different interests and perceptions, rather than commonalities. The key is to consider your differences across multiple issues. If you focus on one item at a time, you risk being locked into a series of win-lose scenarios in which one party comes out on top. While your highest priority might be Issue A, the other person’s might be Issue B, creating an opportunity that could benefit both sides without any major sacrifices.



#### Be Agile

Being a successful negotiator involves knowing how to think on your feet. Extensive preparation is an essential part of bargaining, but even the best-laid plans can go awry. You need to be ready to adjust to changing conditions. Refine your tactics as you listen to the other side and learn more about their point of view. Have an idea of the best- and worst-case scenarios that could play out so that you can be prepared to propose solutions to challenges as they arise.



## **SKILL 4: DECISION-MAKING**

Strong decision-making is critical to business success. However, a recent [survey](#) by management consulting firm McKinsey shows that just 20 percent of professionals believe their organizations excel at it. According to HBS Professor Leonard Schlesinger, who's featured in Management Essentials, most business leaders and managers view decision-making as a single event, rather than a process. This can lead to situations in which you overestimate your ability to influence an outcome and close yourself off from alternative perspectives and diverse ways of thinking.

“The reality is, it's very rare to find a single point in time where ‘a decision of significance’ is made and things go forward from there,” Schlesinger says. “Embedded in this work is the notion that what we're really talking about is a process. The role of the manager in managing that process is actually quite straightforward, yet, at the same time, extraordinarily complex.” If you want to further your business knowledge and be a more effective leader and manager, here are eight steps in the decision-making process you can employ.

### **1. Frame the Decision**

Pinpointing the issue is the first step to initiating the decision-making process. Ensure the problem is carefully analyzed, clearly defined, and everyone involved in the outcome agrees on what needs to be solved.

Schlesinger says this initial action can be challenging, because an ill-formed question can result in a decision-making process that produces the wrong answer. “The real issue for a manager at the start is to make sure they're actively working to shape the question they're trying to address and the decision they're trying to have made,” Schlesinger says. “That's not a trivial task.”



## 2. Structure Your Team

You need to assemble the right people to navigate the decision-making process.

“The issue of who’s going to be involved in helping you make that decision is one of the most central issues you face,” Schlesinger says. “The primary issue being the membership of the collection of individuals or group that you’re bringing together to make that decision.”

As you build your team, Schlesinger advises mapping the technical, political, and cultural underpinnings of the decision that needs to be made and gathering colleagues with an array of skills and experience levels to help you reach a viable solution.

“You want some newcomers who are going to provide a different point of view and perspective on the issue you’re dealing with,” he says. “At the same time, you want people who have profound knowledge and deep experience with the problem.” Schlesinger notes that attempting to arrive at the “right answer” without a team that will ultimately support and execute it is a “recipe for failure.”

## 3. Consider the Timeframe

This act of mapping the intricacies of the issue at hand should involve taking the urgency of the decision into account. Business problems that come with significant implications sometimes allow for a more lengthy decision-making process, whereas other challenges might call for a more accelerated timeline.

“You need to shape the decision-making process in terms of both of those dimensions: The criticality of what it is you’re trying to decide and, more importantly, how quickly it needs to get decided given the urgency,” Schlesinger says. “The final question is, how much time you’re going to provide yourself and the group to invest in both problem diagnosis and decisions.”



## 4. Establish Your Approach

In the early stages of the decision-making process, it's critical to set ground rules and assign roles to team members. Doing so can help ensure everyone understands how they can contribute to problem-solving and agrees on how a solution will ultimately be reached.

"It's really important to get clarity upfront around the roles people are going to play and the ways in which decisions are going to get made," Schlesinger says. "Often, managers leave that to chance, so people self-assign themselves to roles in ways that you don't necessarily want and the decision-making process defers to consensus, which is likely to lead to a lower evaluation of the problem and a less creative solution."



### BUSINESS INSIGHT

#### A Look at 3 Decision-Making Processes

In Management Essentials, HBS Professor David Garvin details three decision-making processes and how they contribute to arriving at a high-quality decision that's both timely and executable.



#### Consensus

In consensus decision-making, the group agrees on what the problem is and freely exchanges ideas and opinions about potential solutions. Once all arguments have been made, the group selects a set of recommendations that is acceptable to all members.



#### Devil's Advocacy

In this type of decision-making, an individual or subgroup is assigned to serve as the devil's advocate. It's that individual or group's job to probe the arguments presented to uncover underlying assumptions, push people to explain their reasoning, and clarify unclear points. Perhaps most importantly, this person or group challenges proposals put forth by digging into arguments to provide additional information that might reveal unstated weaknesses.



#### Dialectical Inquiry

Dialectical inquiry requires active preparation from everyone involved in the decision. The group is divided into two subgroups, and each subgroup develops a set of assumptions and recommendations that oppose each other. Once both sides are presented, the group debates these alternatives with the ultimate goal of agreeing on a single set of assumptions and recommendations. The final solution can incorporate elements from one approach, both approaches, or neither.

## 5. Encourage Discussion and Debate

One of the issues of leading a group that defaults to consensus is that it can shut out contrarian points of view and deter inventive problem-solving. Because of this potential pitfall, Schlesinger notes, you should designate some roles that are focused on poking holes in arguments and fostering debate.

“What we’re talking about is establishing a process of devil’s advocacy, either in an individual or a subgroup role,” he says. “That’s much more likely to lead to a deeper critical evaluation and generate a substantial number of alternatives.”

Schlesinger adds that this action can take time and potentially disrupt group harmony, so it’s vital for managers to guide the inner workings of the process from the outset to ensure effective collaboration.

“What we need to do is establish norms in the group that enable us to be open to a broader array of data and decision-making processes,” he says. “If that doesn’t happen upfront, but in the process without a conversation, it’s generally a source of consternation and some measure of frustration.”

## 6. Navigate Group Dynamics

In addition to creating a dynamic in which candor and debate are encouraged, there are other challenges you need to navigate as you manage your team throughout the decision-making process. One is ensuring the size of the group is appropriate for the problem and allows for an efficient workflow.

“In getting all the people together that have relevant data and represent various political and cultural constituencies, each incremental member adds to the complexity of the decision-making process and the amount of time it takes to get a decision made and implemented,” Schlesinger says.

Another task, he notes, is identifying which parts of the process can be completed without face-to-face interaction.

“There’s no question that pieces of the decision-making process can be deferred to paper, email, or some app,” Schlesinger says. “But, at the end of the day, given that so much of decision-making requires high-quality human interaction, you need to defer some part of the process for ill-structured and difficult tasks to a face-to-face meeting.”

## 7. Ensure the Pieces Are in Place for Implementation

Throughout your team's efforts to arrive at a decision, you need to ensure you're facilitating a process that encompasses:

- **Shared goals that were presented upfront**
- **Alternative options that have been given rigorous thought and fair consideration**
- **Sound methods for exploring the consequences of decisions**

According to Schlesinger, all three of these components have a profound influence on the quality of the solution that's ultimately identified. "The quality of the decision is only one part of the equation," he says. "All of this is oriented toward trying to make sure that once a decision is made, we have the right groupings and the right support to implement."

## 8. Achieve Closure and Alignment

Achieving closure in the decision-making process requires arriving at a solution that sufficiently aligns members of your group and garners enough support to implement it. As with the other phases of decision-making, clear communication is key to ensure your team understands and is committed to the plan for moving forward.



"The most impactful learning I've been able to take advantage of to date is how to strategically implement new programs. By having a better understanding of the key concepts of implementation, I have a clearer perspective of potential concerns before they arise."

**Raymond Porch**  
Management Essentials  
Participant



## **SKILL 5: ORGANIZATIONAL CHANGE MANAGEMENT**

Organizational change refers to when a company or business alters a significant component of its organization, such as its culture, the underlying technologies or infrastructure it uses to operate, or its internal processes.

Organizational change management is the method of leveraging that change to bring about a successful resolution, and it typically includes three major phases: Preparation, implementation, and follow-through.

Change is typically pursued because it's believed the transition will enable a business to operate at a higher level—becoming more efficient, productive, innovative, and profitable.

When change is managed incorrectly, it can become a double-edged sword, leading to a loss of productivity and poor performance from employees. According to [findings](#) by research and advisory company Gartner, just 34 percent of all organizational change initiatives are considered a “clear success.”

If you want to better understand your role in managing change, here are five tips you can use to handle the change management process more effectively.

### **1. Understand the Process of Change**

No two change initiatives are the same, but the vast majority of those that are successful follow the steps of the change management process.

All change processes have a set of starting conditions (Point A) and an endpoint (Point B). The change process is everything that happens between those two points. Here's what happens during each phase:

- **Preparation:** The change manager is focused on preparing both the organization and its employees. This involves helping the employees understand the need for the impending transition and outlining the vision and plan for achieving it.
- **Implementation:** The change manager is focused on executing changes that are compatible with the company's vision for the future.
- **Follow-through:** The change manager is focused on ensuring the change sticks and becomes embedded in the company's culture and practices.

## 2. Understand the Forces of Change

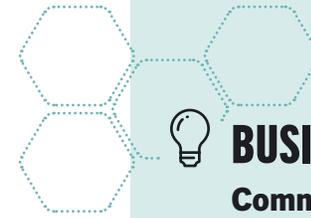
To effectively manage change, you must first grasp why it's necessary. Without doing so, it can be difficult to craft a plan that addresses root concerns and pressing questions, such as:

- **What pressures are driving change?**
- **Are they internal pressures, such as new leadership?**
- **Are they external pressures, such as the development of new technologies, a shift in your industry, or the emergence of a new competitor?**

By understanding the precipitating factors that have made an organizational change necessary, you'll be better suited to address those concerns.

## 3. Create a Plan

Once the motive for change is understood, you need to create a plan. This plan should broadly outline the reasons for change, define its scope, outline key stakeholders, establish a team, and provide a detailed roadmap of the steps that will be required to complete the project. Having a defined strategy in place makes it easier to communicate the change to your team members and monitor progress toward key milestones and goals.



### BUSINESS INSIGHT

#### Common Types of Organizational Change

One of the most effective ways to think about organizational change is to view it as a spectrum with adaptive change on one side, and transformational change on the other.

#### ☑ Adaptive Change

Adaptive change refers to small, incremental adjustments that organizations and managers make to adapt to daily, weekly, and monthly business challenges. These changes are often related to fine-tuning existing processes, products, and company culture.

#### ☑ Transformational Change

Transformational change is typically much grander in scope than adaptive change. This type of change refers to a dramatic evolution of a business—its strategy, culture, organization, physical structure, supply chain, or processes.

## 4. Communicate the Path Forward

When it comes to guiding your business and employees through a period of significant change, clear and focused communication is one of the most powerful tools in your arsenal. Ultimately, you must be capable of communicating change to two very distinct audiences.

The first consists of your employees and team members: These individuals need to understand the need for change and how it will impact their job responsibilities. You must also recognize the importance of listening to their concerns so you can assuage any fears they may have.

“Despite realizing that change is necessary, employees are often afraid of big changes in the organization, preferring the dissatisfaction of the status quo to the risks of a new reality,” says HBS Professor David Garvin in *Management Essentials*. “Often, the most important thing a manager can do is not identify the need for change, but provoke the momentum to begin and maintain the change.”

The second audience includes key stakeholders within the company—other members of management, the C-suite, and board members. If you’re the person proposing a change, it’s these individuals who need to be convinced it’s necessary. If they’ve initiated the change but charged you with overseeing the process, it’s these individuals whom you must regularly update on the status of the project.

## 5. Prepare for Roadblocks

No matter how thoroughly you prepare for change, everything is not always going to go according to plan. You need to be ready for a number of potential outcomes.

By doing your best to anticipate roadblocks, you can take some of the mystery out of the equation. Empower your employees to modify their behavior by removing the obstacles that prevent them from working toward change. Once those hindrances are identified, even the most complex problems can be addressed and corrected.

---

*The skills and qualities outlined in this section are foundational to effective leadership, but they’re just one piece of the puzzle.*

*In the next section, you’ll learn how to establish your leadership style.*



# Identifying Your Leadership Style

*It's critical to establish a personal leadership style that informs how you handle challenges and motivate colleagues. A leadership style entails the patterns of behavior that are consistent across how you make decisions, interact with others, and use your time. It's also characterized by how your colleagues would describe their working relationship with you.*

*In [Leadership Principles](#), HBS Professors Anthony Mayo and Joshua Margolis explain that your leadership style can be examined through three frameworks:*

- **Imprint:** *The way you're experienced by those you work with and lead*
- **Functions:** *The practices you employ to mobilize colleagues and get things done*
- **Motivations:** *The desire, stimulus, or incentive that drives you to take a certain course of action*

*In this section, you'll learn about three common leadership styles that can help you determine the approach that works best for you.*

# **3 COMMON LEADERSHIP STYLES**

Leadership imprint, one of the key tenets of leadership style, can be mapped along seven dimensions and consolidated into three primary groups. Those groups are:

## **Approachability**

Approachability is comprised of authenticity and warmth—attributes that help you forge deeper connections with teammates. Being an approachable leader means conveying openness and showing empathy in your interactions.



## **Credibility**

Credibility encompasses competence, humility, and resolve. This leadership style imparts knowledge and authority. A credible leader can set a plan and guide others in the right direction.



## **Aspiration**

Aspiration is a combination of two leadership imprints: elevation and faith. Elevation refers to the ability to set high expectations others feel motivated to pursue, while faith is the capacity to create a sense of belief and confidence in what can be achieved.



# HOW TO IDENTIFY YOUR LEADERSHIP STYLE

Understanding common leadership styles and the imprints they're comprised of is just one part of developing your personal approach. Here are three ways you can expand on that knowledge and identify your own.

## 1. Build Self-Awareness

Being an effective leader starts with knowing yourself. Through honest reflection and self-assessment, you can gain a deeper understanding of your strengths and weaknesses.

Look to your colleagues for feedback, too. Be open to their perspectives on your leadership tendencies so you can identify areas for improvement and growth.

## 2. Consider Your Core Functions as a Leader

Examining your leadership functions is the second of the three frameworks for developing your personal style. In Leadership Principles, two sets of practices are explored:

- **Structure and direction:** The behaviors you employ to mobilize others and clearly communicate tasks that need to be done
- **Support and direction:** The behaviors you exhibit to rally others and provide instructional guidance

It's important to use self-assessment to determine where you tend to fall on the spectrum between these two practices. This knowledge can enable you to adapt your leadership approach to different business challenges, and figure out which function you should strengthen to be more effective in your role.



"Leadership Principles has helped shape my unique leadership style. One of the most influential lessons for my leadership development was the HBS four-step process for delivering effective feedback and coaching—a process that I now apply on a daily basis."

**Dr. Patricia Hewston**  
Leadership Principles  
Participant

### 3. Understand Your Motivations

Motivating your team members and equipping them with the resources to succeed is one of your key functions as a leader. But it's important also to understand what inspires you to do your best work.

In examining your motivations as a leader, consider what external rewards stimulate you, such as salary and perks. Take stock of intangible forms of motivation as well, such as a sense of belonging at your organization or the opportunity to work on new and exciting projects.

---

*With an innate sense of what drives you to perform at your best, you can, in turn, unleash that potential in others, enabling them to develop and deliver in the face of organizational challenges.*

*Identifying and refining your leadership style is a process. By understanding common approaches to leadership, practicing self-assessment, and garnering feedback from colleagues, you can heighten your self-awareness and build a foundation upon which you can learn and grow.*

*But what steps do you need to follow to continue to develop as a leader? That's the next topic.*



“I got promoted to a senior project coordinator role just weeks after finishing the course, so I've had the chance to apply many of the topics covered, such as the model of team effectiveness. I've also had the opportunity to motivate and unleash others' potential in some of my recent projects.”

**Aranzazú Martínez Galeana**  
Leadership Principles  
Participant



# Developing as a Leader

*The path to leadership is more fluid now than in the past.*

*“Once upon a time, you would enter a leadership development program in a company that might put you on a 20-year track to becoming an executive,” says HBS Professor Ethan Bernstein.*

*“Many of us can’t even fathom that today. But that should be freeing in that it gives us license to develop ourselves and create our own individualized leadership development plans.”*

*As you plot your career trajectory and consider how you can maximize your professional influence and impact, here are five steps to creating a successful leadership development plan.*

## 1. Assess Where You Are Professionally

Mapping your leadership development starts with understanding yourself and where you stand professionally. Taking stock of your strengths, weaknesses, and workplace tendencies can help you identify areas for improvement and anticipate pitfalls that could arise on your journey to becoming a more capable leader.

“In the process of identifying how what you’ve done before may or may not make you successful going forward, you raise your awareness about how what you already know will contribute to, or undermine, your capacity to successfully lead others in the future,” Bernstein says.



## 2. Set an Attainable Goal

Goal setting is an essential component of any leadership development plan. “Just like anything else: If you don’t know where you’re going, you’re probably not going to get there,” Bernstein says. “It sounds overly simplistic, but that summarizes why goals are important.” Bernstein teaches the PACE model, an acronym for:

- **Pick a leadership goal**
- **Apprise others in your inner circle of the goal**
- **Collect specific ideas on how to improve**
- **Elicit feedback on how you’re doing**

PACE can be used to select leadership goals and chart a course of action for achieving them. The first step in the process, Pick, is centered on identifying and prioritizing a goal you can strive toward. When setting this goal, it’s important to take an agile approach and consider both the short- and long-term.

“You can’t lose sight of where you’re trying to go over the span of a decade or even a career, which is why making long-term goals is important,” Bernstein says. “But we can’t, as human beings, make progress if we make the milestones so grand and far away that they seem unachievable. A little bit of progress each day keeps the frustration at bay.”

As you define and establish your key goal, consider how you’ll measure progress along the way to ensure you stay on track.

### 3. Engage in Leadership Training

Leadership training can benefit you no matter your career stage. Beyond the opportunity to gain and practice the skills needed to empower employees and influence others, you're exposed to educators and peers you can lean on for support, and from whom you can learn and grow.

According to Bernstein, honing your leadership abilities in a learning environment is advantageous because it provides a low-risk environment for reevaluating and fine-tuning goals when you encounter setbacks.

"It's helpful to have a group of people—we call it your 'inner circle'—who have heard and embraced your leadership goals, and whose conversations helped inform how you would go about achieving them," Bernstein says. "In moments of challenge and relapse, you can go back to them for encouragement and courage. You can revise your goals in a safe environment because you have a level of openness and vulnerability with those people built into the course."

### 4. Interact with Your Network

A professional network is one of the most valuable resources in any leader's arsenal, so make it a point to grow yours. Throughout your leadership development journey, connect with like-minded peers and seek out opportunities to not just employ the knowledge you've gained, but receive feedback on your progress.

"Ensure your leadership development includes some interaction—with other learners and also with the people who are benefitting and suffering from your current capabilities as a leader," Bernstein says. "We try to teach people to be good protégés, as well as good leaders. It's an ongoing process. That interaction is important in making things that seem very theoretical ultimately become very practical."



"I've noticed a big change in how I approach different situations and start to understand where people are coming from. As much as I learned about my own leadership style and strengths and weaknesses, I've also been enabled to see there's not just one way to lead."

**Abby Katz**  
Leadership Principles  
Participant

## 5. Hone Your Soft Skills

As you chart your leadership development plan, consider how you can bolster your soft skills to ensure you're prepared to tackle any organizational challenges that come your way. "There are skills you need as a leader that you don't necessarily develop in any other context, at least in a focused way," Bernstein says. "These include communication, career planning, knowing how to create and evaluate authentic change in a person, including yourself, and negotiating career transitions. These are things you typically won't do many times in your career, but they will be very important to continuing your leadership trajectory."

---

*Striving to become a strong, capable leader is a commitment you can make at any stage of your career—although doing so sooner means you can reap the benefits longer. Through assessing where you're at professionally and thinking deeply about where you want to go, you can design a leadership development plan that enables you to channel your passions and build the skills needed to be more impactful in your role.*



### BUSINESS INSIGHT

#### How to Develop Your Professional Network

A robust professional network is a powerful tool for current and aspiring leaders alike. If you want to develop your professional network, here are several strategies that can help.

- ✓ **Start Within Your Organization**  
Building connections within your company can open the door to many opportunities. Ways to do so include sitting in on meetings to demonstrate your interest in others' work, offering your expertise to a member of a different team who seems to be struggling, or simply going out to lunch with colleagues instead of eating at your desk.
- ✓ **Leverage Professional Associations, Conferences, and Events**  
Professional associations regularly host events where attendees are encouraged to mingle. Similarly, industry conferences or trade shows can be an effective means of meeting new people.
- ✓ **Become a Mentor**  
In a mentorship, you can learn from the past mistakes, successes, and experiences of your mentor, and apply those lessons to your own career.

# Your Leadership Journey

Becoming an effective leader doesn't happen overnight. By broadening your understanding of what leadership and management entail, developing a personal leadership style, and honing your skills, you can equip your team for success and thrive in your role. As you look ahead to the next stage of your leadership journey, consider the potential benefits of taking an online leadership or management course. HBS Online offers several programs that can help you expand your knowledge and advance your career, including:

## Leadership Principles

This course leverages self-assessments, 360-degree feedback from colleagues, and the perspectives of fellow learners to help you build greater self-awareness and enhance the versatility of your leadership style and approach.



## Management Essentials

This course provides the real-world tools and strategies needed to excel in decision-making, implementation, organizational learning, and change management.

## Negotiation Mastery

This course emphasizes an understanding of both analytical tools and interpersonal techniques for dealing effectively with different bargaining styles and tactics.



*No matter your next step, furthering your education and bolstering your skills can pay dividends in your personal and professional life over the long term.*

To learn more about what HBS Online  
can do for you, visit [online.hbs.edu](https://online.hbs.edu).



**Harvard Business  
School Online**