

The Leader's Edge: what is leadership and how is it created?

Leaders are people who make a difference.

Organisations and society depend on leaders whose initiative can bring about positive futures. Our research shows that leadership, at all levels, depends on five factors: the relative imaginative, social and organisational intelligence (or competence) they have; their values and principles of life and their domain expertise (knowledge of the area in which they are working).

1. Imaginative intelligence

One of the most widespread tributes given to leaders is vision. The ability to cut through confusion and see real potential in situations and people that was invisible to others. And then effectively communicate it.

Creativity, effective communication, strategic clarity and insight contribute to this. The ability to imagine and communicate a better future across a whole enterprise, perhaps of thousands of people, is central to the leader's task to add value to society.

Our Imagination practice has a comprehensive set of creative thinking tools and the 'Leader's Toolkit': the idea architecture for creative organisational alignment.

2. Social intelligence

The ability to build and sustain a team, to understand and move others, to listen and learn, to heal rather than hurt and to unite rather than divide are all social competencies that create good culture.

Social intelligence depends on creative emotional intelligence including positivity, equanimity, empathy and enthusiasm. Leaders create a feeling of well being which allow insights and intelligence to emerge and be practised throughout the team.

Since we first developed the concept of Trustware™ in 1993, developing emotional intelligence has been at the heart of our work.

Social intelligence is also intrinsic to our Loyalty Practice in which we are acknowledged as being at the leading edge. Customer loyalty depends both on employee attitudes and loyalty and on social bonding.

3. Organisational intelligence

Ideas need to be implemented. Practical plans that are strategically intelligent and tactically creative bring about change. Sustaining performance, managing or even creatively juggling time and resources are more of the talents of organisational leadership.

Finally, good leaders thoroughly understand the mechanics of effective organisations: systems, processes and structures. Yet, many managers have had little training in practical systems theory. Our HR and Process practices train and facilitate change.

Our leading edge expertise in Eurythmy (harmonious movement) takes all these skills out of the head and into experiential learning.

Does anyone embody all these? Can they be learnt?

Everybody has some ability in most areas. Very few excel in all areas. But a leadership team can combine the skills of different people.

- Managers are more associated with social and organisational intelligence,
- Entrepreneurs with imaginative and organisational intelligence,
- Visionaries with imaginative and social intelligence.

Most of these skills are extraordinarily open to improvement. Through nature and nurture we may start in different places, but we don't need to stop there. Huge breakthroughs have proved possible.

4. Values and principles create loyalty of customers and employees

Leaders need to be trusted. Leaders are de facto selected and followed because they not only have but express in life certain values and principles that are important to them and their community or enterprise.

The leaders' values act like an organisational enzyme - if 'honesty' or 'accountability' are introduced into the system, its impact can be traced into processes, relationships, resources, etc. Such values also have an extraordinary effect on customer acquisition and loyalty. Values translate into Value as Prof. Angus Jenkinson (the founder) described in a 1995 book, *Valuing Your Customers*.

Good values and principles nourish what makes us most fundamentally human. The values we live by are in this sense a mirror of who we are. So values and principles are also an identity issue.

This applies to both people and brands. But often neither brand nor leader have realised the value or questioning how they operate. Our experience is also that many managers are very poor at communicating their core values.

Consciously understanding one's values and principles and then elaborating them, learning for example how to model them in behaviour, can lead to substantially better individual leadership.



And our Brand Signature toolkit achieves the same clarity and communication value for the brand.

5. Making Domain expertise more effective

Research shows that there is a creative interaction between general ability and domain ability.

The key to maximising effectiveness is a process of becoming aware of strengths and gaps in domain expertise that will lead to better leadership.

Synergy between individual and corporate leadership

The same qualities that bring about an individual's capacity to lead also brings about an organisation's. Qualities in individuals develop the organisation's leadership in its category. Qualities in the organisation help bring out the individual's potential. Therefore, developing either develops both.

Furthermore, usually the best way to develop leadership is around solving concrete organisational issues. Solving two things at one time.