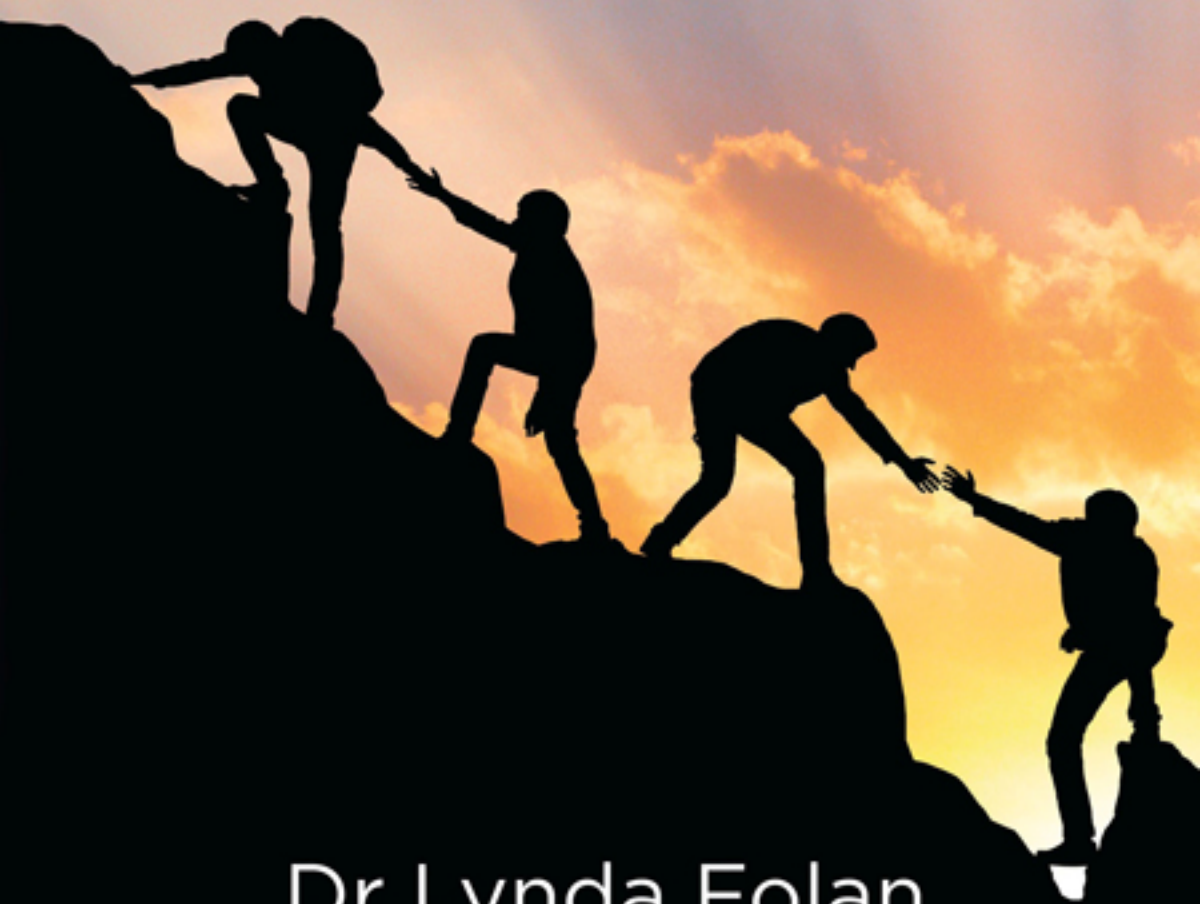


LEADER RESILIENCE

The **NEW** Frontier of Leadership

*A practical guide to building your resilience and
transforming your ability to Lead*



Dr Lynda Folan

CHAPTER 1

INTRODUCTION AND OVERVIEW

Having spent over three decades working with leaders across the globe to enhance their leadership and build sustainable organisational outcomes, I want you to know that if you take up the challenge to build your leadership, you will see a significant shift. This book will provide you with insights and strategies to build your resilience, empower you to deliver transformational leadership and exponentially shift the outcomes you achieve. After attending the leadership resilience workshops that we run people have repeatedly commented, that the program has transformed their life both personally and professionally. I hope that, in reading this book, you too will have the opportunity to transform your thinking and your life. Everything you will discover in the pages that follow started with observing leaders in action and working with them and supporting them to be their best. While you will be provided with all research evidence for these observations, please understand that everything you read has been put into practice, tried and tested in organisations and with leaders. As a dedicated practitioner in the leadership and organisational development arena, I am not excited by the academics and the statistics but by the practical application of sound research principles. The research aspects will be presented to provide clarity on the

importance of the link between resilience and leadership. However, my hope is that you will not only read the research evidence, but that you will take this opportunity to apply the learning in a very practical way to transform your leadership. Chapters 9, 10 and 11 will provide a pragmatic set of strategies to enhance your resilience and build your leadership capacity.

But let's start by looking at the foundational concepts that will be tackled in the book and begin the journey to understanding the New Frontier of Leadership.

Resilience. Noun. 'The capacity to recover quickly from difficulties. Toughness.'

Main domain of research: clinical psychology.

Leadership. Noun. 'The action of leading a group of people or an organisation.'

Main domain of research: organisational psychology.

These two seemingly unconnected nouns and previously unrelated areas of research, now more than ever before, have a remarkably important relationship to one another. During the last ten years, we have seen the emergence of research identifying the importance of the relationship between resilience and leadership (Folan, 2019; Garbowski, 2010; Offutt, 2011; Sylvester, 2009; Wasden, 2014). Clear evidence now indicates that they go hand-in-hand and that being a successful leader is almost impossible without first being resilient and capable of bouncing back from the challenges and adversity. The greatest leaders of our time—the ones that will go down in the history books as positive role models and icons of leadership—build their own resilience, support the people around them to enhance their teams' resilience and grow their organisations' capacities to succeed and bounce back from challenge and adversity.

A synergistic relationship exists between resilience and transformational leadership. Our ability to deliver a transformational leadership style that engages and motivates others relies on our commitment to the development of our resilience. Leaders and practitioners who work with leaders have intuitively known for a long time that resilience and leadership are intricately linked, and research is now supporting this understanding. This understanding requires a new focus in leadership and leadership development. Organisations need to realign their development strategies towards enhancing resilience in order to build leadership capacity. A leader without resilience is like a car without gas—it just won't get you very far. No matter how many skills the leader has developed or how competent they are, like the car without gas, the leader is going nowhere. The importance of resilience in leadership cannot be overstated: it is the fuel that enables effectiveness.

This book summarises eight years of research investigating the relationship between resilience and leadership.

The title of the research: *Defining a Research Model of Leader Resilience and Evaluating the Dispositional Effect of Resilience on Transformational Leadership* (Folan, 2019).

The thesis included a multidisciplinary review of the existing research to understand the relationship between resilience and leadership and to define a model of resilience in an organisational context. The research provided confirmation of the model of leader resilience and established the strength of the relationship between resilience and transformational leadership. It also showed the positive impact of developing resilience on leadership capability.

The model of leader resilience defines three dimensions required to build resilience:

1. Locus of control;
2. Self-concept well-being; and
3. Constructive thinking.



Figure 1: Model of resilience (Folan, 2019)

Each of these dimensions has been shown in previous research to enhance a leader's ability to bounce back and remain optimistic, ensuring that the individual can consistently deliver a transformational leadership style (Campbell, 1990; Epstein, 2014, Rotter, 1990). This organisational model of leader resilience informed the design of the two field-based studies conducted as part of the research.

Study 1 was designed to investigate the relationship between resilience and the transformational leadership style and to validate the model of leader resilience. The participants were leaders from a range of private and public-sector organisations across Australia. The analysis of this study employed structural equation modelling (a sophisticated form of statistical analysis) to provide statistical support for the three dimensions of leader resilience and the strength of the relationship between resilience and leadership.

Study 2 first examined whether resilience could be enhanced as a result of attending a three-day workshop designed to build resilience. It also investigated whether improving resilience had a positive

impact on an individual's leadership style. Workshop participation resulted in a significant positive shift in the scores of resilience and the dimensions of resilience. The analysis also confirmed that the delegates and their bosses assessed that the participants' levels of transformational leadership underwent a significant positive shift.

The results of both these studies confirmed the relationships between resilience and leadership and showed that an increase in resilience caused an improvement in measures of transformational leadership. Academics aside, what does this mean for you as a leader or a developer of leaders? Well, the conclusions of these studies confirm that:

- To be a great leader, you first need to be resilient,
- Resilience is an essential prerequisite for transformational leadership,
- Resilience can be developed and enhanced through workshops,
- The more resilient the leader, the more transformational the leadership and therefore the more positive the culture, and
- If you are not resilient, you need to get to work building this capacity if you want to be an effective leader.

As you read this book, my hope is that you find a path by which you, your team and your organisation can not only recognise the value of resilience but can also diligently and thoughtfully work to develop resilience. This will prepare you for challenges and allow you to respond quickly to your changing business environment, while personally flourishing. As you do so, you will find that you and your team are in a better position to build a positive culture where everyone is developing and growing in competence and exceeding expectations.

The book will guide you to an understanding of the evolution of leadership research, as well as outline the importance of building resilience in the present business context, while offering you suggestions on how to enhance your resilience and leadership.

In terms of the content of the book, Chapter 2 provides an overview of leadership in our changing world, where leaders must navigate a new and unique set of challenges. It defines a new era of leadership, emphasising the importance of shifting our focus to a more contemporary view of leadership.

Chapter 3 provides insights into the research around leadership development practices and some of the limitations of existing models of development. It also includes a discussion of the importance of first building personal attributes prior to teaching leadership skills and style.

Chapter 4 elaborates on what transformational leadership is and includes an overview of the research findings that support this model of leadership. This is one of the most researched and well-validated models of leadership, and these discussions provide clarity on why you would want to be seen as a transformational leader.

Chapter 5 reviews the resilience research and discusses the evolution of this construct across a multidisciplinary research base. This chapter outlines the research basis for why your resilience determines your ability to lead others effectively, and it wraps up by presenting the model of leader resilience that was developed.

Chapter 6 focuses on presenting the research basis for the link between resilience and transformational leadership and articulates the importance of building the attribute of resilience.

Chapter 7 takes the leadership discussion to the next level and

discusses the seven habits of resilient organisations. This is an introduction to the organisational level of leadership and provides the broader focus of creating organisations that support the growth of resilient leaders.

Chapter 8 tackles the issue of measurement, and you will have the opportunity to reflect on your own resilience and the resilience of your team. The Folan Resilience scale will allow you to measure your present level of resilience and to self-evaluate and determine what aspects of your resilience you need to enhance. The Team Resilience Scale will give you an opportunity to reflect on your team's resilience and what aspects you may want to develop.

Chapter 9 opens a discussion on stress and pressure and looks at the importance of managing this in the world we live in. We look at stress and warning signs of stress because, if our resilience is low, we are more likely to become stressed in the constantly changing world of work.

Chapters 10, 11 and 12 provide strategies for enhancing your resilience by building each of the dimensions of resilience, self-concept well-being, locus of control and constructive thinking. An overview of each construct is also provided, as well as their importance in an organisational setting.

Read on, as your path to becoming a more resilient leader lies ahead.



“Leadership is not about a title or a designation. It’s about impact influence and inspiration”

Robin Sharman

CHAPTER 2

A NEW ERA, A NEW FRONTIER OF LEADERSHIP

Leadership has been a major topic of discussion in business over the past hundred years, and in the present economic, social and business context, it is now the key topic on people's agendas. Bennis and Nanus (1985) commenced describing our world as a VUCA (Volatile, Uncertain, Complex and Ambiguous) world in 1985. Never before has this concept been as relevant as it is now, in the context of COVID-19 and the plethora of global phenomena that are impacting our world (Black Lives Matter, the US election challenges, global climate change protests, and demonstrations across the globe on a variety of issues). We are living in truly exceptional times and facing challenges that can't be overcome with the leadership styles of the past. These exceptional times are calling for exceptional leaders to step up and be counted.

Researchers have been telling us for a long time that a major shift needs to take place in how we define, identify, promote and develop leaders to ensure that they are capable of being successful in today's VUCA world. We can no longer allow managers to get away with being 'old school' and choosing not to lead their people, teams and organisations effectively. A new focus is needed on developing

leadership, and particularly on developing the leader's internal capacity to cope in these challenging times.

For years, we have educated people on the leadership behaviours that they need to deliver to enhance outcomes, and yet we can still look around and see people who do not deliver these behaviours. Regardless of whether this is by choice or due to inability, the time has arrived for businesses to make some tough decisions. Organisations need to stop appointing people who are not prepared, are uninterested or don't have the ability to lead people. The focus into the future needs to be on appointing people who want to lead and who are actively developing their capacity for leadership. Discussions have to shift from the focus of the last two decades, which was on developing leadership skills and teaching leadership behaviours. We need to alter the focus to develop the person's internal capacity and changing their attitude, which will then result in a shift in behaviour.

In many ways, leadership of the past was quite linear: a boss or manager would outline a strategy or game plan, provide guidance on what needed to be achieved and then expect each team member to simply execute their part of the roadmap. There weren't nearly as many internal and external factors impacting the ability to deliver. Times have changed, however, and the focus of leaders now needs to change. In today's VUCA world, setting a plan, giving direction and assuming your team will deliver the plan are no longer sufficient strategies. The VUCA world requires a new focus for leaders and a new direction for researchers and practitioners in this arena.

The business imperative for quality leadership and quality leadership research has consistently been articulated within the field of organisational psychology (Landy & Conte, 2016). Researchers and practitioners of leadership have known for many years that effective leadership is an essential component of organisational success and

that different ways of leading produce dramatically different results (Bass, 1985; Avolio, Bass & Jung, 1999). Much of the early work and more recent research indicate disagreement on how and why leaders produce different organisational results (Hollander & Julian, 1969; Saunders & Barker, 2001; Stogdill, 1948; Yukl, 1998). The key to meeting the demands of the VUCA world is to lucidly define why leaders produce different results so that we can be clear on what is required to enhance leadership.

Today, more than ever before, we see leadership as a challenging and complex set of capabilities and personal characteristics that few have truly mastered. The backdrop of leadership is constantly evolving. The last ten years have seen a global transformation of information and data exchange, with online communication and connections occurring at the speed of light. Added to this is a global uprising against discrimination in all its forms, with movements like the #MeToo movement and Black Lives Matter. Needless to say, the effects of these changes and the first global pandemic in 2020 have precipitated a new age of leadership focus with more demands than ever before. This transformation requires a change in leadership. If we are going to develop great leaders in today's VUCA world, we will have to usher in a new era of leadership.

2.1 Leadership Today and into the Future

Having supported leaders across the globe for the last thirty-five years, I have lots of stories to tell of great successes and even greater failures. One thing is clear: in today's world, the need for leadership has never been greater. Leadership is a crucial component of organisational success. Without effective leadership, organisations will fail to achieve their potential, and in some cases, poor leadership will be the demise of an organisation. Over time, a lack of effective leadership will result in negative repercussions for all involved. Yet, if

we look across a range of organisations, we find as many varieties of leadership as there are flavours of ice cream. This variety, while interesting, does not support consistent outcomes for organisations. The business imperative for quality leadership is clear. Equally imperative is that research provides clarity on what effective leadership is, as well as defining how to effectively build leadership capacity. For a long time, research has told us that certain styles of leadership are more effective. Now is the time to define how to effectively build these styles.

Debate and discussion are ongoing regarding some key questions related to leadership:

- How is it that one leader can create amazing engagement, while other leaders who have had the same development and training can't seem to connect with their teams and instead actively disengage them?
- Why do leaders who were once incredibly successful suddenly fail?
- And . . . how come an untrained leader might succeed, whereas a well-trained leader just can't seem to get the job done?

In short, the answers to these questions lie in the most recent leadership research into attributes (Folan, 2019; Garbowski, 2010; Offutt, 2011). The abilities of leaders to consistently deliver high-quality results rely on the focus they put into developing their internal leadership capacities, rather than on their external leadership styles. Leaders in today's world need to first develop their internal attributes of leadership to enable them to deliver consistent and effective leadership styles (Folan, 2019). Research tells us that the starting point of effective leadership is the individual's ability to develop and maintain the internal attribute of resilience. Developing resilience enables a leader to thrive in the context of the VUCA world, while

also maintaining well-being to effectively deliver a constructive leadership style.

Unfortunately, traditional leadership training has been designed to build skills, style and capability. It has not been designed to develop the person's internal leadership attributes. For years, developers and researchers in the leadership space have been aware of the lack of evidence in relation to traditional leadership development strategies (Day & Sin, 2009; Howard & Wellins, 2009). Practitioners have also known intuitively that an individual who is lacking in resilience and a strong internal leadership capacity will struggle to be effective in leading others. Research is now catching up with what has been known intuitively by those responsible for developing leaders, making a clear point that leadership starts at the intra-personal level. We know that an individual can attend all the leadership training on offer and have the best coaches and mentors, but without a high level of resilience, that person will not be a consistently effective leader.

The role of leadership and the competencies required by leaders to deliver organisational results has shifted dramatically in the past decade, and research has battled to keep pace with these changes (Landy & Conte, 2016). In the present business context, with its volatile economic and social environments and constantly changing sector requirements, the ability to manage and lead as we did in the past is no longer sufficient. Leadership 2021 and beyond requires that we learn to adapt to the VUCA world; at the same time, leaders need to be able to maintain and enhance organisational performance and ensure alignment with the broader business context (Judge, Naoumova & Douglas, 2009). The maintenance of business outcomes in today's world requires leaders to stay ahead of the changing business requirements and to deliver competitive advantages for their organisations by continuing to achieve in the face of constant change (Draghici & Draghici, 2007).

This might all sound overwhelming and challenging. If so, that's because it can be, but achieving it is far from impossible. In fact, the feeling can be quite empowering when you know that you, and only you, can craft your leadership and that if you first build your resilience, you can and will achieve far greater success than you ever imagined. In the work that I do with leaders, I have seen individuals make dramatic changes and turn their leadership around by focusing on building their resilience. If you want to achieve dramatic changes and enhance your leadership outcomes, you will first need to do the internal work to build your resilience.

The fact that leadership comes from within doesn't mean leadership cannot be taught, developed or improved. It can be. Not only do we have lots of examples of people who have improved their leadership, we also have research evidence that shows that leadership can be developed and enhanced by developing leaders' resilience (Folan, 2019). Research shows that adaptive and flexible leadership competencies are critical in delivering the achievements mentioned above and ensuring that organisations remain competitive in today's world (Bass & Avolio, 1990; Mann, 1959). Therefore, you cannot and should not be so set in your ways that you refuse to consider how shifts and adjustments in your personal attributes can lead to greater results for you, your team and your organisation. Leadership is not a one-size-fits-all, and we are not trying to create cookie cutter versions of what a leader should look like. However, there are key attributes that you must develop to enable your ability to lead others.

For companies to meet the challenge of working in a VUCA world, their leaders must develop new attributes, skills and ways of working that result in sustainable outcomes for themselves and their businesses (Landy & Conte, 2016; Schein, 2009; Taffinder, 1995). In fact, this is the reason why large companies shift, change, exit and replace leaders. Businesses that are leading the way are searching for

something new, for a change in outcomes and results. In so doing, they frequently make a change in their leaders. Unfortunately, these changes don't always bring about the required shift. For organisations to grow and flourish, they need to reassess the requirements of leadership and address the issues of resilience, either with the existing leaders or with a new set of leaders. Research must provide meaningful guidance to businesses in their pursuit of leadership excellence. Clearly, the solution to a leadership shift does not lie in simply changing the people. Research tells us it lies in building the resilience of the leaders.

The ability to ensure effective leadership is one of the essential components in the delivery of an organisation's competitive advantage and allows it to operate successfully in a dynamic marketplace (Smith & Kelly, 1997). Just look at the most successful companies in the world. Many of them share a commonality—strong leadership that delivers an organisational culture that enhances dialogue, empowerment and engagement of everyone. They aren't standing still, or resting on their laurels, or hanging out waiting for the tides to turn. Rather, they are innovating, reinventing and working their tails off to improve their businesses, no matter what the context. Doing this requires strong internal leadership and the capacity to flourish in the context of challenges.

Given the importance of leadership in the organisational context, an interesting point to note is that repeated references have been made to the lack of adequate leadership and leadership development in organisations (Howard & Wellins, 2009). Ashford and DeRue (2010) noted that nearly sixty percent of companies are facing leadership shortages and that thirty-one percent expect a lack of leadership capability to negatively impact organisational outcomes. To make matters worse, these failures are estimated to cost businesses billions of dollars. Therefore, further research on this critical business issue

remains a priority. What is needed is research that informs and guides organisations on how to achieve effective leadership, thereby enhancing organisational outcomes (Avolio, Sosik & Berson, 2013). As the business community navigates the present complex environmental factors, it requires practical research-based guidance on new ways of understanding leadership and leader development. Should we choose to ignore the trends and changing tides, then leaders, their teams and their businesses will ultimately fail to achieve their full potential.

Frankly, leadership in the VUCA world is falling even further behind than previously. The most recent research is showing, yet again, that the requirements for leadership have dramatically changed and that we require a new set of competencies to lead in this new world, with agility, flexibility and the ability to manage well-being high on the agenda (Johnson, Dey, Nguyen, Groth, Joyce, Tan, Glozier & Harvey, 2020). The findings of the most recent research on how we can enhance leadership capability note the importance of building resilience in leaders to manage these new frontiers of business (Folan, 2019).

2.2 Overview of 100 Years of Leadership Research

The empirical study of leadership has evolved over more than 100 years (Lippitt, 1939). Numerous theoretical conceptualisations of leadership have been put forward and many have attempted to define how leadership differs from management (Fiedler, 1967). A substantial body of research now exists, with a broad focus on two areas:

1. Leadership characteristics, and
2. Leadership effectiveness.

The area of **leadership characteristics** dates back to the earliest research, commencing with the 'Great Man' theories (Stogdill, 1948). This body of research sought to understand the characteristics of leaders and the impact of these characteristics on organisational outcomes and success (Hollander & Julian, 1969; Stogdill, 1948). Results were inconsistent and did not offer clarity on the link between leadership and traits or characteristics (Hollander & Julian, 1969). We are also now very clear that both women and men have the capacity to lead.

The second broad area of research attempted to define models of leadership with a particular focus on **leadership** behaviours associated with **effectiveness** (Hogan et al., 1994; Landy & Conte, 2016). The main model that emerged from this research was the transformational leadership model (Bass, 1985). This model evolved into Bass's (1985) full-range leadership model, which remains the dominant model of leadership effectiveness (Howell & Avolio, 1993; Lowe et al., 1996; Waldman, Ramirez, House & Puraman, 2001). The development of what Bass and Avolio (1997) termed a full-range model of transformational leadership was a significant development in the broad leadership debate. The articulation of this model has offered opportunities for the revision and extension of research on leadership and leadership development.

Besides these broad areas of research, more specific research topics have dominated the research arena over the years.

Trait Theories: The very early trait theories of leadership commenced with the 'Great Man' theories (Stogdill, 1948). While we now know that leadership is not gender specific, men in positions of power were the focus of those early theories. This research sought to understand the specific traits of leaders and their impact on effectiveness. The view at this time was that you either had the qualities to lead or you

didn't. Ongoing debates also questioned whether some people were simply born to lead while others were simply born to be followers. Trait research has not delivered consistent results, and over time, we have moved away from a trait-based focus in research. If these theories were accurate, someone with the effective traits should be a great leader all the time. However, we see leaders who are highly effective for a period of time and then fail. We would also expect to see a specific set of personality traits that ensured you would be a great leader. Again, this is not borne out in reality; if we look around, we can see effective leaders with very different personalities.

These theories do, however, provide insights into the connection between some specific traits, such as extroversion and leadership. However, personality and traits do not fully explain the differences in leadership. You will have worked with or seen leaders who are introverts who are exceptional leaders and leaders who are extroverts who are exceptional leaders. So, what is really at play here? If both an introvert and an extrovert can be exceptional leaders, their traits are not what are defining their effectiveness. Something way more important than personality and traits is in play that requires research and investigation.

Behavioural Theories: The next dominant research area commenced in the early 1950s, focusing on behavioural theories of leadership. This research evolved in response to some of the inconsistencies found in trait theories. The University of Michigan and Ohio State University simultaneously began studying leadership behaviours. Fleishman and Harris (1962), from Ohio State University, defined two basic dimensions of leadership behaviours that produced enhanced outcomes: consideration (concern for the welfare of subordinates) and initiating structure (structuring subordinates' activities and tasks and group activities). The University of Michigan researcher Likert (1967) identified three key behavioural dimensions that differenti-

ated great leaders: being task-orientated or relation-orientated and indulging in participative behaviour. Yukl (1998) noted, however, that the results in this area were inconsistent and that the predominance of the use of questionnaires in the studies led to measurement errors and bias. A fairly substantial body of research, however, shows the impact of certain behaviours on leadership outcomes and the impact of changing behaviours on subordinates (Landy & Conte, 2016).

Power Theories: The next area of research was power-based theories of leadership, which developed in the 1950s as an attempt to better understand leadership from the perspective of the distribution of power. The theory of power relations in leadership was initiated by French and Raven (1959), who defined five power bases that influence leadership outcomes: legitimate, expert, referent, reward and coercive power. The concept that power plays a part in leadership outcomes was reviewed further by several researchers, such as Salancik and Pfeffer (1977). While the research in this area has shown some positive results (Salancik & Pfeffer, 1977), these power-based theories are not grounded in a fully defined model of leadership; they focus on this very limited aspect of power. Yukl (1998) raised questions about the theories and their validity, showing that they are limited in their ability to explain the breadth and depth of leadership. Everyone has observed individuals who, without any form of power, demonstrate highly effective leadership, while other people in positions of power definitely don't demonstrate leadership.

Contingency Theories: One aspect that became apparent was that the use and effectiveness of both power and behaviour theories were contingent on other factors not accounted for by these theories (Fiedler, 1967). Out of this, a new area of research evolved that focused on the contingent factors relevant to leadership. These contingency theories include theories such as Fiedler's (1967) contingency model and Hersey and Blanchard's (1972) situational theory.

Contingency theories presumed that the leadership approach utilised should be determined by the characteristics of the subordinates and the contextual setting. These theories have some validity, in that we do see some leaders thriving in one context and then not in another context. However, they don't fully explain the leader who is able to engage and motivate a team in multiple contexts and with a range of subordinates.

Participative Theories: These theories of leadership evolved in the 1970s from the earlier behavioural research, with some of the initial investigation being undertaken by Ohio State University. This area of research developed as an attempt to define the characteristics and advantages of a participative style of leadership (Vroom & Yetton, 1973). Landy and Conte (2016) described these theories of participative leadership as one of the stronger contributions to the leadership debate. Elements of participative leadership are incorporated in the transformational leadership model.

Leader–Member Exchange Theories: A further approach to leadership that evolved in the 1970/80s looked at the relationship between the leader and the subordinate, i.e. the leader–member exchange theory (Dansereau et al., 1975). This theory evolved from the contingency and participative leadership theories and postulated that leaders adopt different behaviours with different individuals who report to them. Over time, these behaviours form a consistent pattern and influence the experience of the subordinate and the group. Positive leader–member exchange relationships lead to increased subordinate satisfaction, better job performance, enhanced creativity and reduced intention to quit (Gerstner & Day, 1997; Tierney, Farmer & Graen, 1999). Gerstner and Day (1997) argued that, although this theory offers a compelling proposition for understanding leadership, it requires further research and definition to substantiate its position in the leadership debate.

Charismatic and Visionary Theories: The study of leadership styles further evolved in the 1980s and 1990s, incorporating elements of participative leadership and behavioural leadership research (Bass, 1985). The focus for this research was on defining a leadership style that delivers positive impact and enhanced outcomes (Bass & Riggio, 2006). Research looking at the impact of charismatic and visionary leadership styles demonstrated that these styles have a positive impact on organisational outcomes (Conger, 1989; Sashkin, 1988; Tichy & Devanna, 1986). Again, however, they did not provide a comprehensive model of leadership.

Transformational Theories: Alongside visionary and charismatic research was a new development: investigating the relationship between transformational and transactional leadership styles. This research demonstrated that transformational leadership produces enhanced business outcomes (Bass, 1998). Out of these early conceptualisations of transformational leadership evolved one of the most extensively researched models of leadership: the transformational leadership model (Bass, 1998; Bass & Avolio, 1990). This research culminated in the development of the first full-range model of leadership (Avolio et al., 1999; Bass et al., 2003; Bass & Riggio, 2006).

So, where do we stand today?

In the ever-changing environment of leadership, the transformational model has withstood the test of time as a model of leadership effectiveness. It offers us the most strategic and relevant prediction and explanation of how to build leadership capability. While this brief history lesson might feel overly academic, it is crucial for understanding how we got to this point in our discussion of leadership. To be able to take the leadership debate forward, experts on leadership need to pull away from the past, look into the future and then shape the focus for today. We would be naive to ignore the evolution

of leadership research or to abandon what we have learned so far. Rather, we should be building on what has gone before to better understand leadership today.

Diverse perspectives exist on the achievements of leadership studies to date. Hogan and Ghufran (2011) argued that the empirical study of leadership has failed, and they noted the lack of substance provided by popularist business books within the leadership field. Conversely, Avolio et al. (2013) argued that substantial achievements have been made in the understanding of leadership, particularly over the past decade.

A relatively sizeable shift in thinking has occurred around leadership in recent times. For example, Lowe and Gardner's (2000) review of published articles noted some important developments, one of which is the focus on transformational leadership developed by Bass (1998). The development of Bass and Avolio's (1997) full-range model of leadership was a significant development in the broad leadership debate (Gardner, 1993; Weiner et al., 2012). This model of leadership has been repeatedly revised and extended to provide greater levels of clarity (Antonakis, Avolio & Sivasubramaniam, 2003; Avolio, Sosik & Berson, 2013; Bass, 1998). We know from the comprehensive research in this area that transformational leadership is a driver of excellence in the workplace. It builds individual capacity and enhances engagement, and the visionary aspect is extremely important in adapting to surrounding environments. Transformational leadership adjusts to challenges and obstacles as they arise and ensures that people are taken on the journey. Should you want to be a better leader or to develop into your leadership role, then you should not only understand how leadership has evolved over time, but you should also know how transformational leadership will shape the future of business effectiveness.

Until very recently, research on leadership has only told one part of the story. We also need to look at the practice of leadership in organisations. Leadership has evolved over time, leading us to where we stand today, with a much clearer understanding of what is and isn't effective in leadership. However, we also know that a lot of managers in our organisations who have been trained in best practice leadership still don't deliver effective leadership to their teams and their organisations. We really need to look below the surface of leadership in order to answer the question: Why do we still have people in positions of power who don't lead their people effectively, even when they have had all the training necessary to deliver a transformational leadership style?

The answer to this question is not something that is blatantly evident and certainly not something that has been identified in earlier leadership research. Indications of what might be an answer to this very important question are apparent in some recent research showing that if you want to be a transformational leader, you need to first build your internal leadership capacity, which is defined as your dispositional attributes (Garbowski, 2010). A need is apparent not only to develop the transformational capability of a leader, but also to build dispositional leadership attributes in order to deliver a transformational style. Developing the dispositional attributes of a leader will allow consistent delivery of an effective leadership style. Without this, the individual will be driven by unconscious actions and reactions that manifest in inconsistency and ineffective leadership.

For many years, the age-old question, 'Are leaders born or made?' has misled us. Leaders are neither born nor made; leadership is a choice. Developing as a leader requires that the person develops their dispositional attributes that will enable them to leverage an effective style of leadership. Some individuals have a more natural ability to lead than others, but we also know that these people can fail hopelessly at

times. Once we understand that the internal leadership attributes are what require development, we will unlock the key to a transformational leadership style. This change in focus from external leadership style to internal leadership attributes is essential if we are to deliver real and lasting change in the leadership space.



“One of the important techniques of becoming a better leader is self-reflection. Once you get into the habit you begin to see common themes”

David Gevorkyan

CHAPTER 3

THE REQUIREMENTS FOR A NEW WAY OF ASSESSING AND DEVELOPING LEADERSHIP

Now, more than ever, transformational leadership is essential for progressive, innovative businesses to flourish and succeed. Truly successful organisations need to look beyond profit or the bottom line and focus on creating an environment that allows the organisation, the people that work in it and the customers to flourish and succeed. Does this mean that all organisations that succeed in some aspect of business are run by transformational leaders? Definitely not. Numerous organisations are still found worldwide that have a dearth of leadership but are successfully delivering financial returns. However, if those businesses were able to transform their leadership and culture, they would deliver a far higher return, the people in the organisation would flourish and the organisation would build true sustainability.

We can all point out businesses, boards, councils, governments and government departments that publicise success but are being managed by individuals who are not demonstrating transformational

leadership in their positions of power. Very often, these people who choose not to demonstrate true leadership are either displaying a laissez-faire attitude or narcissistic behaviour in the pursuit of their own self-interest. Both of these are delivered at the expense of those around them and hinder the organisation's success. These individuals are not leaders; they are simply individuals who happen to be in positions of power, driving their own personal agenda, either consciously or unconsciously. In their book, *The narcissistic epidemic—Living in the age of entitlement*, Twenge and Campbell (2009) discuss the rise of narcissistic tendencies in our world today. This behaviour is prevalent in organisations across all sectors and is particularly evident at the moment in the political arena. Unfortunately, where narcissists are in positions of power, success will be achieved at the expense of people, culture and a sustainable business environment. The price paid by these organisations is evident in the revolving door of senior people exiting the organisation, the stress levels of people in the organisation and the lack of ethical and moral behaviour that becomes a standard part of these businesses or entities.

In 2001, we all watched the demise of Enron, an organisation that publicised its success as a very profitable and outwardly successful company, as evidenced by its trading value on the stock market. The collapse of this organisation was the result of narcissistic individuals in positions of power pursuing their own ends, openly stealing and lying for personal gain. These individuals also convinced their accounting firm to cover up the systemic corruption that was happening in the organisation. This resulted in the downfall of both Enron and Arthur Anderson, one of the big five accounting firms of that time. It also damaged the stock market and put hundreds of hard-working people out of work. As a result, a lot of effort has been made globally to attempt to stop this kind of self-interested and unethical behaviour from happening in organisations. However, as we all know, it still happens; narcissistic people still end up in very powerful positions,

demonstrating a lack of ethics coupled with open self-interest. I can't say strongly enough that these people are not leaders; they are simply individuals in powerful positions.

Leadership is a choice, and that choice is to effectively lead others, build sustainable success and create added value for the organisation, the team and the customers. In fact, if you were to drill a hole from the outer layer to the innermost core of any highly successful business, you would discover leaders who are focused on transforming themselves, their teams and their organisations. You would find a company culture that supports people to be their best, and business practices that are ethical and sustainable. This is achieved through the way in which those in power choose to lead, the manner in which they empower employees and the environment they create for everyone to flourish.

At its core, transformational leadership is a people-centred style that inspires individuals and teams to take action to enhance the organisational outcomes and deliver improved customer satisfaction. The ability to lead in this way requires that we take a step back and look at the underlying attributes that support transformational leadership. An unbelievably powerful secret to truly successful leadership lives in the pages ahead. It is one that, if you are prepared to take up the challenge, will reinvent your leadership and energise you, your team and your organisation. You will be given the blueprint for building your capacity to inspire others, to take them on a journey and to deal with any obstacles and challenges you might face along the way.

Think about that for a second.

- What would your team be like if they could navigate change and transformation better than the competition can?
- How successful could your organisation be if challenges

didn't put a halt to or slow your productivity and the delivery of outcomes?

- And finally, how much could you increase your bottom line if your team was built to innovate to overcome industry and global challenges?

The sky is the limit, but it all starts with you. As a leader, you must decide to enhance your ability to bounce back and remain optimistic in order to ensure that you can consistently deliver a transformational leadership style to your team and to your organisation. So, the key question is: how do I go about developing my leadership?

3.1 Leadership Development Research

While leadership is a widely researched topic, we have not made the same strides in leadership development research (Day & Sin, 2009). One thing we know is that leadership can be taught and improved through effective developmental strategies. In fact, with all the information available, you and your organisation have access to resources and tools to enhance leadership, increase productivity and gain a leg up on the competition ladder. However, while a lot of research is out there, an interesting observation is that ongoing global concern still exists over the lack of effective leadership development, along with significant questions on the positive impact of leadership development (Howard & Wellins, 2009). Gaps remain in our understanding of how to develop the capacity of individuals to deliver inspirational leadership. Even though businesses are investing significant amounts of money in developing leaders, we do not have a clear and definitive strategy that consistently delivers results.

Research on leadership development has significantly trailed behind the broader leadership research and has not received the attention it deserves (Avolio et al., 2013; Howard & Wellins, 2009). In an attempt

to respond to the issue of leadership development, the research focus has increased on what aspects of development deliver the best results (Gilley, Dixon & Gilley, 2008). Day and Sin (2009) suggested that a lack of a consistent scientific theory and a lack of quality research exists in this area. Riggio (2008) also noted that leadership skills are both abstract and complex and are therefore challenging to develop and evaluate. Within most organisations, however, leadership development is still the main strategy utilised to enhance leadership and improve leadership outcomes (Howard & Wellins, 2009). Beer, Finnstrom, and Schrader (2016) estimated that organisations spend upwards of \$160 billion in the US and over \$350 billion globally on leadership development each year. Despite this investment, results are mixed concerning the effectiveness and outcomes of leadership development strategies.

In their review of global leadership development practices, Howard and Wellins (2009) observed that leadership development is not achieving the desired organisational outcomes. For example, some evidence indicates that the effects of leadership development interventions are relatively short-lived and do not achieve the desired change in behaviours (Creed & Davies, 2009). Conversely, other evidence shows positive short- and long-term outcomes related to leadership development (Burke & Day, 1986). Some meta-studies have confirmed that significant changes can occur as a result of leadership development, although the desired outcomes are not always achieved (Burke & Day, 1986; Morrow et al., 1997).

Clearly, traditional leadership development strategies are not working as effectively as they should. These traditional development programs have generally been designed to include a variety of skills-based topics, such as marketing, strategy, managing change and managing performance. The choice of subjects has depended on the individual

business challenges and requirements deemed to be important aspects of organisational success at that point in time (Barling, Weber & Kelloway, 1996). These traditional leadership programs have shown mixed results for their impact on leadership outcomes (Russell & Kuhnert, 1992).

Day (2001) noted a greater focus and investment in leadership development as opposed to leader development. These differences may play a part in the mixed results of leadership developmental practices (Day, 2001). Landy and Conte (2016) also separated leadership development and leader development. They view leadership development and the more traditional leadership programs as focusing on developing leadership skills and organisational leadership deliverables. Conversely, leader development focuses on developing the intra-personal attributes of a leader and their internal capacity to lead (Landy & Conte, 2016). The studies outlined in chapter two focused on enhancing the attribute of leader resilience, which is leader development and not leadership development. This research offers exciting possibilities for the future of organisational development practices in the leadership domain.

A growing body of research now describes ways of enhancing the impact of leadership development (Button, Mathieu & Zajac, 1996; Day & Sin, 2009; VandeWalle, 1997; Wasylyshyn, 2008). Wasylyshyn (2008) found that including behavioural dimensions in leadership development significantly increased the impact of training in the work context. Research has also found that enhancement of a leader's personal identity and self-regulation had a greater impact on leadership development (Day, Harrison & Halpin, 2009; Hall, 2004). Day and Sin (2009) found that developmental interventions focused on improving clarity around leadership identity resulted in enhanced levels of leadership effectiveness.

One body of research shows that developing aspects of resilience within leadership programs has a positive impact on developmental outcomes (Boyatzis, 2008; Button et al., 1996). Using an intentional change theory (ITC) framework can enhance the outcomes and longevity of leadership development programs (Ballou, Bowers, Boyatzis & Kolb, 1999; Wheeler, 2008). An ITC framework focuses on developing resilience as a core part of the program (Wheeler, 2008), and leadership development can be enhanced by a mastery approach to the learning experience (Button et al., 1996; Day & Sin, 2009; VandeWalle, 1997). This approach is related to aspects of the cognitive characteristics and the self-determination aspects of resilience (Button et al., 1996). These enhancements in leadership development offer a new perspective on building leadership competence and the capacity to cope with the complexity of today's business context.

This aligns with research into dispositional attributes that has indicated the need to develop the internal leadership attributes of the individual prior to developing leadership style. This is new research that is pushing the boundaries of leadership and redefining our focus for leadership development.

3.2 Development of the Leader Resilience Training Program

The need to develop more resilient leaders to achieve enhanced levels of transformational leadership is very clear. In Study 2, a resilience training program was developed for leaders that was specifically designed to develop resilience and enhance leadership capacity. This program focuses on the three dimensions of resilience. The curriculum is centred on working to enhance leaders' abilities to effectively transform themselves first and then to build resilient teams and resilient organisations.

The workshops were comprehensively assessed to ascertain their impact in terms of a change in behaviours and attitudes of the attendees. The workshops had a significant impact on the levels of resilience of individuals as well as their ability to deliver a transformational style. This was measured by self-analysis and by boss-analysis, both of which showed a significant shift in leadership capacity following the workshop review.

Transformational leadership has never been more essential in the context of a volatile and changeable business environment. In the present economic climate, organisational success relies on leaders inspiring their people to meet the challenges while maintaining a focus on the long-term vision and direction of the organisation. Consistently using a transformational style of leadership is key to achieving success. The findings of the research outlined in Chapter 6 align with recent studies in suggesting that leaders striving to deliver a transformational leadership style should focus on enhancing their resilience. This is essential to ensure that the leaders have the capacity to truly lead in the VUCA world that we live and work in. Enhancing an individual's transformational leadership capacity requires a focus on building that person's resilience. I would go as far as to say that unless the persons in the position of power are prepared to develop their resilience, they should not be entrusted with the role of leader. The reason for this is that if they are not prepared to build their internal leadership capacity, they are highly likely to have a negative impact on the engagement and motivation of the people they are managing and this, in the long term, will negatively impact their organisations' outcomes.

3.3 Leadership and Dispositional Attributes

While Bass (1985, 1989) has provided us with greater clarity on leadership style and how this impacts organisational outcomes, his work

only hints at the internal aspect of leadership and does not elucidate the importance of the internal attributes necessary to deliver a transformational style of leadership. Therefore, while Bass has moved this discussion forward with a comprehensive style-based framework of leadership and defined a full-range leadership model, the model does not make a clear link to resilience (Avolio, Bass & Jung, 1999; Bass & Riggio 2006). Bass's full-range leadership model has captured the attention of business communities worldwide; however, a gap is still apparent in terms of understanding and limited guidance for organisations on how individuals can change their internal attributes to ensure they deliver a consistently effective leadership style in the workplace (Ashford & DeRue, 2010; Day & Sin, 2009). The research has shown that, when it is demonstrated, a transformational leadership style will deliver positive outcomes. However, the research does not give any clarity regarding the internal capacity of the leader that is required for the delivery and sustainment of this style.

The good news is that Bass's model sparked a resurgence of interest in investigating the relationship between leadership style and the internal attributes of the individual. This has provided a platform for investigations into the internal capacity of the leader and has offered new insights into the attributes that influence the capacity of leaders to deliver an effective style of leadership (Garbowski, 2010; Sylvester, 2009; Wasden, 2014).

As already discussed, early leadership research commenced with the 'Great Man' theories of leadership and focused on identifying personal traits that support great leadership (Landy & Conte, 2016). This research was dominantly focused on personality traits and has generally shown inconsistent correlations between a specific set of personality traits and leadership effectiveness (Hollander & Julian, 1969). This correlates with what you would have experienced in working life: people with vastly different personality traits can be

and are successful. This research area confirmed that traits alone are not enough to define the internal attributes that support a transformational leader. The deficits in these theories have prompted debate on whether ‘dispositional attributes’ might provide a more insightful approach for investigating individual differences in a leadership context (Garbowski, 2010; Offutt, 2011; Sylvester, 2009). Dispositional attributes, unlike traits, are personal attributes that have the capacity for change and development. Unlike personality traits, which are fixed and don’t change over a lifetime, dispositional attributes have the capacity for enhancement.

The study of dispositional attributes—resilience, in particular—is a relatively new field of research in organisational psychology. Much of the research on resilience has remained largely within the realm of clinical, social and community psychology over the past three decades, with some more recent research having developed in the organisational arena (Garbowski, 2010).

So where does that leave us today? In authoring this book and working with leaders across the globe for thirty-five years, I have learned three key things. This learning is both from academic research and from organisational experience.

- **A consistent, transformational leadership style makes a positive difference for individuals, teams and organisations, regardless of the type of organisation.** It doesn’t matter if you sell cars, work on the mines, run hotels, work in politics or develop tech products—the positive impact of transformational leadership is evident in all these organisations’ outcomes.
- **In all organisations and industries, ongoing stressors, challenges, obstacles and ever-present hurdles present themselves.** No sector, industry or organisation is challenge-free

or challenge-neutral. Thus, a key part of effective leadership is the ability to navigate in what researchers describe as a VUCA world (Bennis & Nanus 1985), a world that is volatile, uncertain, complex and ambiguous.

- **In order to deliver a transformational leadership style in a VUCA world, you first need to develop the internal attributes that support leadership. Specifically, you need to develop your resilience.** The internal attribute of resilience allows us to bounce back from adversity and challenge and to maintain psychological, emotional, physical and mental health. This, again, is not specific to industries or organisations.

The truth is that research on leadership is constantly evolving and developing, and while we have made significant strides forward, new frontiers will always be there to investigate. Based on recent research, we have clearly found a new frontier of leadership research that is significantly shifting our understanding of leadership.

By leveraging one of the most researched models of leadership style, my research has taken a look below the surface of leadership style to investigate what allows one individual to deliver a transformational style, while another individual with the same training, development and experience is unable to deliver this style. This offers the opportunity to push the envelope and redefine the requirement for leadership. We need to change our focus and look at how dispositional attributes support an individual in delivering a transformational leadership style. In the pages to come, you will find that we have established a very strong correlation between the dispositional attribute of resilience and the ability to lead with a transformational leadership style. This correlation opens up the debate on what comes first: the dispositional attribute of a leader or the leadership style they deliver. You will be provided with the research evidence that supports the development of your dispositional attributes, in particular your

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resilience, as a prerequisite to your ability for effective delivery of a transformational leadership style. When you get on an aeroplane, you are given instructions that, in the case of an emergency, you should put on your own oxygen mask first before attempting to put on someone else's mask. Fundamentally, this is the same instruction that we should be issuing to leaders: 'In the VUCA world, you need develop the attribute of resilience before attempting to lead others.' In the coming chapters, we will discuss what resilience is, its importance for leadership and how to develop it.

Leadership matters. In today's ever-changing environment, a transformational leadership style is essential, but you need resilience before you can consistently deliver this style. I am comfortable in sharing with you that I believe, more than ever, that resilience is the single most important attribute for strong, sustainable and successful leaders and the key to transforming leadership outcomes. Not only do I believe this personally, I have also shown this to be true from a research basis, and I have also had the opportunity to observe leaders transform their leadership style by developing their resilience. These transformations are dramatic and bring about team and organisational shifts that make a significant difference. Throughout the pages to come, I am confident that you will be inspired to take action to build your resilience and enhance your leadership capacity.

