



How Extraordinary Leaders Are Made

5 Insights from The Extraordinary Leader

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The famed artist Michelangelo Buonarroti said, “The greater danger for most of us lies not in setting our aim too high and falling short, but in setting our aim too low and achieving our mark.”

This observation seems especially relevant to leadership. The decisions a leader makes regarding their leadership behavior have a profound impact on their career, the performance of those reporting to them, and the performance of the organization they work for.

While the vast majority of leaders began their careers with the target of being a good accountant, engineer, marketer, or analyst, few set their sights on being an extraordinary leader. Many are promoted into leadership because of their success as an individual contributor.

In every study we have conducted where we measured any dimension of organizational effectiveness, there has been a strong correlation between that measure and their leaders’ effectiveness.

This study explores five important insights we have gained after decades of work in leadership development. These insights can help every leader improve, and many become truly extraordinary.

1. Effective leaders orchestrate their own development.

Organizations cannot do it. Gurus do not make it happen. Individuals must do it for themselves. Just as no one can export excellent physical fitness to a friend or colleague, one must take charge of one’s own development.

Organizations can provide leadership development resources that help, such as accurate and

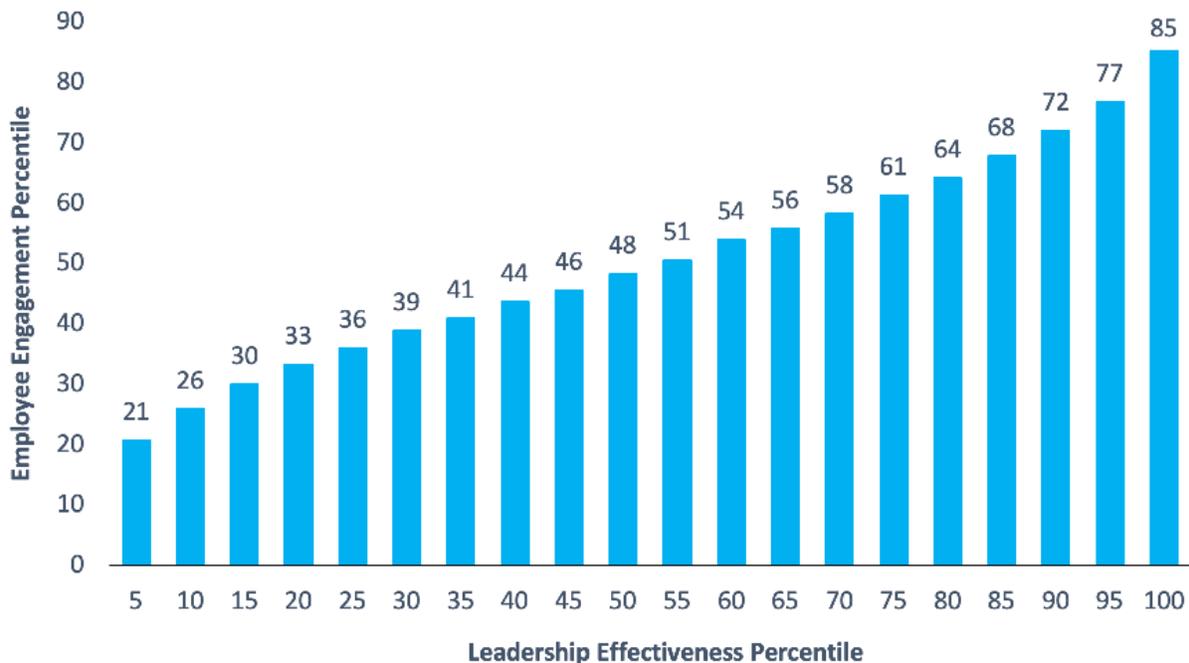
constructive information about a leader’s current behavior and the impact it is having on subordinates and peers. They can also provide a framework for development paths to follow. But effective leadership is about continually improving one’s behavior and mindset. Leaders must develop from within.

There is no reason to accept mediocrity in leadership any more than one would in software development, customer service, or sales. We often fail to fully appreciate what a significant difference there is between “ordinary” and “extraordinary” leadership. In one study that examined the relationship

between leadership effectiveness and desirable outcomes, we analyzed data from hundreds of different companies and over 100,000 leaders. The graph below presents several findings.

- There is a dramatic difference in the results produced by poor leaders versus extraordinary leaders.
- Poor leaders profoundly diminish the performance of groups they attempt to lead.
- Leaders at the 90th percentile and above have a stunning impact on various measures of performance.

We have solid evidence that with effort, all leaders can get better.



Some will become extraordinary. That only happens when they put their minds to it and take charge of their own development.

2. Focusing on developing strengths has the highest payoff for the greatest number of leaders.

When a leader decides to take charge of their own development, whether consciously or subconsciously, they often revert to the philosophy that their effectiveness is most influenced by areas of poor performance. In other words, getting better means fixing weaknesses.

Our research shows that only a minority of leaders (about 20%) have traits or behaviors that significantly detract from their performance. The good news is that, in most cases, these detractive behaviors can be fixed. That means that for 80% of all leaders, magnifying their strengths is the optimum approach to becoming extraordinary.

What is a Strength?

A strength is something we do well. It can be used in a wide variety of situations, and its effects persist over time. Sometimes, strengths are the outcome of natural ability, and in other cases,

they are the result of intensive practice and effort.

In our research on leadership, we have defined an outstanding strength as a skill scored at the 90th percentile. We found that leaders who do not possess any such strengths scored at the 34th percentile in overall leadership effectiveness. Why were they ranked so low? Because they lacked leadership qualities, skills, or abilities that made them stand out.

While they were not totally ineffective at everything, they were not terribly effective at anything.

What is impressive is that if the same leader were to build just one strength, it would move them, on average, from the 34th percentile to the 64th percentile. Overall effectiveness improves as individual strengths are developed. Leaders with just three strengths are ranked at the 81st percentile.

Development is far more successful when the leader focuses primarily on building strengths rather than only being concerned with repairing weaknesses.

The respected research psychologist Martin Seligman wrote, “the good life is using your

signature strengths every day to produce authentic happiness and abundant gratification.”

A focus on strengths leads to greater gains and is a pattern for growth that can be easily maintained over time. Plus, it’s more fun. Think of it as a lifestyle focused on the existing potential of every leader rather than picking apart their minor flaws.

By using their strengths, leaders produce better results as measured by any metric you might apply (e.g., productivity, customer satisfaction, retention, or employee engagement). In a nutshell, better leadership produces better results.

3. Extraordinary leaders focus on building differentiating behaviors.

There has been an enormous amount of money spent, mostly by large corporations, to create competency models. The implication of these lists has often been that a large group of leadership behaviors were of equal importance and that the wise manager would devote time to being good at all of them. One competency model we reviewed included over 170 elements. Many have dozens of competencies

and new sets for each level in their hierarchy. Our research, on the contrary, suggests that certain competencies tower above others. The great majority of competencies are highly consistent among different organizations. Occasionally, an organization's history and culture will propel a somewhat unique competency higher on its list.

The point is that if people seek to be perceived as great leaders, it behooves them to know which leadership behaviors really make a difference in their organizations.

Our empirical factor analysis of huge amounts of data collected on leaders' behaviors reveals that all vital and differentiating leadership behaviors can be grouped into five clusters.

- **Character.** Personal character is the core of all leadership effectiveness.
- **Personal Capability.** This describes the intellectual, emotional, and skill makeup of the individual.
- **Focus on Results.** The ability to have an impact on the organization and accomplish things.
- **Interpersonal Skills.** This includes all the interpersonal

and people skills needed for effective one-on-one interactions, working in teams, and valuing diversity in others.

- **Leading organizational change.** An important skill set, especially for more senior leaders, is their ability to produce change and set a clear vision for their organization.

Our current research on differentiating behaviors identified 19 competencies that separate the top 10 percent of all leaders from the average and poor leaders.

These are the leadership behaviors on which most leaders should focus their development. Varying combinations of these behaviors are the DNA of effective leadership.

We have learned that there are three distinct forces that converge to help the leader select which of these differentiating leadership behaviors to develop.

- Their capabilities and competence
- What the organization needs them to do, given their current position
- Their passions and preferences. For which of these does the leader have energy?

One leader might have a pattern of strengths that combines technical expertise, strategic thinking, and problem-solving skills. Another leader may have a combination of strong communication skills, collaboration and teamwork, along with a willingness to take risks. The unique combinations of these 19 leadership behaviors create numerous pathways.

4. Multiple development pathways provide the way for the greatest number of leaders to make the most progress.

The pathway to developing some skills and behaviors is obvious. Improving technical competence usually requires classes, studying books and articles, or being taught by an expert. We label those head-on, obvious paths as linear development.

There is another approach pioneered in the world of athletics known as cross-training. The athlete who aspires to be great at tennis also may engage in weightlifting, jumping rope, and running. Some will bicycle, swim, or do stair climbing. These “cross-training” activities have been shown to successfully develop the desired

aerobic capacity, agility, and muscle strength which help in becoming a competitive tennis player. Another amusing example is the football coach who had the linemen take ballet lessons to improve their footwork. These are side-door approaches to building a skill. They have been shown to be highly correlated, even though the link may not be totally obvious at first.

Strength-Building Activities

Our research discovered that for each of the differentiating leadership behaviors we identified, there were several other behaviors that were statistically significantly correlated with that leadership behavior. Suggesting that if a person became more proficient in that companion behavior, it would serve as a strength builder.

These “strength-building” behaviors provide a more extensive series of options for development. These are behaviors that always rise or fall with another competency. While it is impossible to prove a direct cause and effect relationship between the two, the fact that they are laced so tightly together suggests that something important can be learned from them. The practical implications of this are huge.

5. Becoming an extraordinary leader requires new behavior

Leaders must create new habits and mindsets. Seldom does a new insight or one management technique make a major dent in a leader’s performance. Observable change happens over time as new behavior is adopted.

Leadership programs have traditionally been thought of as an event. In participants’ minds, when the event was over, leadership development for the year was over. Absent any formal leadership development process or accountability, a relatively small fraction—approximately 10% of leaders—have a personal development plan to which they give regular attention. Unfortunately, most leaders are not doing anything to follow up on their development.

Leadership is not gained in a one-day program but rather a process that lasts throughout a participant’s career and can be incorporated into their lifestyle. These new behaviors are built by ongoing development experiences, active development plans, buddy systems or support groups, coaching, mentorships, reminders, and follow-up 360s to

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measure progress. Strengths are best built when these practices are intentionally, consistently, and easily integrated into their daily lives and normal workflow.

Recurring feedback lets the leader know about and feel the impact of new and developing behaviors. Feedback is the most instructive tool to help individuals understand others' perceptions of themselves—and there is significant power in that process.

Our research of over 100,000 leaders clearly shows that those leaders who ask for feedback are perceived more positively than

those who are simply good at giving feedback. The new habit you need to continually improve is one of frequently asking for feedback.

Conclusion

Most organizations as a whole, along with the people in them, have untapped potential.

We acknowledge that much of leadership development happens casually and informally as people work. But we are not dissuaded from believing that intense bursts of structured development can have a powerful effect in

beginning a new mindset and building new skills.

We chose the word “extraordinary” to describe the best leaders. Leaders who don't settle for mediocre performance. Leaders who are driven to achieve exceptional results. Leaders who don't do it alone but know how to connect, care for, and inspire their team members. They are not perfect. They have weaknesses. But they become “extraordinary” in the ways they utilize their own strengths and build up the strengths of others. This is how the truly extraordinary lead.

About Us

Zenger Folkman relentlessly seeks to rise above the inconsistent, and sometimes misleading, nature of popular leadership philosophies and beliefs brought on by opinion. The discipline of leadership and those who pursue it deserve better. Our most valuable asset is the expertise of combining hard data and statistical analysis with logical explanations and actionable application that help individual leaders thrive and organizations succeed.