

Reflecting on your assessment, an absence or infrequency of “Always/Often” indicates that improvement is in order. This brief analysis is by no means exhaustive, yet it is insightful and should encourage you to look deeper into the subject of credibility and the leader’s impact on organizational climate and financial results.

The Power of a Leader

The leader’s impact is really about the leader’s personal power. Nothing reveals what a person in a leadership position is all about like power. I have observed a great number of CEOs handle misfortune, and qualities of leadership character can become evident in such situations. But I get a very different glimpse of what a CEO is really about once he or she has attained power. These leaders have a tendency either to be more consumed by themselves (selfishness) or exhibit a naiveté, capsulized by the cogitation, “Now that I have power, what exactly is it, and what do I do with it?” Surprisingly, the majority of CEOs I have worked with fall into the latter category, which borders on role ambivalence and role ambiguity. Temperaments vary as well on this scale, from self-grandiosity and invincibility on one pole to self-rejection and vincibility on the other.

Where do you lie on the personal power continuum? Do you find yourself too overpowering or too underpowering? Regardless of our position, very few of us have been tutored in this topic.

The subject of power is a touchy area for most CEOs. This domain is infrequently discussed and rarely understood in the context of leadership effectiveness. Usually, my inquiry leads to a shallow, safe, general, moral, and philosophical discourse. The English historian, politician, writer, and great all-around personality of the nineteenth century, Lord Acton, famously admonished, “Absolute power corrupts absolutely.” CEOs often recite this quote to me, trying to convey that “I know what this means and I am not that way,” and with a sigh they will continue



with something such as, “I disdain people in trusted positions who have gone awry. I am fortunate. I’m not that way. Can we change the subject now?” With restraint, I typically respond with, “Hold on there,” and encourage them to extend the conversation.

Accordingly, the word “power” has been sugar-coated with Hollywood imagery to encapsulate ideas such as inspiration, impact, influence, charisma. To have a CEO identify and own his or her power, to understand how it impacts others and be able to use it effectively, is a worthy task. “Power” is laden with deep beliefs, labels, misperceptions, and conditioned responses. So let’s bore a little deeper.

By choice, your power can be used to get or achieve what you want for personal gain and/or recognition—which contains all the markings of the signature high achiever—or it can be used to get others what *they* need, putting the welfare of others and the purpose of the organization before your own personal agenda. The latter has all the markings of a servant leader, and this refreshing mantra emanates from some C-suites today.

Power doesn’t have to corrupt. It does not have to be abused. Nor must you avoid using it. Power can be a positive, affirming force that an effective leader can use to impact people. Whether the style of its expression is affiliative (built on authentic social relationships), authoritative (founded on influence), or competitive (demonstrated by high achievement), power impacts others. Akin to a charge of dynamite, it can jar an organization into forward motion toward a chosen destination. Power is an essential ingredient within an integrated culture and an Alignment Strong enterprise. To see a leader deftly, consciously, and situationally employ all three styles—affiliative, authoritative, and competitive—is to witness an art form.

In my mid-thirties, we built our real estate investment trust organization, enabling investors to buy individual shares in real estate/real estate financing instruments, to approximately \$100 million in assets with an equity base of \$10 million. This was pre-Nasdaq. We were listed



“over the counter” (OTC). My company hit its first significant recession when the prime rate soared to 21.5 percent. I was full of bravado and invincibility, but now that I was being tested, I began to feel the loss of self-confidence. Fear seeped into my psyche and my stomach churned.

One evening, my neighbor tenant, Robert Evans, former chairman of American Motors (then maker of the Jeep), and his friend, Warren Avis (founder of Avis Rent-a-Car), were consoling me on an elevator and persuaded me to have a drink with them at the Renaissance Club, located at the Renaissance Center, now the world headquarters of General Motors. This club was also the hangout for Henry Ford (the deuce), another one of their acquaintances. Walking into the club, I felt a reverence percolating. Being in the presence of elders seems to do that. After we sat down, sensing I was emotionally disheveled, they asked more about my plight and then assured me that this challenge was to be expected. They even snickered, saying it was okay to go as far as to have a nervous breakdown. The two claimed they had, usually on remote beaches. Hearing that, I was forlorn and agitated. Convinced a meltdown of this magnitude would not befall me, I moved forward in denial and invulnerability.

But the genesis of the unfreezing of my ego germinated, morphing me from one end of the power continuum to another. My ego was sufficiently contracted by the eventual turnaround and narrow survival of my own enterprise. My fall from invincibility permitted a humility and empathy to emanate within me. My power repertoire was enlarged. Affirmation found a significant foothold in my role as CEO and in my personal life, displacing a good chunk of my arrogance and invulnerability. I evolved into a more effective CEO. The company grew to nearly \$450 million in assets and \$28 million in equity over the next five years, with uninterrupted quarterly cash dividends for eleven straight years. Yet future personal power experiences were down the highway, stretching me to learn new lessons.



Sometime later, psychologist Colin Horn, PhD, who specializes in group dynamics and interpersonal communication analysis, shared his paper on “Types of Power and Their Manifestations” with me, and I have used his framework in my coaching practice. Colin is a very helpful and approachable person. His methodology is user-friendly and draws the participant in, to converse about a sensitive subject in a non-threatening way. With simplicity, he labels and characterizes three impact categories, bringing clarity to the subject of power. In the passage below, in #1 and #2, I have complemented the descriptors with the “leadership derailers” (please note the asterisks) described in Dotlich and Cairo’s book *Why CEOs Fail*, and in #3 with the essential “social intelligence competences” for effective leadership prescribed in Daniel Goleman and Richard Boyatzis’s article “Social Intelligence and the Biology of Leadership.” Now, in my consulting work, I will first ask a CEO to tell me how others, beginning with his or her C-suite members, would describe how that CEO impacts them. Then I share Horn’s framework with my client, asking if one of the following categories comes reasonably close to their own self-description.

1. **Abusive impact**—You dominate and drive fear and insecurity into your followers to get things done. Other descriptors: *Arrogant. Doesn’t listen. *Volatility. Blaming. Negative. Interrupt. Dictating. *Perfectionism. Ordering. Ridicules. *Eccentricity. Passive-aggressive. *Mischievousness. Double bind. Bully. Bulldozer. *Melodrama (moody).
2. **Avoidance impact**—You are afraid/reticent to own and use your power. Other descriptors: Placate. White lies. Agree when disagree. *Excessive caution. False compliments. Insecure. Laissez-faire. Avoid conflict. *Aloofness. Flatterer, suck-up. *Eagerness to please. Don’t want to approach others. Afraid/uncomfortable to hold subordinates accountable. *Habitual distrust.⁹



3. **Affirmation impact**¹⁰—You esteem others for their effort, for what they know as opposed to what they don't know, and yet you are clear and firm about performance expectations. Other descriptors: *Empathy. *Attunement. Give help. Mutual respect. *Inspiration. Easy to approach. Self-revealing. Direct. Give honest feedback. Coach (*developing others). Empower. *Teamwork. Thankful for help. Disagree openly. *Organizational awareness.¹¹

The critical insight I am conveying is this: It is not about identifying the dominant bucket in this power repertoire, although this is useful, but the lack of self and social awareness one has about their own personal power. As a leader, you could remedy this. Look inside yourself. Give time to insight and self-reflection. Your organization either sees and feels your influence or it doesn't, and if it does, what does it see and feel? How do you impact people with your personal power? Where do you need to move the needle, behaviorally? From what to what? Now use what I gave you in Chapter 2 under the subhead **The Change Formula**. What are the first/next steps to acquire new knowledge, to practice/exemplify the leadership style and temperament that is required?

Building an Effective Team

Ideally, the commitment to evolve into a more effective leader, including the use of personal power, supports a team-building process that will render more tangible results. Appropriately, an organization should use a proven, sound team assessment and developmental model, which I have included as Appendix item 6. This will be foundational to evaluate team mission, role, procedures, resources, performance, relationships, and organization, and will edify the leader's skills, self-confidence, and team commitment. The hallmark of a strong leader is the capability to

