The Leadership Challenge (Third Edition)
by James Kouzes and Barry Posner

When it was originally written in 1987, few could have predicted that The Leadership Challenge would become one of the best-selling leadership books of all time. In their third edition, James Kouzes and Barry Posner build on the knowledge base of previous editions and include more extensive research and interviews with all kinds of leaders at all levels of public and private organizations from around the world.

The authors — two of the country's premier leadership experts — have spent their entire careers researching, teaching, and developing leadership. Kouzes is presently the chairman emeritus of the Tom Peters Company and an executive fellow at the Center for Innovation and Entrepreneurship at the Leavey School of Business, Santa Clara University while Posner is Dean and Professor of Leadership at Leavey. Kouzes and Posner are also co-authors of Credibility, Encouraging the Heart, and The Leadership Planner.

The Leadership Challenge is based on a research project conducted to determine what leaders did when they were at their "personal best." By asking leaders to describe their extraordinary experiences, the authors found patterns of success, which they called the "Five Principles of Exemplary Leadership."

The book walks leaders through the Five Principles — helping them learn, practice, and perfect the principles so that they are better able to perform at their personal best. The Five Principles of Exemplary Leadership are:

1. Model the Way
2. Inspire a Shared Vision
3. Challenge the Process
4. Enable Others to Act, and
5. Encourage the Heart.

But before jumping into how to be a good leader, let's look at the traits of a good leader.

What People Look for in a Leader

When asked what values (personal traits or characteristics) people most look for and admired in a leader, the majority of respondents selected the following:

- Honest;
- Forward-looking;
- Competent; and
- Inspiring.

What is most striking and most evident is that, consistently over time and across
continents, only these four have continuously been chosen by over 50% of the respondents in the authors' surveys. Let's look closer at these four characteristics.

**Honest**

In almost every survey that the authors conducted, honesty was selected more often than any other leadership characteristic; overall it emerges as the single most important ingredient in the leader-constituent relationship. The fact that nearly 90% of constituents want their leaders to be honest above all else is a message that all leaders must take to heart.

It is clear that if people are to willingly follow someone — whether it is into battle or into the boardroom — they first want to assure themselves that the person is worthy of their trust. They want to know that the person is truthful, ethical, and principled. No matter what the setting, everyone wants to be fully confident in their leaders, and to be fully confident, they have to believe that their leaders are people of strong character and solid integrity.

**Forward-Looking**

More than 70% of respondents selected the ability to look ahead as one of their most sought-after leadership traits. People expect leaders to have a sense of direction and a concern for the future of the organization. But whether that ability is called vision, a dream, or a goal, the message is clear: leaders must know where they are going if they expect others to willingly join them on the journey.

**Competent**

To enlist in another's cause, we must believe that the person is competent to guide us. We must see the leader as capable and effective. If we doubt the leader's abilities, we are unlikely to enlist in the crusade.

Competence does not necessarily refer to technical capabilities; rather it refers to the leader's track record and ability to get things done. It is the kind of competence that inspires confidence that the leader will be able to guide the entire organization, large or small, in the direction in which it needs to go.

**Inspiring**

Leaders must also be enthusiastic, energetic, and positive about the future. We expect them to be inspiring — to be a bit of a cheerleader. It's not enough for a leader to have a dream about the future; a leader must be able to communicate the vision in ways that encourage us to sign on for the duration.

We need leaders who communicate with their words, demeanor, and actions that they believe we will overcome. Emotions are contagious, and positive emotions resonate throughout an organization and into relationships with other constituents. Enthusiasm and excitement are essential, and they signal the leader's personal
commitment to pursuing a dream. If a leader displays no passion for a cause, why should anyone else?

Credibility is the Foundation of Leadership

Honest, forward-looking, competent, and inspiring: these are the characteristics that have remained constant during two decades of research. This finding is useful in and of itself — but it reveals a more profound implication. These key characteristics make up what communications experts refer to as "source credibility." In other words, more than anything, people want leaders that are credible. Credibility is therefore the foundation of leadership.

What is credibility? The authors asked this question of tens of thousands of people and the response they get is always the same: leaders are credible when they "do what they say they will" or some variation such as "walk the talk" or "practice what they preach."

In any circumstance, credibility is one of the hardest attributes to earn and sustain. It's personal — and the most fragile of human qualities. It is earned minute-by-minute, hour-by-hour, year-by-year. But it can be lost in very short order and when leaders have lost their credibility, it is nearly impossible to earn back.

Becoming a Credible, Admired, and Successful Leader

Let's look closer at the Five Principles of Exemplary Leadership; the principles that the authors believe a leader must master in order to be successful.

1. Model the Way

Modeling the way is essentially about earning the right and the respect to lead through direct individual involvement and action. People first follow the person, then the plan. Titles are granted but it is behavior that wins respect. As Gale Hamilton, a director with Pacific Gas & Electric Company says, "I would never ask anyone to do anything I was unwilling to do first."

Exemplary leaders go first. They go first by setting an example daily through actions that demonstrate they are deeply committed to their goals and beliefs. For example, Toni-Ann Lueddecke of Gymboree Play & Music believes that there are no unimportant tasks in an organization’s effort for excellence and she demonstrates this to her associates in New Jersey by her actions; she sometimes scrubs floors and teaches classes.

To effectively model the behavior they expect of others, leaders must first be clear about their guiding principles. Leadership begins with "something that grabs hold of you and won't let go." To find this, leaders must look in their hearts and souls to find what they really care about and what they feel is truly important.
Leaders must also find their own voice; that is, their unique way of expressing their values, including the words they use and the actions they take. And most importantly, their words and deeds must be consistent.

Exemplary leaders know that if they want to gain commitment and achieve the highest standards, they must become models of the behavior that they expect in others. Leaders model the way.

2. Inspire a Shared Vision

When people described their personal-best leadership experiences to the authors, they told of times when they imagined an exciting, highly attractive future for their organization. They had visions and dreams of what could be. They had an absolute and total personal belief in those dreams, and they were confident in their abilities to make extraordinary things happen. Every organization, every social movement, begins with a dream. The dream or vision is the force that invents the future.

In some ways, leaders live their lives backward. They see pictures in their mind's eye of what the results would look like even before they've started their project, and their clear, compelling image of the future pulls them forward. Yet visions seen only by leaders are insufficient to create an organized movement or a significant change in a company.

To enlist people in a vision, leaders must know their constituents, speak their language, and have intimate knowledge of their dreams, aspirations, and values. People must believe that the leaders understand their needs and have their interests at heart. Leadership is a dialogue, not a monologue.

When leaders breathe life into the hopes and dreams of others and enable them to see the exciting possibilities that the future holds, a unity of purpose is created and people begin to accept the vision as their own.

3. Challenge the Process

Leaders are not the only creators or originators of new products, services, or processes. In fact, it is more likely that innovation comes from customers, clients, vendors, people in labs, and people on the front lines. The leader's primary contribution is in the recognition of good ideas, the support of these ideas, and the willingness to challenge the system to get new ideas adopted. It might be more accurate, then, to say that leaders are early adopters of innovation.

Leaders know well that innovation and change all involve experimentation, risk, and failure. They proceed anyway. One way of dealing with the potential risks and failures of experimentation is to approach change through incremental steps recognizing every victory, no matter how small. Little victories, when piled on top of each other, build confidence that even the biggest challenges can be met.
It would be ridiculous to assert that those who fail over and over again eventually succeed as leaders. Success in any endeavor is not purely the result of chance. The key that unlocks the door to success is learning. In his study of exemplary leadership practices, Warren Bennis writes that “leaders learn by leading, and they learn best by leading in the face of obstacles, difficult bosses, lack of vision and virtue in the executive suite, circumstances beyond their control, and their own mistakes have been the leaders’ basic curriculum.” In other words, leaders are learners. They learn from their failures as well as their successes.

4. Enable Others to Act

Grand dreams do not become significant realities through the actions of a single person. After reviewing thousands of personal-best cases, the authors developed a simple test to detect whether someone is on the road to becoming a leader. That test is the frequency of the use of the word “we.”

Exemplary leaders enable others to act. They foster collaboration and build trust. This sense of teamwork goes far beyond a few direct reports or close confidants. They engage all those who must make the project work — and in some way, all who must live with the results.

Leaders make it possible to do good work. They know that those who are expected to produce results must feel a sense of personal power and ownership. Leaders enable others to act by giving power away. As a budget analyst for Catholic Healthcare West, Cindy Giordano would ask “What do you think?” and use the ensuing discussion to build up the capabilities and confidence of her staff. She discovered that when people are trusted and have more discretion, more authority, and more information, they are much more likely to produce extraordinary results.

In the cases analyzed by the authors, leaders proudly discussed teamwork, trust, and empowerment as essential elements of their efforts. Constituents neither perform at their best nor stick around for very long if their leader makes them feel weak, dependent, or alienated. But when a leader makes people feel strong and capable they will give it their all and often exceed even their own expectations.

When leadership is founded on trust and confidence, people take risks, make changes and keep organizations and movements alive.

5. Encourage the Heart

The climb to the top is arduous and long. People become exhausted, frustrated, and disenchanted. They are often tempted to give up. Exemplary leaders encourage the heart of their constituents to carry on with genuine acts of caring.

It is part of a leader’s job to show appreciation for people’s contributions and to create a culture of celebration. In the cases that the authors collected, they saw
thousands of examples of individual recognition and group celebration. They heard and saw everything from handwritten thank-yous to marching bands and "This Is Your Life" ceremonies.

Recognition and celebration are not about fun and games nor are they about pretentious ceremonies designed to create some phony sense of camaraderie. Encouragement is curiously serious business. It is how leaders visibly and behaviorally link rewards with performance.

When striving to raise quality, start up a new service, or make dramatic change of any kind, leaders make sure people see the benefit of behavior that is aligned with cherished values. And leaders also know that celebrations and rituals, when done with authenticity and from the heart, build a strong sense of collective identity and community spirit that can carry a group through extraordinarily tough times and deliver extraordinary results.

Conclusion

The process of successful leadership varies little from industry to industry, profession to profession, country to country. Good leadership is an understandable and universal process. Though each leader is a unique individual, there are patterns to the practice of leadership that are shared. Leaders who engage in, practice and perfect the Five Principles are better able to perform at their personal best. And success is sure to follow