

Characteristics of an Effective Leader

by Bill Mullet

Leadership and management are two different functions, and we often get them confused. Too often organizations are over-managed and under-led. We will look at some of the characteristics that effective leaders possess. While some of these characteristics may be natural, all leaders should work to develop the characteristics that make them more effective.

Joshua 1:8 says: *“This book of the law shall not depart out of thy mouth, but thou shalt meditate in it day and night, that thou mightest observe to do according to ALL that is written therein. Then thou shalt make thy way prosperous, and then thou shalt have good success. I have commanded thee, be strong and of good courage. Be not afraid, neither be dismayed, for the Lord thy God is with thee, whithersoever thou goest.”* I believe it’s important that we Christians understand the need for having a Guide. We are not our own leader, but we have someone Who has promised to be with us. As leaders, when we step out into the unknown, we are not alone.

We will examine three aspects of effective leadership. First, the need for ethical leadership. Secondly, the distinction between a leader and a manager. Thirdly, the characteristics of ethical, effective leaders.

Ethical Leadership

Is ethical leadership in jeopardy today? Does the world ever feel upside down to you? If there has ever been a time when the world seems to be upside down, it’s now. It is imperative that we are committed to ethics in order to be effective in our leadership.

My wife and I were traveling, and my wife picked up a *Newsweek*. I opened it and found an article entitled, “The Enemy of the Good.” It says, “President Obama has an ambitious agenda and an economy to fix, yet hundreds of top government posts stand empty for one reason – over-the-top ethics rules are disqualifying or driving away some of the best and the brightest.” Hmm. Really? Was it over-the-top ethics rules that put Fannie Mae, Freddie Mac, and the entire economy in jeopardy? Was it over-the-top ethics rules that put AIG in jeopardy causing an effect on the entire economy? Was it not, my friends, the lack of ethics that has caused us the problem, and the lack of ethics that continues to cause us the problem? I can do nothing to correct the behavior of corporate leadership. I can do only one thing, and that is for *myself*. I can BE an ethical person. You can BE an ethical person. We can’t make someone else be an ethical person, but we can be the ones that are ethical and encourage others to ethical behavior.

Our society today is suffering because of unethical and uncontrolled people. Democracy without self-control will not work. Stop and think. Your business without self-control will not work either. We need to be in control of who we are and how we do things.

We are in need of ethical leadership. Often there are two methods that are employed in running an organization. The one is politics, consisting of social relationships and involving authority and power. Politics is observed in many human interactions, including corporate, academic, and religious institutions. Whether or not you enjoy following the political arena, it is important for you to understand it is a method used in leadership.

The second is principle. Principle is a general truth from which others are derived. Politics is often self-centered and self-serving. In contrast, principle looks at fixed laws—fixed principles in the heart and fixed ideals that are self-evident. These provide a point of reference that does not move. When you are standing on the seashore, and you look out at a ship to see whether it is moving, how can you tell? You can only tell in reference to a fixed object. That's what principle is—a fixed object. For instance, is it ever right to lie? Is it ever right to cheat?

I have interviewed numerous people, and it's always interesting when I ask them the question, "When is it right to lie?" If someone responds, "Well, it depends," the warning flag goes up immediately. They are leaving themselves a loophole which can be adjusted to fit any situation.

Einstein said it like this: "Try not to become a success, but rather try to be a man of value." I would like to change that and say, "Be a man of values." Ethical business is moral and principled and just and fair and right. When you win by cheating, you're not winning. If you need to cheat to be successful, then don't be successful.

The Distinction between a Leader and a Manager

Let's look at the distinction between *leaders* and *managers*. Sometimes we get confused and think they are the same thing. I'm in a leadership position and I'm also in a management position, but there is a difference between the two positions. First, the leader is effective: he gets the desired or intended results. The manager is efficient. He is well organized. He performs the tasks in an organized and capable fashion. I've noticed there are many leaders who are a bit unorganized. There are reasons for this.

Secondly, a leader does the right thing. He faces reality. He skillfully executes things that matter. He needs to ensure that the focus is on the right objective. By contrast, a manager focuses on correct processes. A manager does things right. He focuses on fine-tuning the process. He knows what it takes to make things happen. That's a manager. Notice the distinction between the leader doing the right thing, and the manager doing things right?

Thirdly, the leader sees the big picture. He has a vision for the future. He sees the goal, the objective. He has a feel for where the industry may be heading, he tries to understand cause and effect, and he has a plan to guide the way forward. In comparison, the manager works and implements the plan and delves into the details to reach the objective. He's able to work the mechanics and logistics of the situation.

Fourthly, the leader mostly innovates. He seeks and sees opportunity. Have you seen those people who are always seeing opportunity? They are chomping at the bit, always wanting to do

something new. The leader is the one who wants and knows that change is essential, interesting, and generally healthy. Improvement is impossible without change! Sometimes he sees opportunities where there aren't any, and has to clearly understand where they are and where they are not. He knows the advantage of innovation. He has that sense of creativity, and he thinks in the long term, not just the short term. The manager, on the other hand, implements the decisions and the policies. He understands the desired results and he works toward the achievement of those results.

The leader is effective, he does the right thing, he sees the big picture, and he mostly innovates. The manager is efficient, he does things right, he works with the details, and he implements the decisions and the policies.

Characteristics of an Ethical, Effective Leader

Now I'd like to look at the third and last point, but the core of my topic—the characteristics of an ethical, effective leader. Notice that I used two adjectives describing the leader. The reason for two adjectives is because there are ethical leaders that are not effective, and there are effective leaders that are not ethical. Leaders must possess both of these traits. I don't want to train a group of effective leaders, or give men and women tips on being effective leaders, when in fact they are unethical. We have enough of that in our society.

An ethical leader is a person who has integrity. Integrity in business is an absolute must for us. Allen Simpson, a senator from Wyoming, said, "If you have integrity, nothing else matters, and if you don't have integrity, nothing else matters." It's true. If you don't have integrity, then being an effective leader doesn't matter.

One of the things we leaders need to do is learn the difference between prioritization and compartmentalization of life. I think we Christians look at ourselves and say, "How can I best prioritize my life so that I do what is really important?" In the process of trying to prioritize our lives, we often compartmentalize it. Instead, we need to be the same persons going to work on Monday as we are going to church on Sunday. You may look different, you may engage in different activities, but the person is the same. Acting from different motives for our social lives, or our business lives, or our religious lives, is not integrity. Character and integrity reaches across the compartments of life and brings them together so that we can properly prioritize.

An ethical effective leader has a strong sense of purpose. He knows when, how, and why he does what he does. He has a clear sense of calling. An effective leader knows what really fulfills him. Sometimes one of the greatest fears of an effective leader is succeeding at the wrong thing.

Leaders have a sense of purpose, so much so that they don't just follow the herd. Today's society has a follow-the-herd mentality—everybody else is doing it. If you look at what happened on Wall Street, with AIG, and with Freddie Mac and Fannie Mae, you'll observe a follow-the-herd mentality—"This organization is doing it, so we can do it; the banks are doing it, so the insurance company can do it." We should not have a follow-the-herd mentality, but

instead have a strong sense of purpose.

Secondly, an effective leader is persistent. He doesn't quickly throw in the towel. He does not easily lose focus. He is in it for the long haul. He knows that ultimately the race is won at the end. Howard Hendricks said, "Many go up like a rocket, but they come down like a rock." Many, unfortunately, confuse persistence with force. My friends, let's distinguish between force and persistence. There's a huge difference. Force does not persuade people. Persistence does. Force intimidates people. When you intimidate people, that's not leadership—it's dictatorship. It's important to understand that in our persistence we do not become a dictator. A true leader sells his vision through his ability to influence. If you cannot influence others, you cannot lead them. When influence doesn't appear to be working, too often force is used to achieve what we desire, and that destroys influence.

We must use influence. Influence is based on trust, and trust is much harder to regain than to maintain, so guard it carefully. Trust is based on character—what you are; trust is based on competence—what you do; trust is based on humility—how you are. So if you want to influence people and you want to be a good leader, then you must be able to elicit trust by your character, competence, and humility. Without trust you are unable to influence others. Would you go to a car dealership to buy a car if they had a reputation for pressuring, manipulating, and cheating people? Not likely. Why? Simply because you don't see them as trust worthy.

An effective leader possesses humility and a sense of self-knowledge. He knows his limitations, his strengths, and his weaknesses. He leads on the basis of his strengths and delegates on the basis of his weaknesses. The notion that a leader should focus on changing his weakness is flawed. It assumes that a leader can be strong on all fronts. The notion fails to acknowledge the strength of others. Instead, a leader must recognize his weaknesses, and needs to be humble about his successes. He is humble about his achievement. He recognizes the team and highlights the synergy between the members. He recognizes his failures, and he learns from them. He knows that in order to grow, he must change. In Christianity, we call that repentance. An ethical, effective leader is able to open up, invite criticism, and discuss his need of repentance and change with others. The best leaders don't compromise their mission when confronted with their own weakness, failure, and shame.

An effective leader is an ardent student. My wife and I have known some people who seem to be continuously in school. Recently I read an article about this fellow that had twenty plus degrees. He had one doctorate, he had two associates, he had umpteen bachelor degrees, and he had various master degrees. He is basically a professional student. He works on the side, but he's always going to class. That's NOT what I'm talking about; however, an effective leader must be a perpetual student in the sense that we must be perpetual learners in the school of life.

An effective leader loves his work. His enthusiasm energizes the followers. He knows that he can't lead on a low battery. He has a fire in his bosom, and he keeps that fire stoked. He will describe his work as "play." He doesn't do it for the pay. He does it because he enjoys it. He

loves interacting with others. His joy is not in his own success only, but in the success of his whole team. I am a minister, and I look forward to Sunday, but honestly I also look forward to Monday, and I find going to work relaxing after a weekend of preaching or teaching. We must find joy in our work, or the fire, the passion, the creativity, and the drive will burn low.

Leaders understand the different assets in a business. There are tangible assets which include the buildings, the equipment, the inventory, and the financial assets. There are the human assets in a business which are the owners, the employees, the vendors, and the customers. In addition, there are the intangible assets which are the culture, the values, the character, and the service. It's the human and intangible assets that we need to influence. If you desire a profitable business, then start influencing and investing in the people around you. That's as important as affecting the tangible assets around you, because we cannot accomplish much by ourselves. We need the help of others.

A characteristic of an effective leader is that he exhibits relational maturity. Too many leaders don't know how to get along with people. We need to be able to discern the difference between a friend and an enemy. A leader must build mutual, beneficial relationships within and without his organization. A leader must accept other people. If you are a leader, you cannot dwell on the failures of others, but you must help people grow through their failures and build trusting relationships. Leaders trust their people. They listen and receive their ideas and counsel. They open up and talk about their intentions because there is little trust without transparency.

An effective leader is confident, even a risk taker. Some of you may not like risk. Maybe you should be placed in a management position, rather than leadership. A leader will take risks. Leaders know what they have, and they think: "If it is to be, it is up to me." He doesn't say, "Well, if it is to be, I'm going to have someone else do it. I will rely on another person." While we do rely on other people, and need to rely on other people, there is a sense of confidence there that says, "If it is to be, it's up to me." And when we succeed together, everybody gets the glory. And when we fail, we share the burden of blame. Leaders take risk not only in what they do, but they take risks with people.

They know they need to develop people, because they can't do it all themselves. Who is one of the greatest leaders that the Bible talks about other than Jesus Himself? Moses was the best leader in all of the Old Testament. Do you know what he did? He took a risk with Joshua, and he trained Joshua. When Moses passed away he had a strong leader in position to lead. But when Joshua died we don't read of him having prepared another leader. And if you want to read sad stories, read through the book of Judges. Maybe Joshua shouldn't get all the blame, but there's a lesson there that we can learn. We need to mentor others into their full capabilities.

Not only do leaders develop other people, they develop ideas. They come up with new ways of doing things. A non-leader is a safety-oriented person—he focuses on what he can lose, rather than on what he can win. A leader takes his failures and he uses them for stepping stones, not stumbling blocks.

Lastly, an effective, ethical leader is one who is a good follower. One can never become a great leader until he learns how to be a good follower. If you want to learn how to be a great leader, the key secret is to become a follower. I want to challenge you about Who to follow. Follow Christ and those who are following Him. He is the King-leader worthy of following. He is the One we want to become like. He is the One Whom we can truly trust, and He will never lead us wrong.

In conclusion, effective, ethical leadership is needed in all organizations. Discover today whether your disposition is a leader or a manager. Know your purpose. Move with persistence. Elicit trust with character, competence and humility. Play to your strengths; delegate your weaknesses. Humble yourself. Be a life-long learner. Love and invest in people. Take a risk. Train your successor. And above all else, be a follower of Christ!

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