

Leadership for India Inc: Practical Concepts and Constructs
Prof. C Bhaktavatsala Rao
Prof. Ajit Singhvi
Department of Management Studies
Indian Institute of Technology, Madras

Week – 04
Competency Leadership
Lecture – 16
Leadership Attributes

Hi Friends, welcome to the NPTEL course on Leadership for India Inc, Practical Concepts and Constructs. During this week 4, we will discuss Competency Leadership. This lecture focuses on Leadership Attributes.

(Refer Slide Time: 00:24)

Competence-Outcome Approach

Competence-Outcome approach focuses on the leadership competence (or competency) as the key driver of leadership effectiveness. Effectiveness is the ability of a leader to accomplish the desired outcome efficiently.



Attribute is a quality or feature of something or someone.
For example, patience is one of the most important attributes in a teacher. Studious nature is one of the most important attributes in a student.

Leader attributes comprise four factor-sets of traits, knowledge, skills and character. These together influence how effective can the leader be. These factor-sets are both ingrained and acquired as one progresses in life.



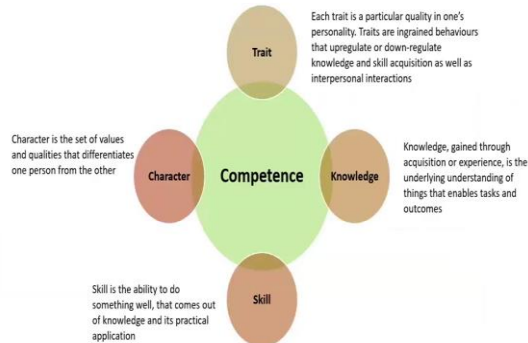
What is an attribute? Attribute is a quality or feature of something or someone. For example, patience is one of the most important attributes in a teacher. Studious nature is one of the most important attributes in a student.

Attributes get converted through effective self leadership into competencies, and competencies again through effective self leadership get converted into the outcomes that is the essence of leadership. But how do we define competence? We should not go by just a dictionary definition as for as competence is concerned. It is a set of 4 factors which I will discuss in the following slide.

(Refer Slide Time: 01:02)

Competence

Competence or competency is defined as the ability to do something well. It also represents the knowledge or skill that is required to accomplish a particular thing. Leadership competency is a holistic set of capabilities needed to accomplish leadership tasks. Competencies may be interpreted to be as being inclusive of traits and qualities.



Competence is the cumulative result of all of the above drivers and influencers. Traits and character are, by and large, behaviourally ingrained while knowledge and skill are continuously updated. That said, traits and character can be, and need to be, modified to enhance knowledge and skill levels and improve leadership effectiveness.



Which is this one. Competence starts with knowledge. Knowledge is the body of understanding. We have about various things or various activities, and this knowledge comes about through either education or experience. And it enables us to undertake and perform certain tasks and outcomes. Compared to knowledge, skill is another facet of our personality that is the ability to do something well, really well and it comes out of certainly knowledge, but also comes out of our own experience in terms of its practical applications.

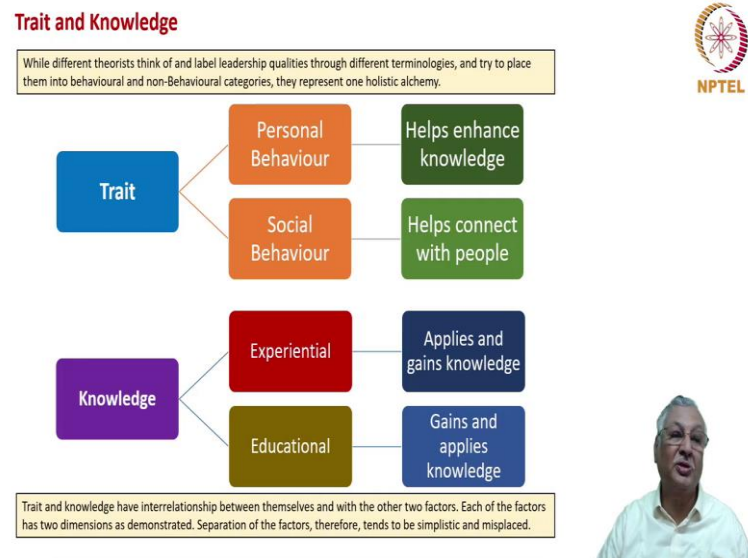
Then, the third aspect of competence is character, that is the set of values and qualities that differentiate one person from the other. And capping all these 3 aspects of a leadership personality is trait. Each trait that we may possess is a particular quality in our personality. Traits are ingrained behaviors that up regulate or down regulate knowledge and skill acquisition as also our interpersonal interactions and the value systems which we have.

Competence from a leadership perspective is the cumulative result of all of the above drivers and influences. Traits and characters are by and large behaviorally ingrained, while knowledge and skill are by and large acquired through education or experience.

However, traits and character are extremely important because they influence the extent to which we acquire knowledge and skill, and also the efficiency and effectiveness with which we deploy knowledge and skill to accomplish certain outcomes through certain

paths. So, that is the overall definition of competence which is relevant for leadership perspective.

(Refer Slide Time: 02:54)



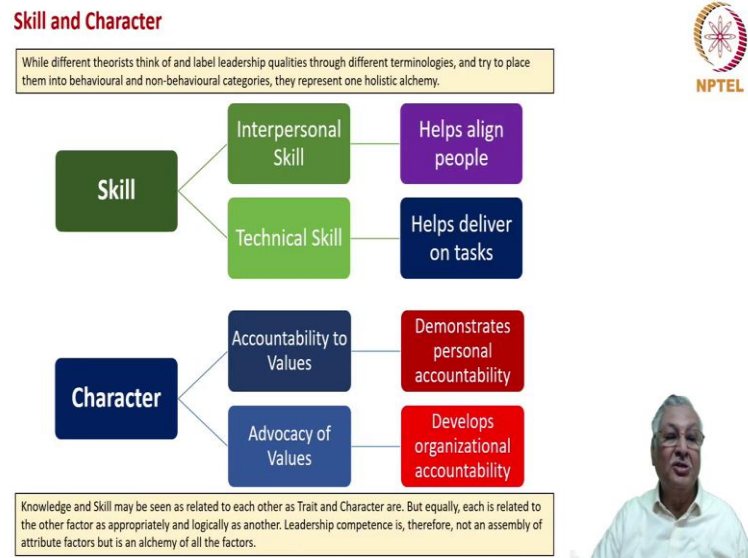
Trait and knowledge, these are interconnected I said earlier, but let us look at it why it is so. Trait has two aspects to it, one personal behaviour and second social behaviour. When you have a trait of learning, it helps you enhance knowledge and if you have social adaptability, adaptiveness, and social communication as your trait it helps you to connect with people better.

Knowledge again is of two types, one educational knowledge which is the foundational knowledge and the other is experiential knowledge. Educational knowledge helps us gain through a structured process of learning, a level of knowledge which can be applied. And experiential knowledge is something which can apply the acquired knowledge even further and improve upon it or modify the knowledge that we have through education in relation to the practical situation that we face.

The interrelationship between trait and knowledge is therefore, obvious. If you have got good personal behaviour that is studiousness as an example, you will be able to acquire more knowledge. And if you are oriented in terms of social observance, you will be able to get greater level of experiential learning.

So, we should not separate trait and knowledge and say that these are two distinct aspects of a leadership personality, these are in fact, parts of the leadership personality and leadership's competency spectrum as we discussed earlier.

(Refer Slide Time: 04:30)



Similarly, skill and character, skill can be looked at from two angles, interpersonal skill and technical skill. Technical skill helps us develop on our tasks, whereas, interpersonal skill helps us align ourselves with others, and also align others with people. From an organizational perspective or from a leadership perspective interpersonal skill is extremely important.

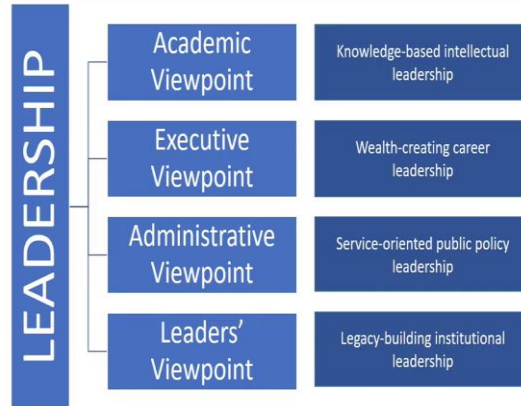
Then, to make this skill actually work in practice, we need character which is defined in terms of accountability to values and advocacy of values. It is not sufficient for a leader to prescribe to certain values as part of the personality, you can demonstrate personal accountability through that certainly. However, as a leader our responsibility is larger and broader than that, we should be able to advocate the values. So, that there is a total organizational accountability as a result of the value systems we possess.

Just as knowledge and skill are related to each other from an understanding perspective from a hard skill perspective, trait and character also related to each other from a soft skill perspective. I have deliberately chosen one qualitative attribute and one quantitative attribute, that is character and skill. Similarly, trait and knowledge to demonstrate that these can be interconnected these are interlinked they should be viewed together.

(Refer Slide Time: 06:02)

Views of Leadership Determine the Characteristic Drivers

People tend to view leadership from their respective prismatic experiences. There are at least four different prisms.



Academic viewpoint tends to be biased in favor of thinking attributes, executive viewpoint in favor of playbook factors, administrative viewpoint in terms of social sensitivity and leaders' viewpoint in terms of their own legacy!



We can look at leadership from different points of view, but I would highlight for you four important viewpoints. One, the academic viewpoint, that says that leader should be intellectually driven, he or she should be knowledge based. Another is executive viewpoint, when we enter into an organization we look at leadership as a pathway to reach to the zenith of the organization.

And we also recognize that during this process we create efficiency, effectiveness, and wealth for the organization. So, there is a career viewpoint which says that leadership must create wealth for the organization for us to reach the apex point of the leadership journey.

There is also administrative viewpoint, applicable for administrators, public servants, and governmental agencies. It is service oriented public policy leadership, we are not looking at wealth per say in financial terms, but we are also looking at social wealth to be created through this administrative leadership model. We also have the leaders own viewpoint which is building of legacies, building of institutions which stay on far beyond a leader's term or tenure in an organization or in an entity.

Academic viewpoint tends to be biased in favor of thinking attributes. Executive viewpoint tends to be oriented towards playbook factors. This is how a leader must perform in an organization. Administrative viewpoint talks more about social sensitivity, whereas leader's viewpoint is focused on leaders creating their own legacies.

So, depending upon how you view leadership, you tend to take different aspects of a leader's personality in defining leadership. However, all the four are relevant and need to be applied together in a leader's personality.

(Refer Slide Time: 07:56)

A Long List of Leadership Attributes

Interestingly, references from learned people as well as common people defy leadership. That said, leadership does require some exceptional human qualities and skill-sets, which makes the whole domain of leadership intriguing and interesting.

A fascinating collection of over one hundred pithy words as below reflect what leadership means to stakeholders and the broader community, from different points of view. Even half the number of terms, removing those which are somewhat auto-correlated, reflects a very high level of expectation, making a leader a near super-human.

Ambition, Aggression, Aspiration, Passion, Confidence, Inspiration, Motivation, Authoritarian, Resilience, Social Responsibility, Optimism, Extroversion, Control, Patience, Influence, Loyalty, Appreciation, Self-assurance, Maturity, Nurturing, Daring, Resourcefulness, Grace, Proactive, Flexibility, Organization, Intuition	Conceptual, Analytical, Technical, Professional, Creativity, Innovation, Visionary, Purposeful, Delegation, Influence, Positivity, Adaptability, Futuristic, Focused, Execution, Transformation, Awareness, Timely, Reasonable, Listening, Caring, Fairness, Agility, Open-minded, Tough-minded, Patience, Energy, Drive	Communication, Decision Making, Responsibility, Accountability, Empowerment, Inclusive, Participation, Emotional Intelligence, Open-mindedness, Ownership, Perfection, Appreciation, Risk-taking, Authenticity, Compassion, Negotiation, Respecting, Coaching, Decisiveness, Consistency, Assertive, Independent, Conviction	Honesty, Integrity, Ethics, Candour, Trust, Credibility, Committed, Diligence, Humility, Transparency, Courage, Collaboration, Cooperation, Coordination, Initiative, Diplomacy, Engaged, Respectability, Relational, Genuine, Mentoring, Fearlessness, Learning, Fostering, Believing, Direction, Service, Performance-driven
---	--	--	--

It is important to come up with a framework of minimalist yet impactful leadership attributes that would define leadership in a manner that it is as universal as it is contextual.



In this slide, I have developed a long list of leadership attributes, so that we understand how leadership is defined by different authors, different practitioners. I have a fascinating collection of over one hundred pithy words which are listed below which define leadership from different stakeholder points of view.

However, if you want to define a leader in terms of all these adjectives, the leader has to be a really a superhuman person, but that is not so. We need to have a simpler definition of what constitutes leadership and what constitutes leadership competency. We should have a minimalist framework, but also very effective framework.

(Refer Slide Time: 08:42)

A Short List of Leadership Attributes

Leadership attributes are of two types. The first type comprises development attributes, and the second type comprises performance attributes. The first type makes a leader develop others while the second helps the organization perform.



The developmental leadership attributes may be considered qualitative dimensions of leadership while the performance leadership attributes may be considered the quantitative dimensions. In combination, the two types of leadership factors make one a complete leader, capable of developing leaders while driving performance.



I have characterized leadership attributes in terms of two basic streams; one set of attributes is the development attribute set, the other set of attributes is the performance attribute sets.

When I say development attributes these are the ones which develop the leader himself or herself and also helps the leader develop others. When we talk about performance attributes these are the ones which are directly linked to the leader's performance and also his or her team member's performance.

The 10 development attributes which are picked from the over 100 attributes I have stated in the previous slide are trust, empathy, passion, courage, integrity, mentorship, empowerment, reflection, aspiration, commitment. As you can see these are qualitative markers of a leader's personality.

It is very difficult to define by a quantitative number the trust level. Nor is it possible to say that this leader is 100 percent more empathetic than the other person, we can also not define passion in terms of any particular quantitative number. Courage, again is something which is beyond definition. So, each of these factors which are listed as development attributes defy quantitative definition.

Performance attributes are the ones which are in the nature of knowledge, vision, strategy, execution, conceptual, analytical, decisiveness, communication, collaboration and negotiation. You can see the results coming out of all of these performance oriented attributes. When a leader has got significant level of knowledge you can see the leader

performing in new circumstances pretty adequately compared to somebody who does not have that.

Vision of a leader will be seen in terms of the ability to define a future state for the company. Strategy can be seen experienced and executed. So, these performance attributes that are listed here are those which are capable of quantification and which also drives quantitative performance of the organization.

It is important for a leader to have both these types of attributes in equal measure or in balanced measure within ones' personality. Development attributes together with performance attributes make a complete leader.

(Refer Slide Time: 11:18)

The Leadership Attribute Puzzle

A leader who possesses the twenty leadership qualities and skills ought not to fail, ever. Yet, the best of leadership also encounters failures, with some of the failures putting the businesses in serious jeopardy. Ironically, some leaders, despite having such qualities and skills, stop seeking challenges after tasting initial success.



The possession of leadership attributes, developmental and performance, would not by itself lead to leadership successes. Leaders need to apply them with stretch aspirations to be able to achieve the desired outcomes. They should also avoid getting into organizational blind-spots that prevent leveraging of the attributes.



However, there are certain limitations which leaders face when they try to utilize their own competencies, their own attributes. There are two types of limitations that arise in the normal leadership journey, one is the operational comfort zone, second is the organizational weak spots. Both these limitations are self made by leaders unfortunately.

The operational comfort zone is that it is easier to stick to known business on one hand and the fear or the risk that new businesses erode the wealth built so far. So, as a result of this type of limitation although leaders possess knowledge they possess the necessary skill and also have the ability to upgrade their knowledge and skill levels and also of their team members, they tend to stay in their zones of comfort and not go beyond that.

That is why we see entrepreneurs who started an organization with very little financial resource. After being successful as entrepreneurs stay on in those entrepreneurial zones rather than create new entrepreneurial ventures or leave the entire enterprise spirit flowing in the organization.

The other limitation is the organizational weak spots, that is related to the knowledge of the team that one has and the comfort sticking with the team fetches to the leader. Secondly, knowing how a particular organization structure with its concomitant processes works, leaders find it easier to stick with that organizational structure then modify.

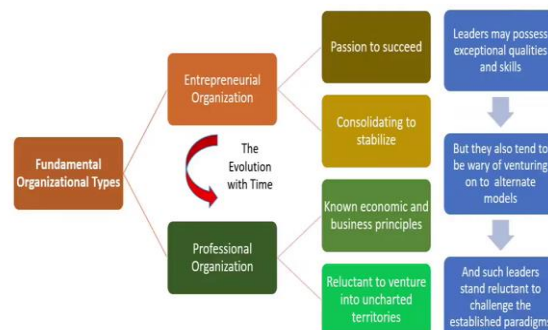
The meaning of this is that if you want to stay comfortably in your own business and you feel that investments for a futuristic business entail new capital expenditure and therefore, erode the wealth that you have created as a leader.

If you believe that we have to get things done only through a team that is known to us, and we should not have new members in the team or if you feel that there is only one way of organizational structuring that is possible to accomplish leadership task. Then, you pose limitations on your own role in spite of the competencies and capabilities that you as a leader may have. That is the attribute puzzle that a leader needs to be aware of and try to resolve.

(Refer Slide Time: 13:39)

The Nature of Leadership

There are basically two types of leadership – entrepreneurial leadership and professional leadership. Although structured and medium/large companies dominate through professional leadership, entrepreneurial leadership takes precedence because every large organization would have been an entrepreneurial one at the start.



Leadership processes and models should inspire leaders, managers, and individuals to seek new opportunities from harsh challenges on a continuous basis. This course, in its treatment of the subject, encourages leaders, aspirants, and followers to leverage their qualities and skills to do exactly this.



What is the nature of leadership? We have basically two types of organizations one is the entrepreneurial organization that is set up from the base as a first generation enterprise or even if it is a second generation entrepreneurial enterprise in a completely different domain.

Then, we have professional organization that is organization that has been established again entrepreneurially at some point of time in the distant past, but now has become an established organization and needs to be built on certain professional or structured lines. So, these are the two basic types of organizations, leaders have and leaders face. Entrepreneurial organization is characterized by two particularly distinct factors one passion to succeed and once the success is achieved consolidating to stabilize.

Professional organization on the other hand is characterized by two different sets of factors; one the organization follows known economic and business principles. You must have a defined market space or product space on a market and product space that can be defined through certain forecasting estimation and expert methods of viewing the market and product spaces.

Secondly, you should not venture out into uncharted territories unless there is strong conceptual and analytical logic for such movement into uncharted territories. These are the two characteristics.

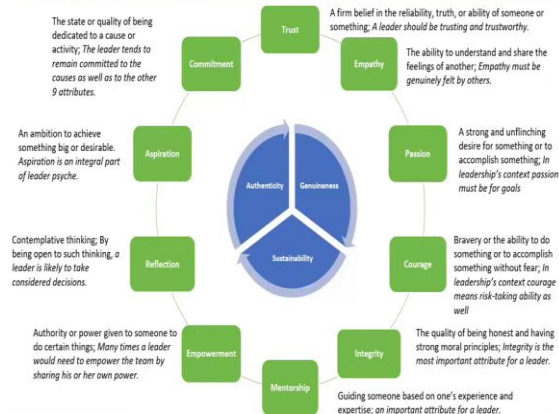
Leaders may possess exceptional qualities and skills, but they also tend to be vary of venturing on to alternate models, and such leaders find it difficult to change the paradigms that have already taken route in organizations or in businesses.

The several leadership models which we discussed through this course should encourage the leaders and the potential leaders to bring in the best of both these types of organizational thinking entrepreneurial thinking as well as professional thinking, so that the sets of competencies which we as leaders have could be fully utilized and organizations built to the highest level possible. That is the goal of this course.

(Refer Slide Time: 16:01)

The Developmental Leadership Attributes

The ten developmental attributes are of great importance for a leader. These represent the intrinsic characteristics of an individual that are shaped by his or her family, educational and socio-cultural journey.



The developmental leadership attributes set high expectations and inspire high performance in an organization, but require authenticity, genuineness, and sustainability on the leader's part.



Let us look at each of these development leadership attributes in greater detail. We need to understand what these 10 developmental attributes mean. So, when we talk about trust it reflects a firm belief in the reliability, truth or ability of someone or something. A leader should be trusting and trustworthy.

Empathy, it is the ability to understand and share the feelings of another. When referring to empathy in the previous lectures, I said empathy is the characteristic of putting oneself in others shoes and then responding appropriately.

Empathy must be genuinely felt by others; it is not enough for you to declare the time and empathetic person or an empathetic leader. Empathy must be genuinely felt by others.

Passion, is a strong and unflinching relentless desire for something or to accomplish something. In leaderships context passion must be for goals.

Courage, it is the bravery or the ability to do something or to accomplish something without fear or favor. In leaderships context, courage means risk taking ability as well.

What is integrity? It is the quality of being honest and having strong moral principles. Integrity is the most important attribute for a leader.

If you are king of retail and you are having products on the shelf which have only few days of expiry, you should have integrity to say that I would offer them for quick disposal with clarity to the buyers that these have only few days of shelf life.

I am providing them to you with discount, please be sure that you consume them within the technically specified shelf life, that is integrity. Instead of that trying to hide long expiry products behind these low expiry products and try to sell them at the same price without any warning to the customers is not the best of integrity in the retailing operation. So, integrity covers every aspect of our leadership operation our leadership planning.

Mentorship, guiding someone based on one's experience and expertise. This is an important attribute for leader. Developing other managers and leaders, sharing the knowledge and experience, sharing the good traits, serving as a role model. These are all characteristics of a leader's mentorship capability.

Empowerment, it is the authority or power given to someone to do certain things. Many times a leader would need to empower the team by sharing his or her own power. Power cannot be concentrated; in fact, power becomes increased when the power is shared with the team members.

Reflection, it is contemplative thinking; not necessarily meditative thinking it is contemplative thinking. By being open to such thinking a leader is likely to take considered decisions and also make appropriate course corrections based on the outcomes that he is able to reflect upon. Aspiration, that is the ambition to achieve something big or desirable. Aspiration is an integral part of a leader psyche without aspiration one cannot be a great leader.

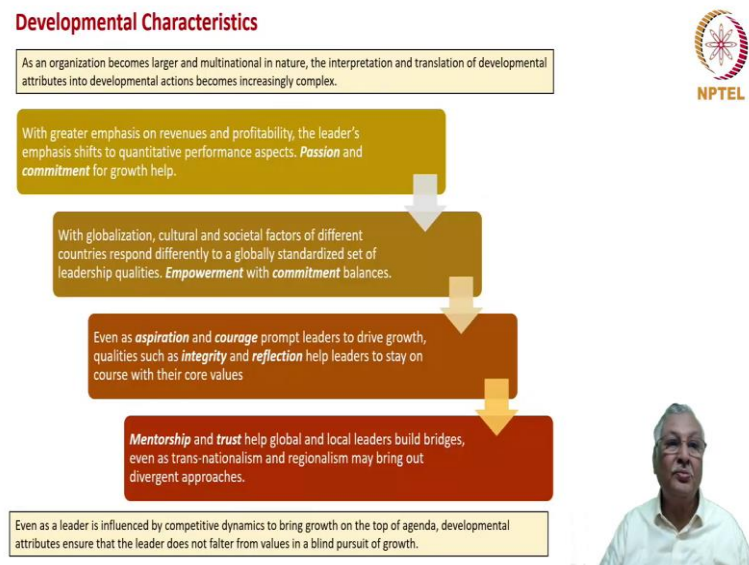
Commitment, the state or quality of being dedicated to a cause or activity. Commitment is different from passion. Passion is the ambition to achieve something in spite of having lots of issues, lots of hurdles, lots of barriers.

On the other hand, commitment is to a cause, it is to an activity, your belief that if you do this it is for the good of the organization and for the good of the society. The leader tends to remain committed to the causes as well as to the other 9 attributes which we have described here as the 10 developmental leadership attributes.

For leaders to be seen as possessing these 10 developmental leadership attributes you have to have a personality that is authentic, which is genuine and also sustain these traits in actual execution in actual communication that is extremely important. Because these

10 leadership attributes set very high standards of leadership for a leader, and one has to live by those standards through authentic and genuine leadership.

(Refer Slide Time: 20:30)



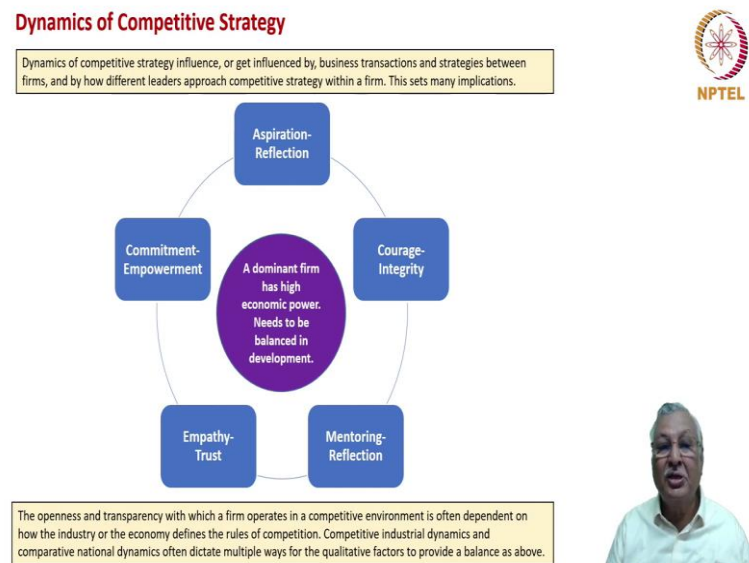
Let us look at these developmental characteristics in greater detail from a balanced perspective. These are not individually deployed. These are always deployed in bilateral or multilateral combination. Let us take some examples.

We have great emphasis on revenues and profitability and the leader has to perform focus on quantity performance aspects. In this aspect, passion and commitment for growth help. With globalization, cultural and social factors of different countries respond differently to a globally standardized set of leadership qualities. If you are a global leader, you need to provide empowerment along with commitment, so that global leadership with regional adaptation is balanced.

Aspiration and courage prompt leaders to drive growth; however, integrity and reflection set the ethical moral compass right. So, that the leaders stay on course along with their core values Mentorship and trust are extremely useful for all kinds of leaders to build bridges with their team members, to build bridges across different nationalities and different regions, and bring divergent approaches to a point of convergence as the leader tries to drive growth.

As we are impacted by competitive dynamics, it is important to keep the developmental aspects of our leadership at the fore front and accordingly mold ourselves to achieve the results, that is an important aspect. So, blind pursuit of growth alone does not yield sustainable leadership. Pursuit of growth along with balancing developmental characteristics is important.

(Refer Slide Time: 22:17)



Let us look at competitive strategy, because these also have an influence on the way the leadership traits are blossoming in a leader. A dominant firm has high economic power. But that high economic power must be judiciously used. The power needs to be balanced in development.

By having an aspirational and reflective method of leadership, the leader will understand how the economic power, he possesses could be used for the benefit of this society. Similarly, having courage to use the economic power to diversify will also need to be accompanied by integrity to make sure that there is no economic bulldozing of the futuristic strategy aspirations.

Mentoring and reflection must go together, so that the economic power is judiciously utilized. Although you are economically large, probably a monopoly, you must be seen as a company which has empathy and trust as its core values. The largeness of the organization and the power that it provides should not make a leader right roughshod

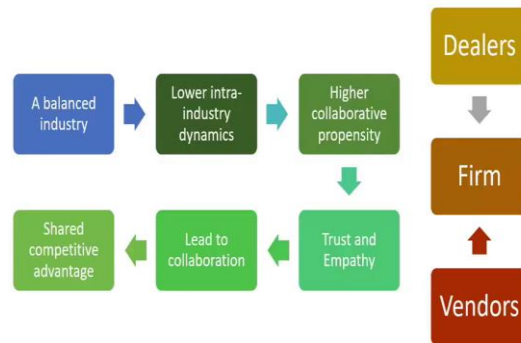
over the team member's aspirations and capabilities. So, commitment and empowerment must be encouraged in the organizational psyche.

So, competitive industrial dynamics and comparative national dynamics often dictate multiple ways for the qualitative factors which I have discussed in the past and in this slide to effectively enhance the leadership capability and provide some measure of balance.

(Refer Slide Time: 23:59)

Harmonizing Development and Growth

The more homogenous or balanced an industry is, the lesser the competitive dynamics within the industry but greater the comparative dynamics across nations.



Even amongst competitors, base-level competitive excellence that exists as a national comparative advantage helps industry level collaboration through associations where competing leaders learn to trust and collaborate.



We have to harmonize development and growth as leaders, the more homogeneous or balanced an industry is the lesser the competitive dynamics. Vis-a-vis an industry which is marked by high level of competitive dynamics which could become more heterogeneous and more imbalanced.

What happens when an industry is balanced? There is lower intra industry dynamics. They tend to be higher collaborative propensity. There would be more trust and empathy, you lead to collaboration because of the lower level of competitive stress in the industry and there would be a shared competitive advantage, that is you look at a firm which is trying to produce products and sell through dealership.

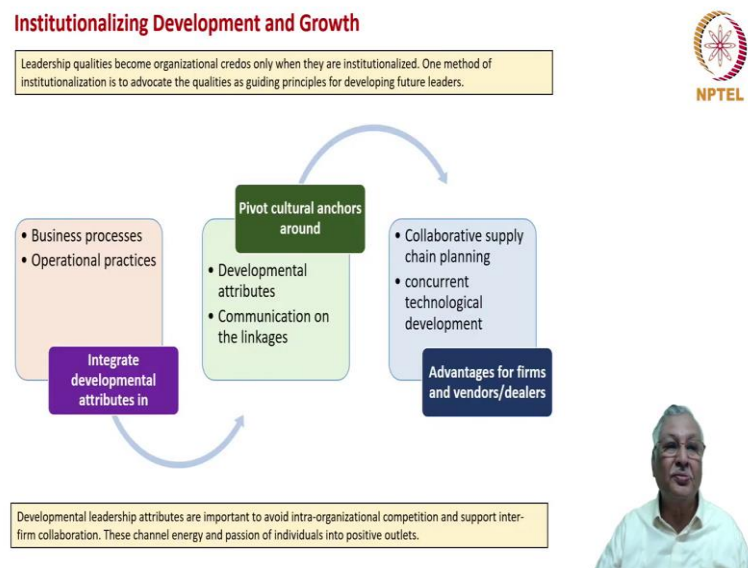
When the industry dynamics are of high collaboration and low competition nature, you try to utilize the available dealer infrastructure in a collaborative manner. However, if you are extremely competitive and fragmented in your industry structure, you would like

to understand how to incentivize the dealer, so that the dealer would sell your products than somebody else's products.

So, you are injecting an extra element of competition, an extra element of stress in the way the industrial value chain occurs. So, the leader's responsibility is not merely to compete, but also compete sensibly. And to be able to harmonize development and growth is one of the challenges of leadership.

No industry grows by killing the constituents with extreme competition or usurious pricing strategies or price warrior ship. An industry grows by feasibility, by desirability and viability of its products and services for the customers. So, leadership responsibility is to harmonize development and growth.

(Refer Slide Time: 26:00)



How do we institutionalize such development and growth in a harmonious fashion? First, you integrate developmental attributes in all your business process and operational practices.

You should be able to development oriented either of the people or of the business process the vendors, all the other stakeholders in the way the business is carried on. Second, pivot cultural anchors around those developmental attributes and communicate on the intra developmental attribute linkage as well as development and leadership linkage.

Finally, you try to demonstrate the advantages which accrue out of such pivoting by collaborative supply chain planning, by concurrent technological development and measures, such as those things which bring all these stakeholders together in a common objective on a common platform.

So, development leadership attributes are important also to avoid intra organizational pressures, intra organizational competition, they also support inter firm collaboration. That way this channel energy and passion of individuals into positive outlets.

(Refer Slide Time: 27:10)

Finding the Balance Within

The developmental leadership attributes are critical to developing organizational harmony. Leaders can develop their subordinates into leaders by making them performance-centric but performance can be supported, if not directly accomplished, by certain combinations of developmental factors.



In the final analysis, the leadership qualities need to be deployed as per situations. They cannot be over-deployed or under-deployed without regard to the competitive dynamics of a firm. Leadership needs to be balanced.



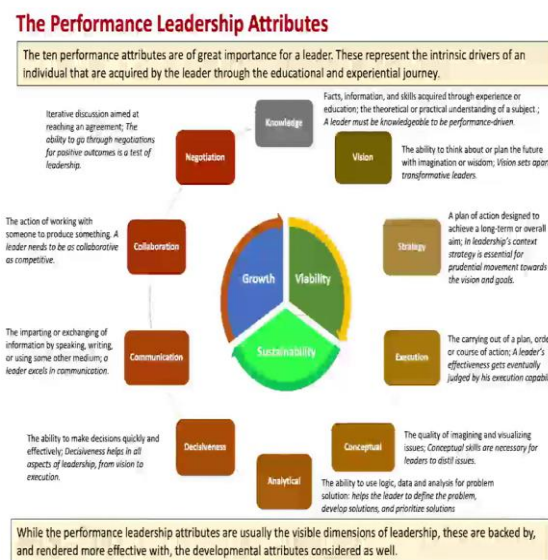
So, I have illustrated a few other ways in which different developmental leadership attributes could combine to provide a result which is of happy nature for an organization, which is of financially stimulating nature for an organization. If you combine trust and empathy there would be harmony, not only within the organization, but the way in which harmony runs the ecosystem for the firm.

If you have passion and commitment, certainly there will be lot of drive for growing business. If you have mentorship along with empowerment, you will be able to develop your team members exceedingly well. If a company has got aspiration along with reflection, there would be stability in which the leader would be able to lead the organization.

Aspiration along with courage will certainly support growth. Trust with integrity will enhance the reputation of an organization. Commitment with courage again leads to growth. Trust with empowerment which we have seen in two different groupings earlier, together lead to collaboration. If you have trust about your own capabilities, and if you believe that by talking to the competitors actually you are empowering yourself you will be able to collaborate with confidence.

Therefore, in the final analysis the leadership qualities have to be deployed based on the situations the leaders face, they cannot be over deployed nor can they be under deployed. We have to recognize the competitive dynamics and the collaborative potential of an industry and then deploy them suitably.

(Refer Slide Time: 28:51)



Now, let us look at the performance leadership attributes. These can be related to our day to day performance in a significant manner. Start with knowledge. It is a set of facts information and skills acquired through experience or education.

The theoretical or practical understanding of a subject. A leader must be knowledgeable to be performance driven, why are we going in such great depth into leadership, we looked at certain perspectives of leadership in the earlier lectures.

Now, we are delving deep into the foundational definitions, and foundational aspects of leadership, and in future lectures we will talk about several perspectives, processes,

structures, models, it is going to be a very comprehensive deep dive into several aspects of leadership in a comprehensive manner.

Why are we trying to do that? We are trying to do that because we would like to assemble the facts, information, and skills, the foundations as well as perspectives with reference to leadership in one course and impart that knowledge to all the participants and participants are also enthused to acquire such a knowledge, that is the driver for acquiring knowledge and that drives performance.

Second, vision the ability to think about or plan the future with imagination or wisdom. Vision sets apart transformative leaders from the leaders who are operationally oriented or maintenance oriented.

Strategy, it is a plan of action designed to achieve a long term or overall aim, in leadership's context passion must be for goals. That way in leadership's context strategy must be for achievement of goals. Execution, it is the carrying out of a plan order or course of action. A leader's effectiveness gets eventually judged by his execution capability.

Conceptual skill is the quality of imagining and visualizing issues. Let say, you are an entrepreneur and you want to set up a retirement home for senior citizens. First of all, you should try to conceptualize, given the level of habitat formation where should you really put the retirement home for getting the best possible service orientation for that retirement home. So, you should be able to conceptualize the habitat, and the leadership should think of the ways in which the senior citizens can be served.

You can also conceptualize, that it is not necessarily to draw the senior citizens into a distinct and distanced senior citizen hub, probably there are other ways in which senior citizens could be served in their own living houses, living homes. So, that conceptual clarity as to how to find a solution for the problem we have is the conceptual capability. These are necessary for leaders to distill issues.

Analytical capability, once you have a conceptual framework you should be able to analyze whether that framework would work or not work. And this analysis could be both qualitative and quantitative. It helps the leader to define the problem, develop solutions and also prioritize the solutions.

Decisiveness is the ability to take decisions quickly and effectively. It helps in all aspects of leadership from vision to execution. Communication is the ability to impart or exchange information by speaking, writing or using some other medium and including listening. A leader excels in communication as one of the leadership models later on will say listening is also an effective part of communication.

Collaboration, the act and action of working with someone to produce something. A leader needs to be as collaborative as competitive. And finally, negotiation, it is an iterative discussion aimed at reaching an agreement.

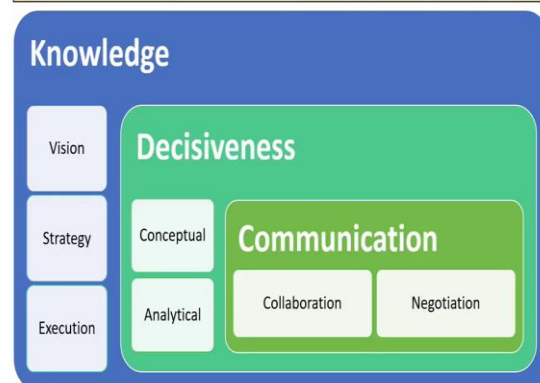
The ability to go through negotiations with patients and with the objective of having a mutual win-win and for positive outcomes for all is a test of leadership. These performance attributes are demonstrated by the way the leader contributes to the growth, viability and sustainability of the organization the leader is leading.

While the performance leadership attributes are the visible dimensions of a leader's performance or leader's contribution to the organization and the business, one must recognize that the developmental attributes we have discussed earlier are at the back of this performance attributes, they make the performance attributes become richer in execution, that is the linkage we should recognize.

(Refer Slide Time: 33:28)

Characteristics of Performance Attributes

The skill-sets required for leadership success could vary across industries and even within firms in an industry. Within the performance leadership attributes some are common across industries while some are industry-specific. All performance attributes are equal but some are more equal, supporting and enhancing the remaining ones.



Industry-specific knowledge optimizes vision, strategy and execution while conceptual and analytical attributes support decisiveness while collaboration and negotiation are supported and enhanced by communication.



So, these performance characteristics we have seen, we can group in this way. There are communication oriented performance attributes, which is collaboration and negotiation. Decisiveness oriented performance attributes which is ability to conceptualize and analyze. And knowledge driven performance attributes which are vision, strategy and execution.

What does this mean? Unless you are good at communication which itself is a basic performance attribute, you can neither negotiate nor collaborate well. If you do not have good conceptual skills, if you do not have good analytical skills, you cannot make correct decisions, nor can you be decisive about what you wish to do.

If you do not have knowledge, you will not be able to formulate a proper vision nor can you craft a good strategy; nor can you make your team execute on the strategy well. When you want to have a long term vision of the company let us say number one: in capital goods manufacturing, if that is the goal of your company.

Unless, you are knowledgeable about the industry, about the number of players their strengths and weaknesses, the nature of technological changes in the capital goods industries, the linkage of capital goods industry with various other industries like oil, gas, energy, renewables, construction you will not be able to develop a vision; because it is like building a castle on a pack of cards.

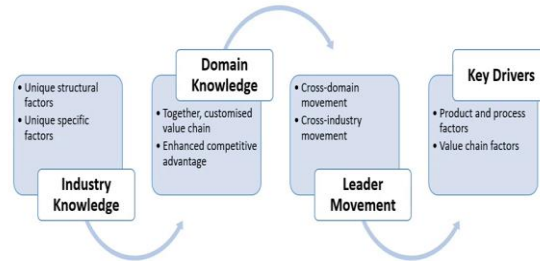
So, having clear concise and also relevant knowledge is extremely important for crafting a vision. And to convert the vision into strategy, you require even a higher level of knowledge. Because that is where the competitive dynamics and collaborative aspects have to be defined in terms of market share, in terms of pricing decisions and so on. And execution of course, is totally a budgeting and project management plan that requires precision in the way the plan is formulated.

So, the characteristics of performance attributes is that they are interlinked, they are also interconnected in terms of the common drive that characterizes these three buckets of performance factors. And communication, decisiveness, and knowledge are either the foundations or the outcomes of these other performance attributes.

(Refer Slide Time: 35:58)

Knowledge Fundamentals

The spectrum of knowledge required of a leader must pertain to the domain as well as the industry. As a leader becomes mobile across domains and industries, understanding and appreciating the value chains the foundations of knowledge only become stronger.



Successful leaders not only have a complete grip over their product and service value chains but also own the leadership value chain, which involves vision setting, strategy crafting, and execution.



So, how do we ingrain these knowledge fundamentals into our system? One we should understand the industry; we should understand the unique structural factors of the industry and the firm specific factors for the industry.

Then you should bring that to the domain we are operating in through understanding of the value chain and understand what ticks in what part of the value chain and what enhances the competitive advantage. Then, we should understand how leader can move across domain and across industry.

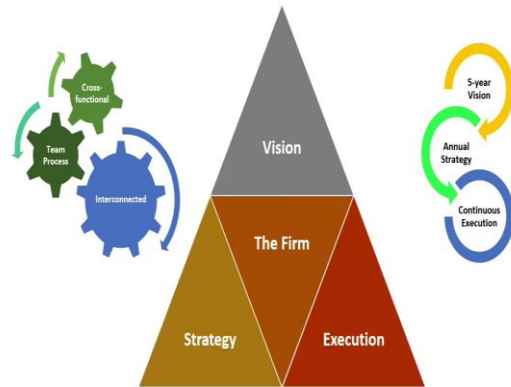
And finally, all of these things can be brought together in terms of the processes the industry wants; the processes that the firm can beneficially adopt and the products which the industry is characterized by and the products that could be superior amongst the industry offerings.

So, there are several key drivers such as the industry knowledge, domain knowledge and leadership movement that occur in an industrial value chain which could be used as knowledge fundamentals.

(Refer Slide Time: 37:06)

Vision-Strategy-Execution Trilogy

The trilogy of vision, strategy and execution is the bedrock of successful leadership. Success in the three aspects requires a leader to be conceptually distinctive and analytically adept.



In the current dynamic environment, however, vision may need to be reviewed every two years, strategic opportunities and challenges analysed even within a year, and execution elevated for leadership attention through benchmarks and metrics, with integrated performance management as a continuous mentoring activity.



Another important framework which a leader must focus on is the vision-strategy-execution trilogy. The firm requires a vision, it requires a strategy and it requires execution. A good vision with the bad strategy and poorer execution will not be able to go anywhere. A bad strategy can be done somewhat better by good execution.

Both good vision and good strategy could be faltering with poor execution, these three are interlinked. And to be able to achieve this in a proper manner, the firm request cross functional collaboration, it requires team process and everything needs to be interconnected. So, a 5-year vision could be translated into an annual strategy and can further go on to continuous execution.

Now, a strategic plan should be an episodic study or should it be as required. That is a question which troubles many leaders and we have had one solution earlier in one of the earlier lectures saying that; strategic planning, strategic management cannot be a recurrent annual or by annual activity, it should be episodic. As and when an episode arises which requires the evaluation of the strategic direction or the visionaries' imagination we should try to revisit vision and strategy.

So, we may have to have a situation where a vision is reviewed every 2 years', strategic opportunities and challenges are reviewed every 1 year. And execution is carried out on a monthly basis from the perspective of monitoring. So, this is the kind of change that is happening in today's competitive situation.

(Refer Slide Time: 38:54)

Decisiveness

Decisiveness is facilitated when the issues are conceptually distilled and analytically dissected for prioritized solutions. A leader cannot delegate conceptual and analytical tasks to staff resources. To be decisive, the leader needs to be conceptually and analytically hands-on.

Distilling complex issues into core factors, and finding solutions



Analytical ability to process huge amounts of data and information on a continuous basis and make data-driven choices



A highly individualistic mix of intuition, conceptualization and analytics in decision-making



For leaders as well as those who are led, decision-making is the most important vehicle and the most visible symbol of executive effectiveness.

Decisiveness



And to be able to be decisive as I said we should have very strong ability to distill the complex issues into one framework which we can analyze further through data. And then take a decision based on a mix of intuition, conceptualization, analytics after considering all the data. That is decisiveness. For leaders as well as those who are led, decision making is the most important vehicle and the most visible symbol of executive effectiveness.

(Refer Slide Time: 39:27)

Conceptual-Analytical-Decisive

Experiential intuition tends to be higher when the leader has deep industry and domain experience. Often, without time-consuming conceptualization and analytics, the leader may move into the decision making phase.

Conceptualization

- Occurs naturally to leaders who possess the skill to grasp the issues in the entirety
- Appreciate them for their implications and distil them to the core, relevant ones.

Analytics

- Worthwhile when reliable or predictable data sets relating to various causal factors are available.
- Analytics that are more easily verified with real-time observations and logic remain the preferred ones

Decision Making

- Significant enhancements in algorithmic and heuristic capabilities, mathematical modelling and simulation
- Digital tools such as artificial intelligence, machine learning and deep learning

The modern-day leader is required to integrate the intuitive conceptualization with the newer artificial intelligence technologies and analytical tools to be able to position the firm competitively for the future.



So, from being conceptual to being analytical to being decisive is a natural progression. Conceptualization occurs to people who are highly knowledgeable and have the skill to grasp a problem in its entirety. Such leaders are able to appreciate the problem and also its various facets for their implications. And therefore, they are able to drill down a solution in terms of a broad conceptual framework.

Taking the example: we need not keep on building more retirement homes, you can conceptualize a situation where in a centralized senior citizen home can provide services to senior citizens across different neighborhood communities. So, that is the ability to conceptualize a different model or a different paradigm, so that the services can be rendered more effectively and more affordably.

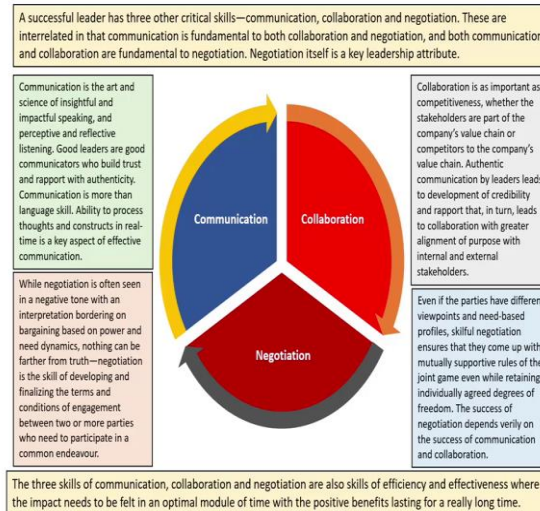
But to be able to understand whether this is the right way to go or not go, you have to understand the capital expenditure, operating expenditure, the stickiness which is involved in both these approaches, find out which could be more capital efficient and also profit accretive and then take an appropriate decision.

That requires lot of data analytics and also modeling. And finally, given the various choices both conceptually and analytically that we have been able to develop, make an appropriate decision.

And that decision making again may not be entirely based on return on investment or return on capital expenditure or return on time, it could be based on something else; it could be based on the reputation factors, it could be based on the logistics factors. There could be another key dominant factor of decision making beyond the financial aspects. So, a leader must understand those things as well.

(Refer Slide Time: 41:25)

Communication-Collaboration-Negotiation



We also discussed that communication, collaboration and negotiation are important aspects of a performance leadership set, of these three each leads to the other, unless you are able to communicate effectively you will not be able to either negotiate or collaborate. And communication is the art of passing on your message effectively in a positive manner. And also receiving from the listener what the response is likely to be and actually is.

So, communication involves not only the tonality of communication, but also the non-tonal way of communication and also the body language. It also involves not only articulation, but also listening. So, communication is therefore multi-cited.

It is the one which is far beyond language skill, far beyond grammatical correctness; it is an ability to connect with the other party or other members through a story which appeals to the person. When we say story, it is the kind of laying out of thoughts, actions, activities and outcomes.

When you are able to communicate in that manner; and also change your communication depending upon the response it is producing, you are likely to be an effective communicator. And if you are an effective communicator, you can collaborate or you can negotiate.

In collaboration you try to establish early on the benefits of working together. And therefore, you get a win-win collaborative arrangement pretty fast, because there is a

complementarity of interests and you try to achieve them in the earliest and the best possible methodology.

At times collaboration request lot of negotiation, because both the parties would like to maximize their way of doing things. If you are collaborating for a distribution alliance in the United States for example, and you are a producer of pharmaceutical goods; you would like to sell your goods at the highest level of pricing and also try to achieve highest level of market share.

On the other hand, the distribution partner would like to buy the goods at the lowest possible level and not guarantee the level of market share you are wanting to have. Eventually, after several rounds of negotiation you will find a way. You will find a way by which probably, you would get a transfer price at the cost of goods plus an assured margin.

You will also have a share of the profits that arise out of marketing of those products. By having such incentive arrangements, you are going to have a competitive cost to gain market share as one of your premises because you are assured of not only a basic markup, but also you are assured of certain share in the profits.

So, you are incentivized as a manufacturer to ensure that performance drives future growth potential for both the partners. Similarly, the marketing partner also will have trust in you that you understand the importance of market share building through competitive based cost methodology, and then have faith in trying for higher level of market share. That is how you communicate, collaborate and negotiate or communicate, negotiate and collaborate. That is the way the important performance triad works.

(Refer Slide Time: 44:53)

When Attributes Get Weakened

A typical successful leader has all the twenty developmental and performance dimensions discussed above, and probably even more. This, by itself, is enough to vest leaders and leadership with an extraordinary ability to achieve extraordinary objectives. Yet, enigmatically, leaders could be as weak and biased as ordinary individuals too.

Leaders, by nature, seek challenge and accomplishment on a continuous basis.

However, several leaders also end up parking their careers in relatively easy to operate, product- and market-specific enterprises.

Many leaders also stymie alternate leadership development by perpetuating themselves in well-established enterprises.

Leaders leverage on some of their exceptional skills—be it in execution, communication, or negotiation—to secure and retain dominance over their organizations.

Intellectually creative, economically responsive and socially responsible leaders, however, always seek new challenges that test their established qualities and skills as well as motivate them to acquire new ones.



What happens when attributes get weakened? A typical successful leader has all the twenty developmental and performance driven dimensions discussed above, and probably he would also have more. But that itself is not enough to vest in the leaders and leadership the extraordinary ability to achieve extraordinary objectives.

Leaders could be weak in spite of having great attributes, because there are certain special characteristic of leaders which lead to success in the early stages, but also could serve as weaknesses in the later stages. By nature, leaders or potential leaders seek challenge and accomplishment on a continuing basis.

But at the same time once success is achieved, some of such leaders tend to park their careers in relatively easy to operate and which have known defined comfortable product and market spaces. Many leaders also avoid encouraging other leaders to come into the system.

When you do not have other leaders coming into the system, it is not possible for diversify or grow the business. As a result, the business gets narrowed into a well established cocoon, which is not good from the point of view of either organizational growth, leadership growth or the leaders own long term career growth.

Leaders must leverage some of their exceptional skills; be it execution, communication or negotiation so that they should grow the business. Leaders should not use their exceptional skills to stymie other leaders; they should not use their skills to perpetuate themselves.

So, the earliest successes which are built on seeking of challenge and accomplishment should be continued by accepting more leaders into the leadership stream, by continuing to challenge oneself with greater aspirations. And also enabling others to also contribute to the widening of the performance capability of an organization.

So, intellectually creative, economically responsive and socially responsible leaders are going to fall in this category of virtuous leaders; who always seek challenge, who always seek accomplishment, who develop more leaders, who will deepen their competencies and also pass on their competencies to other team members.

(Refer Slide Time: 47:14)

Attributes Must be Leveraged to Strengthen

Leadership can pave the way for great opportunities for creating ideas for growth, and marshalling human and capital resources to convert ideas into realities and generate wealth.

Generation and distribution of wealth in an economically stable and socially equitable manner is a great leadership responsibility in any country

Leaders ought to follow different ways to achieve this objective, depending on the diversity of industrial and national cultures they operate in

Countries differ significantly in their social, industrial, and economic needs at different points of time

That is the greatest opportunity as well as responsibility of accomplishment that a leader has

In doing so, they would need to make difficult choices and tread arduous paths

Leaders must apply their leadership skills in the manner that enhances the national wealth in the most productive manner.

The twenty developmental and performance leadership attributes position a leader well for handling such a great responsibility.

NPTEL

And the attributes obviously must be leveraged to strengthen a firm. Whatever ideas we get, we need to translate them into effective action points and also then execute them. So, generation and distribution of wealth in an economically stable and socially equitable manner is a great social responsibility along with economic responsibility in any country. We can have different ways, we can achieve this objective depending upon the diversity of industrial and national cultures we have.

There could also be differences across countries how the social and industrial and economic needs vary at different points of time. In making these two things happen; that is generation of wealth, spread of prosperity and distribution of wealth, we need to have our own leadership skill set which is appropriate for the national and firm level situation we find ourselves in.

So, we have to use our leadership skills in a very productive manner. We have to make difficult choices and also tread arduous paths and that is the greatest ability of a leader. Ability to make difficult choices and drive organizational growth, the team growth in terms of leadership capability that is the challenge.

So, from wealth creation to socio economic equity through leadership skills, crossing the crossroads and leading to the zenith of leadership opportunity. That is the challenge which leaders have. And attributes must be leveraged to strengthen these attributes.

(Refer Slide Time: 48:49)

Differential Leadership Needs

Emerging markets with potential for rapid growth require leadership in all sectors of the economy and industry. Yet, some sectors of economic and social infrastructure need specialized leadership more than others; such sectors need differentiated kinds of leadership models customized to sectors.



The (few) successful firms in the infrastructure sector in India have indeed benefitted from top-class leadership. The leadership need for India today is for greater depth and reach in these sectors.



Every industry has got different leadership needs. If you look at leadership for infrastructure: infrastructure is such a wide gamut of domains. It comprises power utilities, capital goods companies, construction companies, building materials companies, transportation companies, healthcare companies.

The regulatory pathways are different, social expectations are different, the affordable pricing is different. Resource requirements usually are mega, but some will have super mega. Lead times are very long, commercial viabilities in doubt. A capital goods firm could be viable in 5 years, but power utility may require 10 to 15 years for being viable.

Healthcare could be viable, but public concerns on healthcare infrastructure could be such that health care has to be provided at an affordable price. Today everybody wants these vaccines to be provided free of cost.

So, the cost has to be borne by someone, even if the government is willing to subsidize, the healthcare infrastructure must be willing to adopt a low cost model to be able to provide the vaccines. So, there are certain challenges in making the infrastructural projects quickly viable and that is where the challenge of leadership comes.

The successful firms in the infrastructure sector in India have indeed benefited from top class leadership. When you see Delhi Metro Rail, when you see the highway authorities or when you see the huge corporate hospital chains that have been built a construction company as significant as Larsen & Toubro.

You will find that these companies, these infrastructural entities have benefited immensely from top class leadership skills. The leadership need for India today is for greater depth and reach in these sectors. Many of leaders move into sectors and segments which are easy to lead, relatively speaking in terms of the leadership skills. Such sectors are electronics, information, technology, pharmaceutical, manufacture, then education we also have fast moving consumer goods.

These are the sectors which are easy to either entrepreneurially function or function through an established organization mode. When you come to infrastructure these challenges are immense. We need leaders who are willing to take the infrastructure leadership challenge, so that India can really become the top 5 economy by 2025 as is our goal.

(Refer Slide Time: 51:32)

Free Markets, Open Democracies, and Government Leaders

In free markets or liberalized economies, leaders need appropriate incentives to move to the needy areas. Public policy seeks to direct as well as incentivize such movement. Governments themselves move in to set up industries.



First Five Year Plan (1951-55) onwards, industrial policy aimed at industrial development in backward areas

Established several leading public sector undertakings (PSUs) spanning several core (and some non-core) industrial sectors



Many administrative officers of the Indian Government assumed leadership positions in such ventures

Many ministers and bureaucrats who formulated public policies and many administrators and officers who moved to lead public enterprises were motivated by the opportunities and challenges of nation building.



We have had experiences that free markets, open democracies and proactive government leadership helps this process. From the First Five Year Plan that is 1951-55 duration onwards industrial policy aimed at industrial development in backward areas. There was a definite method in which India is sought to promote industrialization.

India also sought to establish several leading public sector undertakings, spanning several core and some noncore industrial sectors. And many of them have been leaders in their domains and today generate lot of wealth. If government needs more resources, the government is now dependent on these public sector undertakings as well to provide the necessary support.

So, that is the capability to strengthen an economy through public sector leadership. Many administrative officers who were strong administrators, capable administrators in the civil services, assumed positions of, authority positions of leadership in private sector enterprises, in public sector enterprises, and made a successful journey possible. Maruti Suzuki has had V Krishnamurthy as the Chairperson, then we have RC Bhargava who has been phenomenally successful in guiding the company through the tremulous period of significant competition from various other manufacturers.

So, it is possible to utilize the free market situation. We have the open democratic framework, we have and the abundance of public sector talent, the private sector talent to develop our own hybrid leadership model which will run not only our industrial structures, but also the infrastructural sectors. To run not only our technology structures, but also the marketing structures very efficiently and very effectively.

(Refer Slide Time: 53:32)

Leadership Attributes and Leadership Motivations

Security and incentives for entrepreneurs and professional managers exist in established industries or industries with viable market potential rather than in industries that face distant economic viability. Appropriate structures are needed to enable universal deployment of great leadership talent.



Massive development of infrastructure and deployment of cutting-edge technologies require equally significant incentives to attract top-class leadership talent.



So, to be able to do that, leadership tends to have certain goals. The long term incentive plans for leaders come out of revenue and profit maximization; come out of market capitalization and total shareholder returns.

I have pointed out that these have to be achieved through ESG methodology that is environmental empathy, social responsibility and corporate governance. That must be the defining aspects of the leadership long term plans. Leaders also have this aspiration to leave behind a legacy.

I said in the previous discussion that a leader's view of leadership is that the leader should be able to leave a legacy that lasts beyond his tenure and even his or her lifetime. So, a leadership legacy particularly for India would come from national self reliance what we call 'Atmanirbhar'.

It will also come from making Indian manufacturing, Indian research and development globally competitive. So, global industrial competitiveness, national self reliance these constitutes the essential aspects of building a leadership legacy.

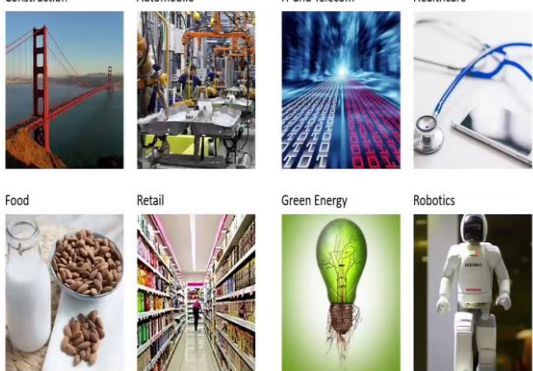
Along with this if we are able to develop our infrastructure in a massive manner and if we are able to develop cutting edge technologies in both infrastructure and industry. We need to have top class leadership motivation which understands the various leadership plus perspectives we discussed earlier, that is technology, the climate leadership, the resource leadership and so on. That is the requirement for leadership to last beyond the normal tenure and create a legacy which is helpful for the society and for the economy.

(Refer Slide Time: 55:16)

Build India Challenge



Governments and investors need to create appropriate regulatory policies and investment avenues for such developments; leaders also need to be creative and develop paradigms that harness the opportunities that lie in such challenging sectors.

Construction Automobile IT and Telecom Healthcare



Food Retail Green Energy Robotics

The twenty developmental and performance leadership attributes would be the foundations of leadership constructs that would power building India and contributing globally through all economic and industrial sectors.



The Build India Challenge is great: we have automobile, IT and telecom whichever established themselves as great drivers of India's industrial growth, but we need to make huge strides in construction, healthcare, food, retailing and green energy.

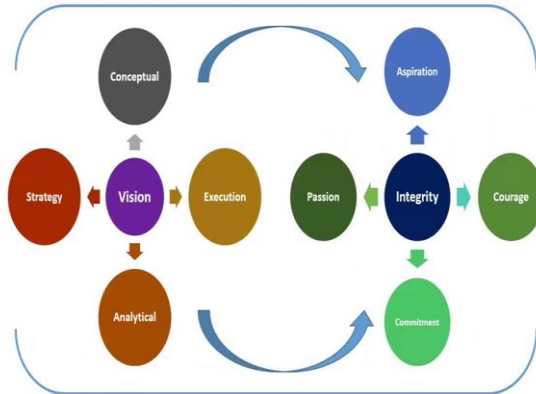
We need to adopt newer artificial intelligence driven robotics and deep machine learning to be able to digitize all our operations, irrespective of the industry, irrespective of the sectors and build India to a great extent.

The twenty developmental and performance leadership attributes we have discussed in this lecture, would be the foundations of leadership capability, would be the foundations of leadership constructs that would power building of India building of Indian industry and contributing globally through our in economic and industrial capabilities.

(Refer Slide Time: 56:12)

Performance Developmental Attributes

Certain performance leadership attributes and developmental leadership attributes are mutually synergistic within themselves and across the classifications. The mutuality and synergy of the leadership attributes is illustrated below.



Visionary capabilities are supplemented by strategic and execution capabilities and are enabled by conceptual and analytical capabilities. Integrity supports passion and courage, with commitment to aspiration. The five performance leadership capabilities are highlighted by the five developmental leadership attributes.

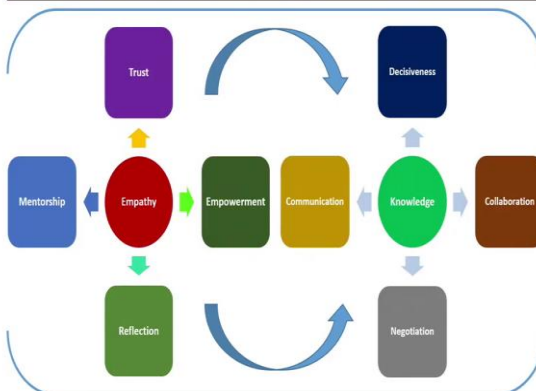


To be able to do that we have to understand the synergy of our different performance and developmental attributes. Certain attributes are predominantly performance oriented, but are backed by developmental capabilities. Vision requires conceptual capability, requires strategy, analysis and execution. Integrity is driven and drives passion, aspiration, courage and commitment. These five sets need to merge together to be able to have some impact in terms of differentiated leadership performance.

(Refer Slide Time: 56:50)

Developmental Performance Attributes

Certain developmental leadership attributes and performance leadership attributes are mutually synergistic within themselves and across the classifications. The mutuality and synergy of the leadership attributes is illustrated below.



Developmental capabilities are driven by empathy which in turn influences trust, reflection, mentorship and empowerment. Similarly, knowledge helps a leader excel in communication, collaboration and negotiation while being decisive. These sets also influence each other, individually and collectively.



Similarly, development oriented performance attributes. Empathy causes trust, mentorship, empowerment and reflection in a leader. Knowledge drives communication,

collaboration, negotiation and decisiveness in a leader. If these are combined, the impact in terms of the mutuality and synergy of leadership attributes would be significant.

I would encourage you to think of different combinations of these factors to understand. How in different contextual positions, combinations of developmental and performance attributes will provide you, a developmental edge or a performance edge or a combination of both these edges in your leadership activities.

With this I close this foundational lecture on competency leadership, then we will move on to the other lectures during this week.

Thank you.