Leadership Competency Descriptions

1. Business Acumen:

Put simply Business acumen is understanding how business works, you have to know what is going on. This can be complex depending on the business and usually requires experiences in many different disciplines. Within a company there are two dimensions to business acumen. First ability to comprehend the roles, purposes, processes of different departments such as production, finance, human resources, sales, marketing, etc. In addition a leader must understand the interrelationships of each of these groups which can vary in different industries or company structures.

Also a person who possesses business acumen sees the big picture and understands how their industry and what trends drive growth or contraction. Knowing an industry includes knowing the competition. Being able to understand how they are going to market, using technology, and anticipating their strategies and tactics allows companies to gain an advantage in the market place.

In small businesses executives may have multiple roles, the basic principles still apply. Understanding how to grow a business profitably and understanding the dynamics and workings of an industry are critical to success.

Not understanding business limits your contributions to the organization. Others will think less of your abilities if you don't understand the agenda, issues and concerns of the people you serve inside your organization, and you make comments and have suggestions that don't match their priorities.

2. Dealing with Ambiguity

Business leaders often deal with incomplete or conflicting information. The higher you go in an organization the more ambiguous things become. It seems that decision makers hope to find a single version of the truth. As a result a person must be comfortable making decisions and acting without having the total picture. This means being able to handle an amount of risk and uncertainty.

Effectively coping with change is often a way to demonstrate the ability to deal with ambiguity. These people do not get upset when outcomes or results are up in the air. As the situation begins to reveal itself there is no issue with shifting gears and moving to a plan “B”. Sometimes it is best to move on to another approach or idea before the specific task being evaluated is complete.

There is a fine line that needs to be drawn. Being in ambiguous situations is not an excuse to avoid researching data or moving too quickly to conclusions without the basis to properly support the decision. Another mistake would be to fill in gaps by adding information or data that aren’t there just for the sake of moving forward.

3. Decisiveness

Life and work are just a series of big and small decisions followed by action in line with the decisions. A decisive leader makes good quality decisions (without considering how much time it takes) based upon a mixture of analysis, wisdom, experience, and judgment. Making good decisions involves being patient enough to collect the available information, being humble enough to ask for other people's opinions and thoughts and then coldly making the decision. A time tested process is to follow the scientific method.

Steps of the Scientific method:

a. Define the problem properly. Make sure the root cause is identified and you are not only considering symptoms

b. Create a hypothesis of what could be done

c. Gather and analyze data

d. Create many different possible solution options and evaluates by weighing the impact and success probability of each

e. Execute

Decision makers must do their best to be objective and leave emotions out of the decision making process. Of course avoiding over analysis, sometimes referred to as “analysis paralysis”, is just as important as following the process.

Good decision makers typically have the ability (and courage) to make decisions quickly and change their minds slowly. Partially because of the confidence they have due to the process used. You will also see these types of people are sought out by others for advice. Finally, these leaders are not afraid to make mistakes. Because they are monitoring results (discussed later) they can respond quickly. Mistakes are as an effective way to learn as successes – unfortunately sometimes even more so. No one is ever right all the time; it's the percent correct over time that matters.

4. Developing reports

Most people want to grow and develop. Most people have aspirations to do well and be rewarded with more pay and higher positions. The person needs to be ambitious and willing to do what's required to grow and progress. Just as important, the manager has to be an active player in their reports professional growth.

To start, the leader must get to know the subordinates goals and aspirations in order to help build a development plan. Progress towards the development plan should be reviewed frequently and allow for coaching and support. To fulfill that role a leader must invest time and energy providing challenging and stretching tasks and assignments for the subordinate. The employees may even be pushed outside of their comfort zone to accept a developmental role in another area of the business.

A manager should not be afraid to take on those who need help and development, looking for that ‘diamond in the rough’. As employees mature a good leader will not be afraid to promote their best performers. Seeing high performers promoted to better positions will attract an organization’s best talent who are looking for the same opportunities and mentoring.

5. Drive for results

Producing results means consistently hitting or exceeding the goals and objectives set by you and others. Leaders will steadfastly push themselves, their team, and others to achieve stretch goals. Consistency in exceeding goals means keeping your eye on the ball, not letting distractions get in the way and not offering any excuses when times become challenging.

Business leaders with this quality will be bottom line oriented. Credit for achieving success will be shared among the team and celebrated as a team. The results are accomplished in the right way so there is not high turnover under him/her due to the pressure for results.

6. Integrity and trust

Integrity and trust are on almost every success criteria researched. It is a basic threshold requirement

to be a part of the team. Without it, almost nothing else matters. A leader wants to be seen as a direct and truthful individual. They are widely trusted throughout organizations and are recognized as someone who does not misrepresent themselves for personal gain. Wide spread trust is gained by keeping confidences of co-workers and being able to represent the unvarnished truth in an appropriate manner. This is done without being too direct which could make people uncomfortable. A high level of self-confidence gives the leader the courage to admit mistakes and be held accountable for errors or performance misses. At the same time he/she will not succumb to pressure to overcommit to an unrealistic request.

7. Interpersonal Savvy

The key to getting along with all kinds of people is to hold back or neutralize your personal reactions and focus on others first, in other words use empathy. This allows a leader to relate well to all kinds of people and easily build the appropriate rapport with others. Then interpersonal savvy becomes having a range of interpersonal skills and approaches and knowing when to use what with whom. For example; he/she can diffuse high tension situations by knowing when to use diplomacy and tact, or even humor.

The outcome is ease of transaction where you get what you need without damaging other parties unnecessarily and leave them wanting to work with you again. This process allows for the easy building of long term constructive and effective relationships.

Good leaders need to be careful not to over use this skill. If too much time is spent only building and polishing relationships, some may view the leader as superficial or not substantive. If trying to please everyone all the time, the person may have trouble taking charge when it is necessary.

8. Keeping current with technological trends

Today’s business leaders embrace that the world increasingly relies on technology to improve efficiency and capability. All departments of business seem to depend on high end hardware and software platforms to run their business. Examples include sales teams using Customer Relationship Management (CRM), supply chain groups using Enterprise Resource Planning (ERP), and marketing departments using business intelligence tools to mine ‘Big Data’. In addition to all this business must contend with the proliferation of mobile computing and employees who want to bring their own devices to log on to corporate networks.

Leaders have the knowledge and experience to understand work flows and challenges of the departments they supervise and evaluate different technologies and choose the best option.

9. Learn on the fly

Most of us are good at applying what we have seen and done in the past. We are all pretty good at solving problems we've seen before. A rarer skill is doing things for the first time and solving problems we've never seen before.

A good leader learns quickly when facing new problems and tries solutions never tried before. He/she will analyze problems in new contexts and in new ways and reflect on both success and failures for clues. Sometimes experimentation will be used to find possible solutions.

With the increasing pace of change, being quick to learn and quickly grasp the essence and underlying structure of issues is becoming a crucial skill. It involves being open to change, taking risks, being less than perfect, discarding the past, going against the grain, and cutting new paths. He/she must be careful not to promote change for the sake of change, which even under the most controlled and needed circumstances can cause disruption to teams.

These leaders are relentless learners. Naturally curious people who will not just assume the obvious choice is the correct one.

10. Managerial courage

Saying what needs to be said at the right time, to the right person, in the right manner, is managerial courage. Everybody sees things, observes things, knows things or learns things that others need to hear. Many times feedback not positive, not necessarily heavy handed either. A good leader does not hold back anything that needs to be said. If something went wrong, is being covered up or over, is not being done right the leader speaks up. If someone isn't performing well , is holding something back, or is going off on the wrong track these leaders provide current, direct, complete, actionable feedback to others. Subordinates, peers, and other coworkers know exactly where they stand without being overly critical.

Managerial courage means facing up to people problems on any person or situation quickly and directly and not being afraid to take negative action when necessary.

11. Managing and measuring work

Most people like to have goals. They like to measure themselves against a standard. In a competitive culture people like to see who can run the fastest, score the most, and work the best. Good leaders use the SMART model to set goals; they make goals Specific, Measurable, Attainable (but not easy), Realistic and Time bound. Employees want to participate in a fair goal-setting process. Best practice suggests it is more motivating to them when they determine their own stretch goals.

Within their department(s) leaders are able to properly delegate appropriate tasks and decisions. They are clear about who holds responsibility for different types of tasks and decisions. This also means the leader should not be micromanaging their employees by being over controlling or looking over their shoulders constantly

When creating and metrics for their business, leaders will identify critical success factors CSF) and key performance indicators (KPI). No metric is created that is not measurable with a feedback loop. Process and progress are measured carefully against goals and typically reported on through periodic operating reviews.

12. Motivating others

Organizations achieve higher performance when employees are motivated. It is important to establish a productive environment while acknowledging unique individual needs. Good leaders realized all people are different. Each person is different in the way he/she becomes and sustains being motivated based on their personal needs and wants. Managers realize it is important to be able to motivate many kinds of direct reports which sometimes take a little bit different approach.

A productive environment means creating a climate in which people want to do their best. My experience has taught me there are a number of elements almost all employees appreciate. First and most important is that individual feel their work is important. They are able to link what they are doing to the company or department goals and easily understand how they are contributing to the organization’s overall success. Employees also want to feel empowered. Empowering teams is pushing tasks and decisions down to the lowest reasonable level. Of course this means that responsibility and accountability also rests at this same level. Empowering in this way helps the organization in other ways. Because decisions can be made closer to the customer, the speed in which a company can react to changes in the market environment or to customer needs is increased.

Allowing teams to provide input to decisions on policy or process change instills a sense of ownership and pride. Team members have the opportunity to become more visible within an organization increasing their chances for promotion or other merit. Lastly, people want to be treated fairly. Being treated fairly is more than just treating everyone equally, which in itself is important. Fair treatment is also being transparent when decisions are being made that effect individuals. Letting people see the process and criteria that went into the decision and at times allowing input goes a long way towards accepting the outcome even if an individual may not be agree at the time.

The counter intuitive element of keeping teams motivated is sometimes have to make tough stands or decisions when the situation calls for it. There are times when a single individual’s performance may be affecting an entire team. For the sake of the team as a whole those individuals must be coached or reprimanded in a timely and appropriate manner.

13. Organizational Agility

Leaders must have knowledge of how their organization works. Organizations can be complex mazes with many turns, dead ends, quick routes and choices. In most organizations, the best path to get somewhere is almost never a straight line. There is a formal organization, the one on the organization chart, where the path may look straight, and then there is the informal organization where all paths are zigzagged. Good leaders who understand this are able to get things down beyond their own area or department.

Since organizations are staffed with people, they become all the more complex. There are gatekeepers, expediters, stoppers, resisters, guides, Good Samaritans and influencers. The key to being successful in maneuvering through complex organizations is knowing how to get things done through formal channels and informal networks without causing disruption. The best way to do that is to accept the complexity of organizations rather than fighting it. A good navigator understands reasoning behind key policies and processes which assists in preventing false starts or upsetting other groups.

Another aspect that I have come to appreciate working for a global company is understanding cultural difference in people. For example Americans like to make quick decisions based on the data at hand and move on, quickly. Some European cultures, i.e. French, want to debate and make sure all aspects of an issue are understood. In French business culture decisions are always up for re-discussion or negotiation even after previous agreement. Asian cultures, i.e. Chinese, can sometimes be difficult to solicit feedback from even if they have a great idea or a better way of approaching the problem.

Problems can arise for people when they are seen to be too Machiavellian. It will make accomplishing objectives even more difficult if others have lost trust in an individual because they perceive he/she is maneuvering for some type of advantage or is too political.

14. Size up people

All people are different. There is a rich variety and diversity of people. Physical and some personal characteristics such as intelligence and articulation are easy to see. Other characteristics such as ones we have been talking about previously, i.e. decisiveness, motivation, fairness, are not as obvious. It is especially difficult given the traditional one hour interview setting. One of the most important jobs a manager has is making sure they are hiring the right people; this seeming simple task is a significant determinant in a manager’s ability to succeed. Therefore one key to getting anything of value done in the world of work is the ability to see differences in people and to manage against and use those differences for everyone's benefit.

As a result a manager must be a good judge of talent. This applies to appraising workers properly using direct observations and facts as the basis for performance reviews and coaching. During coaching sessions or organization capabilities assessments a leader should be able to articulate strengths and limitations of people inside and outside their own organization. Understanding employees past behaviors in different situations, how and why them make certain choices, enables the manager to predict and extrapolate what people will do in a variety situations.

Lastly a leader should be willing to change or alter their initial judgment of people. They acknowledge an initial judgment either could have been mistaken for a variety of reason or an individual could improve with coaching and self-improvement.

15. Strategy and planning

Using a military example, there are a lot more people who can take a hill than there are people who can accurately determine which hill is the right one to take. There are more people good at producing results and accomplishing defined tasks than there are visionary strategists. Both are important to an organizations success but there are far fewer strategists. It is more likely that an organization will be outmaneuvered strategically than that it will be out-produced tactically. Most organizations are fairly successful in what they are doing today. It's what they need to be doing tomorrow that can make a company irrelevant. Think of what Amazon did to the retail book industry, what Dell did to the PC market, or even how Apple in turn changed the personal computing market. Part of every manager's job is to be strategic. The higher you go, the more critical the requirement.

A good leader must be able to accurately predict trends and bubbles in the markets along with consequences. He/she must be future oriented and be able to credibly articulate a vision of future possibilities or dangers that others can understand. To some extent this requires a broad knowledge and perspective of the industry.

A leader will be thought of as too theoretical if they cannot also come up with executable plans to accompany any strategy. These plans should not be overly complicated as that increases the risks of succeeding. As mentioned earlier, strategy is a part of a manager’s role. They still need to be grounded in day to day details of the business.