

Richard L. Daft

The Leadership Experience



Eighth Edition

Eighth Edition

The Leadership Experience



Richard L. Daft

Owen Graduate School of Management
Vanderbilt University

With the assistance of Patricia G. Lane



Australia • Brazil • Canada • Mexico • Singapore • United Kingdom • United States

This is an electronic version of the print textbook. Due to electronic rights restrictions, some third party content may be suppressed. Editorial review has deemed that any suppressed content does not materially affect the overall learning experience. The publisher reserves the right to remove content from this title at any time if subsequent rights restrictions require it. For valuable information on pricing, previous editions, changes to current editions, and alternate formats, please visit www.cengage.com/highered to search by ISBN#, author, title, or keyword for materials in your areas of interest.

Important Notice: Media content referenced within the product description or the product text may not be available in the eBook version.

The Leadership Experience,

Eighth Edition

Richard L. Daft

With the assistance of Patricia G. Lane

SVP, Higher Education & Skills Product:
Erin Joyner

Sr. Director, Content Creation: Rebecca
von Gillern

Product Director: Joe Sabatino

Product Manager: Michael Worls

Product Assistant: Adam Graber

Content Manager: Charu Verma,
MPS Limited

Digital Deliver Quality Partner: Beth Ross

Director, Marketing: Danae April

IP Analyst: Diane Garrity

IPPM: Ilakkiya Jayagopi

Production Service: MPS Limited

Designer: Sara Greenwood

Cover Image Source: Image by Michael
Rickard/Moment/Getty Images

Interior image Source: Gabriel Zimmerli/
500px/Getty Images, Michal Brčica/500px/
Getty Images, Peter Buchholz/EyeEm/Getty
Images, Gowithstock/Shutterstock.com,
Sakeza/Shutterstock.com, Jacques-Etienne
Grandjean/500px/Getty Images

© 2023, © 2018, © 2015 Cengage Learning, Inc.

Unless otherwise noted, all content is © Cengage. ALL RIGHTS RESERVED.

WCN: 02-300

No part of this work covered by the copyright herein may be reproduced or distributed in any form or by any means, except as permitted by U.S. copyright law, without the prior written permission of the copyright owner.

For product information and technology assistance, contact us at
Cengage Customer & Sales Support, 1-800-354-9706
or support.cengage.com.

For permission to use material from this text or product, submit all requests online at www.copyright.com.

Library of Congress Control Number: 2022900037

ISBN: 978-0-357-71630-4

Cengage

200 Pier 4 Boulevard
Boston, MA 02210
USA

Cengage is a leading provider of customized learning solutions with employees residing in nearly 40 different countries and sales in more than 125 countries around the world. Find your local representative at www.cengage.com.

To learn more about Cengage platforms and services, register or access your online learning solution, or purchase materials for your course, visit www.cengage.com.

To the teachers and leaders who shaped my growth
and development as a leader and as a human being.

Brief Contents

Part 1: Introduction to Leadership	1
1 What Does It Mean to Be a Leader?	2
Part 2: Research Perspectives on Leadership	43
2 Traits, Behaviors, and Relationships	44
3 Contingency Approaches to Leadership	82
Part 3: The Personal Side of Leadership	121
4 The Leader as an Individual	122
5 Leading with Head and Heart	167
6 Courage and Moral Leadership	206
7 Creating Vision and Purpose	243
Part 4: The Leader as a Relationship Builder	279
8 Motivation and Engagement	280
9 Leadership Communication	322
10 Leading Teams	358
11 Leading Diversity and Inclusion	401
12 Leadership Power and Influence	442
Part 5: The Leader as Social Architect	481
13 Setting the Stage for Followership	482
14 Shaping Culture and Values	521
15 Leading Change	557
Glossary	595
Name Index	602
Index of Organizations	610
Subject Index	614

Contents

Part 1: Introduction to Leadership	1	1-6 How to Use This Book to Learn Leadership Competencies	27
Chapter 1: What Does It Mean to Be a Leader?	2	1-7 Organization of This Book	31
1-1 Why We Need Effective Leadership	3	Discussion Questions	32
1-1a Defining Leadership	4	Leadership Skill-Building Exercises	32
1-1b Emergent Leadership	5	Leadership Skills Application: Cases for Analysis	34
1-2 The New Reality for Leaders	7	References	37
1-2a From Stabilizer to Crisis Manager	8		
Leader's Bookshelf	9		
1-2b From Controller to Facilitator	10	Part 2: Research Perspectives on Leadership	43
1-2c From Competitor to Collaborator	10	Chapter 2: Traits, Behaviors, and Relationships	44
1-2d From Diversity Avoider to Diversity Promoter	11	2-1 The Trait Approach	45
Leadership Practice: Know Yourself 1.1	12	Leader's Bookshelf	47
Think on This: Should Leaders Live by the Code of the West?	13	2-1a Optimism and Self-Confidence	47
1-2e From Hero to Humble	13	2-1b Honesty and Integrity	49
1-3 How Leadership Differs from Management	15	2-1c Humility	50
1-3a Providing Direction and Purpose	15	Leadership Practice: Know Yourself 2.1	50
1-3b Aligning Followers	16	2-1d Good and Bad Traits as Perceived by Followers	51
1-3c Building Relationships	17	2-2 Know Your Strengths	53
1-3d Developing Personal Leadership Qualities	17	2-2a What Are Strengths?	53
1-3e Creating Outcomes	18	2-2b How Leaders Can Use Strengths	54
Leadership Practice: Know Yourself 1.2	19	2-3 Behavior Approaches	55
1-4 Evolving Theories of Leadership	20	2-3a Autocratic versus Democratic Behaviors	56
1-4a Historical Overview of Major Approaches	20	Think on This: Minimal Leadership	56
1-4b A Model of Leadership Evolution	22	2-3b Ohio State Studies	58
1-5 Leadership Can Be Learned	24	Leadership Practice: Know Yourself 2.2	59
1-5a Leader Fatal Flaws	24	2-3c University of Michigan Studies	60
1-5b Leader Good Behaviors	25	2-3d The Leadership Grid	60
Leadership Practice: Know Yourself 1.3	26	2-3e Theories of a "High-High" Leader	62

Contents

2-4 Individualized Leadership	64	3-5b Diagnostic Questions	101
2-4a Vertical Dyad Linkage Model	65	3-5c Selecting a Decision Style	103
2-4b Leader–Member Exchange	67	3-6 Substitutes for Leadership	108
2-4c Partnership Building	67	Leadership Practice: Know Yourself 3.3	110
Leadership Practice: Know Yourself 2.3	68	Discussion Questions	111
2-5 Leadership Traits during a Crisis	69	Leadership Skill-Building Exercises	112
Discussion Questions	72	Leadership Skills Application:	
Leadership Skill-Building Exercises	72	Cases for Analysis	115
Leadership Skills Application:		References	118
Cases for Analysis	74		
References	77		
Chapter 3: Contingency Approaches to Leadership	82	Part 3: The Personal Side of Leadership	121
3-1 The Contingency Approach	83	Chapter 4: The Leader as an Individual	122
Leader’s Bookshelf	85	4-1 The Secret Ingredient for Leadership Success	123
Leadership Practice: Know Yourself 3.1	87	4-1a The Importance of Self-Awareness	124
3-2 Hersey and Blanchard’s Situational Theory	88	4-1b Leader Blind Spots and Feedback	124
3-2a Leader Style	88	4-1c Trust	125
3-2b Follower Readiness	89	4-2 Personality and Leadership	126
Leadership Practice: Know Yourself 3.2	91	4-2a A Model of Personality	126
3-3 Fiedler’s Contingency Model	92	Leadership Practice: Know Yourself 4.1	127
3-3a Leadership Style	92	4-2b Personality Traits and Leader Behavior	130
3-3b Situation	93	Leader’s Bookshelf	131
3-3c Contingency Theory	93	Leadership Practice: Know Yourself 4.2	133
3-4 Path–Goal Theory	96	4-3 Values and Attitudes	135
3-4a Leader Behavior	97	4-3a Instrumental and End Values	135
3-4b Situational Contingencies	98	Leadership Practice: Know Yourself 4.3	136
3-4c Use of Rewards	98	4-3b How Attitudes Affect Leadership	138
Think on This: Polarities	99	Think on This: Leadership Habits	139
3-5 The Vroom–Jago Contingency Model	101	4-4 Social Perception and Attributions	141
3-5a Leader Participation Styles	101	4-4a Perceptual Distortions	141
		4-4b Attributions	142

Contents

4-5 Cognitive Differences	145	Think on This: The Greatest Love?	193
4-5a Patterns of Thinking and Brain Dominance	145	5-4c Why Followers Respond to Love	193
Leadership Practice: Know Yourself 4.4	147	Discussion Questions	195
4-5b Problem-Solving Styles: Jungian Types	149	Leadership Skill-Building Exercises	195
4-6 Working with Different Personality Types	151	Leadership Skills Application: Cases for Analysis	197
Leadership Practice: Know Yourself 4.5	152	References	200
Discussion Questions	155	Chapter 6: Courage and Moral Leadership	206
Leadership Skill-Building Exercises	156	6-1 Moral Leadership Today	207
Leadership Skills Application: Cases for Analysis	158	6-1a The Ethical Climate in Business	208
References	161	6-1b Leaders Set the Ethical Tone	208
Chapter 5: Leading with Head and Heart	167	Leadership Practice: Know Yourself 6.1	211
5-1 Mental Models and Systems Thinking	169	6-2 Acting Like an Ethical Leader	212
5-1a Assumptions and Mindsets	171	6-3 Becoming a Moral Leader	215
5-1b Changing or Expanding Mental Models	172	6-4 Servant Leadership	218
Leader's Bookshelf	173	6-4a Authoritarian Management	219
5-2 Developing A Leader's Mind	174	6-4b Participative Management	219
5-2a The Rise of Mindfulness	175	6-4c Stewardship	219
5-2b Open-Mindedness	177	6-4d The Servant Leader	220
Leadership Practice: Know Yourself 5.1	178	Leadership Practice: Know Yourself 6.2	221
5-3 Emotional Intelligence	179	6-5 Leading with Courage	223
5-3a What Are Emotions?	179	Think on This: Is It Worth the Risk?	223
5-3b Why Are Emotions Important?	181	6-5a What Is Courage?	223
5-3c The Components of Emotional Intelligence	183	Leader's Bookshelf	224
Leadership Practice: Know Yourself 5.2	186	Leadership Practice: Know Yourself 6.3	228
5-4 Positive Leadership: Leading with Love versus Leading with Fear	188	6-5b How Does Courage Apply to Moral Leadership?	228
Leadership Practice: Know Yourself 5.3	189	6-5c Finding Personal Courage	229
5-4a Fear in Organizations	189	Discussion Questions	232
5-4b Bringing Love to Work	191	Leadership Skill-Building Exercises	232

Contents

Leadership Skills Application: Cases for Analysis	234		
References	237		
Chapter 7: Creating Vision and Purpose	243		
7-1 The Leader’s Job: Looking Forward	244		
7-1a Stimulating Vision and Action	245		
Think on This: Opening a Window to a Brighter World	245		
7-1b Decide Strategic Action	247		
7-2 Leadership Vision	248		
7-2a Vision Links the Present to the Future	249		
Leadership Practice: Know Yourself 7.1	250		
7-2b Vision Energizes People and Focuses Attention	251		
7-2c Vision Gives Meaning to Work	251		
Leadership Practice: Know Yourself 7.2	252		
7-3 Leaders Ignite Individual Purpose in Others	253		
7-3a Types of Individual Purpose	253		
7-3b The Leader’s Role: Aligning Purposes	255		
7-4 Mission	256		
7-4a What Mission Does	257		
Leader’s Bookshelf	257		
7-4b A Framework for Noble Purpose	259		
7-5 The Leader as Strategist	262		
7-5a Use Strategy to Achieve the Vision	262		
7-5b How to Execute	264		
Leadership Practice: Know Yourself 7.3	265		
Discussion Questions	267		
Leadership Skill-Building Exercises	268		
Leadership Skills Application: Cases for Analysis	271		
References	274		
viii			
		Part 4: The Leader as a Relationship Builder	279
		Chapter 8: Motivation and Engagement	280
		8-1 Leadership and Motivation	281
		8-1a Intrinsic and Extrinsic Rewards	282
		Think on This: Can Extrinsic Rewards Kill Intrinsic Satisfaction?	283
		8-1b Positive and Negative Motives	285
		8-2 Needs-Based Theories of Motivation	287
		8-2a Hierarchy of Needs Theory	287
		8-2b Two-Factor Theory	289
		8-2c Acquired Needs Theory	291
		Leadership Practice: Know Yourself 8.1	292
		8-3 Other Motivation Theories	293
		8-3a Reinforcement Perspective on Motivation	293
		Leader’s Bookshelf	294
		8-3b Expectancy Theory	296
		8-3c Equity Theory	298
		Leadership Practice: Know Yourself 8.2	299
		8-4 Empowering People to Meet Higher Needs	301
		8-4a The Psychological Model of Empowerment	301
		8-4b Empower and Delegate Responsibility through Job Design	302
		Leadership Practice: Know Yourself 8.3	304
		8-5 Giving Meaning to Work through Purpose and Engagement	305
		8-5a Provide a Sense of Meaning	306
		8-5b Help People Feel Connected	306
		8-5c Give People a Chance to Learn, Grow, and Advance	307

Contents

8-6	New Ideas for Motivation	309	Discussion Questions	348
8-6a	The Making Progress Principle	309	Leadership Skill-Building Exercises	348
8-6b	Tracking Happiness	309	Leadership Skills Application: Cases for Analysis	350
	Discussion Questions	310	References	353
	Leadership Skill-Building Exercises	311		
	Leadership Skills Application: Cases for Analysis	313	Chapter 10: Leading Teams	358
	References	316	10-1 The Value of Teams	359
Chapter 9: Leadership Communication	322		10-1a What Is a Team?	360
Think on This: The Most Important Words in Leadership	324		10-1b Types of Teams	360
9-1 How Leaders Communicate	324		Think on This: Lessons from Geese	361
9-1a Management Communication	326		10-1c Agile Teams	363
9-1b The Leader as Communication Champion	326		10-2 Leading a Team to High Performance	365
Leadership Practice: Know Yourself 9.1	327		Leader's Bookshelf	367
9-2 Leading Strategic Conversations	329		10-3 Leading Team Processes	368
9-2a Communicate Mission, Vision, and Values	330		10-3a How Teams Develop	368
9-2b Create an Open Communication Climate	330		10-3b Team Cohesiveness	370
9-2c Ask Questions	332		10-3c Team Norms	372
9-2d Listening	333		10-4 What Team Members Contribute	373
Leadership Practice: Know Yourself 9.2	335		10-4a Overcoming the Team Member Dilemma	374
9-2e Communicate with Candor	335		Leadership Practice: Know Yourself 10.1	375
Leadership Practice: Know Yourself 9.3	336		10-4b Team Member Roles	375
9-2f The Power of Stories	337		Leadership Practice: Know Yourself 10.2	377
Leader's Bookshelf	338		10-5 Leading Virtual/Remote Teams	378
9-3 Communicating to Persuade and Influence	339		10-5a Uses of Virtual/Remote Teams	380
9-4 Selecting the Correct Communication Channel	341		10-5b Challenges of Virtual/Remote Teams	380
9-4a The Continuum of Channel Richness	341		10-6 Handling Team Conflict	383
9-4b Using Social Media	344		10-6a Types of Conflict	383
9-5 Nonverbal Communication	346		10-6b Balancing Conflict and Cooperation	383
			10-6c Causes of Conflict	385
			10-6d Styles to Handle Conflict	385
			Leadership Practice: Know Yourself 10.3	387

Contents

Discussion Questions	388	11-5c Coaching and Feedback	426
Leadership Skill-Building Exercises	389	11-5d Expanded Recruitment Efforts	427
Leadership Skills Application: Cases for Analysis	391	Discussion Questions	428
References	394	Leadership Skill-Building Exercises	429
Chapter 11: Leading Diversity and Inclusion	401	Leadership Skills Application: Cases for Analysis	431
11-1 Leading People Who Aren't Like You	402	References	435
Leadership Practice: Know Yourself 11.1	403	Chapter 12: Leadership Power and Influence	442
11-1a Definition of Diversity	404	12-1 Four Kinds of Influential Leadership	443
11-1b Diversity of Thought	405	12-1a Transformational Leadership	443
Leader's Bookshelf	405	12-1b Charismatic Leadership	445
11-1c Changing Attitudes toward Diversity	407	Leadership Practice: Know Yourself 12.1	446
11-1d The Value of Organizational Diversity	408	12-1c Coalitional Leadership	448
11-2 Factors Shaping Personal Bias	410	12-1d Machiavellian-Style Leadership	451
11-2a Unconscious Bias	410	Leader's Bookshelf	452
Leadership Practice: Know Yourself 11.2	412	Leadership Practice: Know Yourself 12.2	453
11-2b Prejudice, Stereotypes, and Discrimination	413	12-2 Using Hard versus Soft Power	455
11-2c Challenges People of Color Face	413	12-2a Hard Power	455
11-2d The First Rung	414	12-2b Soft Power	457
11-3 Ways Women Lead	417	12-2c Follower Responses to the Use of Power	458
11-3a Women as Leaders	417	Think on This: The Ripple Effect	459
Think on This: Are Men Failing?	418	12-3 Increasing Power Through Political Activity	460
11-3b Is Leader Style Gender-Driven?	420	12-3a Leader Frames of Reference	460
11-4 Becoming an Inclusive Leader	421	12-3b Political Tactics for Asserting Leader Influence	462
11-5 How Leaders Encourage the Advancement of Underrepresented Employees	424	Leadership Practice: Know Yourself 12.3	463
11-5a Employee Resource Groups	424	12-4 Don't Abuse Leadership Power	466
Leadership Practice: Know Yourself 11.3	425	Discussion Questions	469
11-5b Sponsorship	426	Leadership Skill-Building Exercises	469
x		Leadership Skills Application: Cases for Analysis	472
		References	475

Contents

Part 5: The Leader as Social Architect	481	Discussion Questions	510
Chapter 13: Setting the Stage for Followership	482	Leadership Skill-Building Exercises	511
13-1 The Leader's Higher Duty to Followers	483	Leadership Skills Application: Cases for Analysis	513
13-2 The Art of Followership	484	References	516
13-2a Learn to Manage Up as Well as Down	486	Chapter 14: Shaping Culture and Values	521
13-2b Managing Up Presents Unique Challenges	486	14-1 Organizational Culture	522
13-3 What Your Leader Wants from You	487	Leader's Bookshelf	523
13-4 Styles of Followership	489	14-1a What Is Culture?	524
13-4a The Five Follower Styles	490	14-1b The Functions of Culture	525
Leadership Practice: Know Yourself 13.1	491	Think on This: Here Is Your Assignment	526
Think on This: Our Deepest Fear	492	14-2 Culture Strength and Performance	527
13-4b Leader Style Influences Follower Style	493	Leadership Practice: Know Yourself 14.1	528
13-5 Strategies for Managing Up	494	14-2a Toxic versus Healthy Cultures	529
13-5a Understand the Leader	494	14-2b The High-Performance Culture	530
13-5b Tactics for Managing Up	495	14-3 Cultural Leadership	533
Leader's Bookshelf	496	14-3a Ceremonies	534
Leadership Practice: Know Yourself 13.2	497	14-3b Stories	534
13-5c Managing Up Remotely	500	14-3c Symbols	534
13-6 The Power and Courage to Manage Up	501	14-3d Slogans	535
13-6a Sources of Power for Managing Up	502	14-3e Selection and Socialization	535
13-6b Necessary Courage to Manage Up	503	14-3f Daily Actions	536
13-7 What Followers Want from Leaders	505	14-4 The Competing Values Approach to Culture Types	537
13-7a Clarity of Direction	506	14-4a Adaptability Culture	537
13-7b Opportunities for Growth	507	14-4b Achievement Culture	538
13-7c Frequent, Specific, and Immediate Feedback	508	Leadership Practice: Know Yourself 14.2	539
13-7d Protection from Organizational Intrusions	509	14-4c Involvement Culture	540
Leadership Practice: Know Yourself 13.3	509	14-4d Consistency Culture	540
		14-5 Values-Based Leadership	541
		14-5a Personal Values	542
		14-5b Spiritual Values	542

Contents

Leadership Practice: Know Yourself 14.3	543	Leader’s Bookshelf	568
Discussion Questions	546	15-4 Leading Creativity for Change	569
Leadership Skill-Building Exercises	546	15-4a Instilling Creative Values	569
Leadership Skills Application: Cases for Analysis	549	15-4b Leading Creative People	570
References	552	Leadership Practice: Know Yourself 15.3	572
 		15-5 Implementing Change	577
Chapter 15: Leading Change	557	Think on This: Dealing with a Dead Horse	579
15-1 Leadership Means Leading Change	558	15-5a Helping People Change	579
15-1a Resistance Is Real	559	15-5b The Keys That Help People Change	581
15-1b The Leader as Change Agent	560	Discussion Questions	584
Leadership Practice: Know Yourself 15.1	560	Leadership Skill-Building Exercises	585
15-2 A Framework for Change	562	Leadership Skills Application: Cases for Analysis	587
15-3 Using Appreciative Inquiry	564	References	590
15-3a Applying Appreciative Inquiry on a Large Scale	564	Glossary	595
Leadership Practice: Know Yourself 15.2	565	Name Index	602
15-3b Applying Appreciative Inquiry Every Day	567	Index of Organizations	610
		Subject Index	614

About the Author

Richard L. Daft, Ph.D., is the Brownlee O. Currey, Jr., Professor of Management in the Owen Graduate School of Management at Vanderbilt University. Professor Daft specializes in the study of leadership and organization theory. Dr. Daft is a Fellow of the Academy of Management and has served on the editorial boards of *Academy of Management Journal*, *Administrative Science Quarterly*, and *Journal of Management Education*. He also served as the associate dean at the Owen School, was the associate editor-in-chief of *Organization Science* and served for three years as associate editor of *Administrative Science Quarterly*.

Professor Daft has authored or coauthored 14 books. His latest books include *Management* (Cengage, 2022), *Organization Theory and Design* (Cengage, 2021), and *Understanding Management* (with Dorothy Marcic, Cengage, 2022). He is also the author of *The Executive and the Elephant: A Leader's Guide to Building Inner Excellence* (Jossey-Bass, 2010), *Building Management Skills: An Action First Approach* (with Dorothy Marcic, Cengage/Southwest, 2014), and *Fusion Leadership: Unlocking the Subtle Forces That Change People and Organizations* (with Robert Lengel, Berrett-Koehler, 2000). He has also authored dozens of scholarly articles, papers, and chapters. His work has been published in *Organizational Dynamics*, *Administrative Science Quarterly*, *Academy of Management Journal*, *Academy of Management Review*, *Strategic Management Journal*, *Journal of Management*, *Accounting Organizations and Society*, *Management Science*, *MIS Quarterly*, *California Management Review*, *Leadership Excellence*, *Leader to Leader*, and *Organizational Behavior Teaching Review*.

Dr. Daft also is an active teacher and consultant. He has taught leadership, leading change, management, organizational theory, and organizational behavior. He has also produced for-profit theatrical productions and helped manage a start-up enterprise. He has been involved in management development and consulting for many companies and government organizations, including the National Academy of Science, Oak Ridge National Laboratory, American Banking Association, Auto-Zone, Aegis Technology, Bell Canada, Aluminum Bahrain (Alba), Bridgestone, TVA, Cardinal Healthcare, Pratt & Whitney, Allstate Insurance, State Farm Insurance, the United States Air Force, the U.S. Army, Central Parking System, USAA, Bristol-Myers Squibb, Eli Lilly, Vulcan Materials, and the Vanderbilt University Medical Center.

Preface

The events of the past few years have challenged today's leaders as they've never been challenged before. The effects of the COVID-19 pandemic, shifting economic conditions, supply chain crises, and widespread social and political unrest have forced leaders in all organizations to adapt to new ways of working and examine their assumptions about the best ways to help followers and organizations succeed. Leaders are struggling to make sense of the shifting environment, keep up with fast-changing events, and learn how to lead the people in their companies effectively and successfully in the midst of turmoil. This edition of *The Leadership Experience* addresses themes and issues that are directly relevant to the current fast-shifting environment. My vision for the eighth edition is to give students an exciting, applied, and comprehensive view of what leadership is like in today's world. *The Leadership Experience* integrates the most recent leadership ideas and applications with established scholarly research in a way that makes the topic of leadership come alive. Organizations are undergoing major changes, and this textbook addresses the qualities and skills leaders need in this rapidly evolving world.

Recent chaotic events, combined with factors such as a growing need for creativity and innovation in organizations, the widespread use of social media, the growth of e-commerce and mobile commerce, the use of virtual and remote teams, globalization, and other ongoing transformations, place new demands on leaders that go far beyond the topics traditionally taught in courses on management or organizational behavior. My experiences teaching leadership to students and managers, and working with leaders to change their organizations, have affirmed for me the value of traditional leadership concepts while highlighting the importance of including new ideas and applications.

The Leadership Experience thoroughly covers the history of leadership studies and the traditional theories but goes beyond that to incorporate valuable ideas such as leading hybrid work and remote teams, igniting individual purpose, follower engagement, the leader's duty to followers, fixed versus growth mindsets, the importance of trust, challenges of diversity and inclusion, leadership vision, shaping a healthy vs toxic culture and values, leadership courage, and the importance of moral leadership. The book expands the treatment of leadership to capture the excitement of the subject in a way that motivates students and challenges them to develop their leadership potential.

New Concepts and Examples in the Eighth Edition

A primary focus for revising *The Leadership Experience*, eighth edition, has been to relate leadership concepts and theories to real events in today's organizations and give

students opportunities to practice and build leadership skills. Each chapter has been revised and updated to bring in current issues and events that leaders are facing.

Topics and application examples that have been added or expanded in the eighth edition include:

- leading agile teams
- hybrid work and remote teams
- using fixed vs growth mindsets
- leading with humility
- the rise of mindfulness and meditation
- positive leadership (leading with love vs fear)
- moral awareness
- optimism bias
- the meaning of courage
- leading with grit
- enhancing follower engagement
- the leader's duty to followers
- igniting individual purpose
- addressing microaggressions
- becoming an ally for inclusion
- collective activism
- toxic vs healthy cultures
- leadership coaching and feedback
- the change-leadership iceberg

Some of the new examples of leaders and leadership within organizations that show practical applications of key concepts include:

- Judith McKenna, Walmart International
- Hamdi Ulukaya, Chobani
- Julia Paige, Uber
- Jeff Bezos, Amazon
- Haier Group
- Greta Thunberg
- Academy of Motion Picture Arts and Sciences
- Luz Damaris Rosario, Goya Foods
- George Zimmer, Men's Wearhouse
- Martha Stewart, Martha Stewart Living Omnimedia
- Tho Bella Dinh-Zarr, former vice chair of National Transportation Safety Board
- Vijay Sankaran, TD Ameritrade
- Kevin Warren, Big Ten Athletic Conference
- COVID-19 response team at Cherry Springs Village
- Jack Ma, Alibaba Group Holding Ltd.
- Miranda Wang, BioCellection
- New York Police Department
- Dan Lin, Rideback
- Elon Musk, Tesla
- Roz Brewer, Starbucks
- Sharon Daniels, Arria NLG
- Pfizer and BioNTech
- Cancer Treatment Centers of America
- NASCAR
- Caroline Lim, PSA International
- Wegmans Food Markets
- Suzanne Shank, Siebert Williams Shank & Company
- Mark Zuckerberg, Facebook
- Cheng Wei, Didi Chuxing Technology Company
- Pete Carroll, Seattle Seahawks
- Eileen Fisher, Inc.
- Evan Spiegel, Snap
- ButcherBox
- First Nations leaders
- António Horta-Osório, Lloyd's Banking Group
- Buurtzorg
- Sadler's Wells Theatre
- Dorothee Ritz, Microsoft
- Ed Catmull, Walt Disney Animation Studios
- Jane Fraser, Citigroup
- Urban Meyer, Jacksonville Jaguars
- Thomas Marting, GOJO Industries
- Ed Stack, Dick's Sporting Goods

New and Distinguishing Features

This book has a number of special features that are designed to make the material accessible and valuable to students.

New Real-World Examples *The Leadership Experience*, eighth edition, is loaded with nearly 250 new examples of leaders in both traditional and contemporary organizations. Each chapter opens with a real-life example that relates to the chapter content, and several additional examples engage students within the chapter by their highlighting with red typeface. The many examples in each chapter spotlight real leader activities within a wide variety of organizations including education, the military, government agencies, businesses, and nonprofit organizations.

New Put It Into Practice Mini Exercises A significant new feature, *Put It Into Practice*, challenges students to take a small first step in practicing leadership thinking and behaviors. Each chapter contains about eight new *Put It Into Practice* mini exercises, approximately one for each major chapter section. This new feature helps students apply the chapter concepts in their own lives and challenges them to take a small step to practice a leadership behavior, mindset, or influence to develop leadership thinking and skills. These mini exercises use both mental and physical action to gain student involvement in their skill development. Mental action is in the form of reflective practices by analyzing their own experiences, or by using mental imagery to visualize new behavior. Physical action is in the form of taking a first step toward a new leadership behavior, or by taking a step toward influencing others when in a team or leadership role.

There are multiple ways instructors can assign specific practices. Instructors might use some combination of the following:

- Have students select a few mini practices and write a brief paper describing their experiences and what they learned
- Have students try specific practices and arrange student peer discussions in-class or online about their experiences
- Have students try a select number of practices each week or from each chapter
- Have students repeat self- or instructor-selected practices multiple times until students feel competent with those practices
- Have students do the exercises completely on their own according to their own preference

A few examples of the topics covered in these exercises involve expressing positive support toward others, practicing democratic and autocratic leadership styles, practicing humility, enhancing personal optimism, assessing follower readiness, and practicing better focus.

Think on This Each chapter contains a *Think on This* box that is personal, compelling, and inspiring. This box may be a saying from a famous leader, or wisdom from the ages. These *Think on This* boxes provide novel and interesting material to expand the reader's thinking about the leadership experience.

Leader's Bookshelf In this edition, eight of the 15 chapters have new Leader's Bookshelf reviews. A unique feature of *The Leadership Experience* is that each chapter includes a review of a recent book relevant to the chapter's content. The Leader's Bookshelf connects students to issues and topics being read and dis-

cussed in the worlds of academia, business, military, education, and nonprofit organizations.

Leadership Practice: Know Yourself An important aspect of learning to be a leader involves looking inward for greater self-understanding, and the eighth edition provides many opportunities for this type of self-reflection. Each chapter includes three short questionnaires that enable students to learn about their own leadership beliefs, values, competencies, and skills. These exercises help students gauge their current standing and connection to the chapter concepts and examples for expanding their own leadership abilities. A few of the Know Yourself topics involve engagement, networking, ethical maturity, grit, leading diverse people, communicating with candor, leadership courage, and positive leadership. Know Yourself assessments related to basic leadership abilities such as listening skills, emotional intelligence, motivating others, and using power and influence are also included. Additional self-assessments are available within MindTap.

New Team-Focused Experiential Exercises The practice-based focus of this text is enhanced with 15 new experiential exercises, called *Leadership Skill-Building Exercises*. There are now two engaging, informative, and practical skill-building exercises at the end of each chapter that will involve students in applying chapter concepts in small groups to learn more about applying leadership practices while gaining new self-insights. Many of these exercises are designed so students can complete them on their own outside of class and are specifically designed to use in class or online as part of a group activity.

Cases for Analysis The second end-of-chapter activity, *Leadership Skills Application: Cases for Analysis*, provides two short, problem-oriented cases for analysis. These cases test the student's ability to apply concepts when dealing with real-life leadership issues. While the *Leadership Skill-Building* exercises and the feedback questionnaires assess the student's progress as a leader, the cases challenge the student's cognitive understanding and problem-solving applications of leadership ideas.

Supplements

Additional instructor resources for this product are available online. Instructor assets include an Instructor's Manual, PowerPoint® slides, and a test bank powered by Cengage®. Sign up or sign in at www.cengage.com to search for and access this product and its online resources.

Acknowledgments

Textbook writing is a team enterprise. This book has integrated ideas and support from many people whom I want to acknowledge. I want to extend special thanks to my editorial associate, Pat Lane. I could not have undertaken this revision without Pat's help. She skillfully drafted materials for the chapters, found original sources, and did an outstanding job with last-minute changes, the copyedited manuscript, art, and galley proofs. Pat's talent and personal enthusiasm for this text added greatly to its excellence.

Here at Vanderbilt I want to thank Eric Johnson, the Dean at Owen, and Richard Willis, Associate Dean, for maintaining a positive scholarly atmosphere during a difficult COVID-19 period and supporting me with the time and resources to complete the revision of this book. I also appreciate the intellectual stimulation and support from friends and colleagues at the Owen School—Bruce Barry, Ray Friedman, Jessica Kennedy, Ranga Ramanujam, and Tim Vogus.

I want to acknowledge the reviewers who provided feedback. Their ideas helped me improve the book in many areas:

Thomas H. Arcy
*University of Houston—
Central Campus*

Janey Ayres
Purdue University

Kristin Backhaus
SUNY New Paltz

Bill Bommer
Georgia State University

William Russell Brown
Navarro College

Jared Caughron
University of Oklahoma

Meredith Rentz Cook
North Central Texas College

Glenn K. Cunningham
Duquesne University

Jeffrey Fisher
Embry Riddle Aeronautical University

Ron Franzen
Saint Luke's Hospital

Adrian Guardia
Texas A&M University—San Antonio

Delia J. Haak
John Brown University

Nell Hartley
Robert Morris College

Ann Horn-Jeddy
Medaille College

Ellen Jordan
Mount Olive College

Alyson Livingston
North Central Texas College

Gregory Manora
Auburn University—Montgomery

Joseph Martelli
The University of Findlay

Richard T. Martin
Washburn University

Jalane Meloun
Barry University

Mark Nagel
Normandale Community College

Ranjna Patel
Bethune Cookman College

Chad Peterson
Baylor University

Gordon Riggles
University of Colorado

Miriam Rothman
University of San Diego

Bill Service
Samford University

Dan Sherman
University of Alabama at Huntsville

Bret Simmons
North Dakota State University

Shane Spiller
University of Montevallo

Shand H. Stringham
Duquesne University

Ahmad Tootonchi
Frostburg State University

Mary L. Tucker
Ohio University

Joseph W. Weiss
Bentley University

Donald D. White
University of Arkansas

Xavier Whitaker
Baylor University

Jean Wilson
The College of William and Mary

George A. Wynn
University of Tampa

Cengage Learning also deserves special mention. Product Director Joe Sabatino has supported this text from the very beginning. Senior Product Managers Mike Worls and Heather Mooney supported the concept for this book and obtained the resources necessary for its completion. Senior Project Manager Jennifer Ziegler and Project Manager Charu Verma provided terrific support and superb project coordination for the book's writing, reviews, and production.

I also thank Bob Lengel at the University of Texas at San Antonio. Bob's enthusiasm for leadership many years ago stimulated me to begin reading, teaching, and training in the area of leadership development. His enthusiasm also led to our collaboration on the book *Fusion Leadership: Unlocking the Subtle Forces That Change People and Organizations*. I thank Bob for keeping the leadership dream alive, which in time enabled me to pursue my dream of writing this leadership textbook.

Finally, I want to acknowledge my loving daughters, Danielle, Amy, Roxanne, Solange, and Elizabeth, and my ten grandchildren. Although my daughters are busy pursuing their own lives and careers, I appreciate the good feelings and strong connections I have with my children and grandchildren. On occasion, we have been able to travel, vacation, watch a play, or just be together—all of which reconnect me to the things that really count.

Richard L. Daft
Nashville, Tennessee

Part

1

Introduction to Leadership





What Does It Mean to Be a Leader?

Chapter Outline

- | | | |
|--|---|--|
| <p>3 Why We Need Effective Leadership</p> <p>7 The New Reality for Leaders</p> <p>15 How Leadership Differs from Management</p> <p>20 Evolving Theories of Leadership</p> <p>21 Leadership Can Be Learned</p> <p>27 How to Use This Book to Learn Leadership Competencies</p> <p>31 Organization of This Book</p> | <p>Leadership Practice: Know Yourself</p> <p>12 Your Learning Style: Using Multiple Intelligences</p> <p>19 Your Leadership Potential</p> <p>26 Are You on a Fast Track to Nowhere?</p> <p>Leader's Bookshelf</p> <p>9 Leading in the Digital World: How to Foster Creativity, Collaboration, and Inclusivity</p> | <p>Leadership Skill-Building Exercises</p> <p>32 Draw Yourself a Leader</p> <p>33 Leadership Right–Wrong</p> <p>Leadership Skills Application: Cases for Analysis</p> <p>34 Software Coding Division</p> <p>35 The Rushmore Plan</p> |
|--|---|--|

Your Leadership Challenge

After reading this chapter, you should be able to:

- 1-1** Explain the full meaning of leadership and see the leadership potential in yourself and others.
- 1-2** Describe the five fundamental transformations facing today's leaders and organizations.
- 1-3** Summarize the fundamental differences between leadership and management.
- 1-4** Explain how leadership has evolved and how historical approaches apply to the practice of leadership today.
- 1-5** Identify the primary reasons for leadership derailment and the new paradigm skills that can help you avoid it.
- 1-6** Discover how to use this textbook to learn the most about leadership.

Abraham Lincoln was born in a one-room log cabin, had little formal education, and had less leadership experience than any previous U. S. president, yet when historians rank the “greatest presidents,” Lincoln often tops the list. There are many facets to the greatness of the country’s 16th president, but among the characteristics most frequently cited are the empathy, humility, self-awareness, and self-discipline that enabled him to communicate and connect with others, establish a sense of purpose, build trust, accept criticism and advice, and incorporate opposing viewpoints to build a collaborative working environment.

During the Civil War, Lincoln formed a cabinet made up of political rivals. He kept his own principles clear, but he was always open to criticism and debate. Lincoln had a strong commitment to serve the higher interests of the American people rather than his personal goals and ego. His ability to control his emotions and stay committed to a vision even under intense hardship, his commitment to go into the field and establish connections with soldiers and the general public, and his willingness to listen to dissenting opinions and to share credit for successes and take blame for failures all tapped into a deep longing within people for genuine leadership.¹

Abraham Lincoln was a highly visible leader who had a significant influence on people across the United States and around the world. Yet the leadership qualities Lincoln exemplified are especially relevant to the many leaders who quietly go about the business of leading teams, companies, and communities day after day. Every company, sports team, government agency, family, nonprofit organization, social cause, and community group needs good leadership to succeed.

1-1 Why We Need Effective Leadership

Many of us think of leadership in a way similar to what U.S. Supreme Court Justice Potter Stewart said about obscenity in reviewing a 1964 pornography case: we may not be able to define it but “we know it when we see it.”² People can clearly see leadership in the life and career of Abraham Lincoln, but many are having a hard time seeing it in some current political, business, military, and even religious leaders. Nearly every month brings a new report of a leader somewhere lying to, misleading, or cheating employees, customers, or the community. Leaders have a big impact, and their impact can be positive or negative.

Consider what happened at Wells Fargo. The company’s long-time stellar reputation was seriously tarnished when it was discovered that employees were opening fake bank and credit card accounts and forcing customers into unnecessary fee-generating products in order to meet impossibly high sales goals set by top leaders. Eventually, the U.S. Consumer Financial Protection Bureau revealed that the scheme lasted more than a decade and involved around 5,000 employees. The bank’s CEO and other high-level leaders resigned and were punished financially after first trying to shift the blame to lower-level employees.³

Leadership is difficult. For anyone in a leadership position, things can quickly go wrong, and weak skills, lax attention to ethics, or carelessness can intensify the difficulty. Within one week, the lofty aspirations of three chief executives ended in disappointment. The CEO of WeWork stepped down after an inflated company valuation was revealed while taking the company public; the chief of

eBay stepped down during disagreements with the board and questions about performance; and the reigning chief executive of Volkswagen was charged with market manipulation and misleading investors. Soon after these events, the CEO of luggage company Away stepped down after an investigative article revealed a toxic work culture.⁴

Yet there are successful leaders working in every organization, large and small. In fact, quality leadership is all around us every day, in all facets of our lives. Before we can examine what makes an effective leader, we need to know what leadership means. Scholars and other writers have offered hundreds of definitions of the term *leadership*, prompting James McGregor Burns to conclude that leadership “is one of the most observed and least understood phenomena on earth.”⁵ Defining leadership has been a complex and elusive problem largely because the nature of leadership itself is complex.

1-1a Defining Leadership

Leadership studies are an evolving discipline, and the concept of leadership will continue to develop. For the purpose of this book, we will focus on a single definition that delineates the essential elements of the leadership process: **Leadership** is an influence relationship among leaders and followers who intend real changes and outcomes that reflect their shared purposes.⁶

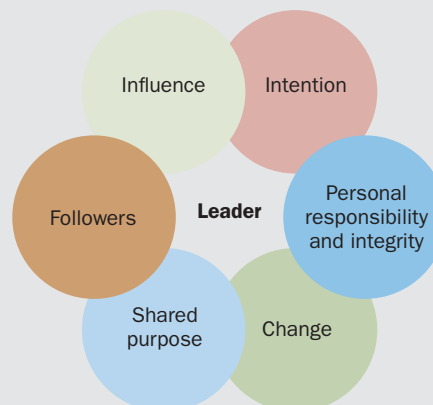
Exhibit 1.1 summarizes the key elements in this definition. Leadership involves influence; it occurs among people; those people intentionally desire significant changes and improvements; and the changes reflect purposes shared by leaders and followers. *Influence* means that the relationship among people is not passive; however, also inherent in this definition is the concept that influence is multidirectional and noncoercive. The basic cultural values in North America make it easiest to think of leadership as something a leader does to a follower.⁷ However,

Leadership

an influence relationship among leaders and followers who intend real changes and outcomes that reflect their shared purposes

Exhibit 1.1

What Leadership Involves



leadership is reciprocal. In most organizations, superiors influence subordinates, but subordinates also influence superiors. The people involved in the relationship want substantive *changes*—leadership involves creating improvements, not maintaining the status quo. In addition, the changes sought are not dictated by leaders but reflect *purposes* that leaders and followers share. Moreover, change is toward an outcome that both the leader and the followers want, a desired future or shared purpose that motivates them toward this more preferable outcome. An important aspect of leadership is influencing others to come together around a common vision. Thus, leadership involves the influence of people to bring about change toward a desirable future.

Stacey Abrams, the former minority leader in the Georgia state House of Representatives, united people around a vision of making sure all people in the United States have the opportunity to thrive and all eligible voters can have their voices heard. Abrams founded the voting rights organization Fair Fight in 2019 to address issues of voter suppression and enhance voter protection measures. Many have credited Abrams' vision and strategy of increasing voter turnout among Georgia's Black, Latino, and Asian voters for laying the groundwork for President Joe Biden's victory and the election of other Democratic candidates in that state. "It's been an uphill battle," said Felicia Davis, a long-time voter organizer in Clayton County, Georgia. Because here, we're not just women, we're Southern women. And we're not just Southern women, we're Southern Black women."⁸

Also, leadership is a *people* activity and is distinct from administrative paperwork or planning activities. Leadership occurs *among* people; it is not something done *to* people. Since leadership involves people, there must be *followers*. An individual performer who achieves excellence as a scientist, musician, athlete, or cabinet maker may be a leader in their field of expertise but is not a leader as defined in this book unless followers are involved. Followers are an important part of the leadership process, and all leaders are sometimes followers as well. Good leaders know how to follow, and they set an example for others. The issue of *intention* or will means that people—leader and followers—are actively involved in the pursuit of change. Each person takes personal responsibility to achieve the desired future.

One stereotype is that leaders are somehow different, that they are above others; however, in reality, the qualities needed for effective leadership are the same as those needed to be an effective follower.⁹ Effective followers think for themselves and carry out assignments with energy and enthusiasm. They are committed to something outside their own self-interest, and they have the courage to stand up for what they believe. Good followers are not "yes people" who blindly follow a leader. Effective leaders and effective followers may sometimes be the same people, playing different roles at different times. At its best, leadership is shared among leaders and followers, with everyone fully engaged and accepting higher levels of responsibility.

1-1b Emergent Leadership

Using this definition of leadership makes clear that leadership can come from anyone. **Emergent leadership**, also called **informal leadership**, is the extent to which an individual with no formal status or authority is perceived by members of a group as demonstrating leader-like influence.¹⁰ Emergent or informal leaders get

Emergent leadership

the extent to which an individual with no formal status or authority is perceived by members of a group as demonstrating leader-like influence

their authority based on personal qualities such as having a mission, being able to inspire others, and demonstrating passion.

When we stop equating leadership with greatness and public visibility, it becomes easier to see our own opportunities for leadership and recognize the leadership of people we interact with every day. Leaders come in all shapes and sizes, and many true leaders are working behind the scenes. Leadership that has big outcomes often starts small.

- In September 2018, when she was 16 years old, environmental activist Greta Thunberg started skipping school on Fridays so she could protest government inaction on climate change at Sweden’s Parliament in Stockholm. By March 15, 2019, the one-person sit-in had turned into more than 1,700 “climate strikes” under Thunberg’s “Fridays for Future” banner. The mass protest attracted the attention and support of formal leaders and got Thunberg nominated for the Nobel Peace Prize.¹¹
- To attack the anxiety, stress, and fearfulness among nurses caring for COVID-19 patients, Emily Fawcett, a nurse at Lenox Hill Hospital, started “hope huddles,” in which nurses and doctors gather on either side of a hallway to cheer COVID patients being discharged. The practice, which spread to hospitals nationwide, replaces negative feelings with positive emotions and makes people feel more hopeful about their work. “It really brings a smile to everyone’s day and . . . keeps them going through another long shift,” Fawcett said.¹²

Put It Into Practice 1.1

Do not wait for a formal leader position to start practicing leadership. Identify right now a need or opportunity for informal leadership within your current situation and write it down.

Informal leaders often emerge in ambiguous and unstructured situations such as the environmental activism movement and other social causes. They also emerge in business organizations when there is ambiguity and a lack of formal leadership. In fact, a comparative analysis of the difference between formal and informal leaders on six leadership competencies—shared vision, communication, relationships, community, guidance, and character—found that informal leaders scored higher in every area.¹³

There are opportunities for leadership all around us that involve influence and change toward a desired goal or outcome. The leaders of tomorrow’s organizations will come from anywhere and everywhere, just as they always have. Do you have the capacity and commitment required for taking a leadership role in your school, community, or workplace? You can start now, wherever you are, to practice leadership in your own life. Leadership is an everyday way of acting and thinking that has little to do with a title or formal position in an organization. As we will discuss in the following section, business leaders need to understand this tenet more than ever in the world of the twenty-first century.

Remember This:

- Every company, team, government agency, family, nonprofit organization, social cause, and community group needs good leadership to succeed. Leaders have a lot of impact, and their influence can be positive or negative. Without effective leadership, things can quickly go wrong.

- **Leadership** is an influence relationship among leaders and followers who intend real changes and outcomes that reflect their shared purposes. Thus, leadership involves people in a relationship, influence, change, a shared purpose, and taking personal responsibility to make things happen.
- Most of us are aware of famous leaders, but most leadership that changes the world starts small and may begin with personal frustrations about events that prompt people to initiate change and inspire others to follow them.
- **Emergent leadership**, also called informal leadership, is the extent to which an individual with no formal status or authority is perceived by members of a group as demonstrating leader-like influence.
- Greta Thunberg is an example of an emergent or informal leader in the worldwide environmental movement.
- Your leadership may be expressed in the classroom, at work, or in your neighborhood, religious community, or volunteer organizations.

1-2 The New Reality for Leaders

Social media. COVID-19 pandemic. Remote work and virtual teams. Globalization. Artificial intelligence. Social justice movements. Geopolitical wars. Climate change and resource scarcity. Redistribution of economic power. Massive changes in the world mean today's leaders are facing challenges they couldn't even imagine just a few years ago. In a survey by the Center for Creative Leadership, 84 percent of leaders surveyed say the demands of effective leadership changed significantly within the first few years of the twenty-first century.¹⁴ And that was even *before* digital technologies and social media began reshaping everyday life and work. Social connectedness and mobility have become central aspects of every leader's job. The Leader's Bookshelf describes what it takes to lead effectively in today's digital world.

Some historians and other scholars believe our world is undergoing a transformation more profound and far-reaching than any experienced since the dawn of the modern age and the Industrial Revolution more than 500 years ago. This transformation requires a transition from a traditional to a new leadership paradigm, as outlined in Exhibit 1.2.¹⁵ A **paradigm** is a shared mindset that represents a fundamental way of thinking about, perceiving, and understanding the world.

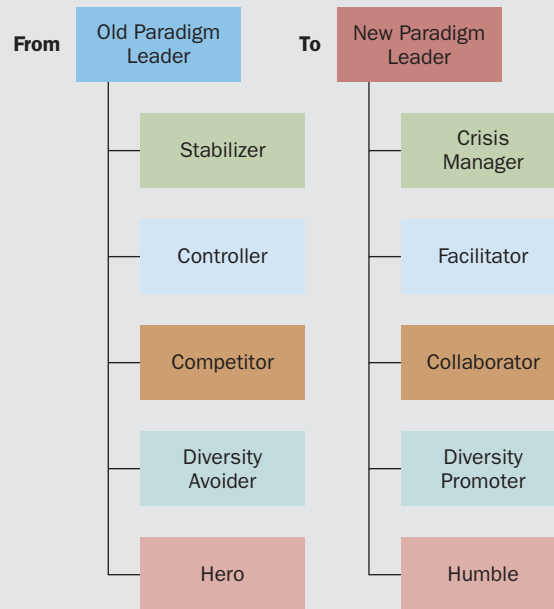
Although many leaders are still operating from an old-paradigm mindset, as outlined in the first column of Exhibit 1.2, they are increasingly ineffective. Successful leaders will respond to the new reality outlined in the second column of the exhibit.

Paradigm

a shared mindset that represents a fundamental way of thinking about, perceiving, and understanding the world

Exhibit 1.2

The New Reality for Leaders



1-2a From Stabilizer to Crisis Manager

In the past, many leaders assumed that if they could just keep things running on a steady, even keel, the organization would be successful. Yet today's world is in constant motion, and nothing seems certain anymore. The COVID-19 pandemic irrevocably shattered the illusion of stability for leaders around the world in 2020, but numerous other incidents have challenged leaders' belief that they can be successful without good crisis management abilities. Consider the following recent events:

- At the start of 2019, Boeing had won more orders for the 737 MAX jetliner than any model in the company's history. Less than three months later the plane was grounded and Boeing was in the middle of a crisis, trying to explain two fatal crashes that caused 350 deaths. The failure of Boeing's then-CEO and other top leaders to quickly step forward and assuage the concerns of regulators and the public allowed the crisis to escalate. Boeing's board of directors voted to suspend production of the troubled jetliner and ousted the CEO. The 737 MAX crisis led to Boeing losing its title of world's largest plane maker to rival Airbus.¹⁶
- The CEO of Volkswagen resigned and several other high-level leaders were fired in 2015 after the company acknowledged using software in diesel

Leader's Bookshelf

Leading in the Digital World: How to Foster Creativity, Collaboration, and Inclusivity

by Amit S. Mukherjee

Amit Mukherjee, professor of leadership at Hult International Business School, argues that the massive growth of digital technology has fundamentally changed what is required to be an effective leader. Mukherjee draws on a global survey of 700 middle and senior executives, along with interviews of top leaders around the world, to lay out the crucial practices for leading in a digital era.

How to Lead in the Digital Era

Mukherjee first categorizes the effects of new digital technology on reshaping organizations and the nature of effective leadership. Digital technologies, he says, require globally dispersed organizations that cannot fill key leadership positions from a single homogenous group. Moreover, digital technologies distribute work over space and time. For example, networks of companies co-design automobiles and airplanes. Hence, leaders cannot rely on their skills of hierarchical control of a single organization. Finally, leaders can no longer rely on assembly line-type efficiency and productivity when digital technologies and events are changing fast, demanding new levels and types of value creation. For example,

new app platforms host armies of developers and social media offer unprecedented access to the personal lives of users.

Leading in the Digital World then offers insight into the mindsets and practices for leadership success in a digital world, including the following broad guidelines:

- **Commit to Inclusivity.** At a time when work and talent may be located anywhere in the world, the best leaders embrace diversity as an asset. Mukherjee decries the “bro culture” mindset that continues to characterize some organizations and emphasizes that, “[i]nclusionary mindsets, behaviors, and actions are essential because limiting one’s access to talent is unfathomably illogical.”
- **Emphasize Collaboration.** In a digital world, Mukherjee asserts that the generalist (a leader with broad knowledge, who is always open to learning) is more effective than the specialist (a leader with deep knowledge in a specific area). Broad knowledge and a willingness to learn enables a leader to embrace worldwide collaboration across traditional boundaries at the

team and organizational levels. “Collaboration is critically important, because the digital . . . world requires leaders to bring together knowledge, resources, and diverse people in the pursuit of goals,” Mukherjee writes.

- **Make Creativity a Top Priority.** Emphasizing collaboration and inclusivity, in turn, supports creativity. Today, organizations must be continually changing and adapting. The old mindset of “managing for productivity, not creativity” is a significant obstacle in a digital world. Leaders need a new approach to take the risks that nurture creativity and bring new ideas to life.

Conclusion

Mukherjee makes a compelling case that digital technologies require leaders in all types of organizations and situations to embrace inclusiveness, collaboration, and creativity. *Leading in the Digital World* doesn’t provide all the answers, but it is a great starting point for leaders to delve into the questions they face in the rapidly evolving digital world.

Source: *Leading in the Digital World*, by Amit S. Mukherjee, is published by MIT Press.

vehicles designed to cheat U.S. emissions tests. Actual exhaust emissions turned out to be up to 40 times higher than the emission tests revealed. The company continues to suffer from the emissions crisis.¹⁷

Most leaders, whether in business, politics, the military, education, social services, the arts, or the world of sports, recognize that trying to maintain stability in a world of unexpected and far-reaching change is a losing battle. “You have to be able to react very quickly,” said Ellen Kullman, retired CEO of DuPont. “And the world is so connected that the feedback loops are more intense.”¹⁸

Today’s best leaders accept the inevitability of change and crisis and tap into them as potential sources of energy and self-renewal. Adaptability is the watchword of the day.

Put It Into Practice 1.2

Prepare in advance by writing down your response to a potential change or crisis on the horizon for you.