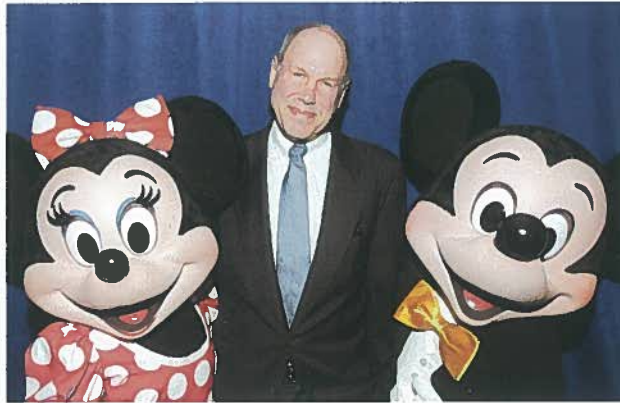




# How to go from good to great

What turns a manager into a leader?  
**Professor Randall S Peterson** suggests some answers



Michael Eisner transformed Disney, but didn't know when to quit

## 1 Be self-aware

People would like to be able to say, "I'm going to be great at everything I do," but for most of us this is highly unlikely to be the case. In class, I often get students to sign their name as they would on any official document. Then I ask them to put the pen in their other hand and sign again. Naturally they find the process much more difficult – even awkward, or weird. And how does it look? Not very good.

It's the same in business. People tend to have a natural style or a particular area of expertise. When you try a different approach in a different sphere, can you do it? Yes, like your wrong-handed signature there is something there. You can function. But you have to really think about it and it's still not great. Of course you can keep practising with that 'other hand'. You'd get better but would it ever be 100 per cent? Would it ever be amazing? Probably not.

I conduct a great many 360° surveys and personality tests in order to identify what people are good at. The message that I always make sure they walk away with is: the best job is the best fit. You do it well because it comes naturally to you given your style and personality. It is important to find your own voice, and then leverage that in a way that makes you a great leader.

## 2 Play to your strengths

It's a common misconception that the best leaders are different things to different people at different times: the evidence for this is extremely weak. Situational leadership is about finding the right place at the right time and that requires you knowing who you are first in order to be able to deliver that at the right moment.

Often a range of opportunities will present themselves, for example, and you should develop the ability to spot which will put you on the path to playing to your strengths. That is not to say you should never develop yourself by taking on something that is not on your strength list, but do so with caution. Don't enter into something lightly because you think

you'll learn from it. It could turn out disastrously – both as a project and for your career prospects.

## 3 Nurture your firm's values

In his first book, *Jack: Straight from the Gut*, Jack Welch – the legendary Chairman and CEO of GEC – wrote that the two main aspects of performance were:

a) Delivering the numbers;

b) Doing it in a way that shares and enacts the values of the organisation and treats people with respect.

The problem is that most organisations promote on the basis of financial results alone when they should actually be focused much more on the extent to which an executive enacts its values while meeting his or her targets.

Someone in a senior leadership role might have five or six direct reports. If one of these people makes the numbers but achieves the desired results through inappropriate means or by creating a negative culture the effect will filter down through the firm. Given the pyramid structure of most company hierarchies this can lead to a high proportion of the head count experiencing this toxic culture and that can put the long-term health of an organisation at risk. Telling someone reaching their financial targets that this is not good enough in itself is a tough conversation to have but it is a vital one.

## 4 Stay open to feedback

There is much truth in the old saying, "Power corrupts and absolute power corrupts absolutely". Psychological studies have found that the more people experience power, the more they tend to devalue the contributions of others. As a result, many bosses act in ways that make them unpopular. One recent paper found that the

relationship an employee has with their boss was key to their job satisfaction. It also quoted a survey that found that 65-75 per cent of people said the worst aspect of their job was their boss. The inescapable conclusion is that many people are unhappy at work.

The key is to keep listening to the people around you. Leaders who stop listening tend to start doing what they think is best regardless of what those around them are saying. We see this most often among CEOs who have enjoyed early success.

## 5 Know when to go

All too often great leaders outstay their welcome and the poster child in this regard is Winston Churchill. As a wartime leader, his oratory motivated people when circumstances looked completely dire and the future unutterably grim. But in the first General Election after the war he offered what no one wanted or needed at that point and ended up losing the election because he was so out of step. Times changed but he didn't see it and the result was humiliation.

I think the poster child on the commercial side is Michael Eisner, CEO of The Walt Disney Company from 1984 to 2005. In the early years of his tenure, he transformed the company from a dowdy, failing giant to the darling of Wall Street. The relaunch of animated film and the decision to open amusement parks overseas were both masterstrokes.

But in his last four to five years he had a series of COOs with whom he publicly fell out: the subsequent tailing off of the company performance offers us a lesson in knowing when to quit. ■

Randall S Peterson (rpeteron@london.edu) is Professor of Organisational Behaviour; Academic Director of the Leadership Institute at London Business School

Randall S Peterson runs the leadership week of the School's Accelerated Development and Senior Executive programmes. For more information visit [london.edu/SEP](http://london.edu/SEP) and [london.edu/ADP](http://london.edu/ADP)