



# BIG EGO LEADERSHIP

Does the world need “nice” leaders?

By Professor Jean-François Manzoni - March, 2008

**IMD**

**Chemin de Bellerive 23  
PO Box 915,  
CH-1001 Lausanne  
Switzerland**

**Tel: +41 21 618 01 11  
Fax: +41 21 618 07 07  
info@imd.ch  
<http://www.imd.ch>**

## BIG EGO LEADERSHIP | Does the world need “nice” leaders?

Leadership is a tricky concept. We each understand the word differently and have different views on what a “true leader” is. Academic research on and around leadership has been equally heterogeneous. Leaders have been studied along multiple dimensions (traits, behaviors, personal backgrounds, etc.), but this effort has yielded relatively few findings that stand the test of time and prove robust in different situations and across national and organizational cultures.

In this context, an intelligent assessment of the advantages, disadvantages and future prospects of “big ego” leadership would first require a clear definition of the term. What do we mean by big ego leadership? And what is its opposite? We read about the contrast between “big ego” leaders and humble, soft leaders referred to as “nice guys”. But does the world really need more nice leaders?

I am tempted to answer “yes” and “no”. All things equal, most of us would like to work for leaders who empower their staff, welcome and even solicit their staff’s opinions, care about them as employees and as individuals and help them to develop. A touch of humility, a positive attitude towards life and people, and a good sense of humour would also be welcome.

Empirically, however, I am not aware of any evidence suggesting that such nice leaders are systematically more effective, or even more appreciated by their staff. Indeed, imagine this wonderful “nice person” also has a pathological problem with keeping track of priorities, or of listening to so many people that he or she ends up being indecisive. Or imagine this nice leader lacks business judgement, industry expertise, or any credit with his/her own bosses and hence is incapable of providing you with the support and resources you need. Do you still want this nice leader for a boss?

Leaders, especially senior leaders, have multiple roles and responsibilities. First, they have responsibilities in the realm of strategy definition: they need to understand the evolving competitive landscape (including potential new entrants), keep track of changes in technology and in customer expectations, understand the business and the dynamics of the industry and maintain a strategic perspective on things, including what kinds of alliances, expansions or divestitures might be relevant.

Second is the leader as organizational architect, designing and using the organization’s structure, systems, processes and technology to translate strategy into action and to shape the organization’s culture over time.

Last and obviously not least, leaders must mobilize the energy of several constituencies often presenting different expectations and mindsets: downward (direct reports and the larger unit), upward (one’s immediate boss, all the way to the board for CEOs) and outward (e.g., shareholders, analysts, journalists, customers, suppliers and competitors, regulatory authorities and the general public).

In real life, successful fulfilment of these roles often requires making difficult decisions that involve uncertainty and/or are bound to create winners and losers. Whether it’s shifting the organization’s strategy to de-emphasize some products/regions at the profit of others, changing the structure of the organization or the criteria that govern executive compensation, or postponing a salary rise to local employees in order to invest resources abroad, the leader faces uncertainty and potential resistance. Making these tough calls requires leaders to have the ability to filter out the noise around them in order not to be paralyzed. It requires self-confidence, sometimes boldness.

Leadership also sometimes involves believing something is possible when all around you believe it is not. Take the example of Lakshmi Mittal, who now controls the largest steel producing company in the world. In 1994, his company was number 32 in the world. Imagine how his managers felt when he encouraged them to set a stretch goal for themselves and shoot for the number one position in their industry!

Of course, only the most senior leaders get to make the more radical strategic calls. (And by the way, these leaders are rarely humble, contented, happy-go-lucky individuals. As Général de Gaulle once put it, “glory only offers itself to those who have always yearned for it”.) But all bosses face decisions that are difficult because they involve some degree of uncertainty (and hence one cannot be sure one is making the right decision) and/or entail negative consequences for some individuals, hence requiring some degree of self-confidence, independence and personal drive.

The danger, of course, is the fine line that separates hard-of-hearing from deaf, self-confident from arrogant, and performance driven from insensitive and heartless. As time passes, as leaders accumulate successes (some of which necessarily involved them being right against the advice of others), leaders tend to become increasingly insensitive to disconfirming evidence and push back from others, thus crossing the fine line.

Some individuals are, of course, more prone to crossing this line than others. I remember a senior executive who explained: “My mother repeated to me many times over the years to be nice to people on the way up because, she said, you’ll meet them again on the way down.” Also, he added: “I’ve had enough ‘close shaves’ in my life, occasions where I almost made a mistake, or made a mistake but was rescued by others from its consequences, so I remember I’m not infallible.”

But even the most balanced individuals must remain mindful of the danger they face as success starts dulling their edge and lowers their sensitivity to weak, disconfirming signals. Some managers guard against this danger by surrounding themselves with a few strong individuals. For example, a senior executive explained to me that he always chooses one or two of his functional executives among managers who have had general management experience before, typically in a smaller structure. His experience was that such individuals would be more prone to identify, and then not be afraid to bring forward, potentially threatening but relevant information.

Leaders must also make sure they maintain and protect their ‘bandwidth’: i.e., their cognitive and emotional ability to process complex issues. Too many managers are so swamped and overwhelmed that, despite their good intentions to remain open, listen, learn and support, they end up becoming inflexible, emotionally detached and unreasonable in their expectations.

Loving one’s children helps one to be an effective parent, but effective parenting requires more than love. Similarly, being humble and nice helps one to relate to others and can be an asset for a leader, but being a manager/leader requires so much more than this. Leaders, especially senior leaders, must have solid egos. They must have the ability to face uncertainty and resistance, to choose courses of action that may be unpopular and sometimes to inflict pain on individuals and groups. They must also make sure they keep learning, adapting and developing, in order to remain on the right side of the fine line.

This continuous, never-ending process was exemplified by Mahatma Gandhi, who throughout his life systematically made time to review his day’s actions. His secretary, Pyarelal, reported that well into his seventies, Gandhi daily “held a silent court with himself and called himself to account for the littlest of his little acts. Nothing escaped his scrutiny. He gave himself no quarter”. This relentless drive for betterment is what learning is all about.

Professor Manzoni teaches on the Breakthrough Program for Senior Executives (BPSE), High Performance Boards (HPB), High Performance Leadership (HPL) and the Orchestrating Winning Performance (OWP) programs.

## RELATED PROGRAMS



### **HIGH PERFORMANCE BOARDS - <http://www.imd.ch/hpb>**

#### **A Forum for Excellent Practice**

Program Director Paul Strebel

- Identify your board's power structure and decision-making freedom
- Develop insights into dealing with critical challenges in today's volatile environment
- Develop an action plan for improving your impact as a board member



### **BREAKTHROUGH PROGRAM FOR SENIOR EXECUTIVES -<http://www.imd.ch/bpse>**

#### **High Impact Strategy and Leadership**

Program Director Peter Killing

- Define your must-win battles and develop a personal action plan
- Identify new opportunities in your business to create exceptional value
- Learn how to lift your corporate and personal performance to new heights and pass important leadership lessons on to others