

THREE-MENDOUS VISITING ACADEMICS EXCELLENCE UNIVERSITY GETS
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UNIVERSITY OF STRATHCLYDE GRADUATE SCHOOL OF BUSINESS MAGAZINE | SPRING 2002

PIONEER



THE UNIVERSITY OF STRATHCLYDE
GRADUATE SCHOOL OF BUSINESS

A stylized illustration of a man with dark hair, wearing a blue suit, white shirt, and red tie. He is holding a large blue telescope to his eye and looking through it. He is surrounded by lush green foliage, including large leaves and pink flowers. In the bottom right corner, there is a colorful parrot with blue, orange, and white feathers perched on a branch. The background is a solid light blue.

KING OF THE JUNGLE?

FIND OUT WHAT IT TAKES TO BE A GOOD LEADER

A grand night out

SCOTTISH QUOTED COMPANIES RECOGNISED FOR THEIR ACHIEVEMENTS.



Months of hard work for USGSB came to an end as the great and the good of Scottish business gathered in the Grand Ballroom of Glasgow's Hilton Hotel for the fourth Scotland plc Awards on Thursday 7 March.

For the second year running, USGSB took on the role of research sponsor for the prestigious awards, created in 1999 to recognise and reward the achievement of Scotland's quoted companies. The awards, run in association with the London Stock Exchange, have since become a fixture on the corporate calendar.

Rigorous but fair

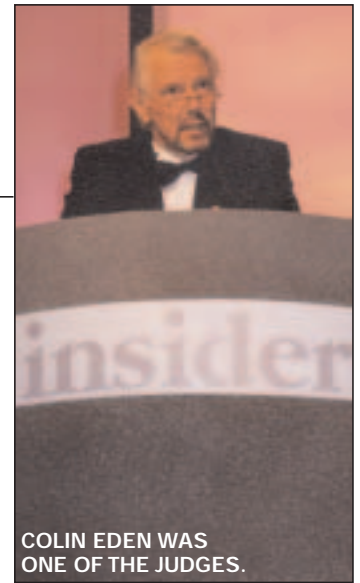
The organisers of the Scotland plc Awards (business magazine *Scottish Business Insider* and PricewaterhouseCoopers) approached USGSB for its help in ensuring all plcs were looked at rigorously but fairly. This means that USGSB is responsible for researching eligible Scottish plcs against a fixed set of criteria and producing case studies for



"THE AWARDS ARE GOING FROM STRENGTH TO STRENGTH AND EVERYONE INVOLVED WORKS WITH INCREDIBLE PROFESSIONALISM TO MAKE THEM A SUCCESS."

consideration by the judging panel made up of eminent and independent business thinkers.

Professor Colin Eden, director of USGSB, and a non-voting advisor on the judging panel, said: "The awards are going from strength to strength and everyone involved works with incredible professionalism to make them a success. Our role is to ensure fair play with a clear, thorough and auditable process."



COLIN EDEN WAS ONE OF THE JUDGES.

The winners:

Agenda Award for Corporate Citizenship:
Scottish Power plc
(special commendation:
Robert Wiseman Dairies plc)

Award for Global Connections:
Aggreko plc

Award for Innovation:
Aggreko plc

Award for Economic Impact:
Royal Bank of Scotland plc

Bell Lawrie White
Shareholder Return Award:
Edinburgh Oil & Gas plc

Scottish plc of the Year Award:
Royal Bank of Scotland plc

London Stock Exchange
CEO of the Year Award:
Fred Goodwin (Royal Bank of Scotland)

Special award for outstanding contribution to the business community:

Chris Masters (Aggreko)

Everyone's a winner

All the contenders for this year's awards were acknowledged as real winners by those at the ceremony – even before the results were announced. Frank Blin, head of UK Industries and Regions at PricewaterhouseCoopers, said: "In a tough market, against a backdrop of economic downturn and recessionary influences in our manufacturing industries, the performance of Scotland plc highlights some significant bright spots."

"These awards are one means of recognising some very impressive – and important – business successes."

Wendy Alexander MSP, Minister for Enterprise, Transport and Lifelong Learning, joined Scotland's business leaders in acknowledging the Royal Bank of Scotland's outstanding performance in the past year, as it scooped a hat-trick of awards at the ceremony.

USE US COURSES AND FACILITIES AT USGSB COULD HELP YOU OR YOUR PEOPLE GET FURTHER, QUICKER.

Institute of Management

The Institute of Management (IM) has formed a partnership with the University of Strathclyde Graduate School of Business. This means that as a Strathclyde MBA graduate you are now eligible for full professional membership of the IM. What's more, because the IM has recognised your MBA for membership purposes, they guarantee you will be awarded Member grade (MIMgt) without undergoing their normal assessment procedure.

For further information contact iom@gsb.strath.ac.uk. For detailed information on IM, visit the Institute's website on www.inst-mgt.org.uk

Refresher programmes

A selection of management refresher programmes is currently being finalised and will take place in late spring or early summer. Initial themes are likely to include strategy and managing strategic change, scenario planning, challenges of leadership and people management, managing value

and how emergent new technology impacts on business. If you would like more information about these programmes, or would like to share your views on what you would like to see covered by the programmes, please contact USGSB's executive development manager David Balkind. Call him on +44 (0) 141 553 6177 or email him at David.Balkind@gsb.strath.ac.uk or edp@gsb.strath.ac.uk or visit the website www.StrathclydeEDP.com.

Alumni Intranet

As an alumnus of USGSB you are a lifelong member of a worldwide network linking thousands of individuals in over 100 countries. USGSB's Alumni Intranet is a handy way of keeping up with what is going on, staying in touch with old friends or contacting alumni around the world. You can use the Intranet to access tailored information about careers, news and bulletin boards as well as databases. For more information on

database access contact Christine Reid on +44 (0) 141 553 6135 or email her at c.reid@gsb.strath.ac.uk. The Intranet is continuously being developed and is currently free to alumni. If you're not logging on, you're missing out. Go to www.worldclassmba.com and click on the alumni icon. Alternatively go to www.intranet.gsb.strath.ac.uk and follow the instructions (you will need your student registration number).

QUESTION TIME



NABIL ALYOUSUF, CORPORATE PLANNING HEAD OF TECOM, FACES THE SPOTLIGHT.

How has your life changed since graduation?

While doing my MBA I changed my job. I worked for 16 months at Emirates Petroleum Products Company as manager, corporate planning and business development. I graduated in 2000 and joined TECOM (Technology Electronic Commerce and Media free zone in Dubai) last April. Tell us more.

My role as head of corporate planning is to develop the overall strategy for the zone, follow up implementation of the strategy and ensure the strategy is resulting in the desired outcome. I am also responsible for developing new opportunities for the zone within the targeted market segments.

Why an MBA?

My career moved into management rather than engineering, which was my first degree. I decided to get an MBA to learn more about the world of business and management.

Why USGSB? Be honest!

Certainly. Although there are several MBA programmes in Dubai offered by UK universities, USGSB has the best reputation for academic excellence. Also, USGSB was the only one that focused on skills required in the work place (such as negotiation skills) as well as academic knowledge.

So what was most useful?

Strategy is an essential part of any organisation – it is the core of all activities within a company – so GSM analysis and processes were very important for me.

How did you cope with all that study and other interests?

With difficulty! It was hard to give any attention to family life and other interests – weekends were usually reserved for studying or completing assignments. It was an intense period but the returns are worth the investment.

Would you recommend it?

For sure. The MBA has given me the knowledge and skills needed for my new job. It has given me a better understanding of the various parts that make up an organization. I can now discuss matters in depth with colleagues from other departments because I now understand their functions.

Spring into action

MARK-JAMES ROSER AND LORENZ KOHLER HAVE TAPPED INTO THE MINERAL WATER INDUSTRY SINCE COMPLETING THEIR MBAS.

► Heidiland Water was founded in 2000 by two USGSB alumni – Mark-James Roser and Lorenz Kohler – who met while studying for the MBA at our Swiss centre, the K.S. Kaderschule in St Gallen.

Lorenz lives in the Heidiland region of Switzerland and the idea of marketing the area's mineral water had been in his head for some time. He

met Mark-James on the first day of their MBA course at USGSB, and they decided to explore the idea. They worked together on the project as part of their studies and by the time they graduated they had a business plan they could use to obtain funding.

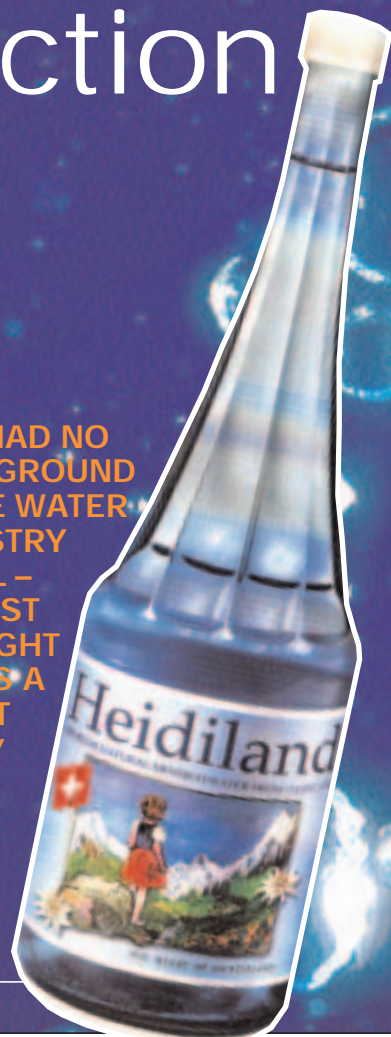
Mark-James explains: "We had no background in the water industry at all – Lorenz was a bank director and I was in marketing – we just thought it was a great idea. We thought, we have the best water in Switzerland, but there is no Swiss water available on the international market, so why not take a challenge?"

Their hard work has been rewarded. Heidiland Water is becoming increasingly well-known – it is sponsoring the Gourmet Festival in St Moritz this year, and is served as a refreshment in the guest rooms at the famous Badrutt's Palace in St Moritz. Heidiland Water is on sale in supermarkets across Switzerland and Germany and it's becoming available further afield, with distributors in Saudi Arabia, Canada and Japan.

Heidi, Johanna Spyri's children's book is known and loved around the world – Mark-James and Lorenz hope Heidiland Water will become just as familiar.

To find out more check out www.heidilandwater.ch

"WE HAD NO BACKGROUND IN THE WATER INDUSTRY AT ALL – WE JUST THOUGHT IT WAS A GREAT IDEA."



VOXPOP

Your views

PIONEER ASKS WHAT YOU THINK OF THE LATEST HOT ISSUE. THIS MONTH: ARE LEADERS BORN OR MADE?



◀ **Dave Pratt, full-time MBA**

"Leadership training often focuses on interpersonal and organisational skills. These can be taught, but do they merely increase staff effectiveness through improved morale, and less organisational friction, giving the illusion of leadership improvements? Key leadership qualities like energy, vision, presence, innovation and sheer drive to succeed are much harder to teach. Perhaps you can make a leader for a flock of sheep, but can you make one for the wolfpack?"



◀ **John Bryson, visiting professor USGSB, professor at University of Minnesota's Hubert H. Humphrey Institute of Public Affairs**

"Leaders are both born and made. In other words, there has to be some capacity with which to work, but beyond that leadership education and development can make a real difference. The best organisations make use of reasonable personnel selection procedures and pair them with serious attention to developing their potential as actual leaders."



▲ **John Gibbons, part-time MBA**

"Recent leadership research seems to indicate that leaders can be made and are not born. This seems logical, but what would academics make of someone like Lord Nelson? He had character and vision, something leadership courses cannot teach. So was he not a natural-born leader?"

fuzz words



CELEBRATE A DECADE

EACH ISSUE WE WILL HAVE A STROLL THROUGH THE JARGON ALPHABET WITH THE AIM OF DEFUZZING THE BUSINESS LANGUAGE FOR YOU. ANY PERSONAL JARGON FAVOURITES? LET US KNOW.

A 180: An about face, a complete reversal.

Dead wood: People who are part of an organisation, but no longer contribute to the firm's output.

Elephant hunt: Enticing a major corporation to move into a community, stimulating economic development.

Iceberg principle: The idea that in any situation only a small part of the problem initially will be visible.

▲ Calling all MBA graduates who were in Etive year – please get in touch for the 10-year reunion being planned for 2003. Planning is in the early stages and the organisers are still trying to gauge how many of their year would be interested in coming to a Glasgow-based event in September 2003. If you are interested in attending **contact Orna Lawrie Orna@klawrie.fsworld.co.uk or Jeffrey Loughridge Loughridge@breathemail.net for further details.**

"I THOUGHT THAT DOING AN MBA MIGHT FOCUS MY THINKING AND I ALSO HOPED TO MEET LIKE-MINDED INDIVIDUALS."

Hot property

JACQUI MITCHELL'S MBA HELPED HER MAKE THE TRANSITION FROM CONSULTANT TO RUNNING HER OWN COMPANY.

Setting up her own business had been a dream of Jacqui Mitchell's for some time before she decided to give up her job as finance manager for Andersen Consulting to embark on an MBA at USGSB in preparation for fulfilling the dream. A brave step, but it's paying off says

Jacqui: "I'd known for a long time that I wanted to set up my own business, but couldn't come up with an idea that I felt was a winner. I thought that doing an MBA might focus my thinking and I also hoped to meet like-minded individuals. I knew an MBA would give me a grounding in all aspects of business – useful when it came to running my own business."



JACQUI MITCHELL'S LIVING HER DREAM WITH JIM PROPERTY SERVICES.

JJM Property Services was born from the original idea of offering tax return services for landlords, but Jacqui soon started to think bigger. She now offers a complete package to property investors – ranging from property search through to letting and management.

"I can organise everything from the appointment of a solicitor and surveyor to the redecoration of the property and the organisation of the furnishing. I've managed to negotiate reduced fees with solicitors and surveyors and the furnishing packages contain everything that is required. They are available at three specification levels, from basic to executive."

Clients have come from both home and abroad and, since setting up last year, JJM Property Services has gone from strength to strength.

Want to know more? Check out Jacqui's website at www.jjimps.co.uk

Ten signs of a leader

EVER WONDERED WHAT MAKES A LEADER? FIND OUT BELOW.

Visionary. Leaders look at the big picture, have a clear purpose and can develop and share their vision and purpose with others in an inspiring way.

Trustworthy. Leaders are open and direct, forging good personal and business relationships. They are both trusting and trusted.

Optimistic. Leaders always see the glass as half-full rather than half-empty. They expect the best of people and look on the bright side of life. This feel-good factor attracts people to follow them.

Inventive. New ideas are bread and water to leaders. Leaders are constantly one step ahead, thinking of ways to evolve and innovate, to solve problems and find new ways of working. They are not afraid to try a new venture.

Risk-taker. Leaders are not afraid to take chances. They can often turn failure into success and look on each failure as a stepping stone to success. Outright failure does not get them down – it stimulates them to try and try again.

Communicative. Leaders communicate comfortably and effectively with groups of people at all levels and of all abilities.

Motivated. Leaders are very driven individuals, with a clear idea of where they want to go – and they never give up.

Committed. Leaders stick to what they believe in and are not easily moved off course.

Inclusive. Leaders believe in involving people and are natural mentors. They are also good at building confidence in others.

Spirited. Leaders are an inspiration to others. They are full of energy and easily communicate this to others, motivating those around them.

If you have any news or comments **contact Audrey Chisholm, Press & Publications Executive, University of Strathclyde Graduate School of Business, 199 Cathedral Street, Glasgow, G4 0QU, or email Audrey@gsb.strath.ac.uk**

Colin Eden, Director, USGSB,
professor of management
science and strategic
management
“Leaders are both born and
made in that without being born
they cannot be made. Knowing
how to learn from experience
shapes an ability to know when
to respond to the demands for
leadership. Positive
reinforcement from comrades
and outcomes shapes
development of a person as a
leader and reflective exploration
through education makes good
leaders better.”

overmatter quote

Welcome to PIONEER



▼ We are continually trying to add value to the University of Strathclyde Graduate School of Business (USGSB) experience, and **PIONEER** is one more contribution. The theme for this issue is leadership – a suitable topic for a pioneering magazine.

At USGSB we are proud of leading the way with our history of firsts. In the UK, we can claim the first one-year full-time MBA, the first part-time and distance learning MBAs, and the first DBA, as well as our Queens Award for Exports following our commitment to having a global presence.

Leadership has also been an important focus for us over the last couple of years, as our relationship with the Leadership Trust has enabled the development of our specialist MBA in Leadership Studies. Increasingly, our past students are showing leadership qualities as they launch their own successful businesses – we are extremely pleased to see this happening and even more pleased that they continue to keep in touch with us.

Professor Colin Eden, Director
University of Strathclyde
Graduate School of Business

Wizard in Oz

► Senior lecturer in management at the USGSB, Dr George Cairns is heading down under this May. He has been invited to join a panel of four 'gurus' at the 13th National Conference of the Facility Management Association of Australia, known as ideaction 2002. The theme of this year's conference, to be held at Barossa Valley near Adelaide in Australia, is 'Shaping the Future'.

Dr Cairns participated in

the event in 2000 and is delighted and honoured to be asked back – particularly as the sole 'Euro guru' on a four-strong panel of speakers. Other members hail from North America, Asia and Australia.

Commenting on the conference, billed as 'Australia's premier facility management learning event', Dr Cairns said: "There is a very strong interest in facilities issues at a strategic level in Australia. Both public and



private sector organisations there consider that facilities management makes a major contribution to improving business efficiency, but with consideration of how this is brought about by the

CONFERENCE CALL

effectiveness of people and by providing them with a high-quality work environment. This is not just about cutting cost, but adding value."

The conference aims to explore future issues and challenges confronting the facilities management industry and to look at future practices and solutions with other professionals.

For more information about ideaction 2002, check out www.fma.com.au



BARBARA C. CROSBY COMES TO GLASGOW.

Visiting academics

USGSB WELCOMES THREE VISITING LECTURERS WITH A RANGE OF COMPETENCIES.

John Barbour, a former Strathclyde University student, is now returning to share his knowledge of shareholder value. John has run his own company, John Barbour Management Consulting Ltd, since 1999 after over 20 years in management consultancy. The company offers advice and coaching to senior executives who wish to manage their companies for shareholder value.

Professor John Bryson of the University of Minnesota's Hubert H. Humphrey Institute of Public Affairs has a long-standing relationship with staff at Strathclyde, with a history of joint research and joint publications. Areas of expertise include leadership, strategic

management, and the design of organisational and community change processes. He is author of the best-selling *Strategic Planning for Public and Non-profit Organizations*, and is also co-author, with Barbara C Crosby, of *Leadership for the Common Good*.

Dr Barbara C Crosby also joins as visiting fellow from the Hubert H. Humphrey Institute of Public Affairs. Barbara conducts seminars and workshops on leadership and public policy, women in leadership, media and public policy, and organisational leadership. She has taught and written extensively about leadership and public policy, women in leadership, media and public policy and strategic planning.

First class honours

► USGSB continues to be among the best of global business schools. This excellence has been confirmed by independent bodies and by rankings carried out in various publications. For example, did you know the following?

■ Last year, the European Foundation for Management Development awarded USGSB with EQUIS accreditation. This recognition of excellence has so far been given to only 11 business schools in the UK and 52 worldwide. It is a welcome addition to the AMBA accreditation that USGSB's MBA programmes already hold.

■ Both the 2001 and 2002 Financial Times surveys feature USGSB in the top 100 full-time MBA programmes in the world. This year's survey ranked 13 UK schools in the top 100 and USGSB was in the top 10 of these. The *Financial Times* also ranked Executive part-time MBAs (EMBA) for the first time last year. USGSB's EMBA was included in the top 50 EMBA in the world and was again one of the top 10 in the UK.

Rankings, and how they are carried out, can be controversial. If you want to find out more about them, visit the following websites: www.the-abs.org.uk www.ft.com www.mba.org.uk www.efmd.be

Pic from getty images – would cost £90 but need some images on these pages

WORLD CLASS

Enterprising adviser

◀ Having moved into purpose-built new premises in Glasgow last year, Scottish Enterprise approached Dr George Cairns to act as adviser for a post-occupancy study, to look into issues such as functionality, environment, privacy and safety.

A four-month evaluation – due to be completed by the end of April – is being carried out by a group of external consultants, and Dr Cairns is using his expertise in the field of facilities management to supervise the initial study, review the findings and give professional advice where necessary, as well as providing an independent eye on the proceedings.

Scottish Enterprise is Scotland's main economic development agency, funded by the Scottish Executive, to help people and businesses succeed and, in doing so, build a world-class economy by helping new ventures and supporting and developing existing businesses.

USGSB academics add to booklist

► Professor Gerry Johnson has seen the sixth edition of *Exploring Corporate Strategy* launched.

Professor Johnson's book is Europe's best selling strategic management textbook. It has sold nearly half a million copies since its launch in 1984 and is used as a base for strategy in business schools across the world. Co-written with visiting professor Dr Kevan Scholes and published by Prentice Hall, the book is increasingly gaining ground in Eastern Europe. It has already been translated into Chinese,

French and Spanish, and is under translation in other languages.

► Dr Bill Donaldson's latest book, *Strategic Market Relationships*, is also hot off the press. Written with co-author Dr Tom O'Toole of the Waterford Institute of Technology, the book melds their respective expertise in marketing and strategy to form a new perspective on building business relationships. The title is published by Wiley.

► Dr Nic Beech has also had a new book published. Co-written

with Dr Eugene McKenna of the University of East London, *Human Resource Management: A Concise Analysis* is published by Prentice Hall and is a replacement for *The Essence of Human Resource Management*.

► Another recent publication is Professor George Wright's *Strategic Decision Making: A Best Practice Blueprint*. He is also an author, along with Professor Kees van der Heijden, Dr George Cairns, Ron Bradfield and George Burt, of a forthcoming book by the team at the Centre for Scenario Planning and Future Studies at USGSB. Published by Wiley, *The Sixth Sense* is due out in the next few months.

and...

Swedish links

► USGSB has formed a strategic alliance with Jonkoping International Business School (JIBS) with the aim of fostering educational and business links between the two institutions. Director of USGSB Professor Colin Eden and dean of JIBS Rolf Lundin have signed an agreement to investigate executive education and co-delivery of programmes.

The executive education joint venture is to be launched in 2002/2003. Initially, this will involve ten Scottish and Swedish executives focusing on strategy development and business renewal, but other subjects will be considered in the future.

Among other co-operative ventures, JIBS and USGSB will be working on ways to formulate exchanges of both faculty and PhD students between the schools for mutual benefit.

Wright lines

► The Royal Swedish Academy of Sciences has asked Professor George Wright to help nominate next year's candidates for the Nobel prize for economic sciences.

Founder and editor of the *Journal of Behavioral Decision Making*, Professor Wright chaired the steering committee of the UK Economics and Social Research Council's Research Programme on Economic Beliefs and Behaviour between 1994 and 1998. He and members of his journal's editorial board have been invited by the Academy to help select a list of suitable people for the award.

The world-famous Nobel prizes have been awarded annually to outstanding achievers in the fields of physics, chemistry, medicine, literature and peace since 1901. The Bank of Sweden Prize in Economic Sciences was added in 1968.

Recent winners of the economics category include James Heckmann, University of Chicago, Daniel McFadden, University of California and Amartya Sen, Trinity College, Cambridge.

KING OF THE JUNGLE

TO BE TOP BANANA YOU NEED MORE THAN PERSONAL CHARISMA AND AUTHORITY. ROGER GILL TAKES A NEW LOOK AT LEADERSHIP.

Leadership is a hot topic. It is getting more difficult and bad leadership in both the private and public sectors is receiving more publicity than ever before. Research shows an unquestionable relationship between the quality of a firm's leadership and its shareholder value, innovation, growth, employee performance and morale. Even venture capitalists are starting to realise the importance of leadership in companies they invest in. So what exactly do effective leaders do?

Above all, people look for credibility in their leaders. Credible political and business leaders display intellectual, emotional and behavioural competencies in visioning; strategy formation and implementation; creating a strong, positive corporate culture as well as empowering, inspiring and motivating people.

Vision and mission

The Bible tells us: "Without vision, a people perish." The same is true for an organisation. Effective leaders communicate a vision and mission for the organisation that are perceived by their employees or followers as both intellectually rational and emotionally appealing. Vision is the 'magnetic north' – it defines what or where the organisation wishes or needs to be. A mission statement articulates why the organisation exists and what it does. Richard Olivier, the theatre

director and mythodrama pioneer, says that Vision + Action = Mission.

Having a vision that is brief, clear and desirable ("New Labour, New Britain" for example?), that contains relevant and appealing imagery and is communicated and implemented by 'walking the talk,' makes a vital difference to organisational performance. Without strategies, however, vision is a dream. Theatre impresario Bill Kenwright calls himself 'a dreamer, a romantic'; yet he displayed unrelenting focus in his eventually successful bid for Everton Football Club. While former CEO of British Airways Bob Ayling's vision was that the world needs cheaper air fares, he never translated it into action and reality.

Intelligent strategies

Effective leaders ensure that intelligent strategies for pursuing the vision are developed, have buy-in and are implemented. Strategies are ways of pursuing the vision; identifying and exploiting opportunities; and anticipating and responding to threats. They are ways not only of responding to the need for change, but also creating it.

Asda was close to bankruptcy when Archie Norman took over as CEO in 1991. In addition to necessary radical and immediate action, he formulated a clear, long-range strategy based on low pricing and creating an atmosphere of trust and openness. According

FOLLOW THE LEADER

TWO PEOPLE APPLY THEIR INDIVIDUAL LEADERSHIP QUALITIES TO THE CHALLENGES AT HAND.

Janet Street-Porter

While working with the BBC, Janet Street-Porter disagreed with the conventional mission for the BBC, which was to produce the best programmes in the world. Far better, she felt, was to produce exciting, unforgettable programmes. She feels an organisation's vision must be achievable but exciting – not banal. For example, as editor of *The Independent on Sunday* she preferred to pursue a vision for the newspaper as 'more interesting and readable', instead of raising the circulation.

"MANAGERS ARE OFTEN SO BUSY CUTTING THROUGH THE UNDERGROWTH THEY DON'T REALISE THEY ARE IN THE WRONG JUNGLE. A LEADER IS THE PERSON WHO CLIMBS THE TALLEST TREE, SURVEYS THE ENTIRE SITUATION AND YELLS, 'WRONG JUNGLE!'"

Stephen Covey,
US management author

Ernest Shackleton,

The Antarctic explorer was an empowering leader. He spelled out exactly what was required of each man and provided the best possible equipment. He understood and accepted each man's quirks and weaknesses, identified his unique talents, matched what needed to be done with these abilities, and helped each one to reach his potential through challenging and meaningful work. Perhaps above all, he was a nurturing, caring leader, even serving tea in bed to the ship's 'crybaby'.

to Michael Beer of Harvard Business School, this approach was a clever blend of 'Theory E' turnaround based on shareholder value and 'Theory O' aimed at building a dynamic, creative organisation. In other words, turnaround strategies require both hard and soft leadership skills.

While most companies have clear vision, mission or strategy statements, in only seven per cent of cases are they understood by middle management and employees, according to one survey. Effective leaders ensure that people understand and are committed to vision and strategies throughout the organisation.

Corporate culture

Effective leaders identify, display and promote the shared values and beliefs, held dear in

people's hearts, that support the organisation's vision, mission and strategies. Charles Dunstone of Carphone Warehouse is passionate about his values: putting the customer first and ensuring that employees share in the fortunes of the company.

Leaders in global organisations, according to The Body Shop's Anita Roddick, have global capability and global responsibility: their decisions have an impact not just on economies, but on poverty, environment and security. The key to developing social responsibility, she says, is empowerment. Creating shared values is the responsibility of each employee.

Empowerment

Effective leaders empower people to be able to do what needs to be done. Empowering people means treating them as valued individuals – giving them the knowledge, skills, authority, resources, opportunity and freedom to manage themselves. This includes the opportunity to learn through failure. When the Bank of

Scotland failed to gain control of NatWest in 2000, chief executive Peter Burt said, "People have to learn to fail...If you don't try you may never lose, but you'll never win."

Empowerment starts with enhancing self-awareness, self-confidence and self-control. This is the focus of our core experiential leadership development course at The Leadership Trust.

Inspire and motivate

Effective leaders inspire and motivate people to want to do what needs to be done. Inspiring leaders are often regarded as charismatic, but this is true in diverse ways. They communicate a clear vision eloquently and confidently, using appealing language and symbols. They unlock motivation by aligning organisational goals with individuals' goals.

They treat threats, problems and failures as opportunities to learn. They personally display a unique or exceptional competency, yet they recognise others' accomplishments and enhance their self-esteem (a powerful motivator). And they show courage and take personal risk and responsibility. Richard Branson is an example of a contemporary business leader who inspires loyalty among the Group's employees and is well liked by them.

For Ian McKenzie, chief executive of Blue Circle Cement, Winston Churchill was a source of both learning and inspiration. "[His] writings and speeches conveyed to me the power of communication and inspiration. [He] gave me a can-do mentality."

Effective emotional and behavioural leadership without valid visioning and strategic thinking is dangerous. The converse is impotent. Outstanding leaders have it all.

ROGER GILL

Roger is Visiting Professor at the University of Strathclyde Graduate School of Business and Director of the Research Centre for Leadership Studies at The Leadership Trust Foundation in Ross-on-Wye, Herefordshire. E-mail: RWTGill@aol.com

