

**From: "The way of the leader" Donald G Krause.
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- ix "The leadership concepts of two men in particular, the famous general Sun Tzu, and the great philosopher Confucius, when taken together, outline a system that has worked for centuries even under the worst possible conditions.
- The purpose of this book, is to organise and integrate business-related adaptations of the concepts of these two men, along with the best ideas of modern military and political leaders, into a clear and understandable framework for effective leadership that can be used by individuals and organisations in today's competitive international business environment".
- x "Confucian teachings come to us, in part, through a series of short lessons called analects. Modern translations of Confucius include approximately 450 analects. I have borrowed about 120 analects for use in this text. The selected Confucian teachings incorporated here deal only with leadership, competition, and power".
- xii "To me, leadership *requires* recognition of a social contract between the leader and his followers. The leader must possess both the *will* and the *ability* to control the outcomes of events through the co-operative exercise of power over the actions of other people. Further, the power to lead must be freely given by those being led. Leadership power is grounded in mutual consent, expectations and commitment".
- "Management, depending on the situation, can be effective without recognition of a social contract between managers and employees, and without the agreement of those being managed".
- P 3 "A leader does not need external motivation to ensure performance".
- P 7 "The leader's character sets the moral tone of leadership. The standards he uses become the benchmarks for the group".
- "At all times, the leader demonstrates preferred or ideal behaviour by his own actions. The leader sets the example whether he intends to or not".
- P 9 "All success in business can be reduced to completing critical tasks profitably. This may seem like an overstatement of the obvious, but the fact is that critical tasks must be finished, with the revenue from these tasks exceeding the cost incurred".
- P 22 "Command tasks involve responsibility for determining both the direction of effort and the allocation of resources for significant parts of the organisation. Commanders alone have the authority to institute organisational change, because organisational change is in effect a reallocation of organisational focus and resources".
- "Commanders cannot rely on precedent, because precedent in rapidly evolving situations does not exist, except in a general sense. The task of command is the task of determining appropriate objectives, allocating resources, and then achieving objectives. People who are responsible for command tasks must possess vision and drive, imagination and persistence, in order to succeed. In short, commanders must be leaders".
- "Leaders have not always had an opportunity to develop in an organisation until a crisis occurs and it is almost too late. As an example of this phenomenon, look at what General George C Marshall needed to do with the leadership of the U.S. military at the beginning of World War 2. Virtually every general officer on active duty in the army at the beginning of 1939 had to be replaced".
- P 23 "The ability and competence of leadership must develop before challenging conditions occur".
- P 25 "Success in organisations depends not on systems, but on people. Organisations succeed because people with the necessary skills and character occupy critical command positions at the right time".
- P 34 "When an ignorant person makes an error, he will try to cover it up and blame someone else. For this reason, it can be difficult to work closely with ignorant people. They should not be placed in a position of power. When a person is aware of his own lack of true ability and is afraid to improve, he will stop at nothing to avoid being blamed for failure".

- P 38 "If you want to win a battle, it is better to have an army of asses commanded by a lion than an army of lions commanded by an ass".
- "A person must take action to become a commander. Action is preceded by determination, and determination by purpose".
- P 39 "Purpose is the motivating force for achievement. When you are doing something which serves your purpose, you are at your best".
- P 42 "An effective leader shows depth of purpose in five ways:
1. Tact and diplomacy.
 2. Tolerance for ambiguity.
 3. Reliability and loyalty.
 4. Diligence and quality.
 5. Regard for others.
- P 45 "The surest way for an organisation to succeed is to remain highly focused - that is, animated by one spirit, one mind, one purpose. Where there is no one in command, nothing useful or profitable will be completed".
- P 53 "The mark of an effective executive is the ability to maintain calm courage during a crisis".
- P 60 "An effective leader has nine responsibilities to which he must constantly attend:
1. To see clearly when he looks.
 2. To hear correctly when he listens.
 3. To think carefully when he speaks.
 4. To inquire critically when he doubts.
 5. To show respect when he serves.
 6. To maintain calm when he is challenged.
 7. To consider consequences when he decides.
 8. To create desirable results when he works.
 9. To do what is right when he acts.
- P 63 "The greatest responsibility of a leader is to decide".
- P 66 "Take great care when everyone disagrees with you. But take even greater care when everyone agrees".
- P 69 "What is knowledge? To understand that you know something when you do, and to admit that you do not know something when you do not".
- P 70 "Learn by observing the behaviour of other people. If you observe good behaviour, copy it. If you observe bad behaviour, look for the same behaviour in yourself and eliminate it".
- P 73 "The first quality of a leader is great knowledge. Knowledge does not come from intuition, but is the result of study and experience. A man is not born a leader. He must become one".
- P 78 "To be practical, any plan must take account of a competitor's power to obstruct it; the best chance of overcoming such obstruction is to have a plan that can be easily varied to fit the circumstances expected. A plan, like a tree must have branches to bear fruit".
- P 85 "Senior executives who complain about the low morale of their employees evidently do not realise that employee morale is a mirror of confidence in their leadership".
- P 86 "A leader need not handle every detail with his own hand, for, if he is in a tight place, he can call on others to do it for him. What he needs first of all is the capacity to judge the abilities of the people he uses".
- "A policy of rewards and penalties means rewarding merit and penalising failure. Rewarding merit promotes achievement. Penalising failure discourages incompetence. It is imperative that rewards and penalties be fair and impartial".

- P 88 "As a leader, getting the right person into the right place at the right time is the central issue of success".
- P 89 "A leader can be called truly skilful in human relations when he values other people's strong points even after learning about their faults. An outstanding leader quickly overlooks small faults, errors, or wrongs".
- P 90 "One notable characteristic of an effective leader is that he does not have time to criticise other people. Never tell people how to do things. Tell them your objectives, and they will surprise you with their ingenuity. Further, you must be willing to support the honest mistakes of your subordinates if you wish to develop initiative and experience".
- "A large part of confidence which results from good leadership is related to the feeling of being supported. It is the fear of being isolated which undermines enthusiasm and morale".
- P 93 "Employees always put the silence of their leaders in the worst possible light; they always assume no news is bad news, despite proverbs to the contrary. Fear demoralises".
- "No matter how lacking a man may be in other respects, if he aspires to leadership, he should first of all tell no lies. It is basic that he is not the least bit suspicious and that he can always stand on his integrity".
- P 94 "When people know their leaders care for them, notice them, and reward their successes, they will attempt difficult tasks without hesitation".
- P 97 "If an executive values competences in his own work, employees will value competence in theirs. The actions of executives are like the wind, while those of employees are like the grass. When the wind blows, the grass bends in the same direction".
- P 99 "A superior executive is easy to work with, but difficult to satisfy because he will not be satisfied by anything less than excellence".
- P 115 "During World War Two, the most important general in the U.S. Army never led an army into battle. Yet his decisions were critical to the success of the war effort. In 1939, General George Marshall was selected by President Franklin Roosevelt over a number of more senior generals to become the army's Chief of Staff, the highest-ranking officer in the U.S. military. At this time, the U.S. army's active duty roster ranked twentieth in the world, just one place ahead of Bulgaria.
- Under Marshall's command the Army grew from a poorly trained and badly equipped force of 174,000 men to a staggering 8.3 million superbly trained and supplied soldiers. How did he accomplish this feat? He did it by clearly understanding the task at hand and by committing himself to the success of the war effort, setting aside his ego when necessary to benefit the cause".
- P 120 "Under difficult and trying circumstances constituents depend on their leaders for confidence and order. Successful leaders become the eye of the storm, a calm assuring reference point from which effective action can be undertaken".
- P 125 As an example of a rallying vision of success, Winston Churchill on forming the wartime government, following the occupation of Poland and subsequent invasion of France:
- "I would say to the House, as I have said to those who have joined the Government: I have nothing to offer but blood, toil, tears and sweat. We have before us an ordeal of the most grievous kind. We have before us many, many long months of struggle and of suffering.
- You ask, what is our policy? I will say: it is to wage war, by sea, by land and air, with all our might and with all the strength God can give us... You ask, what is our aim? I can answer that in one word: Victory - victory at all costs, victory in spite of all terror, victory, however long and hard the road may be, for without victory there is no survival".
- P 132 "Every leader eventually must face the test of performance. Meeting the needs of constituents, particularly those needs that they cannot meet without the leader's ability, is the bottom line of leadership performance".
- P 149 "A leader must make a decision to act based on the information available at the time a decision is

required. In most decision situations, a leader cannot know everything he needs to know in order to assure success. To a greater or lesser degree, a mist of uncertainty surrounds every decision. Hence, one of the greatest challenges to decision-making is fear of unpredictable or unintended results. Leaders cannot operate effectively in difficult situations unless they can master their fear of the unknown”.

P 151 “It is perfectly natural for decisions made under conditions of uncertainty (as most decisions are) to cause anxiety and concern. A leader’s ability to act in spite of his fear of failure determines whether he succeeds or fails. Everyone is afraid of the unknown. Those who ‘keep right on’ will eventually win”.

P 152 “Effective innovation in an organisation is a function of the attitude of its leaders toward failure. Leaders must support and encourage experimentation in order to obtain the benefits of innovation. Successful innovation is based on experimental failure; the greater the tolerance for experimentation in an organisation, the greater the opportunity to learn”.

“Major innovations are not made in great jumps, nor in blinding flashes of intuition; rather, they evolve from incremental additions to already existing knowledge”.

P 155 “It is the responsibility of organisational leaders to provide an atmosphere of encouragement and support that will allow organisational members to experiment with ideas and learn from their failures. In this way, leaders can release the infinite power of innovation”.

P 160 Krause reprints TE Lawrence’s ‘Twenty seven articles’ of advice on how best to lead Arabs during the second world war, amongst which is advice to army officers such as:

“Go easy in the beginning. A bad start is difficult to overcome. Most people make judgements based on relatively minor aspects of behaviour and attitude.

“Learn all you can about your associates. Get to know their concerns, friends, enemies, ideas, requirements, and biases. Learn by listening. Speak their language not your own”.

“Win and keep the confidence of your supporters. Do not discourage ideas, but make sure you can control the outcome of events”.

“Do not get too close to your subordinates. Disclosing your weaknesses through familiarity only serves to undermine your authority”.

“The ideal position is when you are able to lead without being intrusive. Do not become too intimate, too prominent, or too earnest. Maintain prestige and control”.

P 161 “An outsider is generally not popular with people. When you must, keep a strongly based insider in front of you as a shield”.

“Never argue or display negative emotions in public; you may degrade yourself”.

“Leaders are like actors on a stage. To be successful requires constant attention to the part you are playing”.

P 162 “People are heavily attached to their biases. Avoid criticism”.

“Choose your closest associates carefully. They are reflections of your judgement and character for all to see”.