



FIGURE 3.3 Leadership tent floor: Personal Capability.

ities comprises skills or competencies that are absolutely crucial for people to be highly regarded by peers, subordinates, and bosses. These are not skills that would typically be described as leadership skills, and yet our research proves they must be in place for any individual to be perceived as a strong leader.

Some of these individual capabilities are:

- *Technical knowledge.* Research with a large natural resources products company showed that the quality or attribute that had the highest correlation with being perceived as a great leader was technical competence. Those who were perceived as the best leaders always scored high on this dimension. Conversely, those in the bottom 10 percent of the overall scores scored low on technical competence.

Zenger, John; Folkman, Joseph. *Extraordinary Leader*.
Blacklick, OH, USA: McGraw-Hill Professional Publishing, 2002. p 58.
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- *Product knowledge.* A thorough understanding of what the organization produces and why it is superior to competitive products.
- *Problem-analysis and problem-solving skills.* The ability to define a problem, analyze it, and come up with solid recommendations for resolving it.
- *Professional skills.* These include the ability to write an intelligent, concise report or memorandum; the ability to comfortably make a compelling presentation in front of a group; and the abilities to organize one's work in an efficient manner, to monitor progress, and to act without being told by someone in authority.
- *Innovation.* This refers to the ability to have a fresh outlook in approaching a problem, to shake loose of old methods and processes and see new possibilities. Innovation means being able to climb out of ruts and do things in a different fashion.
- *Initiative.* This describes the person who sees something falling in the cracks between one department and another, and who immediately steps in to make certain it is handled. It involves volunteering when something needs to be done and no one currently is doing it.
- *Effective use of information technology.* This person sets an example in the consistent use of e-mail, powerful software applications, and any technology that escalates performance.

One of the most useful frameworks by which to understand how people contribute in their careers is the *four stages model*, originally developed by Gene Dalton and Paul Thompson.¹ This model describes four stages of career growth through which people may move. In many cases people become locked into one stage because they do not possess the necessary skills and behavior to move forward. In other cases people stay at a particular stage because it fits their needs and aptitudes. The four stages are:

- Stage I: depending on others
- Stage II: contributing independently
- Stage III: contributing through others
- Stage IV: leading through vision

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Stage I. The first stage of careers has been described as *depending on others*.² In Stage I, people willingly accept direction from others. People in Stage I demonstrate some competency on a portion of a larger project but tend to focus on performing detailed and routine tasks. Stage I individuals show some directed creativity and can be depended on to deliver on time and on budget. Stage I is an important career step. It is that time when people learn the ropes and gain an in-depth understanding of technology and organizational dynamics. Most individuals spend limited time in Stage I at the beginning of their career or when they take on a new assignment. Because the major psychological focus of Stage I is *dependence*, no leadership is exhibited in this stage. People in Stage I are led; they do not lead. Research with hundreds of organizations has uncovered that some people never leave Stage I. They continue to rely on others for direction. Other people make a transition from Stage I early in their careers but then, because they are out of date or lack skills, transition back later in their career.

Stage II. The second stage is *contributing independently*. This describes a series of behaviors that enable a person to assume responsibility for a definable project, not to rely on a supervisor but, instead, to work autonomously. This person produces significant results, and in so doing, develops greater technical expertise, along with a strong reputation. This person also builds a strong network of personal relationships. This stage of career growth is an absolute gateway to further progression. If people cannot perform well in Stage II positions, they cannot move on successfully to roles in which they will be responsible for a group of people.

Having a proper set of personal capabilities is another way of saying that the excellent leader must have moved successfully through Stage II. Leaders cannot skip this stage; if they do, they pay a price as they move upward in the organization and then have to go back and acquire skills that should have been acquired earlier in their careers. This is the time when self-confidence must be developed, and trust in one's own perceptions of situations.

Moving too fast through Stage II is also dangerous. In moving too rapidly, people do not develop self-confidence or build credi-

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bility with others in the organization. Our analysis of the research data on leaders shows that effective leaders learned professional skills during this stage of their careers. Without these skills, further progress is severely limited. Leadership in Stage II is sometimes described as personal leadership.

Stage III. The third stage is about *contributing through others*, and every effective leader of others is at least in Stage III. Many people who have the title of “Manager,” however, are not in Stage III, but remain locked in Stage II, even though they are surrounded by the trappings of a Stage III leader. These are managers who continue to process claim forms, or design a new part, because it is more comfortable to function as an individual contributor than as a leader. Frequently they will “cherry-pick” the best assignments and compete with their direct reports for recognition and rewards. They are unable or unwilling to leave their comfort zone of being personally productive using some technical tasks.

Stage III behavior requires people to develop others, to represent the organization to clients and external groups, and to build strong internal and external networks. Stage III contributors achieve positive results as they work with and through others. They have organizational impact by mentoring others, by heading up a project team, and by taking on responsibility for much more than their own performance. (What this means, of course, is that there are many Stage III people who do not have the words “supervisor,” “manager,” or “director” in front of their names. The creators of this useful framework by which to understand career growth have done research that shows there to be five times as many people in Stage III who do not have a managerial title as there are those who have a formal role and title.)

Stage IV. A small number of people move beyond Stage III and become Stage IV leaders. Research shows that only 5 percent of the working population ends up in Stage IV functions. That means, obviously, that 95 percent of everyone working in organizations ends up having perfectly satisfactory careers without moving to Stage IV. For that group, there is one more tent pole that must be erected to

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TABLE 3.1 “Personal Capabilities” for Stages II, III, and IV

Stage II Contributing Independently (Personal Leadership)	Stage III Contributing through Others (Local Leadership)	Stage IV Leading through Vision (Organizational Leadership)
<ul style="list-style-type: none"> • Knows the job well • Many people seek his or her opinion • Is considered an expert in his or field • Integrates large volumes of data into a logical and coherent structure for analysis • Demonstrates the ability to solve problems under conditions of uncertainty and ambiguity • Creates new opportunities or overcomes obstacles by rethinking situations 	<ul style="list-style-type: none"> • Demonstrates a breadth of technical/functional knowledge outside of his or her core specialty • Is not threatened by the technical competence of others • Clarifies complex data or situations so that others can comprehend, respond, and contribute • Assists others in interpreting and tolerating ambiguous information • Coaches others on how to present interpretive results • Provides support and encouragement to others when they attempt to innovate—even when they fail 	<ul style="list-style-type: none"> • Shapes organization direction to reinforce the continual need for technical excellence • Ensures that the organization has access to technical/professional resources that allow employees to remain cutting edge • Identifies and helps to quickly resolve ill-defined, complex problems that cross organizational boundaries • Requires accurate and crucial information as a basis for sound organization-wide decisions • Communicates the importance of clear, critical thinking in all jobs throughout the company • Fosters an organizational environment that encourages others to question their usual way of looking at things

make them complete leaders. First, let's examine what they must accomplish.

Stage IV leaders are that group of individuals in the organization who:

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