There are five leadership areas or skill sets that will help ensure organization performance.

* Providing direction
* Leading by example
* Enabling others
* Sharing power
* Seeking a better way

**5. Seeking a Better Way**

Effective leaders are always seeking a better way to do things. They are not satisfied with the way things are, but instead focus on the way things could be. They see problems as opportunities and are always on the lookout for solutions. Effective leaders reward people who are willing to challenge the daily routine and who are willing to take calculated risks to move the organization forward. They fully embrace the idea that "without risk there is no reward."

Seeking a better way also means focusing on continuous improvement. Effective leaders understand that staying the course can be fraught with pitfalls. They continually benchmark themselves to their competition to determine whether they are moving ahead or falling behind–because they know there is no standing still. As they seek better ways, they remain alert for opportunities, they make timely (but not hasty) decisions, and they demonstrate tenacity. Above all, effective leaders work hard to maintain an entrepreneurial spirit within the organization. A spirit, that when fed, can lead the organization to new heights.

**4. Sharing Power**

Without followers there is no need for leaders. Thus, obtaining and developing followers is by definition a requirement for leadership success. Effective leaders know what qualities to look for in followers and how to best use and develop those qualities to help the organization be successful. They also empower their people by giving them more autonomy, authority, and control over critical parts of their work. Part of sharing power involves building teams within the organization that are committed to making the vision a reality. Effective leaders are able to get people to work together for the common good rather than to wage turf battles that keep the organization from achieving its goals and objectives.

Once teamwork is established, the best leaders also foster a collaborative atmosphere where people's ideas and opinions are valued. They work hard to build trust, both among their people and between themselves and their people. They make the best possible use of the complementary strengths and abilities of their people to move the organization forward. They also are believers in providing recognition and reward when people help the organization achieve its goals. They realize that even the smallest rewards, when applied properly, can have a significant impact on performance.

**3. Enabling Others**

The best leaders realize that they can't do everything themselves. They understand that to even attempt such a strategy is a recipe for almost sure failure. One of their strategies is to grow new leaders who have the capability and capacity to help the organization succeed. They realize that if the organization is to grow, it must continually be developing more leaders.

Effective leaders also focus on stretching their existing team leaders so that they can assume even more responsibilities. They personally act as coaches and mentors or, at the very least, ensure that systems are in place that ensure other leaders within the organization are involved in developing more leaders. The best leaders also take time to provide their team members with a realistic assessment of their performance. They aren't afraid to face the challenge of discussing performance shortfalls. They know that a realistic assessment of performance is critical if people are to perform to their level of capability. Leaders who are successful know that assessment is a two-way street and are also open to having their own performance assessed by those with whom they work.

**2. Leading by Example**

People look to their leaders for clues as to how they should act. The best leaders willingly assume responsibility for being a role model. They make a conscious effort to lead by example and to lead with passion. They know that their attitude and approach to the job is what inspires others to act–so they focus on being positive and combating the negative. At the same time, they understand the facts of the situation and do not try to present the situation through rose-colored glasses.

Effective leaders recognize that while they have position power by virtue of their place in the organization hierarchy, they must always act in a manner that continually earns the respect of the people within the organization. These leaders are intent on using their position power in a positive manner and on sharing resources with those who need them. They also recognize the importance of continually developing their own business knowledge and skills to increase their leadership competence and set an example for others.

**1. Providing Direction**

Providing direction is centered on the visioning process. The best leaders work with their teams to define the organization's values, guiding principles, mission, and vision. Throughout the process these leaders are also concerned about creating alignment between the vision and the organization's strategic plan. Within that organization framework, individual goals are established that are also aligned with the vision.

Once the foundation is laid, leaders focus on making the vision a reality. This process includes developing various methods of communicating the vision and ensuring a mutual understanding among team members of what the vision means. Next, you need to build a bridge to cross over to the other side to reach the vision. The ultimate objective is for all team members to understand what it means and see how their jobs contribute to accomplishing the vision