The Paradox of Charismatic Leadership

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IDEA IN BRIEF

Charismatic leaders are often confident in their opinions. They have definite answers and galvanise everyone into action. They are eager to take action and "save the day". But in times of crisis, these very qualities are the ones that can lead to poor decisions. Behind many business failures, there is a strong charismatic leader who seems to know all the answers. Rather than taking an exploratory approach to problems, strong leaders often tend to jump to conclusions, make premature commitments and offer ready solutions. In times of crisis leaders who possess these qualities are the most popular candidates among all others. In times of disruption, people have an irresistible urge to get their lost sense of security back. They often crave definite answers and tend to accept quick fixes at the expense of long-term solutions. Leaders who are comfortable with uncertainty and acknowledge ambiguity might be a better fit when dealing with ambiguous problems. They withhold judgement if the situation is unclear. They are willing to take the extra step to understand the situation before committing to a course of action. They refuse to jump to conclusions and offer solutions prematurely. However, this attitude is the exact reason why they fall behind. The very qualities that make them exceptional leaders in times of crisis also make them look less competent from the outside. They often look less confident, less decisive, sometimes even weak to lead in hard times. Therefore, in many cases, the most competent leaders tend to lose the game.

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"Among the most effective leaders I have encountered and worked with in half a century, some locked themselves into their once and others were ultra-gregarious. Some were

quick and impulsive, while others studied the situation and took forever to come to a decision... The one and only personality trait the effective ones I have encountered did have in common was something they did not have: they had little or no 'charisma' and little use either for the term or what it signifies." —Peter Drucker

I came across quite a few articles on the internet that praise the notion of charismatic leadership. The writers of these popular articles state that charisma is an essential and indispensable ability of today's leaders. Charisma is considered the "magic factor" that is the mark of a real leader. It is considered an invisible and irresistible quality that makes people follow a particular person.

Let's examine a few common popular beliefs about charismatic leaders.

- **Energy ->** They are energetic people, constantly in the move and always ready to take action.
- **Motivation ->** They are highly motivated and cannot be easily discouraged by setbacks.
- **Optimism ->** They always see the glass half full. They can see an opportunity in every hopeless situation.
- **Charming confidence** -> They radiate positivity. They have a sense of irresistibility. They can motivate, and encourage others to take action.

A few points I argue about in this short article:

1. **Charisma is not a personality trait** that distinguishes "good" leaders from "bad" ones.
2. **Charizma alone won't make you a leader.** It is not necessary, nor sufficient for leadership success. You don't need charisma to influence people.
3. **There is such a thing as too much charisma.** Charisma can be a powerful force. But it has the potential to become self-serving. It can be a soil of close-mindedness, polarised, black-and-white thinking. It can lead to oversimplification and taking a

narrow perspective to problems. Too much charisma can sometimes can result in huge decision-making failures. (Not always, of course. But in some cases definitely.)

THE MEANING OF CHARISMA - Let's get the definitions right

Charismatic leadership is also known as *charismatic authority* or *charismatic domination*. The word **"charisma"** is an ancient Greek term. It refers to a *"compelling attractiveness or charm that can inspire devotion in others."*; according to the New Oxford American Dictionary. The concept first emerged as a religious one. But thanks to the work of sociologist and historian **Max Weber** it has become popular as a sociological concept and widely used in leadership literature. Charizma is originally referred to a person with extraordinary abilities perceived by the members of the group. In a religious context it can mean "touched by God" and has access to insights others can't see or perceive. A charismatic leader is someone who is seen by others as not an ordinary person, sometimes even supernatural or superhuman.

However, there is a **caveat** here. Weber originally refers to charisma **not** as a personality trait. **The power of charisma lies in the relationship between the leader and the members of the group.** In other words, it is a chicken and egg problem. Do people follow someone because of his or her extraordinary charisma? **OR** someone becomes charismatic BECAUSE others follow him or her with total devotion. Weber suggests the ladder is the case. The ability to become a charismatic leader is determined by the followers and it is not an intrinsic ability of the leader. If the group members recognize someone as a leader with exceptional abilities then one has the chance to become charismatic, but not vice versa. The keyword here is **recognition**. That's why a charismatic leader's power drives from being recognized by others and not just having certain personality traits.

In the original context of charismatic authority, we are not talking about any of the attributes associated with charisma today. A charismatic leader need not be outgoing, overwhelmingly confident, full of energy, external charm, motivation and optimism. All of these attributes are personality traits mistakenly associated with charismatic leadership. But the original meaning of being a charismatic leader was something entirely different.

WHAT CHARISMA HAS TO DO WITH LEADERSHIP?

Perhaps the most straightforward definition of leadership I've ever heard comes from leadership expert **John Maxwell**. He wrote more than 50 books on the topic, his contribution to the field is extraordinary, His definition of leadership is the following.

"Leadership is influence. Nothing more, nothing less."

He also warns us of the dangers of being too concerned about *position* and *formal authority*. Not paying enough attention to building meaningful relationships between the leader and followers can lead to the loss of influence. Every one of us has a certain amount of "social capital". We have limited power based solely on formal power. It is like a gas tank that can run out of fuel. If we don't strengthen formal power with informal influence we can lose our "charisma" sooner than we think.

This relates to Max Weber's findings, that real charisma is about the relationship between people, rather than a trait.

CHARISMA IS NOT A PERSONALITY TRAIT

Historian **Warren Susman** argues that during the last century our world shifted from a ***culture of character*** to a ***culture of personality***. The shift occurred shortly after the industrial revolution. As people started to form larger and larger societal groups they needed to interact with more and more people. Before the appearance of personality-oriented culture, **character strengths**, such as wisdom and knowledge, courage, humanity, justice, temperance, transcendence were the ultimate measure of one's value in society. However, in today's fast-changing, buzzing society we care a great deal about **how others perceive us.** It is perhaps even more important than we care about what lies in the core of our character. As researcher and bestselling author **Susan Chain** writes: "*In the Culture of Character, the ideal self was serious, disciplined, and honorable. What counted was not so much the impression one made in public as how one behaved in private."* And with this shift, an **extroverted personality ideal** was born. Being an outgoing, sociable and talkative person has become widely associated with success, leadership, charm and charisma.

Being talkativeness with intelligence. We perceive dominant personalities as more intelligent. However, studies show there is absolutely no correlation between how outgoing and talkative one is and the quality of the insights one generates. Nor is there any evidence that more talking leads to better decisions. In other words, talkative people may be perceived as smarter. But in reality they have the same amount of abilities as people who are not talking too much.

To borrow a metaphor from influential sociologist **Erin Goffman**, life is a theatre. We all have many different **"masks"** to put on in different situation while interacting with different people. We carefully **craft our self-image** and modify it when the circumstances change. This is not a new idea. Even Shakespeare famously wrote: *"All the world's a stage, and all the men and women merely players. They have their exits and their entrances; And one man in his time plays many parts."*

Indeed, in the new era of personality-oriented culture the main concern is our image that we present to the outside world. The problem becomes when our core values are not consistent with the way we present ourselves and behave in certain social situations. Or when we use a carefully crafted image just to achieve our goals. Unfortunately, this "showing off" attitude is very common in today's personality oriented culture. To quote Dave Ramsey, *"We buy things we don't need with money we don't have to impress people we don't like."*

LEADERSHIP AND DECISION MAKING

Ronald Heifetz, Harvard Business School professor argues, there are two broad categories of problems organisations face.

1. **Technical problems.** They are routine problems we all face on a daily basis. We know the answers to these problems, we can solve them every time we need to. These are not necessarily easy problems. But society has already developed solutions to these kinds of problems.

2. **Adaptive challenges.** These are new problems or opportunities to which we don't yet know the answer. Uncertainty is high, there are lots of unknown variables we all need to figure out. We don't yet have the knowledge and expertise to solve these problems.

Sometimes we don't even know the directions and the means by which we can solve these problems. Today's technical problems were yesterday adaptive challenges. And if we are doing a good job, then today's adaptive challenges become tomorrow's technical problems.

Ronald Heifetz argues, when we face technical problems we don't really need leadership. We need strong management to sustain order and keep things going the way they currently are. We need leaders however in times of crisis and uncertainty. When dealing with the unknown and figuring out possible solutions that might or might not work, leadership is crucial.

Leadership isn't always a popularity contest. Leaders can be and should be the ones who bring tough issues to the table. Like-minded people often have a tendency to ignore tough issues and sensitive topics and tough conversations. They seek harmony and equilibrium. This is understandable. But it can sometimes lead to complacency and detachment from reality. People who discuss positive, motivating and insipiring topics most of the times can build a certain kind of bubble arund themselves. In the end, they will not be able to see reality clearly as they filter out "unwanted" information. They try to shape the reality around them to the picture of their existing assumptions and beliefs. Instead, we should take a more open-minded approach when facing someone that may contradict the "picture" we have painted about a certain situation.

JUMPING TO SOLUTIONS PREMATURELY

We usually experience adaptive challenges in times of crisis. There is a certain amount of ambiguity and uncertainty in the air. We often don't know how the events will unfold. In these situations, the last thing we need is a leader who seems to know every answer, who is absolutely confident in his or her opinion. Decision-making experts state that one of the most frequent reasons of failed decisions is premature commitment. Committing to a course of action before understanding the problem properly can be costly.

These times cries for someone who **doesn't know all the answers.** Someone who can withhold judgement until we make sense of the situation. Someone who can resist the urge to jump into conclusions prematurely. Trying to solve the problem before understanding it is a classic mistake of many executives. In times of crisis we need someone who is able to find the root cause of the problem and not just deal with immediate symptoms. If we are trying to execute the first solution that pops into our head we risk missing the whole problem altogether. In ambiguous situations we need to be thoughtful, carefully considering all the options before committing to a course of action. Does all this sound like a classic charismatic leader who is galvanising everyone and eager to take action? I don't think so.

DOMINANT OPINION VS DIVERSITY OF PERSPECTIVES

Inspiring others with a strong vision is a one-sided transaction. There is only **one** vision and that is the vision of the strong leader. However, when we are in an uncertain and ambiguous situation, there is rarely just one single answer to the problem. Constructing a strategy that works involves choosing between many different scenarios and possibilities. By definition, in uncertain situations, we cannot know all the answers in advance. There are just possibilities and probabilities to work with. Before inspiring others to take action, perhaps we could better understand the problem we are dealing with.

There is a well-established consensus amont social scientists that inviting a diverse opinions into a discussion can greatly encanhe the quality of our decisions. For instance, let's consider decision making experts Philip Tetlock's and Jennifer Lerner's 2003 paper. They distinguish between a "confirmatory thought" and "exploratory thought" in group settings. Confirmatory thought aims to justify and rationalize an opinion or assumption we already have. It can lead to group biases, unexamined possibilities and bad decisions. Exploratory thought involves considering the problem from many different perspectives. It involves a more open-minded exploration of reality, considering the problem from many different perspective. They write: *"Whereas confirmatory thought involves a one-sided attempt to rationalize a particular point of view, exploratory thought involves even-handed*

consideration of alternative points of view." They also note: *"Quite often, however, thinking harder (...) does not equate to thinking better."*

Philip Tetlock also showed us, in his influential 2015 book, that trusting a single person's opinion abou the future is not the best approach. When it comes to prediction and decision making a diverse group of people can greatly outperform even the most knowledgable and experienced expert. Perhaps the best way of making good decisions it to invite a diverse group of people with a broad range of knowle into the decision making process. Consider the issue from many different perspectives. Integrate contrary opinions into one single narrative.

James Surowiecki in his influential 2004 book, *The Wisdom of Crowds* has made similar observations. We got the point even if we just look at the subtitle of the book: *Why the Many Are Smarter Than the Few and How Collective Wisdom Shapes Business, Economies, Societies and Nations.* Large groups of people with divergent perspectives can outperform individuals and small-grop settings. Surowiecki's findings are quite universeal. This approach can be used in decision making, forecasting, problem solving, in business and in many other settings as well.

To borrow John Stuart Mill's words on the topic: *"The only way in which a human being can make some approach to knowing the whole of a subject, is by hearing what can be said about it by persons of every variety of opinion, and studying all modes in which it can be looked at by every character of mind. No wise man ever acquired his wisdom in any mode but this; nor is it in the nature of human intellect to become wise in any other manner."*

CAN SOMEONE HAVE TOO MUCH CHARISMA?

People don't see reality in its pure form. They are constantly monitoring the environment and the reactions of others around them. There is a strong and irresistible evolutionary need to consider oneself as a part of the group, as classic psychological studies on conformity show us. When we "internalise" the norms of the group people literally think like one, homogeneous big mind. We can easily observe these highly-brounded groups in

companies and startups with a strong culture. These high-performing groups undeniably have their own advantages. But also have their downsides as well.

- There is little or no divergence of opinions.
- People often see situations from one single perspective. No wandering around the problem and considering it from many different angles.
- Can be little or no confrontation and productive conflict.

But perhaps most importantly, the most powerful person's opinion becomes even more powerful. It will dominate the line of thought and the approaches a group takes to solve a problem. It will be like a revelation, a single source of truth. The members of the group can accept it without any questioning.

To illustrate this point just think about other forms of highly coherent, consistent and closed group settings: **cults** and **maffias.** Leaders of these groups are perhaps always considered as extremely charismatic. Sometimes even supernatural power is attributed to them. Their opinion is unquestionable. The norms of the group become deeply ingrained in the identity of their members. If they question the rules and norms by which the group operates they also question their very identity. Therefore it is much easier and desirable for members to just get along.

But what if the charismatic leader's intentions are not genuine? In many cases, even if it is obvious from the outside, from the inside these situations can look quite different. Members don't always have an outsider perspective to question and critically examine the intentions of their leader. These groups sometimes can become powerful social structures that is spinning around one powerful charismatic figure, regardless of its intentions. Just think about the rise and fall of controversial ideologies and extremely strong social groups at the beginning of the last century.

Another quote from Peter Drucker, which is slightly disturbing but highly relevant. He cautioned us about our irresistible urge to find strong leaders regardless to show the direction. *"The three greatest leaders of the twentieth century were Hitler, Stalin and Mao."*

In the world of business, even in less radical circumstances a leader with too much power can lead to bad decisions. This kind of power dynamics is widely known as *"The*

genius with a 1000 helpers" model. We can create such situations when we put all the decision making power into the hands of a single individual. This structure is a self-reinforcing one. The person with power has no interest in sharing power and weakening his or her position. Therefore often surrounds him or herself with less powerful, less experienced people, who share opinions and point of view. But building the success of our business on a single individual rather than a process can backfire. What will happen if that person makes a mistake? Is there any process to check the quality of the decisions that person makes? Or what will happen if that person is gone? Or if the situation turns out to be a disaster and we can't easily find another individual with similar "abilities"?

THE PARADOX OF CHARISMATIC LEADERSHIP

In times of great uncertainty leaders who have definite ideas and strong beliefs can appeal as **more confident**, decisive and ultimately more competent for the job. Acknowledging ambiguity makes someone **look less confident**. When adaptive challenges arise, we cannot be sure if our answers are the right ones. First, we need to gain an understanding of the situation we are dealing with. What if the leader's opinion turns out to be wrong? In disruptive times too much certainty can be as costly as too little. By definition, there are no clear answers and easy definitions of the problems. Such certainty in one's beliefs would be justified if the situation would be easy to understand and straightforward. But if that's the case, then we won't really need a leader.

It is very hard for leaders **not to offer solutions** but first try to understand the root cause of the problem. In times of disruption people lose their sense of control and predictability. They look up on leaders to bring hope and certainty, to give their sense of security back. After all, they are leaders, they should have answers, they should bring solutions to the table, they should lead confidently. Or should they? When the uncertainty is huge a single person is not always able to see the same things from multiple perspectives. When there are no clear answers it would be crucial to discover all the options and consider all the possibilities. But such leaders, who acknowledge their limits are often pushed into the background. This is the great **paradox of charismatic leadership.**

Think about Neville Chamberlain at the beginning of WWII. He saved thousands of lives by buying time for Britain. He refused to enter the war with an unprepared nation that wasn't ready to win. Yet, we still remember him as someone weak, who didn't take action in times of need.

Taking action immediately after a problem arises can create a sense of progress. It can look from the outside that things are progressing fast. But it doesn't necessarily mean that we are working on the right problem or going in the right direction.

ABILITIES OF A NON-CHARISMATIC LEADER

1. Ability to rethink one's assumptions in the light of new evidence.
2. Ability to integrate contradictory opinions into a single worldview.
3. Ability to deal with ambiguity and uncertainty. Getting comfortable with saying "I don't know". Not trying to jump to conclusions just to look confident and competent.
4. Ability to see things from many different perspectives. Listen to others, seek out new opinions accepting other ways of seeing the world.
5. Not just seeing the full part of the glass, BUT considering factors outside one's control. Envisioning the future is not enough in times of uncertainty and disruption. We also need to carefully consider everything that can go wrong. (I've written an article about this topic.)

KEY TAKEAWAYS

- Relying on personality attributes to judge one's leadership abilities can be misleading. You can easily confuse great presentation skills and an outgoing attitude with the ability to lead and influence others.
- Charizma is not a personality trait and it is not intrinsic to the person of the leader. Its power derives from the relationship between the leader and his or her followers.

- In times of certainty we don't need strong leadership. We need great management. In times of uncertainty we need leaders who are capable of acknowledging ambiguity. By definition we don't have all the answers. We need to approach problems with an open-minded attitude, avoid jumping to conclusions prematurely and solving the wrong problem.
- The paradox of charismatic leadership: leaders with absolute certainty in their beliefs can appeal as more confident. The very abilities that make a great leader in times of crisis and uncertainty makes him or her appeal less confident and less competent for the job. We crave certainty, even if there is none. An open-minded leader that we need in times of crisis often loses his or her influence. Partly because he or she refuses to jump to conclusions and offer solutions prematurely.
- There is such a thing as too much charisma. It can lead to groupthink and polarisation of opinions. It can be the reason behind many failed decisions.

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