



CONFERENCE PROCEEDING

ICITSBE 2012

**1ST INTERNATIONAL CONFERENCE ON INNOVATION
AND TECHNOLOGY FOR
SUSTAINABLE BUILT ENVIRONMENT**

16 -17 April 2012



Organized by:
Office of Research and Industrial
Community And Alumni Networking
Universiti Teknologi MARA (Perak) Malaysia
www.perak.uitm.edu.my

PAPER CODE: GM 04

THE IMPORTANCE OF SOFT SKILLS FOR LEADERS

Siti Asiah binti Md Shahid

Senior Lecturer at Faculty of Business Management
Universiti Teknologi MARA (Perak), Malaysia
sitia348@perak.uitm.edu.my

Abstract

This article addresses the importance for leaders in developing their personal and interpersonal soft skills, which are critical for organization success. Paradoxically, many leaders prefer hard skills over soft skills because they believe that hard, strategic, and analytical skills are required for effective management and leadership. Leading others in turbulent times requires leaders to provide effective leadership to the organization's people, focusing on both results as well relationships. In addition, the shift in the workplace from manufacturing or production work to service or knowledge work has brought about changes in the nature of job performance. Jobs in the service sector are characterized by interpersonal and face-to-face interactions with employees, customers, or clients. Therefore, interpersonal skills have become more crucial to effective leadership. Hence, it is recommended that more emphasis be placed on identifying and developing leaders with soft skills. For this reason, significant ongoing investments in education and training are needed in the changing face of organizations. Therefore, organizations must be willing to commit the time necessary for soft skills to take hold, as people are the key to an organization's success. On the issue of leadership, it is obvious that successful leaders are those with highly developed soft skills.

Keywords: Effective Leadership , Soft Skills , Interpersonal Skills, Employees

1. Introduction

Effective leadership requires organizational leaders to change their leadership style from highly structured style of leadership to the collective, collaborative, and nonhierarchical style of leadership. Leaders need to collaborate and work together with the people they connect with if they want to become successful leaders. Hence, relationship management skills have become vital to effective leadership in the twenty-first century (Saban & Wolfe, 2009).

In addition, recent studies show that 40 percent of corporate productivity is generated by people skills rather than task skills (Warren, 2005). Thus, organizations depend on leaders with soft skills to produce quality and motivate human capital in the organization (Liddle, 2006). According to DuBrin (2006), leaders need to gain cooperation and teamwork from a large group of people, keeping them motivated through persuasion. Besides that, to promote honesty, sincerity, and trust, leaders with good communication skills listen to their employees as well as understand them (Amey, 2006).

In addition, leaders take the initiatives to recognize issues, problems, seize opportunities, or take appropriate actions impulsively (Abell, 2002). They are also able to see the big picture and sharing of power with subordinates (Hoy & Miskel, 2001). Furthermore, they support their employees by giving constructive feedback, counseling, mentoring, recognition, and opportunities for their development (Iles, 2001). Abell also says that leaders with soft skills actively and continuously strive to improve themselves. Accordingly, Quible (2005) emphasizes that leaders with soft skills plan and organize all economic resources to achieve their organization's goals and objectives. Furthermore, to get things done faster and effectively through other people, leaders need to have good presentation skills, communicating and presenting themselves effectively in the workplace (Odgers, 2005). In addition, Hoy and Miskel state that leaders with soft skills demonstrate trust, teamwork, and affection when they interact with subordinates and stakeholders; and remain cool and collected in difficult situations.

Effective leadership is a link to performance outcomes and organizational success. To survive in the new millennium, successful organizations will require leaders who can establish real vision for the future, to help people achieve what they are capable of; to encourage, coach, mentor, and to establish and maintain

successful relationships, and create a sense of value for the organization they wish to lead (Iles, 2001). Moreover, leaders who build trust between themselves and their followers listen to their employees and can see other people's point of view.

In summary, employees are the biggest variable in a workplace. Therefore, organizational leaders need to help employees communicate, find meaning in their work, and working in cooperation with each other at a higher level. Synergized workforce elements of a leader include his or her ability to communicate, get along with different people, work as a team, infuse creativity, create an environment where people feel valued and become eager to contribute to the organization. To gain the trust and commitment of employees, organizational leaders must first align their actions and words, and risk trusting others. Similarly, Macvicar (2006) argues that leaders' harmonious relationships with staff results in the smooth running of their organization. In conclusion, leaders with soft skills recognize that each situation requires them to adjust their leadership style, or even stretch their typical or preferred way of working with others to meet the needs of the people and requirements of the situation.

2. Literature Review

During the last decade, interpersonal skills have become more vital to effective leadership (Goleman, 1998a). This interpersonal aspect of life at the workplace is described as soft skills. As stated by Messmer (2007), basically, soft skills are the skills of communicating, listening, and working collaboratively with other people. They are the key skills for employment; and they are life skills that help relationships run more smoothly (Abell, 2002). On the other hand, hard leadership skills are much more important to the bottom line.

To further understand the meaning of soft skills, this article has outlined a few definitions of soft skills. Goleman (1995) defines soft skills as emotional intelligence. According to Goleman the possession and use of soft skills contribute more to an individual's ultimate success or failure than technical skills. Ashbaugh (2003) defines soft skills as "... the interpersonal and emotional skills that are generally measured by the effects produced in others." Muir (2004) defines soft skills as "attitudes and behaviors displayed in interactions among individuals that affect the outcomes of such encounters." According to Muir, soft skills are different from hard skills. He also states that hard skills are the technical knowledge and abilities required to perform specific job related tasks that are more formally stated in job descriptions. Similarly, Holbeche (2006) defines soft skills as "... essentially the skills of relationship management and creativity, underpinned by emotional intelligence. These include the ability to empathize with others, manage conflict, cope with ambiguity and paradox, and navigate a route through complex interpersonal and strategic scenarios."

In today's working environment individuals can no longer continue to work in isolation or by command. Hence, leaders have no control over their employees; and the function of leaders is to act as visionary leaders, who assist the employees to plan, organize, lead, and control their activities (Jooste, 2004). Therefore, the role played by a leader in supervising their employees is a social rather than a technical function, as subordinates can and must operate independently, and often remotely, needing little supervision but much coaching, cheerleading, and coaxing. (Drucker, 1994). In addition, Jooste emphasized that good leaders encourage their subordinates to partner them in achieving a shared vision. Besides that, they also encourage everyone to participate in improving the way in which the organization is run (Perspectives Lessons in Leadership, 1997). Since leaders are responsible for the success or failure of their organizational units or the organization overall, they must work with and through their employees to ensure that the organization's goals are met (Goodman, Fandt, Michlitsch et al., 2007). At its heart, leadership is about having a relationship with other people.

With emphasis on soft skills, it is important that those in formal leadership roles be proficient in soft skills. With reference to that, a study conducted by Centre of Creative Leadership in April 2004 on leaders in Europe, found that leadership and management soft skills are among the top seven career challenges (Lafferty, D'Amato & Deal, 2006). Similarly, Connell (1998) stresses that soft skills are important for leadership effectiveness in times of organizational change where consultation and participation are promoted. In relation to that, a survey of leaders conducted by the North Carolina-based Center of Creative Leadership shows that the most effective leaders are able to balance and blend the hard skills needed to lead an organization at peak efficiency during times of transition and change with the soft skills needed to provide employees with the support and direction that they need to be most efficient themselves (Leader to Leader, 2004). In addition, another related study by Center of Creative Leadership on soft skills revealed that factors leading to executive derailment are problems with interpersonal relationships, difficulty in building, and leading a team, and difficulty of changing or adapting. This also points to the significance of soft skills for a leader's career. Hence, it is critical that organizational leaders give equal emphasis on the learning and application of leadership soft skills as what have been done on the hard leadership skills as it will result in long-term and positive impact on the organization's culture and success.

Similarly research conducted by Harvard and Stanford Research Institute indicated that technical skills and knowledge accounted for about 15 percent of the reasons individuals got a job, kept the job, and advanced in that job (Crosbie, 2005). The remaining 85 percent of job success is based on individual people skills. In addition, Bolton (1986) reported that 80 percent of the people who failed at work did not fail due to their lack of technical skills but because of their inability to relate well with others. Likewise, a study conducted by Gallup organization shows that people join organizations, but not their managers and supervisors (Ashbaugh, 2003). Their findings indicate that how long employees stay and how productive they are while employed is determined by the level of trust between their supervisor and employee and or between the employee and the organization's values. Correspondingly, Drucker (1994) argues that the age of social revolution necessitates knowledge workers to work in teams, perform multitasks, be critical workers, creative thinkers, and adjusting well to their social and operational environment. With this in mind, Iles (2001) stresses that networks rather than pyramids, and relationships rather than hierarchies, are becoming increasingly critical in today's workplace. In addition, Pamentor (2000) emphasizes that the flattening of organizations has made it crucial for employees to work with a broader group of colleagues. Therefore, Pamentor stresses the need for interpersonal communication, and political skills need to exploit the talents of every individual in an organization and manage relationships with both clients and colleagues as they come from various disciplines with a number of various needs. Moreover, he adds that they also represent a number of assets that they can share or maintain, depending on their interactions with other people in the organization.

On top of that, soft skills is becoming a key skill in the age of information and highly specialized work teams, as individuals must complete their work by collaborating with each other, and their skills to converse effectively becomes vital. Likewise, Newell (2002) asserts that as organizations become flatter and hierarchical, the dictatorial approach must be replaced with leadership soft skills to gain employees commitment and participation, the skills leaders do not always have. Consistently, literatures on soft skills also indicated that soft skills play an integral role in sustaining employee's commitment and productivity. Moreover, the Center of Creative Leadership, in its recent study, reported that skills such as building and restoring relationships and participative management will be significant to successful leadership in the future (Kornik, 2006). In addition, Brooks (2002) stresses that as organizations endeavor to do more with less; apparently, soft skills based on emotions are related with leadership effectiveness and organizational success.

Apart from that, Holbeche (2006) maintains that the key to attracting and retaining talent, which is the source of future competitive advantage, depends on soft skills. According to her, these include the ability to empathize with others, managing conflict, coping with ambiguity and inconsistency, and ability to handle complex interpersonal, and strategic situations. This is consistent with Bunker and Wakefield (2004) who stress that modern leaders must have the ability to understand the complex and varied impacts that difficult times have on people and to provide authentic and empathetic leadership that facilitates healing, revitalization and commitment in others. In addition, Bunker and Wakefield argue that authenticity and trust signify the core ingredients required to lead others through transition.

For the most part, the importance of leadership soft skills has long been acknowledged to improve employee morale, engagement, and retention (Leader to leader, 2004). In addition, Murray (2005) argues that soft skills such as leadership, people management, team working, and communications are at present of greatest importance (Murray, 2005). Previously, managers and employees do not require soft skills as long as they could do their job; but now, even positions in hard, task-oriented areas such as accounting and information system require both soft skills and technical skills (Muir 2004, in an interview with Annalee Luhman). Therefore, Muir stresses that soft skills developments are central in creating competence in employees and leaders.

Furthermore, Somers (2001) emphasizes the importance of soft skills for employees in higher level positions in the organization. Accordingly, leadership styles must suit the demands of the situation and bosses should be able to change their approach when required. In addition, Muir (2004) reports that the linchpin of effective leaders are thinking systemically and acting strategically, and stresses that excellent soft skills are needed to be really put into practice, to communicate vision, values, standards and expectations, and to enroll others in possibilities. Muir further identifies that four decades of social scientific research has indicated that to change goals into actions, it necessitates a culture of inclusion and accountability - one grounded in enthusiasm, energy, and commitment of individuals.

Even though literatures emphasized the importance of leadership soft skills, Newell (2002) states that there have been difficulties in developing leaders' softer sides as they tend to resist feedback, one of the most significant success factors in leadership development. Newell distinguished two reasons for leaders' resistance to feedback. First, she highlighted that leaders perceived feedback as part of the softer skill set and therefore, has little value. Second, leaders have not developed the ability to learn from failures as they have little or no experience of failure. As a result, she argued that leaders have a tendency to act defensively when presented with negative feedback. Consequently, she concluded that leaders severely lack leadership soft skills from their resistance to receive feedback from employees. Therefore, she stressed the need for leaders to develop their softer side of leadership to attract others to accomplish what is wanted, to gain support and attraction to shared

values in the workplace. However, she maintained that high-flying managers do not always have the interpersonal skills to lead. According to Bunker and Wakefield (2004), training is still conducted for leaders to manage the soft side of their profession. They argued that the absence of these soft skills will result in the ineffectiveness of leaders to manage the waves of change that have become part of the today's working environment.

In conclusion, significant ongoing investments in education and training are needed in the changing face of organizations. Leaders need framework for renewing their own selves and their employees; they must have the needed capabilities to set the direction and purpose, to innovate and lead change, and to leverage diversity (Muir, 2004). Hence, organizations must be willing to commit the time necessary for soft skills to take hold, as people are the key to an organization's success. On the issue of leadership, it is obvious that those who wish to be in leadership roles are not likely to succeed unless they have highly developed soft skills (Somerset, 2001).

3. Recommendations

The increasing significance of capitalizing the potential of human resources in the workplace has been widely acknowledged. Thus, this article on leadership soft skills can be seen as important for organizations in developing quality human resource. In essence, organizations must provide the necessary effective training programs on soft skills for all levels of employees as a means of increasing the stock of human capital. Leadership training initiatives for leaders should include handling emotional conflict, motivating individuals or groups, anger management, inspiring others towards a vision, and persuading others to a course of action.

Besides training, organizations undertaking leadership development must also focus on recognizing employees' efforts and should celebrate employees' accomplishments, rewarding them formally and informally. This article indicates that organizations should promote teamwork and interpersonal activities in the workplace, providing employees with practical opportunities for soft skills development and proficiency.

4. Conclusion

Today, leadership is determined by those who can demonstrate their ability to drive an organization towards excellence and results. Leaders with soft skills can identify the organization's course and manage an environment in which coworkers can excel in their efforts to achieve the organization goals. For this reason, leaders need to be masters of soft skills. In other words, good people-relationship skills are required in a good leader to gain the respect and loyalty of employees. Hence, to succeed in today's workplace all employees at all levels of organization, regardless of their job title, whether they are Architect, Accountants, Engineer or an ordinary employee must possess and develop their soft skills. The concept of "I am not a people person" is no more suitable for today's working environment as new basic skills have emerged, which include skills in managing work, managing oneself, and working with others have become essential workplace skills.

References

- Abell, A. (2002). Softly softly approach. *Information World Review*, 186, 56.
- Amey, M. J. (2006). Leadership in higher education. *Journal of Change*, 38(6), 55-58.
- Ashbaugh, J. L. (2003). The hard case for soft skills and retention. *Healthcare Executive*, 18(2), 59-60.
- Bolton, R. (2006). *People Skills*. New York.
- Brooks, J. K. (2002). *Emotional competencies of leaders: A comparison of managers in a financial organization by performance level* (Unpublished doctoral dissertation). North Carolina State University, Raleigh.
- Bunker, K., & Wakefield, M. (2004). In search of authenticity now more than ever soft skills are needed. *Leadership in Action*, 24(1), 17-21.
- Connell, J. (1998). Soft skills: The neglected factor in workplace participation? *Journal of Labour and Industry*, 9(1), 69-89.
- Crosbie, R. (2005). Learning the soft skills of leadership. *Industrial and Commercial Training*, 37(1), 45-51.
- Drucker, F. (1994). The age of social transformation. *The Atlantic Monthly*, 24. Retrieved from <http://www.scholar.google.com>.
- DuBrin, A. J. (2006). *Essentials of management* (7th ed.). New Jersey: Thomson South-Western.

- Goleman, D. (1995). *Emotional intelligence*. New York: Bantam Books.
- Goleman, D. (1998a). What makes a leader. *Harvard Business Review*, 76, 93-104.
- Goodman, S. H., Fandt, P. M., Mischlitsch, J. F., & Lewis, P. S. (2007). *Management: Challenges for Tomorrow's Leaders*. South-Western – Cengage Learning.
- Holbeche, L. (2006). *The soft skills are the hardest of all*. Retrieved from <http://www.personelltoday.com/articles/2006/09/19/37247/the-soft-skills-are-the-hardest-of-all.html>.
- Hoy, W. K., & Miskel, C. G. (2001). *Educational administration: Theory, research, and practice* (6th ed.). New York: McGraw Hill.
- Iles, P. (2001). Leadership and leadership development: Time for a new direction? *The British Journal of Administrative Management*, 27, 22-23.
- Jooste, K. (2004). Leadership: A new perspective. *Journal of Nursing Management*, 12, 218.
- Kornik, J. (2006). A softer side of leadership. *Training*, 43(6), 4.
- Lafferty, K., D'Amato, A., & Deal, J. (2006). Emerging leaders in Europe. *Training Journal*, 26-28.
- Leader to Leader (2004). Soft skills for hard times. *Leader to Leader*, 34, 59.
- Liddle, A. J. (2006). Cockerell. Leaders must master soft skills, foster the fantastical. *Nation's Restaurant News*, 40(44), 62.
- Macvicar, S. (2006). Tech trends. *Training Journal*, 16.
- Murray, L. (2005). In my opinion. *Management Today*, 14.
- Muir, C. (2004). Learning soft skills at work. *Business Communication Quarterly*, 67(1), 95-101.
- Newell, D. (2002). The smarter they are the harder they fail. *Career Development International*, 7(5), 288-291.
- Odgers, P. (2005). *Administrative office management* (13th ed.). Mason, OH: Thomson South-Western.
- Pamenter F. (2000). The big picture: Hiring the professional. *CMA Management*, 74(2), 42-47.
- Perspective Lessons in Leadership. (1997). *Management Development Review*, 10(1), 18-19.
- Quible, Z. K. (2005). *Administrative office management: An introduction* (8th ed.). New Jersey: Pearson-Prentice Hall.
- Saban, J. N., & Wolfe S. (2009). Mentoring principals around leadership practices. *Catalyst for Change*, 36(1), 2-5.
- Somerset, F. (2001). The softer side of leadership: How to take your leadership to a deeper level. *Journal of Career Intelligence*, 75(7), 12-13.
- Warren, T. (2005). Follow the leader. *Texas Banking*, 94(12), 14-15