Credibility
How Leaders Gain and Lose It, Why People Demand It

THE SUMMARY IN BRIEF

As the world falls deeper into economic downturns and armed conflicts, as communities become more heatedly partisan and as many workplaces show growing signs of disengagement, issues of credibility remain front and central.

In this revised and updated edition of their best-selling book Credibility, James M. Kouzes and Barry Z. Posner explore why leadership is, above all, a relationship and why leaders must “Do what you say you will do.” Building on their more than 30 years of ongoing research, Credibility expands on the authors’ seminal work, The Leadership Challenge, and shows why credibility remains the foundation of great leadership. The authors reveal the actions needed to strengthen credibility.

At the heart of Credibility is an exploration of the six key disciplines that strengthen a leader’s capacity for developing and sustaining credibility. Kouzes and Posner also examine the tension that exists when leaders try to respond to constituents while remaining true to their values and how to recover if credibility is ever tarnished. And everything is backed up by solid evidence from their own case studies to empirical findings from scholars around the globe.

This personal, inspiring and genuine guide offers an understanding of the fundamental importance of credibility and how to gain it in order to build personal and organizational success.

IN THIS SUMMARY, YOU WILL LEARN:

• What qualities constituents look for and admire in leaders.
• The principles that strengthen leadership credibility.
• How to apply the six key disciplines to your own initiatives.
• How to build a strong foundation for leadership and for all working relationships.
Introduction

Credibility is the foundation of leadership. People have to believe in their leaders before they will willingly follow them.

Credibility is about how leaders earn the trust and confidence of their constituents. It’s about what people demand of their leaders as a prerequisite to contributing their hearts and minds willingly to a common cause, and it’s about the actions leaders must take in order to intensify their constituents’ commitment.

When the first edition of Credibility was published in 1993, nearly half of America’s work force was cynical. Worldwide, 60 percent or more of workers believed that their management wasn’t honest with them, more than half had lost confidence in the abilities of their top management and overall confidence in major business was at a historic low of only 26 percent.

We wanted to remind leaders how important it is to attend to the fundamentals. We thought they should take the importance of earning and sustaining credibility more seriously. We wanted to offer an understandable and useful framework along with practical suggestions on what leaders can do to increase the trust and confidence others have in them. We hoped we could play a small part in restoring people’s faith in their leaders.

For several years, it seemed that leaders were listening. Things got better — perhaps because leaders took notice or perhaps because things couldn’t get much worse. The public’s mood changed. The decade of the 1990s and the turn of the century saw increases in trust, confidence and credibility among leaders of major institutions. But these shifts turned out to be short-lived.

After rising for a decade, in the early 2000s confidence in institutions and leaders began to slide, and by 2007 trust (the key ingredient of credibility) took a nosedive. Whatever gains had been achieved had been lost. Organized religion, Wall Street, Congress, business executives, the presidency, public schools, newspapers, banks, insurance companies, car salespeople, HMOs and more have taken big hits.

Bad Timing Can Ruin Credibility

When times are good, people exhibit more confidence in their leaders; when times are bad, they exhibit less. The more severe the events and the more compressed the time frame, the more cynical people are likely to become. It is natural to expect, then, in a prolonged recession — with attendant layoffs and shrinking family incomes — that the credibility of business, labor and government leaders would decline. A natural suspicion of power, a host of unrealistically positive expectations and the confluence of events setting off the worldwide economic crisis beginning in late 2007 can explain a great deal about why leaders have lost credibility. Bad timing can often ruin credibility as much as bad actions.

But dismissing credibility problems as simply a function of the times permits leaders to escape responsibility for their own actions. The entire economic system is based on trust. It’s not based on a particular investment model, price-earnings ratio, income statement or balance sheet. It’s not based on any of these rational concepts. It’s based on whether people believe in the numbers and in the people who are supplying them. If people don’t
trust those who handle their money, their livelihoods and their lives, they’ll just refuse to participate. Leaders must accept that it is their responsibility to take the first step in earning back what has been lost and then take further steps to sustain it.

**Leadership Is a Relationship**

We began our investigation into what people expected from their leaders more than three decades ago, in a study sponsored by the American Management Association. We asked the open-ended question, “What values (personal traits or characteristics) do you look for in your superiors?” (As you can see, we were stuck in the old hierarchical metaphors back then.)

More than 1,500 managers nationwide provided 225 values, characteristics and traits that they believed to be crucial in the people leading them. A parallel study was conducted with more than 1,000 federal government executives. A panel of researchers and managers subsequently analyzed the 200+ factors and reduced them to 20 categories. What were these crucial attributes? The majority of people look for and admire leaders who are:

1. **Honest** (truthful, has integrity, has character, is trusting).
2. **Forward-looking** (visionary, foresighted, concerned about the future, has a sense of direction).
3. **Inspiring** (uplifting, enthusiastic, energetic, humorous, cheerful, optimistic, positive about the future).
4. **Competent** (capable, proficient, effective, gets job done, professional).

The results of our studies over the last three decades have been strikingly consistent not only over time, but also around the world and across categories of age, gender, ethnicity, functional discipline, organizational level and the like. While the exact rank order (first through fourth) might vary, these same four qualities remain at the top of the list of what people everywhere want from their leaders. Indeed, people are remarkably clear about the qualities leaders must demonstrate if they want others to voluntarily enlist in a common cause and to freely commit to action.

**Earning Credibility**

Credibility is something that is earned over time. It does not come automatically with the job or the title. It begins early in your life and career, and it is something that you develop day by day, year by year. Complete trust is granted (or not) only after people have had the chance to get to know more about you.

Without a firm foundation of personal credibility, leaders can have no hope of enlisting others in a common vision.

Obviously the loftier and more expansive a leader’s dream, the deeper the foundation must be. The less stable the ground underneath, the more solid the foundation must be. Especially in uncertain times, leadership credibility is essential in generating confidence among constituents. Without credibility nothing can be built — at least nothing that can survive the test of time.

**Credibility Makes a Difference**

When people work with leaders they admire and respect, they feel better about themselves. Credible leaders raise self-esteem. They set people’s spirits free and enable them to become more than they might have thought possible. Credible leaders make people feel that they, too, can make a difference in others’ lives.

Case studies document how admired leaders focus their time and attention on others. They do not place themselves at the center; they place others there. They do not seek the attention of others; they give their attention to others. They do not focus on satisfying their own aims and desires; they look for ways to respond to the needs and interests of their constituents. They are not self-centered; they are constituent-centered.

This qualitative data is supported by quantitative research. When people perceive their managers to have high credibility, they are significantly more likely to:

- Be proud to tell others they are part of the organization.
- Feel a strong sense of team spirit.
- See their own personal values as consistent with those of the organization.
- Feel attached and committed to the organization.
- Feel a sense of ownership for the organization.

But when people perceive their managers to have low credibility, they are significantly more likely to report that they:

- Produce only if they are watched carefully.
- Are motivated primarily by money.
- Say good things about the organization publicly, but feel differently in private.
- Would be unwilling to stick around very long if the organization experienced problems.

These respondents are also significantly less likely to be proud of the organization, and they are more likely to see their own values as dissimilar to the organization’s values, feel a weak sense of team spirit, and experience...
low levels of attachment, engagement and ownership.

The critical credibility difference is an increase in a person’s willingness to put forth effort on behalf of the shared vision and values. Rather than acting sheepishly compliant in following orders, constituents act with moral commitment in following a common purpose. Rather than doing it because they have to, they do it because they want to and because they know that what they do matters.

**The Six Disciplines for Earning and Sustaining Credibility**

To further understand the behavioral dimension of how admired leaders earn and sustain credibility, survey respondents and interviewees were asked to provide specific examples of what their most admired leaders did that made them want to follow. Just how did leaders earn trust and credibility? From empirical data and comprehensive analysis of the common themes in the cases emerged the six disciplines of credibility. The process of building and sustaining credibility requires you to take the following steps:

1. Discover your self.
2. Appreciate constituents.
3. Affirm shared values.
4. Develop capacity.
5. Serve a purpose.

Earning and sustaining credibility is not a casual exercise. It requires adherence and devotion to a way of doing things that goes beyond mere acknowledgment of its importance.

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**Discover Your Self**

“I know who I was, who I am and where I want to be,” said Dan Kaplan, founder of Daniel Kaplan Associates and former president of Hertz Equipment Rental Corp. “So in other words,” he continued, “I know the level of commitment that I am prepared to make and why I am prepared to make that level of commitment personally. I know what it takes to achieve success for me. That success for me comes from paying a big price, putting a lot of work and a lot of sacrifice behind it.”

All leaders must seek self-knowledge if they mean to establish and enhance their credibility. As Steve Dellaporta, product manager at the U.S. Department of Defense’s Manpower Data Center, explained: “To be a good leader you need to know who you are, your values as a person and how best to use these values in every interaction. Without knowing who you are, you cannot lead with integrity.”

Leadership scholar Warren Bennis, in his study of how successful people learned to become leaders, noted that self-knowledge is an essential part of defining a leader’s integrity. “To become a leader,” he says, “you must become yourself; become the maker of your own life.”

**How to Earn and Sustain Personal Credibility**

Your ability to earn and sustain personal credibility depends, first and foremost, on how well you know yourself. It depends on how well you know your values and beliefs, your skills and deficiencies, what success means to you and the level of commitment you are willing to make. The better you know yourself, the better sense you can make of the often incomprehensible and conflicting messages you receive daily. Do this, do that. Buy this, buy that. Support this, support that. Decide this, decide that. You need internal guidance to navigate the turmoil in today’s highly uncertain environment.

To genuinely know the level of commitment you are willing to make, you must discover and develop three essential aspects of yourself: your credo, your competencies and your confidence. Your credo is the set of values and beliefs that serves as a guide to your decisions and actions. Your competencies are the knowledge, skills and abilities that you use to transform your words into action. And confidence is the will to make use of those skills. To be credible, you need to have trust in your abilities to do what you believe, especially in uncertain and challenging situations. Your initial steps on your leadership development journey are ones that enable you to discover your credo, your competencies and your confidence.

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**Appreciate Constituents**

Researchers have found that organizations with adaptive, performance-enhancing cultures outperform non-adaptive, unhealthy organizations precisely because of their emphasis on attending to all of their constituencies — that is, their customers, stockholders and employees. By contrast, in organizations with non-adaptive and unhealthy cultures, “most managers care mainly about themselves, their immediate work group or some product (or technology) associated with that work group,” wrote Harvard University researchers John Kotter and James Heskett.

Related studies demonstrate that putting others’ interests first, rather than your own objectives, is also critical
to building customer loyalty. Leaders who are clearly interested in their own agendas, their own advancement and their own well-being will not be followed willingly.

The credibility-strengthening process begins with clarification of your personal values and beliefs, but only by being constituent-oriented can you ultimately become trustworthy. A firm credibility foundation can be established only when you truly understand and appreciate — even embrace — the aims and aspirations of your constituents. When you appreciate and pay attention to others, you send signals that they are important to you, and that their input and ideas are valued.

Begin Appreciation with Listening

As fundamental as it might seem, the best thing that you can do to show others you respect them and consider them worthwhile is to reach out, listen and learn. Professors Suresh Srivastva and Frank Barrett of Case Western University underscored this point in their writings on executive integrity: “[It is] not the content of the exchange that is central: but the experience of being taken in and heard, which not only affirms the legitimacy of one’s way of looking at the world but then allows one to begin letting go of some defensiveness because the experience of affirmation increases one’s capacity to affirm others.”

This means that you must not simply articulate your own philosophy. You must also listen to the philosophies of others. Building trust begins by building a personal relationship through listening. This means listening everywhere and to everyone. It means regularly walking the halls and plant floors, meeting often with small groups below the managerial level, and hitting the road for frequent visits with employees, key suppliers, business partners, customers and other key stakeholders.

Affirm Shared Values

All leaders must build consensus around shared values. Everyone in the organization needs to understand the fundamental beliefs that direct decisions and actions, and the principles that are used to resolve the inevitable conflicts that arise in business and in life.

Credibility is not just a function of clear personal values. That’s the starting place. But for leaders’ organizations to have high credibility, all members must align with shared values. Leaders build commitment to those values, and they get people to see themselves as part of a larger whole — as part of a community in which survival and success depend on a common understanding of purpose and principles.

How Organizations Benefit from Shared Values

Organizations greatly benefit from shared values. Employees are more motivated when they believe that their values and the organization’s values are aligned. They are more creative and innovative because they become immersed in what they are doing. When people feel like part of the same team the quality and accuracy of communication increase and the integrity of the decision-making process is enhanced.

Use Shared Values to Make a Difference

Shared values are the foundation for building productive and genuine working relationships. While credible leaders honor the diversity of their many constituencies, they also stress their commonalities. Each and every member of the organization certainly has unique needs, and leaders attend to those, but to function as a unit, team members must have a strong sense of the values and norms that bind them together. For people to work together effectively, they must agree on a few fundamentals. They need some common core of understanding to build community.

Shared values are the internal compasses that enable people to act independently and interdependently. Shared values provide groups with a common reference for making decisions and taking action. They provide guidance in dealing with critical incidents. They inform people about the standards for treating each other, for responding to customers and for negotiating with business partners. They serve as guidelines on the actions that get rewarded — and those that should be reprimanded. They give everyone a place to go when an ethical dilemma is nagging them. When people recognize that there are shared values, they have a common language with which they can collaborate.

When individual, group and organizational values are in synch, tremendous energy is generated. Commitment, enthusiasm and drive are intensified. People have a reason for caring about their work. Individuals are more effective (and satisfied) because they feel they are doing something meaningful. They experience less stress and tension.

Develop Capacity

Credible leaders know that they have to continuously develop the capacity of their constituents to put shared values into practice. When individuals, teams, depart-
ments and organizations grow more able to perform their jobs and keep their promises, not only are their reputations enhanced, the leader’s credibility also grows.

Leaders must provide the resources and other organizational supports that enable constituents to put their abilities to constructive use. This means going beyond traditional definitions of jobs and even functional classifications. It means increasing the scope of work for everyone, especially those on the front lines.

Developing capacity requires you to ask yourself about the assumptions you make regarding the abilities of the people you lead. Just how far are you willing to go to develop the skills people need to be able to contribute effectively to making shared values a way of life? You have to be willing to liberate the leader in everyone and distribute leadership across the organization in order to make yours one of the best places to work.

Five essential components go into developing capacity so that everyone can act in a free and responsible way:

- **Competence.** People must have the knowledge and skill to Do What We Say We Will Do (DWWSWWD).
- **Choice.** They must have the latitude to make choices based on what they believe should be done.
- **Confidence.** They must believe they can do it.
- **Climate.** They need a culture that encourages some risk-taking and experimentation, accepting mistakes as a chance to learn from experience.
- **Communication.** They must be constantly informed about what is going on in order to keep up to date.

Fostering and sustaining liberated people is vital to leaders and their organizations’ ability to maintain credibility. The only sustainable competitive advantage any business has is its credible reputation and the ability to deliver what it’s promised.

**Do What We Say We Will Do**

Capacity building is necessary because people have to be able to DWWSWWD. If they can’t, then everyone’s credibility suffers. That’s as true for the CEO or the managing director as it is for the frontline worker, and as true for every single individual as it is for the team.

Developing capacity is about building the skills, knowledge and attitudes of the entire workforce at all levels to DWWSWWD.

The fact that individuals or organizations have the capacity to be consistent with their values does not, however, mean that they are. Shared values and shared capacity do not guarantee results. In the final analysis, credibility is earned through credible actions that are supported and consistently reinforced.

If a group is to live up to its values, its members must use their skills on a daily basis. For example, your organization may espouse diversity, but if respect for others who are different is not shown on a daily basis — if people of diverse backgrounds are not recruited and hired, if merit reviews don’t address accomplishments in the area of diversity, and if performance and rewards are not linked — then diversity becomes just a convenient politically correct slogan.

Credible leaders play a central role in translating promises and preparations into performance.

**Serve a Purpose**

Credible leaders serve a purpose and they serve the people who have made it possible for them to lead. They put the guiding principles of the organization ahead of all else and then strive to live by those principles. They set the example for others and are the first to do what has been agreed upon. In serving a purpose, you strengthen credibility by demonstrating that you are not in it for yourself, but instead have the interests of the institution, department or team, and its constituents at heart. Being a servant may not be what you had in mind when you chose to take responsibility for the vision and direction of your team, but serving others is the most glorious and rewarding of all leadership tasks.

The concept of “servant leadership” is not new. Many years ago Robert Greenleaf pointed out, “The great leader is seen as servant first, and that simple fact is the key to [the leader’s] greatness.” Greenleaf, who had spent 30 years as a Fortune 50 senior executive, spent the last part of his career reflecting upon and organizing what he had learned about successful business and professional people. He observed that those people who believed foremost in the concept of service, who were servant leaders, were also successful leaders. It was their belief in serving others that enabled these executives to provide leadership that made others willing to follow.

Seeing a new kind of connection between leaders and
their constituents, Greenleaf suggested: “A new moral principle is emerging which holds that the only authority deserving one’s allegiance is that which is freely and knowingly granted by the led to the leader in response to, and in proportion to, the clearly evident servant stature of the leader. Those who choose to follow this principle will not casually accept the authority of existing institutions. Rather, they will freely respond only to individuals who are chosen as leaders because they are proven and trusted as servants.”

Servant leaders put other people’s needs first. The measure of success is whether those who are served grow — whether they become healthier, wiser, freer, more autonomous, more capable — and whether they are likely to become servant leaders in their own right. This is not the image you see on reality TV, but it is the way things work in the real world. People will not voluntarily follow self-serving leaders whose goals are to enrich only themselves. People want to follow leaders who place others’ interests above their own.

**Sustain Hope**

When leaders uplift spirits and restore people’s belief in the future, they strengthen their own credibility. Constituents want leaders who demonstrate an enthusiastic and genuine belief in the capacity of others, who strengthen people’s will, who supply the means to achieve and who express optimism for the future. Constituents want leaders who remain passionate despite obstacles and setbacks. In uncertain times, leaders with a positive, confident, can-do approach are desperately needed in business and in life.

Salvatore Sarno is a compelling example of how a leader can uplift people’s spirits. Sarno was the managing director of the team driving *Shosholoza*, the first African boat to take part in the most important sailing competition in the world, the America’s Cup race. Sarno’s biggest passion is sailing, and for many years before the official launch of the *Shosholoza* initiative he would talk about his dream: “One day we will participate in the America’s Cup. I want to give to these guys the opportunity to make history.”

For many people, Sarno’s idea was crazy and disruptive, but not only did he believe in it deeply, he also communicated and shared his vision passionately with the people around him. His dream went far beyond the sport experience: He not only wanted South Africa to be the first African team in the America’s Cup, he wanted to give a chance to people who had grown up under difficult conditions to represent the pride of their nation in front of the world.

In 2007, *Shosholoza* took part in the America’s Cup race, a remarkable achievement in itself since only 12 countries were represented. *Shosholoza*, with a significantly lower budget and less experience than the world giants like *Alinghi*, *Oracle* or *Luna Rossa*, managed to compete at the same level as the other 11 participants. Placing sixth at the final round in Valencia, the South African team had achieved some amazing victories in one-on-one challenges.

These achievements reached far beyond the results on the racecourse, however. *Shosholoza* became a “hope generator” for many South Africans who identified in this success with pride. And the spread of optimism didn’t stop at the America’s Cup success.

Thanks to the creation of MSC-Shosholoza Foundation sailing centers around South Africa, less wealthy youths of all races are able to learn sailing and life skills. The meaning of the team’s name is an acknowledgment of the dedication to pursue excellence, especially when the struggle is a challenge — the Zulu word shosholoza means “go forward, make your road, forge ahead.” The spirit of the *Shosholoza* project is all about keeping hope alive and taking concrete action to achieve the dream.

**Leaders Must Keep Hope Alive**

Leaders must keep hope alive. They must strengthen people’s belief that the struggle they are called upon to deal with will produce a more promising future. The only antidote to the increased cynicism and stresses of these times is renewed faith in human capacity and an intensely optimistic belief that together leaders and constituents can overcome the difficulties of today and tomorrow. “Keep hope alive” continues to be the credible leader’s battle cry.

Hope is essential to achieving the highest levels of performance. Studies clearly show that people with high hope have a greater number of goals across various arenas of life, select more difficult goals, and see their goals in a more challenging and positive manner than people with low hope. They get more done.

**The Struggle to Be Human**

Organizational life is full of struggles and tensions. Leaders feel these tensions acutely because of their responsibilities to set the example and inspire others to work collaboratively toward a shared vision of the future. The leaders who are the most in touch with their constituents — and therefore likely to be the most...
credible — will experience the pain most intensely.

Let’s acknowledge these tensions and, furthermore, let’s even suggest that leaders would do well to learn to love the struggles. Where there is tension there is also energy. And where there is energy, there is also the possibility of movement. And where there is movement, there is the chance for progress. Making forward progress is the measure of leadership. So let’s wrestle with three of the tensions and dilemmas that leaders experience as they stretch to strengthen credibility:

• **Tension Between Freedom and Constraint.** Leaders demonstrate their commitment to a consistent set of expectations by clarifying meaning, unifying constituents and intensifying actions. This process tugs at an uneasy tension between liberty and limits. Be clear about the fact that people will have choices, but be equally clear that choices are constrained. They are constrained by the owners, the shareholders, the customers, the economic system, the idiosyncrasies of the founders, the executives in power and the people in the room at the time, along with a host of other forces, seen and unseen.

It is the leader’s responsibility to make sure that everyone has the opportunity to express opinions and get a fair hearing. Provide the forum for discussion, debate and reconciliation.

• **Tension Between Leading and Following.** There is a crucial difference between a pioneering leader and a dependable colleague. While success in both is founded on personal credibility, leadership requires the realization of a unique and ideal image of the future. Teamwork requires cooperation and reliable adherence to that common vision. Leadership and teamwork are certainly not mutually exclusive — in fact, exemplary leaders foster collaboration — yet there is a dynamic tension between them.

In these uncertain times it is absolutely necessary for leaders to encourage and tolerate more internal conflict than has been allowed in the past. If organizations expect people to show initiative in meeting today’s business challenges, then they have to relax their expectations of abiding devotion. Instead, they must support efforts of honest and competent people to find solutions to the problems that are confronting their companies. In short, they must develop the leader in everyone.

• **Tension Between Definitions of Success.** Leadership is both local and global. Acts of credible leadership come in all sizes. You can lead people to change the world, the state, the community, the workplace, the neighborhood and the family. Or you can just lead yourself to change. Leadership is also transitory and most often lasts a relatively short time. There are those whose influence has spanned centuries and crossed continents, but they are not the only ones who have led. Those whose influence has spanned only a few days and a few blocks can still have taken people to places they have never been before.

So what defines success? When it comes to leadership, perhaps the most appropriate response is the one adopted by such organizations as the Scouts and the Sierra Club. Whether your leadership is confined to your own 25 square feet of campground or extends to the plant’s 250,000 square feet or to the corporation’s 2,500,000 square feet, success is leaving the place better than you found it.

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**Epilogue: Character Counts**

The more we study leadership, the more we’re persuaded that leadership development is not simply about skill development. It’s also about character development. Building upon previous wisdom, we offer this poetic inspiration:

Be careful of your thoughts, for your thoughts become your words;
Be careful of your words, for your words become your deeds;
Be careful of your deeds, for your deeds become your habits;
Be careful of your habits, for your habits become your character;
Be careful of your character, for your character becomes your destiny.
Be careful of your leadership, for your leadership becomes your legacy.

Read these six simple lines at the start of every day. They will remind you that what you do as a leader begins in your mind, gets expressed in your words and then gets translated into your actions. Over time those actions become who you are, determine the credibility you earn and shape the legacy you leave.

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**RECOMMENDED READING LIST**

If you liked *Credibility*, you’ll also like:

1. *Fierce Leadership* by Susan Scott. Scott offers fresh and surprising alternatives to six of the so-called best practices permeating today’s business.

2. *Bury My Heart at Conference Room B* by Stan Slap. Slap helps executives ignite the massive power of any manager’s emotional commitment to his or her company. He provides a remarkable process that allows you to use your own values to achieve tremendous success.

3. *The Truth About Leadership* by James Kouzes and Barry Posner. The authors share 10 time-tested fundamental truths about leadership and becoming an effective leader.