

How Confident Are You? Take the Test

By Andrew Tilin

published on BNET.com 4/21/2009

Downturn or not, when it comes to confidence, there are two kinds of business leaders: those who are sure of themselves, and those who are *absolutely* sure of themselves. (Underconfident business leaders exist, but not for long.) Believe it or not, more confidence isn't always better. Here's a quick guide to seeing where you land on the confidence spectrum, plus advice for improving your game.

Overconfident



Jack Welch, former CEO of GE

What you see in the mirror: Someone who thinks the glass isn't just half-full; it's overflowing. The future is very bright, no matter what the economy's doing.

How you lead your company: Your every fiber goes into making the business successful. You let people go matter-of-factly. You have a strong vision — and it's your way or the highway.

You identify with: Jack Welch

Pros: Optimism from the corner office unquestionably lifts a business. "The evidence is clear," says Don Moore, an associate professor of organizational behavior and theory at Carnegie Mellon's Tepper School of Business. "You're a persuasive and effective leader when you say, 'I'm sure I know what's going to happen, and that our future is bright.'" Plus, nobody doubts that you're captain of the ship. Your subordinates know where they stand. Employees, possibly afraid that their necks could soon rest on the chopping block, work hard.

Cons: If your vision for the company is wrong, the **business can quickly nosedive**. Subordinates might rebel against a chain of command that resembles a dictatorship. And optimism can go too far. “Overconfident businesspeople routinely delude themselves,” Moore says.

How you can improve: **Invite input from others — especially in a downturn**. Even if your employees’ ideas miss the mark, they may trigger an idea you hadn’t considered. No CEO bats a thousand. “That’s asking for too much,” Moore says.

Confident



Michael Dell, CEO and founder of Dell, Inc.

What you see in the mirror: Someone who’s optimistic but also self-critical. You ask an unending stream of hard questions: Are you making the right business decisions? Could you do things better? Can you make these times less scary — for yourself and for your employees?

How you lead your company: With humility. You have a game plan, but you seek suggestions from others. You’re a realist who’s often willing to tell it like it is.

You identify with: Michael Dell

Pros: Your peers know that your door is always open, or at least that you’ll respond to their knocks. Your employees appreciate knowing that you, too, are trying hard to navigate stormy seas. “Good leaders practice what I call ‘care-frontation,’” says Pat Hyndman, an executive coach at Vistage International. “You’ve got to like a boss better who uses words like ‘adjust,’ ‘defer,’ and ‘reconsider’ instead of ‘cut’ and ‘slash.’”

Cons: You can be **too honest**. Boards of directors and shareholders don’t like leaders who admit too much vulnerability. You could end up talking yourself out of a job. “If a board thinks you’re undermining confidence in the firm, they could start making moves to replace you,” Moore says. Another scenario: A power-hungry associate might sniff blood and go after your job.

How you can improve: Seek out fairness and sympathy, but don't become too big a pleaser. You might have to walk a fine line. In the end, remind yourself that leadership requires assertiveness.

Copyright © 2009 CBS Interactive, Inc. All Rights Reserved.