

Self-confidence and Leader Performance

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We have all seen it in nearly every walk of life; two people with comparable skills turn out very different levels of performance—one succeeds and one fails. One executive pulls off the successful turnaround of a failing business; another cannot quite make it happen. One golf pro makes the crucial putt; the other misses it. One opera singer hits the high note; another misses it. One person is able to pull herself out of a career rut and make a fundamental career transformation, while the other remains in the same soul-deadening routine.

How can we account for such different performance levels among people who, from all we can see, are equally qualified for the challenge? Research and practice into performance and career differences like our examples are increasingly identifying self-confidence as one factor that carries some to achievement and, when missing, causes others to fail, or even fail to try. In fact, a review by Alexander Stajkovic and Fred Luthans of empirical research studies of perceived self-efficacy (the academician's term for self-confidence) has found that increased self-confidence can translate into significant performance improvements. In their article Stajkovic and Luthans challenge readers "... to further build on this foundation and select and/or develop high self-efficacy in today's and tomorrow's human resources" (p. 73). In this paper we will take up this challenge. We focus here specifically on the performance of organization leaders in the leadership and

management tasks that make up their leader roles. We first ask "What took so long?" suggesting some reasons why self-confidence has been slow to make it into leadership literature, and then go on to describe its nature, its impact, how it develops and some steps that leaders and organizations can take to enhance it. Our goal is to take one more step in translating the research and theory into usable, practical applications for careers and leadership development for teachers, researchers, and executives.

Executives can benefit from this in two specific ways: First, they can use their understanding of self-confidence and how it develops to help manage their own performance. Throughout this paper, we will draw upon the phenomenon of *expressed experience*; often we "know" something, but until it has been expressed – verbalized – we don't have it available for use in our conscious experience. Many of the self-confidence learnings will not seem "new;" our goal is to make them accessible.

And second, we will present some specific activities and methods by which individuals, leaders, and organizations can develop their own and others' self-confidence. Through a greater understanding of self-confidence and how it works, executives can manage for enhanced self-confidence in the members of their organizations. Although instilling self-confidence in followers would seem to be an obvious task of the leader, our work with executive M.B.A.

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students finds few have ever experienced having a boss who did so.

WHAT TOOK SO LONG? AND WHY NOW?

Self-confidence, our judgment of our capability to successfully accomplish something, is hardly a new concept in explaining performance and leadership. Literature is replete with examples, even *The Holy Bible* mentions the concept, if not the term (“For if the trumpet give an uncertain sound, who shall prepare himself for battle?” I Corinthians 14, verse 8). Only recently, however, has it begun to be recognized in the organization behavior literature. We offer several factors that seem to have contributed to the slow incorporation of self-confidence into our work:

1. Self-confidence is such an obvious and common sense concept that it has hardly seemed worthy of study. It has more often been the province of self-help literature (e.g., Dale Carnegie’s work) than of professional journals, often promising easy steps to remarkable results: “In less than 60 minutes . . . dramatically boost your self-image . . . break through to a new level of confidence . . .” We do not mean to demean the inspiration that some individuals find in self-help literature. Indeed, there is wisdom in the popular self-confidence literature, just as there as is in the popular hypnosis literature, but the literature is more useful as a place to look for exercises and routines that can be practiced than for an understanding of the concept. For the most part, self-confidence as a topic has hardly been the stuff of which academic careers are made.

2. The role of self-confidence is most evident in sports performance, where it has become a staple of sports psychology. Almost daily examples are chronicled in the sports press. An example in Boston was the 2002 and 2004 Super Bowl champions, the New England Patriots, who won a series of down-to-the wire games at the end of the season, including the championships. In interviews after both Super Bowls, player

after player cited the quiet confidence of their quarterback, Tom Brady, which gave them confidence in themselves. And where did Brady get his confidence? Past experience—he reminded the team that they had been in these close-game situations before and had prevailed, so they could do it again. And they did. But the very features of sports that provide such riveting examples – simple, direct, short-term with easily observable results (e.g., making a putt, getting a hit or throwing a ball) – are the things that are so different from the long term, complex performances of leaders in organizations.

3. Self-confident leaders are thought by many to be born, not made—or if made, made at a very early age. Sigmund Freud’s advice that the best way to get self-confidence was to have a doting mother didn’t offer much promise to budding executives. High levels of confidence in sports (a Babe Ruth or Michael Jordan) or in the executive suite (a Henry Ford or Jack Welch), seemed to come with the territory, and few stopped to ask how these legends developed their talents. Nearly 20 years ago when we told an executive development director at a large company that we were studying self-confidence and executive performance, he replied, “I didn’t know it was a problem.” His attitude may have reflected the times and the organization structures of the past, but for him, self-confidence in leaders was a given.

4. The research literature of self-confidence has not been easily accessible. The major body of research and theory on self-confidence has been carried out over a career by Stanford psychologist Albert Bandura, under the heading of perceived self-efficacy. Self-efficacy, as a major component of his social cognitive theory, is not easily translated into executive effectiveness—if one doubts that statement, try reading *Self-Efficacy*, Bandura’s 1997 book that summarizes his work. Although widely available, the writings are often both dense and abstract – a difficult combination – and the applications of self-efficacy theory have frequently been in the areas of health psychology or education or the

military, well removed from most organization life. Only recently have we begun to see more accessible publications, often under the rubric of positive psychology.

SO, WHY NOW?

The reasons for “why now” may not stand out so clearly, but we can at least describe two trends that place self-confidence in the forefront of a growing body of thinking about organization behavior. A major factor is an emerging emphasis on positive organization behavior and positive psychology. (See, for example, Seligman’s classic, *Learned Optimism*, or Cameron, Dutton & Quinn’s book *Positive Organizational Scholarship*.) Cameron et al. (p. 4) describe this new approach (termed POS) as follows:

POS is concerned primarily with the study of especially positive outcomes, processes, and attributes of organizations and their members. POS does not represent a single theory, but it focuses on dynamics that are typically described by words such as *excellent, thriving, flourishing, abundance, resilience, or virtuousness* . . . POS is distinguished from traditional organizational studies in that it seeks to understand what represents and approaches the best of the human condition.

Luthans, Luthans and Luthans, in their paper “Positive Psychological Capital: Going beyond Human and Social Capital,” state that “positive psychology focuses on strengths, rather than weaknesses, health and vitality, rather than illness and pathology” (p. 5). More specifically, Luthans et al., examine the issue of human capacity and introduce to the POS literature the concept of “positive psychological capital,” which goes beyond the traditional views of human capital and social capital. As they say, human capital represents what you know, and social capital describes whom you know. However, positive psychological capital assesses *who*

you are. And the elements of this positive psychological capital that they discuss are the following qualities: confidence, hope, optimism, and resiliency. None of these qualities, self-confidence among them, would be considered “new” concepts, but all are being recognized for their widespread importance in work and careers in the 21st century.

Second, as Luthans et al., make clear, there is a growing recognition that individuals can develop qualities such as self-confidence through their own actions. The mid 20th century work emphasizing (*over-emphasizing*, many would say) the role of environment in shaping individual behavior has given way to a more balanced concept of “reciprocal influence,” between the individual and external factors. Personal agency, a central feature of Bandura’s theory, and personal responsibility are part and parcel of an empowered organization, as we know from the work of Jay Conger. Martin Seligman’s recent book *Authentic Happiness* discusses in detail how psychological capital is generated and invested for the future when people are psychologically engaged and challenged in their work.

The organizational good news is that along with these trends, self-confidence is coming into its own as an important variable in leader performance and as a key element of psychological human capital that people can develop for themselves. A recent paper by Michael J. McCormick, “Self-efficacy and Leadership Effectiveness,” specifically addresses self-efficacy as the neglected variable in leadership studies. Leadership theories include self-confidence as one of the variables leading to effective leadership. Not only have meta-analyses of individual performance verified the importance of self-confidence (Stajkovic and Luthans report a 28 percent performance improvement), a similar study of leaders finds that self-confidence has a key role in leadership. Ronald Heifetz and Donald Laurie recently emphasized the role of confidence in organization leadership with examples from practice. “A leader also must develop collective self-confidence. Again, [Jan] Carlzon [former CEO of Scandi-

navian Airways] said it well: 'People aren't born with self-confidence. Even the most self-confident people can be broken. Self-confidence comes from success, experience, and the organization's environment. The leader's most important role is to instill confidence in people. They must dare to take risks and responsibility. You must back them up if they make mistakes.' " (Quoted by Ron Heifetz and Donald Laurie, "The Work of Leadership," *Harvard Business Review*, January/February 2002, 129.) As we move into the 21st century, self-confidence is indeed an "idea whose time has come."

WHAT DO WE KNOW ABOUT SELF-CONFIDENCE?

Understanding self-confidence and leader performance requires that we move beyond some of the everyday misunderstandings and develop sound research and experience based principles. We will attempt to do that here, drawing both on the research literature on self-confidence supplemented by numerous interviews with executives, as well as our teaching experiences regarding leadership and self-confidence.

First, a definition: *Self-confidence is our judgment of whether or not we can do something.* It is a judgment, based on weighing all our capabilities – our abilities, our motivation, all the resources we can muster – versus the requirements of the task at hand. We make these judgments all the time, in both important and (seemingly) unimportant activities; we may be confident that we can find our way to work, that we can complete the project, that we can develop a mission that others will want to work toward, that we can obtain the resources to conduct the work. The discussion that follows (as well as this entire paper) draws heavily upon the work of Bandura and his associates.

A number of implications flow from our definition:

1. *Self-confidence is a judgment*, the result of our thinking. Like any other judgment, it can be accurate or inaccurate, influenced by

how well we make judgments, how accurate is the data on which we base the judgments, the data we choose to consider, and how we process it.

2. *Self-confidence is based on perceptions*, both of our capabilities and of what the task or challenge requires, not on the underlying skills themselves or the task requirements. Our self-confidence concerns what we believe we can do with what we think we have and what we think we have to do. As a function of our *perceived* capabilities and the way we *perceive* the requirements of the task, anything that affects our view of our capabilities and/or our perceptions of the task requirements (whether realistic or not) can result in our having more or less self-confidence.

3. *Self-confidence is task specific.* It doesn't have much meaning except in relation to some particular task. We sometimes say "Tom is a confident person" but, if we analyze this we are really saying, "Tom displays a lot of confidence in relation to some task." Although the task may be narrow (sharpening a pencil) or broad (running a pencil factory), few of us are confident in every area of life. The athlete who demonstrates enormous confidence on the playing field may tremble at the sight of a formal dinner table or at the prospect of giving a speech.

There is a general trait of self-confidence that appears in some personality tests. Bandura's critique of the usefulness of the concept is quite convincing. Although there may indeed be some such general personality characteristic that shows up as self-confidence across a wide range of life's tasks, a general trait is much more useful in theory than in practice and research. *Trait* thinking encourages *born* thinking and implies that there is nothing we can do about it. Our experience is that we have yet to find an executive who could not tell us of the events that developed his or her confidence.

4. *Self-confidence is something that can be changed.* Given our definition, it is a small step to accepting that self-confidence is not fixed but can change, either as our perceptions of our capabilities change or as we

change the way we view what a task requires. We used a Self-Confidence Formula to express this, and to guide efforts to change:

$$\text{Self Confidence} = \text{Perceived Capability} \\ - \text{Perceived Task Requirements} \quad \text{or} \\ \text{SC} = \text{PC} - \text{PTR}.$$

Expressed in this way, paths to changing one's self-confidence emerge quite easily. Our M.B.A. students have no trouble using this formula to examine and change their self-confidence and to suggest actions they can take to change it. In our self-confidence coaching with executives, we find that they readily use the formula to diagnose their own developmental needs.

5. *Self-confidence is NOT self-esteem.* The popular press frequently uses the terms self-confidence and self-esteem interchangeably, when they are in fact different concepts. *Self-confidence* is a judgment of our *capability*, how much we think we can do something; *self-esteem* is a judgment of *self-worth*, how much we like ourselves. As Bandura notes in *Self-Efficacy: The Exercise of Control*, "People need much more than high self-esteem to do well in given pursuits" (p. 11). And, vice versa, people need much more than high self-confidence to like themselves. An example emerged from our interviews with executives: a highly successful commercial real estate executive in New York City, a task that by any account requires a rare degree of self-confidence, was personally miserable because he did not like himself. The factors that determine self-esteem are different from those of self-confidence, and the confusion between them has resulted in widespread misunderstanding of the role that each plays in everyday life. This mixture causes people to believe mistakenly that they cannot do anything about their self-confidence, and it suggests erroneous change strategies. Our real estate executive may need years of psychotherapy, not self-confidence coaching!

6. *Self-confidence develops in self-reinforcing, positive cycles.* Self-confidence grows and feeds upon itself—as the saying goes,

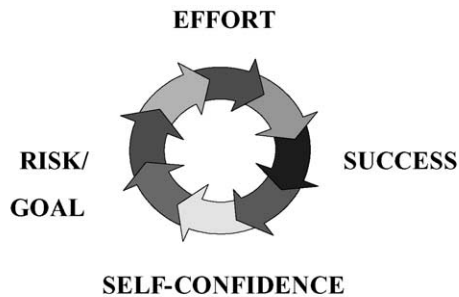
"success breeds success." Here is an example from an interview with a manager in a public sector organization, from a study by the second author and his colleague, Marjo Lips-Wiersma:

Sixteen years ago Janet entered the organization as a Data Entry operator. When she very quickly became bored she approached her team leader and asked for a change of position. Thus began a confidence cycle where she met with success, increased her confidence, took more risk, worked harder and more effectively, and so on. She admits to needing a change of environment every few years so that she doesn't become "stale," and she has since had 5 or 6 changes of position, in many different units ... until today, as team leader, she is positively brimming with motivation, confidence and enthusiasm and an absolute belief that she will be supported by the organization with any future changes that she undertakes.

In the operation of this self-confidence cycle (shown in [Exhibit 1](#)), people take a small risk and make a step toward some important goal (such as Janet's requesting a new assignment), succeed in that, and become more confident in their abilities. As a result, they set higher goals, and with success gain more self-confidence, leading to a higher level of aspiration, and so on, and so on. This is similar to the process of psychological success, described by Hall in his book, *Careers In and Out of Organizations*, that creates an upward spiral of positive career attitudes from meeting challenging career goals.

Thus, the overall picture is one of self-confidence as a quality over which the person can have considerable control. Our level of confidence results from our specific experiences, and it develops through a cognitive sense-making process that we can influence. It is specific, describing how we assess our

EXHIBIT 1 THE SELF-CONFIDENCE DEVELOPMENT CYCLE



Note: The cycle can be entered at any point.

abilities to perform a certain task, and it is not an overarching evaluation of oneself, such as self-esteem. Thus, for our purposes of developing leaders and leadership qualities, people with self-confidence are made, not born. The bottom line, then, is that self-confidence is one of the self-management factors that people can influence, such as fitness and education.

HOW SELF-CONFIDENCE AFFECTS PERFORMANCE

Most of us would agree, “Yes, self-confidence affects our performance,” but the research has identified some surprising ways it has those effects. It impacts our motivation, our perceptions, and our thought patterns.

Motivation

The motivational impact of high self-confidence is especially important for executives because of the nature of executive work. Much executive work requires a great deal of effort over long periods of time with little indication at the end of the day of whether any progress has been made or how effectively one has worked. The work itself may provide, at best, long-term and indirect feedback (like earnings per share). Most complex

work is fraught with challenges and difficulties where sheer persistence – showing up and staying in the race – is at least half the battle. There is seldom one right answer—many different approaches may succeed, given the persistence to keep at the task. In the ambiguous life of the executive, a lot depends on how much and how long we are willing to work at the task; motivation becomes a key ingredient of success.

The research results are clear, and appear in observations of executives at work—greater motivation is one of the concomitants of high self-confidence. Those with higher self-confidence work harder in approaching a task and exert more effort while at it; they will keep at the task longer without feedback and will stick to it longer in the face of problems and difficulties.

Perceptions

Executive work can be risky (to wallets and egos, if not ordinarily physically risky), with ample opportunity for threats and fears to interfere with performance. Seldom do leaders publicly admit it, but they are not immune to being scared! Fear and anxiety may be useful motivators in getting us to prepare, but effective performance typically demands a cool head and steady hand. Self-confidence helps us see situations as less threatening and less fearful, and by its nature helps us to believe that we will be able to cope with the threats or our fears as they arise.

Threat and fear are *relational* concepts—they occur *in relation to* some thing or situation; as a result, whether we view a situation as a threat or an opportunity, depends on how we view the situation and our ability to cope. Threat is in the eye of the beholder; what may be threatening to one person may not cause another to blink an eye, or vice versa. Self-confident executives, sure of their abilities, will see fewer situations as threatening. But more important than not being threatened or afraid (everybody is afraid from time to time), they have the confident belief that when threats arise they will be able to cope with them.

Thought Patterns

Research has shown a number of ways in which highly confident people think differently than those with less confidence. Confident people:

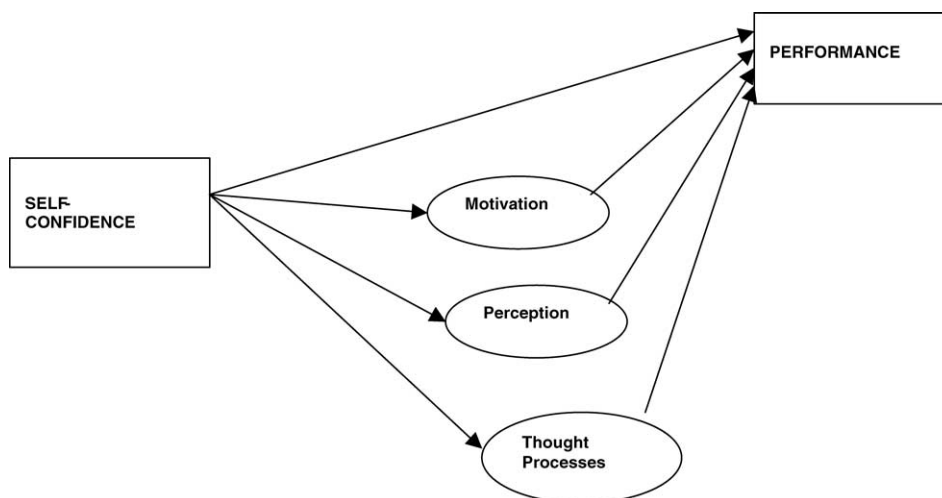
- use their analytical thinking abilities more effectively in finding solutions;
- set higher goals than less confident people, and those goals in turn spur them to better performance; and
- make different choices of working associates, of projects, of the challenges they face. These choices in turn influence the opportunities and the milieu in which they will operate. An example arose recently in discussions with a sports agent—he pointed out that it takes just as much of an agent’s personal resources (time and effort on negotiation, contracts, etc.) to work with high profile figures as it does to work with minor figures, but the rewards are disproportionately large with the high profile figures. Some agents, however, lack the confidence to choose to work with the higher profile clients.

The complexity of the relationships and the reciprocal nature of the influence among

the variables are daunting as we try to apply these findings to leadership behavior, but the effects are clear and important. What stands out in experimental work by Wood and Bandura is both the simplicity and the complexity of the effects. Self-confidence (self-efficacy) was related to performance, but it also operated through its effects on the goals people set and the effectiveness of the managers’ analytic strategies.

Perhaps we should keep in mind an earlier finding from Bandura’s research on goal setting—that near-term sub-goals rather than long-term goals enhance performance in complex tasks! Focusing on the small steps and risks involved in subgoals is a matter of having strong motivation and being persistent. Recall the words of Woody Allen: “80 percent of success is showing up.” The more we persist on the small pieces of a goal, the more manageable we perceive the complete task to be—i.e., our perceptions become more positive. When we take these steps, we are thinking about the task in a different, more self-conscious and analytic, or strategic way. By being more analytic about our approach to the task, we are more likely to find an

EXHIBIT 2 DIRECT AND INDIRECT RELATIONSHIPS BETWEEN SELF-CONFIDENCE AND PERFORMANCE



approach with a higher probability of success. Thus, we have the following direct and indirect effects of self-confidence on performance, as shown in [Exhibit 2](#).

THE SPECIAL CASE OF LEADERSHIP: “FOR IF THE TRUMPET GIVE AN UNCERTAIN SOUND, WHO SHALL PREPARE HIMSELF FOR BATTLE?”

In addition to managing our motivation, perceptions and thought processes, leadership requires inspiring others to follow our lead. As illustrated in the biblical quote above, and as validated in everyday life, our belief that we can do something is a critical part of convincing others. An uncertain trumpet attracts few followers.

Leadership is by definition an influence process—it only exists in relation to others. This is true of “thought” leaders who lead indirectly through their ideas as well as “people” leaders. Leader self-confidence causes followers to believe in the capabilities of the leader and the direction set.

But its impact on others is not the only way self-confidence affects leadership. In teaching leadership to M.B.A.s, we have often been struck by the timidity of their decisions. When we asked “How many would be willing to accept a transfer to Hong Kong?” only a sprinkling of our early 30s students, mostly managers and engineers, said they would go—this despite the fact that we had spent the previous class discussing the benefits that accrue from international experience. For these students, the risk was simply not worth the reward, even if the risk was mitigated by a company-provided safety net. Self-confidence played at least a part in their unwillingness to choose broader careers. Leaders expanding their horizons often describe a ‘leap of faith’ required to take the big step, like going overseas for the first time. And, global studies find that such leaps of faith are necessary among Swedes as among Bostonians.

The self-confident leader does not decide casually to take life-threatening risks. However, taking calculated risks is the foundation of leadership, and the “calculation” is in the eye of the beholder. The intriguing thing, as we interviewed executive leaders, is that their confidence enabled them to take action in the face of risks that their less confident counterparts found too great.

Leadership requires not only communicating a direction in a convincing fashion; it also requires setting the direction or strategy. The self-confident problem solver works harder, examines more alternatives, and finds better solutions. The greater the stakes, the greater the confidence advantage. A small business owner described to us the implications of her decisions—“Seventeen families depend on me.” Her self-confidence did not keep her from occasional bouts with sheer terror (“Sometimes I come home on Friday night and cry with fear”) but her resilience had her back at work the next morning.

HOW IS SELF-CONFIDENCE DEVELOPED? THE FOUR SOURCES

If self-confidence is a judgment, how is that judgment formed? What kinds of data persuade people that they have the ability to do something? Research has described, and our self-confidence interviews illustrate, four basic sources of data that are used to make the SC judgment:

1. Actual experience, the things we have done;
2. The experiences of others, “modeling;”
3. Social persuasion, the process of convincing by someone else; and
4. Emotional arousal, how we feel about events around us and manage our emotions.

Although actual experience is the most powerful factor, each of these sources of self-confidence data can be important in different situations. We show again our Self-Confidence

dence Formula, illustrating the judgment process:

Self Confidence = Perceived Capability

– Perceived Task Requirements or

SC = PC – PTR.

Actual Experience

“What made you confident that you could do that?” we asked the executive. She replied: “I had done something very similar before that worked out very well. I knew that if I could do it there, I could do it here.”

Having done it before and succeeded is the most powerful way to build self-confidence. Time and time again in our interviews with executives, they described the powerful impact on their self-confidence of successful experience. And one does not have to stop and think about it, it just happens—when we have done it before, there seems to be no need to compare capability with the task requirements; if we have “done it,” we can do it again. The role of actual experience is so powerful we call it “mainlining.” McCall, Lombardo, and Morrison in *The Lessons of Experience* have emphasized the importance of experience in executive development. Although we usually think of “experiences” as providing the know-how, the self-confidence learnings are also a key part of the learning outcomes.

What experience? Not all experiences are equal. The experiences we need are the ones that are challenging, ones that cause us to “stretch,” while still providing a reasonable chance of success. The same experience over and over (or success that is too easy) gives us little new data, producing little learning or increase in confidence.

Even when leaders don’t have experience specific to the task at hand, when they haven’t “done it before,” many times they have done “more of it” than they realize.

Recall our definition. Confidence is a *judgment* of our capabilities; making that *judgment* becomes a key. Another prescrip-

tion is to reevaluate capabilities, examining relevant abilities that may have been applied in a different setting or task. Then, we may be able to cobble together “successful experience” from the diverse background that we bring to the task, enhancing our self-confidence and encouraging us to give our best performance. Most strikingly, we observed this over the last several decades as women entered the workforce after years of spending their time in the home—their confidence was often raised (and their resumes enhanced) by reinterpreting many of the tasks they had done. The process is the same in 21st century leadership roles that may change so rapidly that specifically “having done it before” becomes a rare experience.

Modeling: Vicarious Experience

If leaders had to have actual experience in everything they do, life wouldn’t provide enough time to move far from where they started. Fortunately, humans are quite adept at learning from the experiences of others. Modeling – watching others – serves as a source for new skills and strategies and shows us what works, and what doesn’t. Models are especially important in learning interpersonal skills—how to work with others. Most confident people can tell us about learning how to deal with others by watching the successes and failures of someone else. McCall and Hollenbeck in their 2002 study of global executives, *Developing Global Executives*, found that “Significant Other People” were the most frequent source of the experiences that taught the key lessons of global leadership.

We also gain *inspiration* from watching others—they provide “models” of the way we want to be and the standards we want to meet. An example was seen in Boston recently in the NBA playoffs in the Fleet Center. The Celtics were in the playoffs for the first time in many years, with a young team. In the pregame activities, several stars from previous generations of championship Celtic teams (e.g., Red Auerbach, Bill Russell, Bob Cousy, Tommy Heinson) were intro-

duced to the crowd as video clips from their playing days flashed above on the big screen. They paraded across the court together and took their seats in a prominent location near courtside. These stars were powerful models of past Celtics successes, and the team went on to win its opening game in convincing fashion.

Social Comparison

One way executives judge their capabilities is by comparing themselves to others. Seeing others like themselves succeed, they tend to believe that they can succeed, too, and seeing similar others fail leads them to judge that they would fail also. Education and training settings lend themselves well to social comparison. Not surprisingly, research has found that self-confidence is one of the most common outcomes of education or training experiences. For example, the first author found this result in his study of the effects of the Harvard Business School's Advanced Management Program. Surrounded by their peers in a training class, most leaders are initially surprised by the range of their peers' achievements. But later, they come to this realization: "Most of my classmates are no more capable than I am—if they can do it, why can't I?" (Not to be minimized as another addition to the confidence larder is, of course, the person's enhanced personal capabilities in the form of the new knowledge and skills gained in school).

Social Persuasion

We have seen the inspirational speaker who can fire up the sales force to make the sales calls by persuading them that they can do it. Most of us can identify some boss or associate who believed in us, when we ourselves were not so sure. Thus, a third source of data for forming judgments about our capabilities is what others tell us—persuasion.

Although criticized as a short-term influence, persuasion can get one started on the road to success. One of our executives told it

this way: When he was a junior professional in a large organization, his boss gave him a project that he believed exceeded his experience and capabilities. He went back to his boss, explaining his doubts, but the boss took the opportunity to build up his confidence, by telling him how capable he was and how much the boss believed he could do it. Energized and inspired, he began the project, finishing it very successfully months later. Looking back years later, he sees the boss's confidence in him as an important element in getting him started on a successful career.

People who are good at motivating and building confidence do more than just tell us how good we are. They also guide our efforts in ways that bring success and that avoid the premature failure that would undermine our confidence judgments. They help us see our progress. A good coach, whether of executives or of athletes, guides *successful* performance and encourages the new leader to measure success in terms of self-improvement rather than just the absolute level of performance.

Emotional Arousal

In assessing their self-confidence, people also rely partly on how their minds and bodies react when they perform or anticipate performing:

- If we feel anxious and threatened, we conclude that we lack ability.
- If we feel tired and exhausted after a series of negotiations, we may judge that we lack what it takes to be a good negotiator.
- If we feel nauseous when asked to give a speech, we use those feelings as data, raising doubts about whether we are good speakers.

Senior executives at ITT in the heyday of Harold Geneen told of becoming physically ill while waiting in the anteroom for their appointment to be grilled by the boss on their monthly results. It is no wonder they might interpret their feelings as indicating a lack of confidence. (Fortunately, social comparison operated here also to boost their confidence

back up—“Everybody else does it, too,” or “Joe got sick, too, and he got through it.”)

WORKING THE CONFIDENCE FORMULA

We have found our self-confidence formula to be a useful tool for executives and students in using the four sources for analyzing and modifying their self-confidence. The formula is a shorthand way to keep us thinking: *If we can increase our PC or decrease our PTR (or both), our self-confidence will increase.* Both the perceptions of capabilities and the task requirements are self-schemas and subject to change and reevaluation. Making our analysis “conscious” by using the formula can help us understand self-confidence and manage our own.

A financial executive gave us an example of both reevaluating the task requirements and his own capabilities to give him the self-confidence for buying the building where his company rented space. As the “chief financial officer (CFO) grown from an accountant” of a small company, his first reaction to the thought of purchasing a building in the big-city real estate market was that it seemed beyond his reach. How could he possibly do that—his total experience was buying his residence, hardly a lead-in to buying an eleven-story building in midtown Manhattan. But what would the task require? As he began to break the task down into manageable parts (e.g., work out the financials at different prices, get information on building sales in the neighborhood, convince the CEO and the board), and as he weighed these subtasks versus his capabilities, he realized that there was nothing here that he couldn’t do. Social comparison also set in when he talked with the CFO of another company, who had engineered a building purchase; he realized “I am as capable as that guy; if he can do it, I can do it.” And he did!

What did he do? Our CFO intuitively worked the formula to reevaluate his capabilities and the task requirement, which resulted in his having the self-confidence to begin the project. Interestingly enough, what

started our CFO on this journey was attending an executive education program where he gained a new perspective on his CFO role and where he observed that he fit in very well with a “classy” group of executives.

We have found that most people, when they begin their own self-confidence analysis, are surprised at how much relevant experience they have for tasks outside their usual scope. When they add up their capabilities versus the tasks, they are encouraged at what they can do. Given that encouragement, they begin the project they would not have begun otherwise. Working the formula is useful as a leadership tool as well as one for self-management. The effective leader can help others gain confidence by combining working the formula with social persuasion that they can do the job.

THE CONFIDENCE-PRESCRIPTIONS: ACTION STEPS FOR LEADERS

Two keys to effective leadership are managing oneself and influencing others. We present below some prescriptions for helping leaders do this.

ACTION STEPS FOR BUILDING ONE’S OWN SELF-CONFIDENCE

The first step in managing one’s self-confidence is recognizing that it is not some magical quality, but something that can be managed, and to understand how confidence impacts performance. Once the person learns these ideas, action steps flow easily. Here are some action ideas that we have used for coaching executives and Executive M.B.A. students:

1. *Place yourself in situations that stretch your capabilities.* If you are to develop, you must take risks. Remember, the threat is in the eye of the beholder—what may look like a big risk to you, others may see as a “chip shot.” Check out your risk assessment—are you being too cautious?

2. *Work both parts of the Confidence Formula.* When faced with a new situation that you are unsure about, break down the situation into tasks that you have done before. Analyze your capabilities versus those tasks, to get a better sense of what experiences you can apply here. Find where you need new knowledge or skills and look for ways to get them.

3. *Watch and learn from “confident” others.* What do they do? What are their actions that show confidence? Then look in the mirror? How confident do you look? Which of these actions can you take to look more confident? Remember: attitudes often follow behavior. We give our students the assignment of conducting a “Self-Confidence Interview” with leaders that they admire and see as brimming with self-confidence. Their objective, using an interview guide that we provide, is to find out where this person got their confidence. And guess what? In most cases, this confidence was acquired through challenging experiences, not inborn. (The authors will be happy to provide a copy of the Self-Confidence Interview Guide upon request.)

4. *Talk to others about how they developed confidence.* Tapping the experience of others often validates the importance of self-confidence and its malleability, and it inspires us to evaluate our capabilities. Are there things that you should be doing? Are there experiences that you should reevaluate that added to your capabilities without your ever realizing it?

5. *Do a self-confidence inventory.* How well do you manage your self-confidence? Where do you have lots of confidence? Where do you have less? What sources of information have you been using to build confidence? What other sources do you have available that you haven’t used?

6. *Review your experiences.* As you look back over your life to date, what are the sources of self-confidence that have impacted you? Experiences? Models? People who believed in you? Situations that surrounded you with a confident feeling? What did you learn, and how do you use it as you meet new situations today?

FOR MANAGERS: ACTION STEPS FOR LEADING OTHERS TO BE MORE SELF CONFIDENT

Instilling confidence in others is one of the key tasks of the leader, yet in our experience most managers have never quite thought of leadership in that way. Here are some confidence-instilling actions that we suggest in coaching managers and executives:

1. *Use social persuasion—express your confidence in others.* Stop to think—how often have you had someone express his or her total confidence that you could do something? Surprisingly, our executive M.B.A.s tell us that most of them have seldom if ever felt that level of confidence from a respected superior. Think of how important it has been to you. Then take that and give it to others—give them your wholehearted, enthusiastic support; persuade them that they can do it. (Try this with a spouse or significant other—it can have dramatic effects.)

2. *Seek out assignments that will build others confidence.* Know your people well enough to find work that will stretch their capabilities, where they will learn new things, develop and build confidence. In making assignments, specifically ask yourself, “Will this be a challenge?”

3. *Encourage others to use the Confidence Formula to broaden their horizons.* Show them how to analyze their capabilities and the task requirements to build up their evaluation of their PC (personal capability) and to reduce the PTR (perceived task requirements). Where they lack specific skills, encourage them to take the steps to get them.

SEVEN HABITS OF HIGHLY CONFIDENT ORGANIZATIONS: GUIDELINES FOR PRACTICE

For those who are looking to create organization-wide processes, programs for leadership, and career development, here are some final thoughts on how to build self-confidence on a large scale.

1. *Identify people in transition, with a need to change, and therefore a need to grow their self-confidence.* Adults learn and grow when they have a need to change. That time could be a career transition, or a change in jobs, or functions, locations, of businesses. All of these changes take people out of career routines and make them more open to new ways of being. The simple implication of this idea is that, when we are trying to create leadership development processes in organizations, we should identify those people who are already open to change and work with them. Do not waste time trying to “unfreeze” people who are happy the way they are.

2. *Have groups of people conduct interviews with admired and self-confident leaders.* We have used self-confidence interviews, described above, with groups, to emphasize the importance of confidence and how it develops. This interview can provide powerful concrete guidance for the person in how to grow one’s self-confidence. It uses vicarious learning, or modeling, one of the four sources of self-confidence, and we have found it to work very well to jump-start the confidence-building process.

3. *Use self-reflection to apply the lessons from the self-confidence interview to themselves.* Experience is the best teacher ONLY if you can learn from it. And you learn from experience when you step back and reflect, drawing lessons from it. You need to get “on the balcony” and look down on your experience from a distance, as General Gordon Sullivan says in his book, *Hope Is Not a Strategy*. Furthermore, people do not always naturally engage in self-reflection. Journals and learning logs can provide the impetus for reflection. Also, sharing personal insights in groups or with a peer can further magnify the learnings. (These methods of reflection for enhancing career learning are discussed in more depth in Chapter 9 of Hall’s book, *Careers In and Out of Organizations*.)

4. *Help the person explore his or her own “calling,” or “path with a heart.”* People who have found their own “calling” in their work have a sense of passion that gives them

great presence and confidence in what they do; they have such deep convictions about the purpose and importance of what they are doing. Helping people engage in a process of self-assessment, in which they sort through their most important values, develop their own “mission statement,” and get clear on what their life’s purpose is in their work, is a very tangible way to help the person get grounded and be confident in his or her work.

5. *Create experiences where people study cases of outstanding leaders.* Create experiences that facilitate vicarious learning or modeling. Have people read biographies of great leaders, see films about strong leaders (such as *Twelve Angry Men*, *Gettysburg*, *Truman*, *Norma Rae*) or interview strong leaders (who may or may not be famous people). This brings the subject to life; modeling is a very powerful influence agent. The stories in these biographies have great staying power and impact.

6. *Have people examine their own learning tactics.* People learn in different ways, and a hallmark of effective leaders is that they can marshal a number of different ways to learn. In our leadership courses, we have found the Center for Creative Leadership’s *Learning Tactics Inventory* can be a useful tool for people to examine how they go about learning, and to encourage them to try new methods. People learn that applying more tactics can enhance their capabilities, and seeing more tactics can help in reinterpreting previous failures.

7. *Use team-coaching and peer-coaching.* Since other people can be so powerful in developing self-confidence, team-coaching and peer-coaching are natural methods of using relationships for development. We have used simple team exercises where people analyze their “personal best” experiences with confidence, and where the team members persuade a team member that he or she has the confidence to work toward an important goal. We would also recommend that individuals be encouraged to form ongoing peer coaching relationships or support groups, to promote the continu-

ing growth of their confidence and personal success.

CONCLUSIONS

The most important part of our message is that self-confidence can be developed. It can be grown through some straightforward, small steps. And, since it is a relational concept, other people can play a powerful role in the confidence-building process. For an individual, this means that you can exert a strong influence in helping others develop their self-confidence. It also means that you can ask others whom you know well to help you grow your own confidence. To aid in this process, we present a summary of our recommended steps in Box 1.

The first part of the confidence-building process is to take away an understanding of self-confidence and how it affects career and leadership development. We know from the work on positive organizational scholarship that self-confidence is a part of positive psychological capital that can be developed. In this paper we have presented some ways that this personal learning can be facilitated for individuals in educational and organizational environments. The next step is up to you—to apply the insights in your own life and in the lives of those you lead.



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Box 1

Steps for building your own self-confidence and that of others

Growing your own

1. Take risks.
2. Work the Self-Confidence Formula.
3. Look for self-confidence in others.
4. Talk to others; do a Self-Confidence Interview and tap the lessons of how they developed confidence.
5. Do your own Self-Confidence Inventory.
6. Review your self-confidence experiences.

Leading others to be more self-confident

1. Use social persuasion—express your confidence in others.
2. Make assignments that will build others' confidence.
3. Encourage others to use the Self-Confidence Formula to broaden their horizons.

Guidelines for organizations

1. Identify people in transition, with a need to change, and therefore with a need to grow their self-confidence.
2. Have groups of people conduct Self-Confidence Interviews with admired and self-confident leaders.
3. Use self-reflection to help people apply lessons from the Self-Confidence Interview to themselves.
4. Help the person explore his or her own “calling,” (or “personal mission,” or “path with a heart.” Use whatever language best fits your organization’s culture).
5. Create experiences where people study cases of outstanding leaders.
6. Have people examine their own learning tactics.
7. Use team coaching and peer coaching to build self-confidence.



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Hall's latest book is *Careers In and Out of Organizations* (Sage Publications, 2002). He is the co-author of *The Career is Dead—Long Live the Career*, as well as other books on careers and management. He is a recipient of the American Psychological Association's James McKeen Cattell Award (now called the Ghiselli Award) for research design, the American Society for Training and Development's Walter Storey Professional Practice Award, and the Academy of Management's Everett C. Hughes Award for Career Research. He recently served on the Chief of Staff of the U.S. Army's panel to help the army develop a new model of leadership and a new process of leadership development for the transformed army of 2010. Contact: Tel.: +1 617 353 4166; fax: +1 617 353 4878. (dthall@bu.edu)