

Unlock the Power of Leadership

Kendall Payton, editorial associate

Executive leadership positions offer guidance, motivation and build morale across the board. Knowing how to be an effective leader trickles down in many ways. Whether to your team or the company itself, your vision and direction are vital to success.

Why it matters: Strong management skills are essential for any organization that wants to achieve its objectives—and a team is only as good as the leader they follow. It is important to reflect on your role as a leader because you can either be a catalyst or barrier for team growth.

Effective communication is the first step to becoming an effective leader. Lackluster communication can lead to confusion and misunderstandings from your team, which ultimately leads to frustration and possible resentment down the line. Promoting communication can look like:

- Consistent one-on-ones as needed
- Providing feedback
- Keeping the door open for questions at any time

Building communication skills also garners trust from your team. When you are open with your team about the organization's challenges and triumphs, it becomes easier for each team member to recognize their role and contribute accordingly.

Encourage opportunities for your team to take risks and be innovative. It is important for your team to feel empowered enough to make day-to-day decisions that impact their job. Giving your team opportunities to play into their strengths and improve their weaknesses will help them grow. The natural ebbs and flows of work can present opportunities for everyone to try new things. Whether it is taking on a new task, or even juggling multiple at once, giving your team a chance to push themselves helps build more trust in your relationship.

Emotional intelligence is another big piece of the bigger picture. It is an individual's ability to identify, understand and manage both their emotions and those around them. Using this skill in the workplace helps manage conflict, communicate effectively and empathize with those around you to improve overall performance.

"When I put my team together, I chose individuals who are strong and can handle things under stress," said Cindy Fredericksen, senior credit and collection manager at Regal Rexnord Corporation (Wausau, WI). "Being in the credit and collections world is one of the most difficult functions in a company. To succeed, you must sell products, but customers also must pay for it, so it's fine to keep that balance between sales and cash flow. It can be

very difficult when you're dealing with sales, customer service and everyone trying to get orders out."

Credit managers must partner with other business functions and avoid being viewed as the anti-sales department. "Showing that restraint as a leader is important to make sure you are teaching your team that you are partnering with the business and not trying to be the negative department not allowing them to sell," Fredericksen added. "As a leader, it's very important to have a strong character."

Yes, but: As all leaders have their strengths, they also have their weaknesses. Leaders must know how to both cope with change and the best way to communicate that change with their team. Any time you deal with new challenges or workflow disruptions, you must guide your team to overcome the obstacles.

Sharpening your skills as a leader is a great way to challenge yourself. For example, education through webinars, certification programs or workshops are all ways to do so. NACM's [Executive Leadership Workshop](#) at Credit Congress will equip both teams and leaders with the essential tools and strategies to navigate change successfully. It will empower participants to embrace change, build a change-oriented mindset, and foster a collaborative environment to lead their teams through transitions effectively.

Jen Martin, director of credit at Carter-Jones Companies (Kent, OH), is looking forward to learning new effective ways to lead at the Executive Leadership Workshop. "I'm looking for new ideas on how to share a vision and engage the stakeholders of that," she said. "I'm eager to learn how to speak to a variety of audiences and get everybody on that same ship going the same direction. On a personal level, I look forward to connecting with other leaders and having casual discussions about the challenges they face, how to approach them and what ideas they have as well as a level of camaraderie!"

The bottom line: Effective leadership requires understanding and harnessing one's unique strengths, fostering transparency and accountability within the team, adapting to change, and continually seeking opportunities for self-improvement and innovation.