

Courageous Leadership & the State of Courage in American Business

Sources: Chris Widener for Success Magazine 2/2/2009

Ben Walter for Entrepreneur Magazine 5/31/2016

When you look through human history, you see leaders in every area who had to overcome many obstacles and persevere through many trials to achieve what they did. Almost every instance of leadership that has pushed us along toward progress has involved courage. From those who lead great countries to those who lead small businesses, and everyone in between, great leaders must show courage in the face of obstacles and tough decisions.

Think about the moments of courage each business owner faces all the time that, in the long run, add up to whether they will become successful:

The courage to expand. When you get to the point where things are comfortable, it's easy to decide to just settle in. Relax. Enjoy yourself. You can be afraid of what happens if you take one more risk to go for the big gain. What happens if it doesn't work out? Play it safe instead. Leaders face that decision with courage. They understand the ramifications, but they overcome their fear, act with courage and move forward. It takes courage to leave the status quo behind and expand.

The courage to make tough decisions. At least weekly, the average business leader will face a really tough decision. Most of the time, they face a decision between an easy but poor choice versus the difficult but good choice. A lot of life is like that. Those who succeed and become strong leaders are those who can reach deep down inside and consistently act on the hard but right decision. That takes courage.

The courage to fire poor performers. Sure, there are some heartless people who love canning an underperformer, but I have found that most leaders don't like having to let people go. Even if they *know* the person should go, they feel bad about having to make the decision. They care about how it will affect the person and their family. They wonder how other employees will react, particularly if the employee is popular. But this is part of courageous leadership. One of the biggest leadership mistakes of my career was not firing a poor performer early on. To grow as a leader, you will need to show the courage it takes to constantly prune your work force and keep it efficient.

The courage to change direction. Businesses in our age, particularly small businesses, have to be able to change direction on short notice. The pace of change in our world today would stagger men and women from previous generations. When faced with the

need to change direction, strong leaders make the leap. Weak leaders doubt. They fear change. They sit on their hands and fret. And, eventually, they go down with the ship. Strong leaders look forward, see where they need to go, make their plans, communicate with their teams and execute. That takes courage.

There is little debate that courage is a condition precedent to progress. Americans see courage as a core value and part of our national identity, whether on the battlefield, at the lunch counter or in the boardroom. Justifiably so -- in the business world alone, the courage of American entrepreneurs and business owners has created more prosperity than any other force in human history.

Unfortunately, those statements can sometimes feel like a history lesson. It seems courage in business is getting tougher. Economic conditions remain uncertain, global unrest threatens the stability of markets, volatile commodity prices make investment decisions difficult, and extreme weather conditions threaten our assets. The world is an increasingly complex place with a mind-boggling rate of change, and some pundits have signalled the end of American exceptionalism.

Our take -- write off America at your own peril. Courage is alive and well in American business, and business owners are showing incredible resilience in the face of this rapidly changing landscape.

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According to the most recent Hiscox American Courage Index, business owners continue to show a higher level of overall courage than the general population. In fact, the index is higher among business owners compared to non-business owners in nearly every category -- moral, emotional, intellectual and business courage.

Of course courage is most valuable during periods of uncertainty -- those times when fear becomes the default and risk-aversion is the norm. Talk to the one in five American entrepreneurs who sought to finance their business on a personal credit card last year, and they'll likely tell you they were their own best bet. That's courage.

But courage in a vacuum is useless, To achieve great things, courage must be paired with tenacious hard work. And again, American business owners are leading the way.

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Hiscox's 2015 DNA of an Entrepreneur Report, a study of global entrepreneurship, revealed the prominence of American hard work and optimism in comparison to the rest of the world. In 2015, Americans were more likely to cite hard work as one of the key

success factors in running a business than entrepreneurs from other countries. Likewise, American entrepreneurs were seven percent more likely to feel optimistic about their businesses than the global average.

Perhaps it should come as no surprise the U.S. was rated as the most entrepreneurial country in the world.

It is this magic elixir -- a resilient spirit of courage combined with relentless optimism and tenacious hard work -- that continues to define America's brand of entrepreneurship and enables its unique results. The global outlook is challenging, interest rates are uncertain and government red tape can be stifling -- yet, we still report the strongest willingness in the world to bet on ourselves and our businesses.

Nelson Mandela said "courage is not the absence of fear, but the triumph over it." Being afraid is not a sign of weakness -- being paralyzed by fear is. The data shows, both in relative and absolute terms, that American business owners are facing those fears with relish and finding opportunities in the fog. Our best days still lie ahead.