

**BOOK**

*Act Like a Leader, Think Like a Leader*

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**SYNOPSIS [from the publisher]**

You aspire to lead with greater impact. The problem is you're busy executing on today's demands. You know you have to carve out time from your day job to build your leadership skills, but it's easy to let immediate problems and old mind-sets get in the way. Herminia Ibarra – an expert on professional leadership and development and a renowned professor at INSEAD, a leading international business school – shows how managers and executives at all levels can step up to leadership by making small but crucial changes in their jobs, their networks, and themselves. In *Act Like a Leader, Think Like a Leader*, she offers advice to help you.

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“Thinking is for doing.” –S.T. Fiske

“I’M LIKE THE FIRE PATROL,” says Jacob, a thirty-five-year-old production manager for a midsized European food manufacturer. “I run from one corner to the other to fix things, just to keep producing.”<sup>1</sup> To step up to a bigger leadership role in his organization, Jacob knows he needs to get out from under all the operational details that are keeping him from thinking about important strategic issues his unit faces.

It’s all too easy to fall hostage to the urgent over the important. But you face an even bigger challenge in stepping up to play a leadership role: you can only learn what you need to know about your job and about yourself by doing it – not by just thinking about it.

Most traditional leadership training or coaching aims to change the way you think, asking you to reflect on who you are and who you’d like to become. Indeed, introspection and self-reflection have become the holy grail of leadership development.

your current way of thinking about your job and yourself is exactly what’s keeping you from stepping up.

Aristotle observed that people become virtuous by acting virtuous: if you do good, you’ll be good.

Simply put, change happens from the outside in, not from the inside out

Paradoxically, we only increase our self-knowledge in the process of making changes.<sup>6</sup> We try something new and then observe the results – how it feels to us, how others around us react – and only later reflect on and perhaps internalize what our experience taught us. In other words, we act like a leader and then think like a leader (thus the title of the book).

Researchers all too often identify high-performing leaders, innovative leaders, or authentic leaders and then set out to study who these leaders are or what they do. Inevitably, the researchers discover that effective leaders are highly self-aware, purpose-driven, and authentic. But with little insight on how the leaders became that way, the research falls short of providing realistic guidance for our own personal journeys.

people become leaders by doing leadership work. Doing leadership work sparks two important, interrelated processes, one external and one internal. The external process is about developing a reputation for leadership potential or competency; it can dramatically change how we see ourselves. The internal process concerns the evolution of our own internal motivations and self-definition; it doesn't happen in a vacuum but rather in our relationships with others.

When we act like a leader by proposing new ideas, making contributions outside our area of expertise, or connecting people and resources to a worthwhile goal (to cite just a few examples), people see us behaving as leaders and confirm as much.

This cycle of acting like a leader and then thinking like a leader – of change from the outside in – creates what I call *outsight*.

This *outsight* principle is the core idea of this book. The principle holds that the only way to think like a leader is to first act: to plunge yourself into new projects and activities, interact with very different kinds of people, and experiment with unfamiliar ways of getting things done.

New experiences not only change how you think – your perspective on what is important and worth doing – but also change who you become.

The great social psychologist Karl Weick put it very succinctly: “How can I know who I am until I see what I do?”

A promotion or new job assignment used to mean that the time had come to adjust or even reinvent your leadership. Today more than ever, major transitions do not come neatly labeled with a new job title or formal move. Subtle (and not-so-subtle) shifts in your business environments create new – but not always clearly articulated – expectations for what and how you deliver.

The stepping-up guidelines detailed in this book are based on three critical sources of *outsight*. First is the kind of work you do. Second, new roles and activities put you in contact with new and different people who see the world differently than you do. Rethinking yourself comes last in this framework, because you can only do so productively when you are challenged by new situations and informed by new inputs.

To be successful, Jacob must first redefine his job, shifting from a focus on improving current factory operations to understanding the firm's new environment and creating a shared strategic vision among his functional peers so that his manufacturing operation is better aligned with organizational-level priorities. The work involved in understanding how his industry is shifting, how his organization creates value, how value creation may change in the future, and how he can influence the people who are critical to creating value – whether or not they are inside his group or firm – is very different from the many functional activities that currently occupy his time.

Shifting from driving results ourselves to providing strategic direction for others is no easy task.

Prioritizing activities that make you more attuned to your environment outside your group and firm, grabbing opportunities to work on projects outside your main area of expertise, expanding your professional contributions from the outside in, and maintaining slack in a relentless daily schedule will give you the oversight you need to think more like a leader.

As experienced leaders understand, lateral and vertical relationships with other functional and business unit managers – all people outside our immediate control – are a critical lifeline for figuring out how our contributions fit into the overall picture and how to sell our ideas, learn about relevant trends, and compete for resources.

When it comes to learning how to do new things, we also need advice, feedback, and coaching from people who have been there and can help us grow, learn, and advance. We need people to recognize our efforts, to encourage and guide early steps, and to model the way. It helps a lot to have some points of reference when we are not sure where we are going.

doing a different job and establishing a different network of work relationships, people in transition to bigger leadership roles must reinvent their own identities. They must transform how they see themselves, how others see them, and what work values and personal goals drive their actions.

Motivation and inspiration, however, aren't tools you can select out of a toolbox by, say, increasing your communication to keep people better informed. Instead, the capacity to motivate and inspire depends much more on your ability to infuse the work with meaning and purpose for everyone involved.

Stepping up to play a bigger leadership role is not an event or an outcome. It's a process that you need to understand to make it pay off.

The transition involved is rarely the upward and onward progression you'd like; nor does it tend to unfold according to any theoretical logic. The transition moves forward and then falls backward repeatedly, but at some point, if you learn enough along the way, the transition sustains its momentum.

Boiled down to its essence, strategy entails knowing what to do among the many things competing for our attention, how to get it done, and why.

not much different from many successful managers who continue to devote the bulk of their time to doing what they have learned too well. They define their jobs narrowly, in terms of their own areas of expertise, and confine their activities to where they have historically contributed the most value and consistent results.

When we allocate more time to what we do best, we devote less time to learning other things that are also important.

Over time, it gets more costly to invest in learning to do new things. The better we are at something, the higher the opportunity cost of spending time doing something else.

When we are reaching and exceeding the goals our bosses have set for us, many will conspire to keep us where we are because we can be relied upon to perform. And they will justify their self-serving decision by pointing out that we have not shown enough leadership potential.

At its essence, management entails doing today's work as efficiently and competently as possible within established goals, procedures, and organizational structures. Leadership, in contrast, is aimed at creating change in what we do and how we do it, which is why leadership requires working outside established goals, procedures, and structures and explaining to others why it's important to change—even when the reasons may be blatantly obvious to us.

When you play a hub role, your team and customers are at the center of your work; when you play a bridge role, as Cox did, you work to link your team to the rest of the relevant world. Both roles are critical.

But when people rate the effectiveness of leaders, guess which ones come out on top? The bridges. Leaders who focus on the right-hand column outperform the leaders on the left at nearly every turn.

What Does It Mean to Have Vision? Across studies and research traditions, vision has been found to be a defining feature of leadership. But what does it look like in action? The following capabilities or practices are some specific ways good leaders develop vision.

a Sensing Opportunities and Threats in the Environment

- Simplifying complex situations
- Seeing patterns in seemingly unconnected phenomena
- Foreseeing events that may affect the organization's bottom line
- Encouraging new business
- Defining new strategies
- Making decisions with an eye toward the big picture
- Inspiring Others to Look beyond Current Practice
- Asking questions that challenge the status quo
- Being open to new ways of doing things
- Bringing an external perspective

No matter how much strategic foresight you might have and how compelling your ideas, if no one else buys in, not much happens. Nor do people buy in for abstract, theoretical reasons; they buy in because you have somehow connected with them personally.

A simple formula summarizes what I have concluded are the three key components for success in leading change: The idea + the process + you = success in leading change

the bulk of people's attention is devoted to the process the leader uses to come up with and implement the idea: Was the leader inclusive or exclusive, participative or directive?

people create a self-fulfilling prophecy: if they have faith in the leader, then they will cooperate and commit, thereby increasing the likelihood of success. Inexperienced leaders don't just overly focus on the idea; they often try to jump directly from the idea to a new structure to support it without passing through the necessary phase of showing what their initiative looks like and what its desirable results may be.

A big part of stepping up to leadership is recognizing that of the three components of my formula (the idea + the process + you), the you part always trumps the idea and is the filter through which people evaluate the process. Your subordinates, peers, and bosses will decide whether your process is fair, whether you have the best interests of the organization in mind (as opposed to simply working to further your career), and whether you actually walk the talk.

What people are gauging instead has to do with your passion, conviction, and coherence—in other words, your charisma, the magic, indefinable word often used to describe great leaders.

charismatic leaders have three other things in common: • Strong convictions based on their personal experience • Good and frequent communication, mostly through personal stories • A strong coherence between what they believe, what they actually do, and who they are

Take Margaret Thatcher, for example. She is still controversial today, and many people certainly disliked her.<sup>18</sup> But she changed the course of British history by espousing a clear and simple message that she believed in passionately and that was entirely coherent with her formative experiences and personal story.

What distinguished her from all the other gifted politicians around her was how she used her personal experience to crystallize a powerful political message that she personally embodied. How did she inspire people to act? How did she convey what really mattered to her? She told stories about herself. About how she learned to be thrifty and stick to a budget. About how she was taught not to follow the crowd, but rather to stick to her guns. And she, a grocer's daughter, and a woman at that, attracted a large following of people who believed what she believed.

Simon Sinek, whose TED talk on leadership is one of the most viewed, calls this behavior "working the golden circle." As he explains it, most of us attempt to persuade by talking about what needs to be done and how to do it. We think the secret of persuasion lies in presenting great arguments. Through our logic and mastery, we push our ideas. This doesn't work very well, because we follow people who inspire us, not people who are merely competent. Instead, leaders who inspire action always start with the why – their deepest beliefs, convictions, and purpose. In that way, they touch people more deeply. Thus, the why lies in the center of the golden circle of inspiration.

How do you start learning to become a more effective change leader, right now where you are? You start by making your job a platform for doing and learning new things.

It's a more complex process that involves changing your perspective on what is important and worth doing. So, the best place to begin is by increasing your oversight on the world outside your immediate work and unit by broadening the scope of your job and, therefore, your own horizons about what you might be doing instead.

Five things you can do to begin to make your job a platform for expanding your leadership:

- Develop your situation sensors
- Get involved in projects outside your area
- Participate in extracurricular activities
- Communicate your personal why
- Create slack in your schedule

The more senior you become or the more widespread your responsibilities, the more your job requires you to sense the world around you.

David Kenny, currently the CEO of The Weather Channel: A leader has to understand the world. You have to be far more external, more cosmopolitan, have a more global view than ever before, to define your company's place in that, its purpose and value

This demands a certain capacity for synthesis, because there is a huge volume of stuff that is going to be hitting you from all over. If you are not able to very quickly distill and understand the big themes, you are going to be completely overwhelmed when your boss suddenly calls and pulls a question you weren't expecting out of the hat.

in a world in which hierarchical ascension is being replaced by “jungle-gym careers” consisting of lateral moves, people will progress and develop through their involvement in “hot projects.”

When an internal project is simply not available (or even when it is), professional roles outside your organization can be invaluable for learning and practicing new ways of operating, raising your profile, and, maybe more importantly, revising your own limited view of yourself and improving your career prospects.

If you are feeling stuck or stale, raise your oversight by participating in industry conferences or other professional gatherings that bring together people from different companies and walks of life.

Teach, speak, or blog on topics that you know something about, or about which you want to learn.

What do you believe, and how did you come to believe it? The answer lies in your personal story: how you grew up, the experiences that shaped you, the challenging moments when you had to rise to the occasion, the personal failures that taught you important lessons.<sup>24</sup> When we want someone to know us, we share stories of our childhood, our families, our school years, our first loves, the development of our political views, and so on. Why do we buy famous leaders’ biographies and autobiographies? We want to know more about their life growing up, about their exploits, triumphs, traumas, and foibles – not the five-point plan they put in place to increase margins. At work, though, it doesn’t occur to many of us to reveal our personal sides, and that is a lost opportunity.

Tell and retell your stories. Rework them as you would work on draft after draft of an epic novel until you’ve got the right version of your favorites, the one that’s most compelling and feels most true to you.

Many years ago, a still-unknown management scholar named John Kotter took a handheld camera and followed a bunch of general managers around to see what they actually did (as opposed to what everyone assumed they were doing). The biggest thing that surprised him was how inefficient the most successful managers seemed to be.<sup>26</sup> Much of their work didn’t take place in planned meetings or even inside offices or conference rooms. Often, the work didn’t even look like work. Instead they walked around, bumping into people serendipitously, wandering into their offices, hashing out deals in the airport lounge with key customers, and so on. These chance “meetings” were usually very short and often seemed random. But each manager made good use of these impromptu encounters to get information, mention or reinforce an important priority, or further develop his (they were all men at the time) relationships with the people whose paths he crossed. This seemingly unsystematic approach, rather than filling out reports or giving formal presentations, was the successful manager’s day job.

The most effective managers had plenty of slack in their schedule: lots of unscheduled time. The less effective managers had diaries overflowing with meetings, travel, conference calls, and formal presentations.

It’s when we are at our busiest that we most need to free up time so that we can use it for the nonroutine and the unexpected. In this way, we increase our capacity to lead, as Kotter’s effective general managers did.

Experiments with Your Job > In the next three days, start observing someone whom you consider a strategic thinker or visionary leader. Learn how he thinks and communicates. > Over the next three weeks, find a project (inside or outside your organization) outside your area of expertise,

and sign up for it. > Over the next three months, watch some TED talks. Pay specific attention to how people tell their story to underscore the point they want to make. In your domain, find leaders who are also good at telling stories to make a point, and listen to how they do it. Sign up for a course in storytelling.

When it comes to stepping up to leadership, your network is a tool for identifying new strategic opportunities and attracting the best people to them.

Without a good network, you will also limit your own imagination about your own career prospects. Your network is also what puts you on the radar screen of people who control your next job or assignment and who form their opinion of your potential partly on who knows you and what they say about you.

I call this tendency to prefer interacting with people who are similar to ourselves the narcissistic principle of relationship formation, and it is a very robust finding across decades of social science research.

You can't possibly stay current with new trends in the world, much less lead the way, if your network is a product of the narcissistic and lazy bias.

Unfortunately, we don't invest in networking when we have a limited view of what it is really about, what it can do for us, and what we can do for others by virtue of the networks we've cultivated. For every manager who sees the value of maintaining a far-reaching and diverse set of connections, many more struggle to overcome innate resistance to, if not distaste for, networking.

confidence has a lot to do with an individual's comfort level with this kind of networking: the senior lawyers didn't feel conflicted about professional networking because they believed they had something of value to offer. The people in low-level positions, on the other hand, were more likely to doubt the worth of their contributions; they felt more like supplicants than peers in a reciprocal, mutually beneficial exchange.

Traps That Keep You from Expanding Your Networks

- You think networking is not real work.
- You think it is using people and it feels inauthentic.
- The payoff is long term, and you have more urgent things to do.
- You think that relationships should form spontaneously.

At least three different networks—operational, personal, and strategic—can play a vital role in helping you step up to lead. The first helps you manage current internal responsibilities, the second boosts personal development, and the third focuses on new business directions and the stakeholders you must get on board to pursue these directions.

Your network's strategic advantage and, therefore, the extent to which it helps you step up to leadership, depends on three qualities: • Breadth: Strong relationships with a diverse range of contacts • Connectivity: The capacity to link or bridge across people and groups that wouldn't otherwise connect • Dynamism: A dynamic set of extended ties that evolves as you evolve) I call these three qualities the BCDs of network advantage, or  $A = B + C + D$ .

We build networks that are heavily skewed toward our own functional, business, or geographical group and fail to elicit or value the input and perspectives of peers from different functional or support groups.

Managers striving to make their way up the leadership pipeline tend to manage up, forgetting that their connection to the layers below is often what makes them invaluable to seniors whose sponsorship they hope to attract. One manager explained it to me this way: "I would perhaps have been able to add even more value to my superiors if I had retained my links with more junior people.

networks run on the principle of reciprocity. The value of diverse relationships lies not only in what your contacts can do for you, but also on what you can do for them.

As any LinkedIn user knows, the fewer degrees of separation between any two people in a network, the easier it is to access the resources you need.

Malcolm Gladwell illustrated in his book *The Tipping Point*, networks run on "connectors," people who are linked to almost everyone else in a few steps and who connect the rest of us to the world.<sup>14</sup> Connectors can see a need in one place and a solution in another, a vacancy in one area and a talented person in another, a discovery from a different discipline and a problem in their own, and so on, because they're just one or two "chain lengths" away from the issues. That is, you can reach connectors through someone you already know or through someone who knows someone whom you already know.

In my study of thirty-nine midcareer managers and professionals considering major career changes, I observed directly how much their old networks can "bind and blind" them.

The people close to you may mean well, but they are often not helpful when you are trying to stretch yourself. Despite their good intentions, they hold restrictive views of who you are and what you can do.

Good networkers are aware of and use their degrees of separation, reaching out regularly to their contacts' contacts and even to their third degree.

take every opportunity to nurture your network, whether you need it now or not.

when aspiring leaders fail to recognize networking as one of the most important requirements of their new job, they will not allocate enough time and effort to networking to see it pay off.

IN MY TWENTY-FIVE YEARS OF teaching on leadership, I have found that one thing has remained unchanged: people's strong and unflinching desire to be true to themselves, and their equally strong aversion to doing things that make them feel like fakes.

Because doing things that don't come naturally can make you feel like an impostor, authenticity easily becomes an excuse for staying in your comfort zone.

Your problem is that you think this is all about the content of what you are teaching. That has little to do with it. It ultimately comes down to power and turf. When you walk into this room, you should have one and only one mission: to make it crystal clear to every single one of your students that this is your room and not their room.

Despite the value they seemed to place on being authentic, many of the true-to-selfers in my study weren't fully being true to themselves; they were holding back out of fear of getting it wrong.

We have the most trouble networking up when we're not sure that our individual career aims will add value to the company – that's when they seem the most selfish. As you increase oversight



on your capacity – by actually spending more time getting to know senior leaders (using, for example, the two-degree principle outlined in chapter 3) – you are also more likely to see your own advancement as extending your impact.

Organizational culture is a double-edged sword. When it's strong, it's the glue that binds people together into a recognizable we. But strong cultures also have implicit prescriptions about what leaders are supposed to look and sound like, and those prescriptions are rarely as diverse as the talent pool of aspiring leaders.

First, when you are playing around with your self-identity, it's OK to borrow liberally from different sources. Second, playfulness changes your mind-set from a performance focus to a learning orientation. You're no longer trying to protect and defend your old identity from the threat that change brings. You're just exploring. Third, your goal is actually to be inconsistent from one day to the next, to iterate – and even to revise – your own story.

New York Times best seller, *Steal Like an Artist*. Here are a few of his insights:

- Nothing is original.
- You're only going to be as good as the stuff (or the people) you surround yourself with.
- Don't wait until you know who you are to get started.
- Copy your heroes.

Salman Rushdie once wrote: "Those who do not have power over the story that dominates their lives, power to retell it, rethink it, deconstruct it, joke about it, and change it as times change, truly are powerless because they cannot think new thoughts."

Learning, by definition, always starts with unnatural and often superficial behaviors that can make a person feel like a fake-a strategic, calculating, and utilitarian being instead of the genuine, spontaneous person we'd prefer to be.

People often hope that they'll have some sort of conversion experience: a moment when it all snaps into place, after which nothing is the same again. This image comes from the archetypal stories we heard when we were growing up: the biblical story of Saul on the road to Damascus, for example. Struck down from his horse by the hand of God, he instantaneously became Paul and devoted his life to Christ thereafter. Conversion stories exist in every culture and religion. They tell about the one event that changed everything. But it's just not the way it really works. A much better metaphor is the story of Ulysses, on his long, wandering journey back to Ithaca – a journey with many temptations to stray. We'll get lost along the way, lost enough to find ourselves, as Robert Frost put it.<sup>1</sup> So it is with stepping up to play a bigger leadership role. It's not an event; it's a process that takes time before it pays off.

Personal change, like organizational change, is rarely the linear, upward progression we naively hope it to be.

While the changes we make at first begin with small steps and incremental moves, at some point it becomes important to reexamine the goals, priorities, and ambitions that have been driving us and to ask whether they are still relevant for the future. As we gain experience, we are better placed to judge our relative success or failure in meeting the goals we have previously set for ourselves and, more importantly, to step back to appraise whether our goals have changed.

Psychologists use the term internalization to refer to the process by which superficial changes, tentative experiments, and fuzzy career goals become your own. I call it bringing the oversight back in. When you internalize a change, it becomes grounded – real and tangible – in your direct experience and is rooted in new self definitions. The insights become insights.

Psychologist Daniel Levinson is credited with having popularized the ideas of the seven-year itch and the midlife crisis.

During transition periods, which are shorter and typically last about three years, people become more open to reconsidering not just what they are doing but the premises and goals on which their actions are based.

NO MATTER WHAT YOU ARE DOING TODAY, chances are that you are facing some kind of do-it-yourself transition. That means you are not only responsible for your own development (as we all are) but also need to know when it's time to start stepping up to leadership even if there's no new assignment on the horizon. If you don't create new opportunities even within the confines of your current job, the next assignment, promotion, or career stage may never come your way.

Like Jobs, you may not see at first how all the dots connect as you start branching out beyond your routine work, habitual networks, and historical ways of defining yourself. You won't know where it's all going to take you. But these new ways of acting will slowly change the way you think about your work and yourself, giving you fresh material for reflection and urging you on to find more meaningful ways of leading at work and in your life beyond.