LEADERSHIP JOURNEYS
Lessons from Global Leaders
BOB ROSEN
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Introduction

In an age when the pace of doing business is constantly accelerating, and hurtling into an uncertain future, we need C-Suite executives who have the confidence and bearing to effectively navigate into that future.

In short, these successful leaders will have mastered the ability to:

- Lead change in a disruptive world
- Lead people in a cynical world
- Lead teams in a networked world
- Lead growth in an innovative world
- Lead globally in a polarizing world

At the core of tackling these challenges is, I believe, becoming a healthy and conscious leader. It is my hope and intention that the stories included in this ebook will give you some insight into becoming that leader.

In an economy where the needs and demands of humans and technology must be integrated, nothing is more important than being aware of yourself, your relationships, and your surroundings. By knowing who you are and staying committed to developing yourself as a leader, you can learn to transform yourself, your team and your organization simultaneously.

At Healthy Companies, we have spent nearly thirty years studying and advising CEOs and their executive teams around the world – visiting over 500 CEOs in fifty countries. By being savvy and awake, these top executives understand deeply how important it is to drive and balance the company’s four agendas – the finance, marketplace, operations, and human agendas.

So, what distinguishes the best? They lead first with their human agendas – the purpose, values, leadership and culture of the business. These are the leading indicators of their business. The operations agenda enables execution. The marketplace agenda ensures relevance. And the finance agenda is the scorecard for success. Ultimately, it’s the human agenda that drives long-term value.

We are pleased to share with you 12 stories of purpose-driven CEOs who understand the power of the human agenda. By being passionately committed to their own learning and the learning of others, they create profitable growth and sustaining success. I hope you enjoy their leadership lessons.

Bob Rosen
CEO Healthy Companies
Arlington, Virginia
Embracing Change as a Permanent Condition

Kumar Birla
As CEO of Aditya Birla Group—a large global conglomerate operating across six continents and producing everything from aluminum to cement to telecom and financial services—Kumar Birla is a man who embraces the moment while honoring the past and preparing for the future.

Birla became CEO following the unexpected death of his father, Aditya, in 1995. Though only 28 years old at the time, Birla admits that he was not a rookie: “My father involved me in all aspects of the business. He believed that you will learn to swim if you are in the deep end of the pool.”

Moreover, Birla understood the importance of his father’s legacy in more personal terms, noting that he was “fortunate enough to have the emotional support, goodwill and backing of a solid team. It was a great business and organizational legacy that my father had left me.”

Birla’s initial course of action was, understandably, to continue his father’s work and build upon his legacy. His early decision to organize a clutch of companies under a single brand—and to name that brand after his father—accomplished two very important things: It honored his father’s pioneering spirit while, at the same time, creating a streamlined organization ideally positioned for future growth.

Even as his broader strategy fell into place, Birla understood the challenge of leading people toward an uncertain future: “The quality of your future depends on the quality of your imagination.” Ultimately, it was up to him to create a vision for the Group’s sustained growth and wealth creation.

So, how did Birla shift gears and grow revenue from US$2 billion to over US$40 billion in the span of 17 years? His basic answer to that question is his interest in learning: “Every day is a new day for me. Every inflexion point has turned out to be a very powerful period of learning.” Birla also sees a clear connection between the Group’s growth trajectory and the culture of learning he continues to foster. It is this culture, he says, that “stokes the entrepreneurial drive, thinking afresh across all levels...that is constantly creating value for our multiple stakeholders”.

Birla also theorizes that our success in responding to crises—whether sparked by sudden events or deep social change—is inextricably linked to our ability to learn: “These are the
times when learning is driven deeply into you by the force of circumstance. When you are passing through the eye of the storm, you are wonderfully focused, because this could be a make-or-break moment.”

**Kumar Birla’s Leadership Journey: Lesson #2**

**Use life’s events as catalysts to reinvent yourself every day.**

A key learning period for Birla came when India’s liberalization process picked up steam in the mid-1990s. Suddenly, the Group’s way of operating—from implied lifetime employment to lack of ethnic and gender diversity—seemed antiquated. On top of that, the company was hierarchical and lacked programs to develop and incentivize young talent, which made recruitment difficult. Attracting that talent was crucial, so Birla looked beyond transforming the Group’s business portfolio and began a transformation of the Group’s culture. As he puts it, “The alarm bells had begun ringing.”

Today, the Group is solidly meritocratic and consistently ranks among the top companies for leaders. With 136,000 employees, its management ranks include 42 nationalities; women hold more than 17% of management positions, and more than 60% of the workforce is now under the age of 40. This kind of transformation does not come easily and Birla is quick to credit his Senior Team. He also notes the utility of building consensus and acknowledging individual concerns even when speed is required: “Once people are on the same wavelength, the problems at the implementation stage are dramatically fewer...Things move forward at a faster clip.”

As the Group continues to expand globally, Birla understands the need “to be contemporary and move with the times”. Toward that end, he says, “we lay big bets on people, providing them with unparalleled opportunities, dynamic challenges and an environment that is professionally rewarding and personally fulfilling”. Not surprisingly, in the ever-competitive global marketplace, Birla places people and culture firmly at the center of his Group’s aspirations: “High-performing teams and individuals, supported by a high-performance culture are the cornerstones of all that we seek to achieve”.

In very basic terms, Birla also stresses the importance of moving his vision forward one person at a time: “People count. You can have the most forward-looking vision and strategy, but unless you have a passionate and committed team to execute it, you cannot translate your vision into reality”. In the end, leadership is all about plugging into the hearts and minds
of people. The process of change is perhaps 90 percent about leadership and only 10 percent about actually managing the process.

Birla sees change not as an event but rather as a skill that leaders need to learn and relearn over time. At the broadest level, he says, “the topmost task is that of positioning an organization along a permanent transformational track.” In the constant churn of shifting market forces, globalization and technological innovation, incremental change will not suffice.

Organizations must radically transform themselves, not once or twice, but continuously and perhaps many times over. As Birla describes it, this ability to adapt is central to growth: “Our leadership is inclusive and has a penchant for collaborative and innovative solutions and for new ways of working. As a result, our products and services are on our customers’ radars all the time, and we remain competitive.”
David C. Novak credits one of his major leadership revelations to 6am coffee and donuts. As then-VP of Marketing and National Sales for Pepsi-Cola Company, he regularly visited individual operations to meet with frontline employees. One morning in St. Louis, he was talking to a group of route salesmen, and everyone began praising the contributions of “Bob,” one of their own, who was seated at the end of the table.

Novak recounts, “They were saying ‘This guy’s phenomenal,’ and how Bob showed them more in one day than they learned in the first four years. They went on and on about this guy for ten minutes. And I looked down at the end of the table, and he was crying.” The reason why, Novak learned, was that in forty-seven years, no one had told Bob what a difference he made to the company.

It was profound and life-changing testimony to the power of employee recognition. “At that point,” Novak recalls, “I said if I ever have a chance to lead a company, I am going to make recognition the number-one value. I didn’t want to have more Bobs in the world.”

When he became the CEO of Yum! brands, and subsequently charged with shepherding the global expansion of restaurant chains KFC, Pizza Hut, and Taco Bell, Novak instituted far-reaching employee award programs. In so doing, he overcame considerable entrenched skepticism.

The thrust of the push-back was cultural sensitivity; the awards that worked for U.S. employees, some said, would never fly overseas. “People said it wouldn’t work in China, it wouldn’t work in India, for all these different cultural reasons.”

But Novak maintained that the desire for individual recognition was not only innate but universal. “People love recognition. It’s the one thing everybody wants.”

The walls of his Yum! office are now plastered with hundreds of framed photos of Novak posing with grinning employees who are being recognized for their performance. Novak’s awards are highly personal—no dusty plaques or gold watches—and eschew the rigid formality of more old-school leaders. He encourages those running franchises and regional operations to follow suit.

Novak attributes his keen sensitivity to what people need to perform well to a peripatetic early life. Because his father was a government surveyor, the family moved frequently. Novak
had lived in twenty-three states by the time he was thirteen years old.

“Mom would say, ’You better make some friends, cause we’re leaving in a hurry.’ I learned how
to size up situations fairly quickly.” Over time Novak found that when pursuing friendships
with people, positive energy was an undeniable draw.

As leader of a global behemoth that boasts some 1.5 million employees at 40,000
establishments in more than 125 countries and territories, Novak has developed that core
insight into a management course called “Taking People with You,” which he teaches to
company managers around the globe multiple times a year.

At the core of the curriculum is his conviction that people can only be inspired to greatness
within the context of a mutually rewarding relationship. Similarly, great performance can only
be coaxed out of people who feel protected and cared for—and individually, not solely as a
member of a team.

“The best leaders I’ve known really take an active interest in a person,” Novak told the New
York Times in 2009. “And once that person demonstrates they have skill and capability, they
try to help them achieve their potential.”

Novak’s management style is fundamentally rooted in mentorship. “If you have someone
who’s smart, talented and aggressive, and wants to learn, then your job is to help them
become all they can be.” This hands-on coaching, Novak believes, ultimately benefits the
customer.

The success of Yum! and their swift expansion into emerging markets has silenced critics
who earlier may have doubted Novak’s emphasis on the ‘soft stuff.’ But even with years of
double-digit growth credited to his leadership, he’s vigilant against complacency. Each year,
on a 3×5 inch index card, he writes both a personal strength and an area he needs to work
on. The card keeps him humble and mindful of the fact that people who want to improve
need careful, direct feedback—himself included.

What kind of feedback has he received? Further testimony to the power of personal presence:
“You can’t underestimate how important it is to be visible. When you’re the leader, people
want to see you. They want to touch you. They want to know that you're in tune with them.”

Today, Novak has reached a happy congruence of his true vocation and corporate mandate. “My higher purpose is to teach people how to lead the right way. I think my greatest joy is helping people discover how they can achieve their greatest in their own careers.”

David C. Novak’s Leadership Journey: Lesson #3

Be a coach – people who want to improve need careful, direct feedback.
Jørgen Vig Knudstorp, who rose from Director of Strategy to CEO of Lego in less than three years, does not shy away from a challenge. The legendary toy company was looking at ten years of sluggish sales and underwhelming product launches, and analysts were predicting that old-fashioned construction toys would never appeal to a new generation raised on iPads, YouTube and videogames.

“When I became CEO in 2004, Lego was in the middle of a serious crisis,” Knudstorp recalls, “Had the company not been owned by a wealthy private family, it would have been technically insolvent.”

Today, Lego is very much back in the game. In 2010 the company topped $1 billion in U.S. sales for the first time. 2012 was reported to be their biggest year yet in terms of revenue. In January 2014 ‘The Lego Movie’ pulled in $69 million in its opening weekend, ultimately grossing over $460 million worldwide. This fall Lego opened a New York City flagship store at 200 Fifth Avenue, boosting their visibility and solidifying their commitment to win young hearts and minds. If the crowds at this store are any indication, Lego had decisively quieted all doubters.

Knudstorp considers this a classic turn-around story in which tight fiscal control and painful restructuring accomplished the seemingly impossible. It is the type of work he trained for while leading McKinsey’s Paris office; but when asked to elaborate on what differentiates his approach to leadership Knudstorp emphasizes the second phase of Lego’s recovery—a period of discovering the power of paradoxical thinking.

“We walked around the organization and asked people: What does it mean to work at Lego?” Knudstorp says, “What’s our unique proposition for employees, for our retail customers, families, and kids? What are the values that we really like?”

The immediate goal of these conversations was to get everyone on the management team and in the broader organization to be very clear on why Lego existed—and had survived for so long. The long-term goal was achieving growth by reorienting his executive team away from a focus on growth. Knudstorp believed growth would happen naturally if the company leadership stuck to its core paradoxical principle: that the best play involves learning, that
creativity requires structure, and that it is only rational to take emotions into account. One leads both above and below the line.

Just as there is no one right way to build a Lego set, Knudstorp decided to take an approach that was less regimented than some of his predecessors. He would evaluate ideas from many angles to make the best decisions.

His reason? “There’s no single answer to anything anymore.”

Knudstorp applies his paradoxical mindset to internal management also. One of his favorite mantras, “Take charge and let go,” epitomizes this approach. After the company’s manage-for-profit period, he released the reins of power, and flattened the organization by expanding Lego’s leadership team from six people to twenty-two.

“Success can result in a singular culture,” Knudstorp recalls. “You become arrogant, and think you know the one answer to everything. That’s really dangerous. You can become a bureaucratic monster where there’s little receptiveness to change, no anticipation, and thinking that is too inward.”

Openness to multiple hypotheses was a factor in Knudstorp’s decision to spend ample company resources on anthropological research around the globe. Lego Creative Director Søren Holm likes to say that this dedicated discovery process may be what ultimately saved the company. “We asked an 11-year-old German boy, ‘what is your favorite possession?’ And he pointed to his shoes. When we asked him why these were so important to him, he showed us how they were worn on the side and bottom.” The boy explained that the sneakers’ wear-and-tear showed that he had mastered a difficult skateboarding trick, one that had taken him “hours and hours to perfect.”

For the design team, the big takeaway was that Lego sets (which some felt had become “too easy” to assemble) should always contain some challenge. To Lego leadership, the story illustrated another useful paradox: instant gratification isn’t always gratifying. We often prefer to be stretched beyond our comfort zones—if in doing so we can demonstrate mastery.

Knudstorp draws on this insight to arrive at a sustainable balance between forging a strategic vision and letting his team lead execution.
“If you asked any of the people in my leadership team, they would tell you that they have incredible autonomy in their jobs,” Knudstorp says. He also gives senior leadership many opportunities to display their acumen in high-stakes settings. “They regularly get in front of the Chairman, or in front of the family owners, to demonstrate what they’re able to do.”

Knudstorp contends that it would be arrogant to imagine that he was the only creative thinker at Lego. Instead, “the way I manage my team is like an orchestra conductor. There’s a bunch of virtuosos and high-performing individuals in the orchestra. I will never tell them how to play the violin. But I will tell them if they’re not playing the same score as the rest of the orchestra.”

Fitting, perhaps, that the Lego name comes from the Danish words for “play well.” For Knudstorp, it is both a higher calling and sound bottom-line strategy.
Angela Ahrendts

Leading With Who You Are
Angela Ahrendts's morning routine may not be what you’d expect from the Senior Vice President of Retail and Online Sales for Apple worldwide, let alone someone who spent most of her career before that in the fashion industry. Ahrendts rises before 5 a.m. not to work or swim laps. Instead she spends a half hour watching the sunrise, and rereading parts of the Bible, or favorite writers like Maya Angelou. Without this time for spiritual reflection, she has repeatedly said, she would not be the leader she is today.

“The world is moving fast. Unless I can come in in the morning and smile, walk in the lobby and say, ‘Good morning!’—if I am stressed—I am not going to do a good job.”

As leaders, “everybody is watching us. They are feeding off of our energy.”

Staying grounded in her spiritual side has served her phenomenally well. Ahrendts is not only the first woman on Apple CEO Tim Cook’s executive team but the first person at Apple to be charged with the big job of reconciling the digital shopping experience with the bricks-and-mortar one. It’s a highly coveted job won largely on the strength of her success stewarding Burberry from 2006 to 2014. Ahrendts rehabbed the classic Burberry brand, which had suffered due to excessive licensing deals and poor global coordination, and along the way embodied a personal brand entirely of her own making: that of the wholesome Midwesterner equally at home in small-town U.S.A. and the front rows of Fashion Week.

Nearly every article on Ahrendts’ career mentions her open embrace of her roots. She grew up in New Palestine, Indiana (population 2091) in a family of six kids. She talks often of her parents and how they taught her to always be sensitive to other people’s needs and feelings. After graduating from Ball State University in Muncie, she booked a one-way ticket to New York with dreams of making good on her childhood dreams of working in fashion. Then after a 17 year long-distance relationship, she married her childhood sweetheart.

Interviewed during her tenure at Burberry, she spoke about how remembering who she is at core—and what’s really important to her—helps her say “no” to everything unaligned with her core purpose.

“I’ve never gone to the Oscars because I can’t afford another week away. It’s not more important than my husband. It is not more important than my kids. It is not more important
than Burberry right now.” Besides, she added, being hailed as a great corporate leader “without being a great mom and great wife” didn’t interest her.

Remembering her core values also helps Ahrendts resist becoming distracted by counterproductive pressure to be all things to all people.

“I think you have to have a very clear vision, very clear, very simple. And then you have to stay consistent with it.”

At Burberry this clarity meant returning the company to its own roots as a fashion and technology innovator, as well as a shift that seems cosmetic but speaks to a deeper intuition: a costly push to buy back licenses that had placed the brand’s famous check on too many products at too many price points. (It now appears on a mere 10% of Burberry offerings.) Less visible but more dramatic was her upending of conventional wisdom about enhancing the customer experience.

“Everyone talks about building a relationship with your customer. I think you build one with your employees first.”

During a TEDx talk given in Hollywood in 2013, Ahrendts explained how she believed grounded leadership was, at core, a function of love. No motivational speeches or incentive programs would boost sales more than a background in which every staffer felt valued and affirmed as individuals. “Emotive energy transcends normal communication and rational ways of working. It inspires people to do and give more.”

Her former COO at Burberry, Andy Janowski, confirms that unleashing human energy is perhaps Ahrendts’s greatest leadership strength. “She gets people to work harder than they ever have just by letting them know how important they are, how much the team relies on them.”

Colleagues and partners comment on how different her tone is from other business leaders they have worked with. In meetings she is both quieter and more curious. “She’s very intense,” Jean-Charles Decaux, the co-CEO of outdoor-advertising giant JCDecaux, told Fast Company. “Normally, meetings are much less interactive... And even in meetings where we had things we didn’t really agree on, there is never negativity in her intensity.”

Angela Ahrendts’ Leadership Journey: Lesson #2
Rely on your core purpose. And always, always communicate a clear vision.
In 2010 she was invited to give the commencement address at Ball State University. Her talk assured students that though they were graduating into a shaky economy, perhaps daunted by the scale of global competition or the “digital tsunami,” the rapid pace of change today, they possibly already possessed the foundation for future success: their core purpose and values that offered peace and confidence in times of ambiguity and flux. Having a strong intuitive sense of what you were put on this earth to do was “game-changing,” she said.

“The fact that the core values which were developed many years prior to actually being on my own at Ball State, are still the guiding force in my life today was an epiphany that only took me 20 years of youth, 30 years of experience, and five months of reflecting to discover for you today. These could be your most important assets, your differentiator in this digital age. If you can clearly articulate the answer to this question early in life, it could be your best shortcut to success.”

Being able to return home and share this basic message of hope and inspiration—plus the party afterward thrown by friends, husband and kids—may have been “the best night of her life, she later told The Wall Street Journal. Better than meeting the Queen, the reporter asked? Absolutely, Ahrendts said. Speaking to the importance of heart and faith amid a culture so wired for quick fixes and sound bites was an honour.

“And if the end result is that someone, somewhere winds up believing they can do something out of the ordinary, well, then you've really made it.”

Angela Ahrendts’ Leadership Journey: Lesson #3
Unleash human energy. Don’t be afraid to connect emotionally with your team, and make sure they know how important they are.
Relationships are at the heart of business. More than commerce, more than employment, even more than money, how company leaders manage and nurture productive relationships makes all the difference. The grounded leader knows instinctively that healthy relationships fuel productivity at every level of the organization.

Yang Yuangqing, CEO of personal computer giant Lenovo Group Ltd., made headlines around the globe in late 2012 for his decision to share his $3 million bonus with 10,000 Lenovo employees, giving workers in production, administrative, and other support positions the equivalent of another month’s pay. That could have easily been dismissed as a savvy publicity move, and not necessarily indicative of Yang’s philosophy of confident humility. When Yang repeated the bonus payout in 2013, any lingering doubts as to the integrity of his motives evaporated quickly.

Over time Yang has repeatedly proven his ability to learn and lead at the same time. He uses the power of relationships to teach others, challenge himself, and build a highly profitable global business at the same time. Yang has received numerous accolades, from being named among “Asia’s 25 Most Influential Business Leaders” by Fortune Asia (2004) to “Best CEO in China” by Finance Asia (2011), to name just two. More recently he received the Edison Achievement Award—given to recognize individuals for their contributions to technical innovation—and took the stage next to fellow honoree Elon Musk of Tesla Motors and SpaceX.

Start by Being Authentic

One of Yang’s signature strengths is a strong sense of who he is and where he comes from. Yang was born during a particularly turbulent time in China’s recent history. His parents, both educated as surgeons, were frequent targets for harassment during the Cultural Revolution and the family had little money. While Yang was still studying for his master’s degree in 1988, he took a sales job in Beijing with Legend, the company that would become Lenovo—itself a young company started on just $25,000 in seed money a few years earlier. He began studying English when his extraordinary sales record nonetheless left him eager to do more, and only
stayed in China at the urging of his bosses, who apparently had bigger plans for Yang than he had for himself. At the tender age of 29, Yang was promoted to head of Lenovo’s PC business. He was elevated to CEO of the entire company in 2001.

By his own account, Yang gets his goal-orientation and quiet determination from his father. Less clear is the origin of his sixth sense for fostering healthy culture change. Today Yang is affectionately known to employees as “YY,” though it took years and a fabric of interwoven policy shifts to reach that level of collegial informality. (In most traditional Chinese corporate cultures, he would have been addressed, always, with the full title of “Chief Executive Officer Yang.”)

**Build Win-Win Relationships**

This second strength—a desire for collaborative relationships—has been evident throughout Yang’s career. When he was named head of Lenovo’s PC division, one of Yang’s first executive dictates was to require staff members to address one another by first names. For more than a week, he and senior leadership stood in the lobby to greet employees as they walked in, introducing themselves by their first names.

The act was small but it signaled that Yang was banking not only on mutually rewarding relationships with employees, but hoping to grow Lenovo beyond Chinese borders and become a magnet for global talent.

Unlike many Chinese firms, Lenovo has English as its official language. Lenovo under Yang’s leadership is informally recognized as a welcoming environment for non-Chinese employees. “Foreigners at Chinese firms often seem like fish out of water,” the Economist wrote, “but at Lenovo they look like they belong.” Gone, too, is the established ritual of “waiting to see what the emperor wants” and in its place a performance culture wherein employee initiative is encouraged.

**Develop a Healthy Stakeholder Community**

A capacity for win-win relationships has also helped Yang develop a healthy stakeholder community. In the early 1990s, Yang scrapped a sprawling, disorganized nationwide distribution system in favor of one that used independent distributors—and then worked
hard to give them the product range, price points and marketing support they needed to succeed. Lenovo cut its sales staff from 100 to 18 people and at the same time strengthened its ties to distributors, who were now grateful to be working with a manufacturer that didn’t seem bent on squeezing them.

Many analysts credit Yang’s leadership in this area as critical to Lenovo’s now overwhelming dominance in the Chinese market and the company’s increasing odds of becoming a true global player.

Seeing problems as opportunities for growing partnerships has also allowed Yang to create opportunities for training and development. For years, software piracy had soured many global firms on China, where customers were accustomed to buying computers without an operating system and then installing pirated versions of Microsoft Windows. In July 2005, Bill Gates and Steve Ballmer asked Yang for assistance coming up with a solution. Yang worked out a deal that would preload Lenovo computers sold in China with Windows in exchange for Microsoft offering Lenovo’s customers a rebate and providing their employees additional software training. The decision was not without risk—other Chinese manufacturers followed suit mainly thanks to government pressure—but all concerned parties felt Yang’s careful consideration made the difference.

As a company, Lenovo now stands at an interesting crossroads. PCs constitute 84% of their total business. But as Yang told the Harvard Business Review last year, “now it’s the not the PC era, it’s PC Plus era.” Consumers are shifting toward tablets and smartphones, and many worry that the PC—and Lenovo with it—will be left behind.

Yang himself sounds quietly confident. He believes in his four-part formula of clear strategy and sound execution, efficient operations and technological innovation, plus a diversified leadership team (the 10 members of Yang’s executive team come from six different countries). He is “determined to win,” he says, and believes that his company will be able to compete with Samsung and Apple.

When pressed for specifics, he stresses only a desire to never abandon entry-level consumers—because he wants his employees to be able to afford Lenovo products—and that one day “China will be more than a world factory. It will be a global center for innovation.”
Pope Francis

Leading Positive Change
Isn't it ironic that the leader of an antique, conservative religion would become an icon for progressive change in the digital age? It's not often a leader catapults to the Forbes Top 10 list, especially a religious leader. We expect to see these lists filled with titans of business and politics, maybe a handful of entrepreneurs and, occasionally, a rock star here or there.

The phenomenon we have witnessed over the past two years is none other than the leader of the Catholic Church, the Bishop of Rome, and Sovereign of the Vatican City, Pope Francis. He is holding steady to his #4 position on Forbes' list of the World's Most Powerful People – right between China's Xi Jinping and Germany's Angela Merkel.

Pope Francis rose to his leadership position essentially unknown and untried. He was not particularly notable as a reformer in his home country of Argentina and gave little indication that he would be any kind of change agent. He has surprised many, though, by quickly and easily moving on to the world stage and becoming not only a media darling but a social media savant as well. Francis literally touches the minds and hearts of millions of followers, every day, through direct contact on social media.

So how does a relatively inexperienced leader in an inertia-filled organization grab the reins of change while cautiously protecting and reinvigorating the Church? By leading from his heart, and from the knowledge of who he is, Pope Francis has been able to transform himself as he adapts to new environments and to the ever-changing demands of his job. His first big, strategic decision was his selection of the name Francis, in honour of Saint Francis of Assisi, the patron saint of the environment and the poor.

The very nature of the papal job is to protect the status quo. The Catholic Church, as an institution, stretches back over 2,000 years. It is safe to say it has outlived everyone. The pope has unbridled powers and authority. Francis's choice of how to use that power is deeply embedded in his personal mission and beliefs to make global society more inclusive, fair and socially responsive. He has put a spotlight on things that can be fixed, rather than building a wall of ideological isolation. He has made it clear what is on his agenda (poverty, climate change, unchecked free-market capitalism) and has and has set aside divisive social issues like birth control, gay marriage, and abortion. Francis is making haste slowly, changing nothing while changing everything about the Church.
Use Your Values as Your North Star
When you lead down in the weeds, you never know when you are lost. Pope Francis does an excellent job of avoiding the weeds. His North Star is clear – to him, to the media and to his followers. It guides him to where and how to engage others with the issues he cares about.

Leadership is hard, especially when confronting policies and people that simply do not work anymore. Caving in to doubt and criticism just creates organizational mirages that perpetuate dysfunction. And we are all familiar with outward manifestations of that dysfunction: “Nothing needs to change,” “all is okay,” “it’s not my job to change that,” “it’s too risky for me to get involved,” “I could get fired for challenging that.”

Being clear about your North Star, your core values, will give you the courage, confidence and humility to hold steady under pressure.

Try this exercise to stay aligned with your North Star:
Like Pope Francis did, select a name that embodies what you believe in and who you are, someone you admire for their leadership. When in doubt, or when confronted with value dilemmas, remind yourself of that name. Let them help you keep your North Star in view.

Be a Catalyst for Positive Change
Pope Francis’s clever use of social media has already changed the dialogue among progressive forces advocating for the common good around the world. For example, Pope Francis is considered the most influential world leader based on the number of messages retweeted by his Twitter followers. He has over twenty-two million followers on nine Twitter accounts, each in a different language. As a result, Twitter has become his pulpit to evangelize and be a catalyst for positive change.

One very astute use of Twitter by the pope came on June 18, 2015, when he released his 183-page encyclical on the topic of climate change and the environment. Rather than wait for this tome to trickle down through the Church and media, he also posted this 17-word tweet which made his encyclical go viral:

“The earth, our home, is beginning to look more and more like an immense pile of filth.”
The Jesuit-trained pontiff knows how to communicate and scale his message. His vivid use of metaphors and analogies can capture the mind’s eye and touch the emotional part of the brain where decision-making happens. The 17-word tweet illuminated his message instantly and placed the spotlight on his agenda. Most importantly, Francis is comfortable serving as the lightning rod to influence others.

Like Pope Francis, you can scale your message via internal networks and social media. As a leader, you need to be comfortable being out front, driving change, talking about real things that need fixing. Your peers and employees are endlessly curious about you, how you approach a problem, what is important to you. Your employees love to peek into your world and guess what you are thinking, what you are planning to do next. They want to read your mind. You can act as a catalyst for positive change by feeding them your message strategically, simply and repeatedly.

Try this exercise to be a catalyst of positive change:

Start sharing content that articulates the change you want to see happen in your organization. Use the channels you prefer and the ones your peers and employees use. For a month, every day, share something that will open or continue a dialogue about the change you want to happen. It could be a Ted Talk, a news article, a tweet, an Instagram, a blog, a book excerpt, a video, or a podcast. Be thoughtful and strategic, and respond to any input and comments you receive. When the month is up, assess whether you are influencing the discussion and the flow of ideas. If the answer is yes, keep it going and add this task to your ongoing to-do list.

Walk Your Talk

Pope Francis is a master of walking his talk. He is very comfortable being his authentic self, exhibiting his core values in following the path of St. Francis. Upon assumption of the papacy, he made a point of discarding the more flamboyant pontifical accessories and chose to live and dress more simply. He spends more time with the people, greeting them, doing selfies, smiling in public (rare behavior from previous Popes). He is even seen driving his own car, a Ford Focus. He lives more like a parish priest than a world celebrity.

Pope Francis frequently demonstrates gestures of openness, like stopping to let followers take photos with him or putting on a yellow miner’s hat at the end of a speech he gave in Bolivia. He knows that a photo opportunity is as or more powerful than a tweet.
Everything you do in the digital world must reflect your core values and agenda. You live in a 24/7 leadership world. People are always scrutinizing leaders. Walking your talk is more important than ever today in an increasingly cynical world.

Walking your talk is deeply connected to your ego, and managing your ego requires you to manage a complex duality. You need to operate both as a big ‘I’ and as a little ‘i’. A strong big “I” allows you to be comfortable in the limelight, rubbing shoulders with humanity (literally and figuratively), demonstrating confidence in your values and ideas, and nudging people towards success. But you also need the little “i” to be humble, respectful, compassionate, accessible, and open to learning.

Pope Francis is an interesting example of how to balance this ego duality. He strikes a balance between recognizing the needs of others and managing his personal ego needs. In public, his behaviour encourages people to approach him – whether he is eating at a pizza shop, holding a baby, talking with tourists or answering questions from reporters. This is an important skill because the complex problems facing leaders and businesses today require the input of many minds to solve.

Try this exercise to ensure you are walking your talk:

If you are a leader, most likely you have a well developed big “I.” Work on your little “i” and identify situations or times in the past week where you have had the opportunity to be humble, be respectful or be open to learning. How comfortable were you? When was the last time a subordinate taught you something new?

Pope Francis is one person trying to make a difference for humanity. His stage is the world. He is the spiritual leader to one-sixth of the world’s population. Your stage may not be quite as big, but individuals with much smaller platforms are making change happen every day.

This first Jesuit pope understands that people who are kind are happier. He knows altruism is healthy for the body and the soul, and that joy comes from a place of humility. People respond to humility with greater engagement, commitment and effort on behalf of the leader and their organization. Pope Francis is a shining example of that simple leadership principle at work.
Dennis Nally

Viewing Change as Opportunity
Dennis Nally, global chairman of PwC International Ltd., is not a man to shy away from a challenge. On Twitter (@Dennis_Nally) he tackles subjects as diverse as gender equality and climate change, big data and the consumerization of health care. He openly shares his perspectives on PwC’s ‘CEO insights’ blog, demonstrating that while he is at ease confronting big questions, it is the relevant ones that get most of his attention. Nally gives the distinct impression that even bigger upheaval lies ahead. And as the ultimate change leader, he is the perfect person to find opportunity in that upheaval—and to guide PwC deeper into the excitement of the 21st century.

Nally never expected to lead one of today’s ‘big four’ professional services firms. His father worked for the FBI, moving the family from Washington to Richmond, Virginia, and ultimately to Detroit. Joining PwC in 1974, Nally figured he would move on after two years and join the auto industry. Instead he made partner in 1985 and now leads more than 195,000 people in 157 countries. His presentations at the World Economic Forum in Davos routinely garner heaps of media attention.

Manage Your Personal Energy

One of the more powerful forces confronting business today is speed—many people simply cannot keep up with the pace of change. The world is changing faster than our ability to evolve, which raises the question: How do we keep up while maintaining the ability to balance our lives and bounce back in the face of adversity?

Nally answers that question by focusing on his personal energy management, so that he is ready for whatever comes his way. In his view, energy management is like a three-legged stool: if one leg is weaker than the others, then the stool falters. Nally makes sure each leg of his stool—personal life, family life, and work life—is strong and on solid ground. He has an internal meter that tells him when he needs to disconnect from work demands, and take time away to focus on renewal.

In addition to managing his personal energy better than many leaders I have encountered, Nally also understands the key to maintaining a peak performance lifestyle. Intuitive and self-aware, he knows precisely what depletes his energy and what replenishes it. This self-awareness, coupled with his willingness to prioritize, allows Nally to practice healthy habits most days, optimizing his health and tackling challenges head-on. “You’ve got to understand what works for you as an individual,” Nally says. “And if you don’t, you’re at everyone’s mercy.”

Dennis Nally’s Leadership Journey: Lesson #1
Manage Your Personal Energy.
Be Comfortable Being Uncomfortable

Another powerful force confronting business today is the simple notion of uncertainty. Stability itself has become an illusion, and it takes a unique mindset to live and thrive in the gap between where we are and where we want to be. That gap, and the uncertainty that comes with it, is an uncomfortable place in which to operate, let alone grow a business. Yet Nally has managed to do just that—by embracing ambiguity and asking tough questions, and by acknowledging the volatility and complexity of the marketplace. His comfort with discomfort is something that also inspires others as he helps everyone at PwC navigate the endless cycle of change.

Nally admits that early in his career, he was not consistently mindful of the impact his hard-driving energy had on other people. He has since learned that while he has the energy and adaptability to handle uncertainty, others are not necessarily wired to handle such turbulence in the same way. He sees his job as continually taking the pulse of the organization so that he knows when to push, and when to slacken the pace until the group can regain its balance.

Fifteen years ago, Nally was U.S. senior partner when PwC faced a series of ‘showstopper’ challenges, as he remembers it. “Every part of our organization felt it.” Scandals at Enron, WorldCom, Tyco and Nortel eroded public trust in large accounting firms. Arthur Anderson imploded in the wake of the Enron debacle, and the subsequent 2002 passage of the Sarbanes-Oxley Act forced PwC and its competitors to redefine their business models. Historically, 70 percent of PwC’s revenue came from audit clients. After Sarbanes-Oxley, that dropped to below 50 percent.

Nally decided that dreaming about ‘the way things were’ five years ago would be fatal to the firm’s future. He knew that leaders should draw inspiration from past successes—but never mistake nostalgia for strategy. As a result, and at the direction of Nally, PwC leadership went on the offensive, using the industry shakeup as an external catalyst to create a more distinctive firm, as well as to create a solid roadmap for both the near and long term. They sold their consulting practice to IBM, acquired the former Andersen business in China and Hong Kong, and hired about 3500 Andersen alumni to bolster the company’s global talent pool.
View Change as Opportunity

Along the way, Nally felt it was important to be honest with employees, to build trust through constant communication, but also to help them reframe—if necessary—how they viewed change.

How much change is too much, too little, or just enough? Nally says he is “constantly recalibrating,” and this ability to take the temperature of the organization is not something that a leader can delegate or rely on others to do for him. “My job is to keep my finger on the pulse at all times.”

For Nally, this emotional and intuitive intelligence comes back to energy. Few people in an organization will view change optimistically if their leader does not exude positive energy. “You can always do better, you can always learn from your mistakes, but it’s the positive energy that makes all the difference. If you can get people to look at challenge as an opportunity, you have much more positive energy around what you’re trying to accomplish.”

Nally firmly believes that any organization that can greet big change head-on, and with enthusiasm, will move toward lasting distinction. And with top-notch competitors like Deloitte, Ernst & Young and KPMG, PwC cannot afford to get too comfortable in its current position as the most prestigious professional services firm in the world (according to Vault Accounting 50). Fortunately, Nally prefers the pressure on, not off. For him, a willingness to venture places one has never gone before—and model that courage for the group—is the essence of grounded leadership.

It is also more important now than ever. As Nally points out, the skills required to do an audit today are “fundamentally different” than even ten years ago. Global scale plus increasingly vast business organizations make accounting processes far more complex—never mind rapidly advancing technology and economic power shifts. All of these megatrends make planning for the firm’s future difficult.

But it is a leadership challenge Nally is happy to face. “When you think you’ve become too comfortable, that’s when you lose your competitive advantage.” Staying relevant is never easy, but sometimes the journey is its own reward.
Guler Sabanci
Leading from the Inside Out
One day Nasrettin Hodja was riding his donkey backward, facing towards the back. “Hodja” the people said, “you are sitting on your donkey backwards!” “No,” he replied. “My friend here wanted to go one way and I wanted to go the other, so we are compromising.”

Nasrettin Hodja is a beloved figure in Turkey. He was a 13th century, Chaplin-like character of his time. His presence is still felt today in Turkey and around the world. He is a symbol of Turkish humour and you will see statues peppered throughout the country of Nasrettin riding backwards on his donkey. His stories of teaching and leadership have been passed down through the centuries.

There is much in this Turkish folk story to serve as allegory to Guler Sabanci’s leadership journey. As Turkey’s business superwoman, she navigates in a man’s world, sitting between East and West where the past and present can block or accelerate the future.

Many analysts believe Turkey is poised to become the new China. Turkey is the ‘T’ in the acronym, MINT. It is one of the four countries (along with Mexico, Indonesia, and Nigeria) who are current darlings of global investors and economists. With favourable demographics for at least the next 20 years and good economic prospects, Turkey has a lot going for it: It is in the West and the East. Its politics and the combination of a Muslim faith and a desire to do things the Western way is both its advantage and its unique challenge.

The future for Turkey is both glorious and forbidding. While all the ingredients are there to skyrocket Turkey to one of the top ten largest global economies, it sometimes seems to teeter on the brink of instability. The geopolitical position of Turkey sets it in the path of ongoing conflicts with IS/Daesh, Syria, and Kurdish militants of the PKK; leaving a general atmosphere of political uncertainty.

Sabanci is in the middle of this world – excelling, pushing, challenging and leading. As the Financial Times put it, “Sabanci is more than chairwoman of one of Turkey’s largest corporations. She is also an important force in the country’s political, social and cultural life.” Add to that its philanthropic life. Sabanci also chairs the Sabanci Foundation (www.sabancivakfi.org) and Sabanci University (www.sabanciuniv.edu).
Living and leading on the cusp of change can be tough for any leader. For Sabanci, it is particularly complex and complicated. Sabanci’s leadership motto is Keep moving forward (not unlike Nasrettin Hodja’s guidance). That is exactly how Guler Sabanci lives her life and leads her companies. Part of her success comes from selecting paths open to her and not becoming discouraged by cultural, political or historical resistance. Sabanci leads with aplomb, balancing the need to move forward while acknowledging the role tradition, religion, politics and economics play in the future of Turkey.

Sabanci boldly describes her company’s philosophy: “In one hand is the business – profitable, competitive and successful to be sustainable. In the other lies philanthropy. We cannot claim to be successful if we are only doing business to satisfy our shareholders.” Her philanthropy towards women and girls is particularly obvious. In a 2011 interview with Global Giving Matters, she was asked to comment on how she viewed her role in raising the status of women in Turkey. Her unequivocal answer: “I believe that raising the status of women in Turkey is a responsibility shared by everyone. It is not only in Turkey; we are still in need of serious support for the role of women in business and society all around the world. Women leading big corporations and assuming various important social and political roles is still considered newsworthy, which clearly shows the need to further support and enhance the role of women in society. I am pleased that my work has been recognized and I hope to be a role model.”

Confidence

At a time when CEOs are preoccupied with the next disruptor in their industry, Sabanci must deal with technological, geopolitical, religious and economic disruptions – often all at the same time. Perhaps Sabanci has leadership confidence in her DNA. Growing up in the shadows of her grandfather, Haci Omer Sabanci, who began the Sabanci Group, and her uncle, Sakip Sabanci, who expanded it into a worldwide business empire, she thrived in the business world, even though the culture was not women-friendly. This, Sabanci had to grapple with on her own.

In a 2013 CNN interview, Sabanci explains how she can so confidently navigate the man’s world: “God
gave me the courage to change the things I can change. God gave me the patience to accept the things I cannot change and has given me the wisdom to know the difference.” She says she lives by this saying and wisely picks her battles; sage advice for any leader.

Reflect on your leadership...

Are you a confident leader? Confident leaders, especially in crisis, have the ability to remain calm and be in control. This is a skill, it can be learned and practiced. You need to know what you are good at and how to work on your weak spots. We all have hot buttons that can trigger raw emotions or visceral reactions. Responding from either of these places will undermine the confidence others have in you as a leader. You can change yourself. Then learn what you can’t change and pick your battles wisely.

Courage

Leading is a deeply personal act. Who you are drives what you do and how you perform. In 1994, Sabanci’s uncles asked her to lead the establishment of a new educational institution, Sabanci University. At the time, she said she was heavily involved in realizing business projects and was not sure she had the bandwidth to achieve such a high profile goal. But she accepted the challenge. Today, Sabanci University is making a difference in the higher education system in Turkey. Sabanci now fondly shares this story of how happy it made her to realize her uncles’ dream.

Courage to do the right thing, amidst all the other leadership pressures and results expected of you, is part of being a healthy leader. The university that Sabanci built, made headlines last year when it published a report on the impact of domestic violence against white-collar working women in Turkey. It was the first study of its kind in the country.

Reflect on your leadership...

How courageous are you? Courage to take action as a leader is often blocked by our own anxieties or a myriad of negative fantasies that may be lurking in our brain. Have the courage to fail. It opens you to deeper self-awareness, growth possibilities and respect from others. Learning from mistakes, failures and setbacks is a key requirement of healthy leadership. And take a page out of Sabanci’s leadership rules and follow the idea “having the courage to change the things I can change ...”
Commitment

If you watch any videos of Sabanci or read any of her interviews, you will understand that one of her higher purposes is helping others. She deeply believes that altruism is a good investment. If you act as an island of self-interest, you will not be able to move forward.

Sabanci’s 2015 New Year message to employees emphatically stated “we will continue to lead the entire Turkey about empowerment of women.” Her unparalleled commitment to advancing women in her region has won her high praise, recognition and awards across the globe. In 2011, she earned the Clinton Global Citizen Award for her philanthropy and leadership. Her commitment to helping women is unwavering, even as her companies faced a downturn in growth in 2014. Sabanci continues her movement forward regardless of the struggles going on around her and around Turkey.

Reflect on your leadership...

How does Sabanci stay committed? One answer may be she has learned to be emotionally detached from outcomes. Staying calm and focused allows you to pivot while staying committed to your core beliefs. It is a critical skill for leaders in our fast-moving, uncertain, competitive world.

To be 100% committed, you must be 100% detached. It may sound crazy, but commitment is the foundation of your success as a leader. Detachment is the safety valve, making sure your emotions do not get you carried away. Sabanci’s version of detachment is knowing what she can change and knowing what she can’t change and being okay with it.

Even though you can be fiercely committed, detachment lets you step back from work and your responsibilities so you can recharge and reflect as an independent thinker. This mental process allows you to be resilient and bounce back in the face of adversity. It also allows you to pursue your higher purpose and have the confidence to shape your environment.

The notion of sitting backward on a donkey – like Nasrettin Hodja – may not be such a crazy idea for 21st leaders after all, especially if you believe that moving in many directions at once is a leadership strategy that will bring you success.
Mary Barra

Harnessing Kinetic Energy
Since becoming CEO of General Motors, Mary Barra has been one of the world’s most-watched executives. Like everyone else, we have been following the company’s progress under Barra’s leadership and would like to share some observations about her management style as she works to build upon the success of the past two years.

When Mary Barra became CEO of General Motors, the auto industry was emerging from some difficult times, and GM was on the path to regaining some hard-won stability. In selecting Barra, the Board chose to tap homegrown talent – Barra came up through the ranks – rather than looking outside the company. Shortly after Barra took over, GM was confronted with the ignition switch crisis as well as a series of other recalls. Barra’s knowledge of GM and its unique dynamics would prove critical as the company worked to regain its footing.

During this time of intense media scrutiny, it looked like Barra might be facing a no-win situation, or what some researchers call the ‘glass cliff’. The term, coined by University of Exeter psychologists Michelle Ryan and Alex Haslam, suggests that women are breaking the glass ceiling only to tumble over a figurative cliff. Ryan and Haslam theorize that women are often promoted to dangerous jobs during a crisis – when the risk of failure is high – only to absorb the blame when their efforts fail or are slow to produce results.

Starting what was likely the roller coaster ride of a lifetime, Barra embraced the multitude of challenges the CEO role presented, marshalled her team and resources, and successfully avoided whatever glass cliff may have been on the horizon. In the process, she deployed what I like to call ‘leadership jiu-jitsu’ by tapping her deep knowledge of GM to both activate and direct the positive energy of her people. Ultimately, she helped lead the company out of the public relations crisis and established herself as the respected head of the global automaker. Today, two years later, she has been rewarded with another promotion: The combined role of Chairman and CEO.

As a company, the investment GM made in Barra has paid off. Starting her career there at age 18, Barra earned her engineering degree from General Motors Institute, a college owned by GM at the time. The company then sent Barra to Stanford University where she earned an MBA. In addition to helping build her academic credentials, GM also offered Barra a wide range of professional opportunities: Plant Manager, Detroit Hamtramck Assembly; Executive Vice President of Global Product Development, Purchasing and Supply Chain; Vice President of Global Manufacturing Engineering; Executive Director of Competitive Operations Engineering; and Vice President of Global Human Resources.
Being too close to a situation (or knowing an organization too well) can sometimes become a handicap. In Barra’s case, it would seem she turned her closeness into a real strategic advantage. For example, when asked why she reduced GM’s corporate dress code from 10 pages to ‘dress appropriately’ while she was running human resources, Barra told an interviewer: “It really became a window into the change that we needed to make at General Motors...I can trust you with $10 million of budget and supervising 20 people, but I can’t trust you to dress appropriately? It was kind of a step in empowering...so this really encouraged people to step up.” Barra took her understanding of the specific environment at GM and was able to capture the kinetic energy within the system to create positive movement and change.

Rather than directly opposing or disagreeing with her managers, Barra channeled everyone’s energy by empowering them to make some fairly obvious decisions for themselves. In the same interview, she added, “I want them to take ownership of the rules and say ‘You’re accountable to lead your team.’” That’s leadership jiu-jitsu at work.

**Keep it honest and keep it simple.**

Even before she was appointed CEO, Barra had a tendency to be remarkably candid and honest with GM staff. As head of Product Development, her main directive to engineers and designers was simple: “No more crappy cars.” She elaborated on this idea in an interview with Fortune magazine, explaining that there were “sometimes so many boundaries put on them [employees] that we didn’t give them a recipe for success. So now we’re saying no excuses. If it’s budget, if it’s resources, we have to do great cars, trucks and crossovers and it’s our job to enable you to do that.”

In return for her candor, Barra appears to expect some frankness in return. She wants GM employees to speak up when something’s wrong and to confront problems directly. To aid in that effort, she is leveraging social media. She blogs monthly on LinkedIn’s Pulse, tweets regularly and posts to Facebook.

**Mary Bara’s Leadership Journey: Lesson #2**

*Make it about the company and the customer.*
Reflect on your leadership...

Is your communication clear, honest and unequivocal? Are you using all available tools to convey, support and promote your leadership messages? Consider making your Twitter or Instagram account a place where your employees can connect with your thinking. Your associates want to know about you, how you approach a problem, what is important to you. They talk and speculate about you anyway. Like Barra, tell them who you are and what you are thinking.

Make it about the company and the customer.

By many accounts, Barra attributes her success at GM to keeping the company’s interests – and not her own career – the focus of her attention. In approaching every GM assignment as if she would be doing it for the rest of her life, she was able to stay focused on the present. And if a solid foundation is being built in the present, then the future will generally take care of itself.

Since becoming CEO, Barra’s focus on the present has necessarily become more expansive. She and her leadership team have developed a new set of core values that reflect the way in which the company’s objectives – and those of their customers – are essentially woven together:

Customers: “We put customers at the center of everything we do. We listen intently to our customers’ needs. Each interaction matters. Safety and quality are foundational commitments, never compromised.”

Relationships: “Our success depends on our relationships inside and outside the company. We encourage diverse thinking and collaboration from the world to create great customer experiences.”

Excellence: “We act with integrity. We are driven by ingenuity and innovation. We have the courage to do and say what’s difficult. Each of us takes accountability for results and has the tenacity to win.”

At our company, our goal is to “transform the world one leader at a time.” It is, in fact, our mantra. At GM, Mary Barra describes their goal just as succinctly but with a slightly different focus: “This is all about winning customers one at a time.”

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Mary Barra’s Leadership Journey: Lesson #3

Use kinetic energy to mobilize people.
Reflect on your leadership...

While Barra’s career trajectory may not be the norm these days, her apparent message is important for leaders: We live in a complex world full of paradoxes and contradictions, and we need to manage these competing forces. For example, how do you cut costs and increase revenues? How do you take charge and let go? How do you stay confident enough to lead while remaining humble enough to listen and learn every day?

Having the ability to transcend your personal agenda – and to create value for your company and your employees – is a daily challenge. Leadership itself is both personal and business. Every leader who wants to make a positive difference must reconcile this contradiction.

Use kinetic energy to mobilize people.

Jiu-jitsu is a Japanese martial art. ‘Jiu’ is translated as supple and flexible. ‘Jitsu’ means art or technique, and represents turning a challenger’s own energy toward him or herself rather than pushing back directly. From our point of view, Barra taps into forces coming at her and effectively redirects them. Rather than using a heavy-handed approach to break down barriers, she is using the art of leadership jiu-jitsu (as I like to call it), turning problems into opportunities, conflict into the source of solutions to transform the company. In doing so, she is also serving as the inspiration – and champion – of the new GM culture of accountability.

Reflect on your leadership...

Most people want their leaders to be authentic and to have integrity. They want leaders who challenge them with courageous conversations and who approach them with empathy, fairness and respect. As a leader, do you find yourself saying “No, you are wrong” or “I disagree” when concerns or problems are raised? Or do you respond with a question or comment that underscores your shared concern, but doesn’t put the other person in a defensive position?

If you are willing to address others in a problem-solving manner, when there is doubt or confusion over a decision or direction being taken, then you will experience more collaboration and more positive energy. Reflecting critically on your own behaviour can help you identify how you may inadvertently be contributing to your organization’s problems. Is the way you go about defining and solving problems a problem in and of itself? If necessary, change how you act and interact with others. Look for leadership opportunities where you can utilize kinetic energy to exercise some leadership jiu-jitsu and create positive change.
In her quest to redesign GM, Barra draws on her deep understanding of both human and engineering dynamics. From a human perspective, she amplifies and directs her people’s energy by modeling authenticity, courage, integrity and resilience. From an engineering perspective, she employs tried-and-true engineering principles – shared and aggressive goals, collaboration across functions and built-in feedback loops. From my perspective, it is this combined mastery of the human and technical that makes Barra such a distinctive and appealing leader.
Angela Merkel

Cultivating Courage
Today’s cacophony of social media chatter and news commentaries is keeping leadership in the public eye. Election season keeps the topic front and center loudly debating what qualities and attributes make for a good leader. There are three components to the metric people use to measure leaders: who they are, what they do, and how they perform. The ‘who they are’ part of the leadership equation is the leader’s character – distinctive personal qualities like mental prowess and moral strength, insight, competence, accomplishment, warmth, charisma. In other words, the ‘X-factor’ or the je ne sais quoi of leadership.

Angela Merkel’s Leadership Journey: Lesson #1

Use Your Core in the Face of Uncertainty.

Let’s take a look at a leader with the ‘X-factor’ who is currently battling to remind people why she was Time’s Person of the Year in 2015, Angela Merkel. Time explained why she was chosen: “Leaders are tested only when people don’t want to follow. For asking more of her country than most politicians would dare, for standing firm against tyranny as well as expedience and for providing steadfast moral leadership in a world where it is in short supply, Angela Merkel is TIME’s Person of the Year.”

The accolades for Merkel’s leadership have been sorely tested in 2016 as Europe’s struggles continue to accelerate – the ongoing refuge crisis, rising terrorism, Brexit, and upsurges in isolationist and nationalist sentiments. Faced with chronic uncertainty, Europe needs grounded leaders who won’t sway to expedient means or solutions. Who would want this almost impossible job? Somebody who loves difficult, challenging puzzles. Somebody like Merkel, who sees the invisible forces at play, understands the complexities of all the economic, human and social systems involved.

In many ways, Merkel is the de facto leader of Europe. She has made Germany Europe's anchor. German citizenship is ranked among the most valuable in the world – holding a German passport gives you visa-free access to 177 countries and territories (out of a total of 218). Merkel is adamant that Germany take a leadership role in global issues and resist the xenophobia pulling people towards nationalism. She strongly believes people can work together and persevere through inevitable conflict and tension. Merkel sees no place for walls, nation-states, fascism, or totalitarianism in Europe.
How will she keep the Merkel-German miracle moving forward? If history is any guide, then Merkel will lean into the challenge. Having and adhering to a leadership belief system that values lasting solutions over expedient political gains, guides her decision making and makes her a strong leader. She believes courage, sacrifice and hard work are leadership assets that become the social currency of trust. “I am quite sure that if we resist this and stick to the truth, then we will win,” she said. “And that way we will win back the most important thing that we need — the trust of the people.” (Sept 7, 2016 reported by Washington Post) Merkel doesn't shy away from the seemingly impossible.

Envision Merkel’s global leadership style as Dusseldorf’s Flehe Bridge over the River Rhine. The single tower bridge with a fan design, cords all running to the center, depicts what Europe as a community really looks like today. The foundation of the tower is Merkel’s leadership, uniting and stabilizing Europe. Holding the community together is Merkel’s global vision and power to lead. The world she is facing is complex with intricate tensions and relationships to be managed. Like the bridge weathering storms and high winds with the capacity to sway and adjust to changing conditions without falling down, Merkel’s strength of character allows her to lead with collaboration, courage and patience.

Use Your Core in the Face of Uncertainty

Merkel’s rise to lead the best country in the world (US News & World Report) is a remarkable story. Raised behind the Iron Curtain, she first appeared in the West as a divorced 35-year-old East German physicist specializing in quantum chemistry. From childhood, Merkel understood she was living within the walls of a fortress. It’s why she chose hard science over human sciences, to avoid the influence of the political machine in East Germany.

Merkel’s youthful experiences and intellectual pursuits serendipitously ushered her advent into German politics. Quantum chemistry is the study of atomic and molecular structure and reactivity, understanding behavior of atoms, force fields, kinetic energy. Grasping the core principles of atoms and molecules and applying them to human systems empowers Merkel to make sense of seeming randomness. She sees predictability where most people see unpredictability.

Merkel is not afraid to exercise her core values to lead. As a realistic, practical-focused leader, she doesn't give up when the going gets tough. She's not flummoxed by complexity, hard challenges or complicated problems. She digs deep because she is comfortable with herself.

Angela Merkel’s Leadership Journey: Lesson #2
No Man (or Woman) Is an Island.
Reflect on your leadership...

You have chosen leadership as your path to self-discovery. Inevitably, leaders encounter adversity. Hardships force you to know yourself well, to know your core values, what you believe in. Don’t shy away from them. Don’t let fear or self-doubt drive your approach to the world or to problems. Don’t let the winds of uncertainty knock you off course. Understand and get comfortable with your sense of self, your core beliefs and values, and the impact you have on others.

Ask yourself: Am I leaning into my leadership challenges or avoiding them? Am I exercising my core values in my daily leadership?

No Man (or Woman) Is an Island

To keep Germany strong, Merkel believes it must lead in an interconnected global community. Her long-term vision is to create a stronger Europe that can operate in a globalized world. Germany’s relevancy as an economic power lies within the context of a bigger union.

So Merkel’s refugee decision was a pivotal moment in her leadership career: “In many regions, war and terror prevail. States disintegrate. For many years we have read about this. We have heard about it. We have seen it on TV. But we had not yet sufficiently understood that what happens in Aleppo and Mosul can affect Essen or Stuttgart. We have to face that now.” It is where her core belief in leading globally, acknowledging humankind’s interconnectivity, was (and is) being tested.

Like many scientists, Merkel’s decision-making is slow and cautious, preferring the scientist’s method of trial and error. Practical rather than ideological, she is not prone to making reckless mistakes. However, her reliance on rationality, to transcend expedient decision making, may be risking her own political popularity. This is the risk she is willing to take to stay the course to build a strong Europe and even stronger Germany.

Reflect on your leadership ...

At Healthy Companies, we know that global interconnectedness of markets, people and communities continues to grow with implications for how work gets done. For example, more and more employees are asking for the freedom to work where they like. We see interconnectedness drawing blurred lines between work and lifestyles. Both leaders and
employees want a sense of purpose and community in addition to the ability to do a good job, make money and build something that lasts. Geographic and functional boundaries are breaking down into virtual teams and global ecosystems.

Ask yourself: Am I factoring in interconnectedness into my decision-making? Am I seeking out interconnections to inform my decision-making? Am I willing to explore, to use trial and error to learn best choices?

Trust Your Personal Power

In Merkel’s office hangs a portrait of Catherine the Great, the longest-ruling female leader of Russia. Russia grew larger and stronger under the Empress, emerging as an undeniable world power. Catherine pushed Russia to modernize. Merkel is pushing Germany to be a global leader. Merkel has told reporters she just likes the painting and we should not attribute any larger meaning to her office decor choices. You be the judge – but Catherine may very well be serving as Merkel’s muse.

Merkel’s personal power has grown under her patient decision-making style and ability to authentically collaborate within the European Union. Germans have nicknamed her ‘Mutti’ or ‘Mummy’ believing she is doing her best for the country like a mother caring for her family. The German people and others believe she is trying her best to do the right things. Today, Merkel is willing to leverage her personal power as she pushes Germans to rethink the current refugee crisis. Merkel is plain-spoken about the issues, telling Time: “I’m surprised at how faint-hearted we sometimes are, and how quickly we lose courage.” She clearly is not afraid to test her limits.

Reflect on your leadership

Personal power is the ability to influence others. It starts with authenticity and building mutually rewarding relationships and results in effective communities or teams. Leadership is personal. It requires personal effort, energy and commitment to lead people. Being willing to show you care, working with others with respect and integrity, openness to learning from others, and empowering others to be successful is the currency of personal power. As Merkel shows us, you can collaborate and not lose yourself.

Things to think about to build your personal power:

• Be a master bridge-builder of mutually rewarding relationships for key people in your organization.
• Take time to give and ask for thoughtful feedback.
• Ask yourself: “What can I learn from this person or this interaction that will help us both?”
Not: “How can I make this person do what I want?”
• Have the confidence and the humility to listen and learn from others.
• Believe in yourself even when others may “throw stones”.
• Remember your inborn capacity for resilience and renewal.
Vince Roche

Sensing and Adapting for the Future
At a time when many of the world’s largest companies were looking outside to fill the top job, Vince Roche bucked the trend when he was appointed CEO of Analog Devices (ADI) in May of 2013. The decision of ADI’s Board of Directors makes perfect sense when you consider Roche’s 25-year career path at ADI – a path that gave him a deep understanding of the Company’s challenges and opportunities through a diversity of roles and experiences.

That comprehensive understanding of the organization combined with an insightful intuition for the direction and speed of market and technology evolution – as well as the vision for how ADI must respond to take greatest advantage of those trends – made Roche the ideal candidate to lead the firm’s transformation. Roche describes that transformation as the “third wave of [ADI’s] evolution, where we are combining many products and technologies and leveraging our larger ecosystem to solve larger, more complex problems for our customers – while staying true to our heritage.” That transformation has required some fundamental changes at ADI, ranging from organization structure, new capability development, leveraging the balance sheet, to retooling the strategy and leadership of the company – changes that Roche has unflinchingly pursued during his tenure.

Beyond the deep technical and business expertise that the job of CEO demands, Roche has cultivated an appreciation for operating in the face of change and disruption: “If you’re conscious of the fact that the world is constantly changing, and that reality can be ephemeral or even illusory, then the only way to deal with that is in the present and being open to the sensory experiences you’re having.” Roche’s ability to adapt these sensory experiences to a wide range of forward-thinking strategies is what distinguishes him as a leader; it also serves as the underpinning of his leadership style.

**Lead in the Present**

We are often sidetracked by a focus on the past or the future, which keeps us from connecting with what is happening in the present. Self-awareness makes leading in the present possible. “You’ve got to move beyond the limbic and the reptilian, the survival stuff. And the only way to do that is to be very, very conscious. Conscious also means being very much in the present, living in the now. That’s how I keep myself awake,” says Roche.

Becoming aware of your surroundings also brings a widening view of your world and, ultimately, an understanding and acceptance that not all change is controllable. Letting
go of the notion that we can control everything allows us to develop a clear sense of where we stand. And knowing where we stand is essential to mapping the way forward. As Roche puts it, “The future matters, certainly it does. But the present matters enormously because if we don’t do well in the present, we probably won’t have a good future either.”

Ask yourself...

- Do I take time to be self-reflective and, if so, what do I focus on during this time of self-reflection: the past, the present or the future?
- What challenges and opportunities do I see around me right now, in the present?
- How am I currently being influenced by my team, my organization and my environment and how well do I consciously manage the tensions between the need to be in the present and the future, simultaneously?

**Encourage Dissent**

At the core of any healthy culture is good communication – and good communication is always conscious, clear and courageous. But speaking up and sharing a divergent viewpoint or challenging a generally held assumption shouldn’t need to be a courageous act. After all, the goal in any discussion is for everyone to be heard and respected, and that’s a goal Roche pursues relentlessly: “In a company that’s fundamentally stable like ADI, you need to consciously encourage people to probe and push. That kind of diversity is key to the richness of dialogue and the richness of ideas.”

That said, open communication does not happen by accident. Leaders themselves must be honest and accessible, and create a sense of trust and commitment that will serve as the foundation of an open culture. Roche understands the need – and the benefit – of building trust: “At ADI, we’re very fortunate that we have the DNA that enables us to be very cohesive. We believe in the mission. We believe in each other. We have a high trust level. We have a lot of openness in the company.” He also understands the need to create an environment where ideas are challenged rather than people, and where divergent thinking is the cornerstone to serving clients well: “You can’t force people to be innovative. But you can encourage the hell out of it and give people the safety and the environment and the expectation that that’s how we create value.”
Ask yourself:

1. Am I able to withhold judgment when listening to others?
2. Do I consciously seek out other people's views and model this behavior for my team?
3. Have I created the level of trust required for people to willingly and openly share divergent views?

Hire Curious People

Recent research suggests that our brain functions are not completely ruled by either the left or right hemispheres. Curiosity, for example, is thought to spring from a process that taps into both sides. And when both left and right are engaged, creative solutions are more likely to emerge: innovative products are developed, data is analyzed in novel ways and new ventures are imagined. The engine behind all this is deep curiosity, and that can be a rare commodity.

Roche understands the need for intellectual curiosity in the workplace; he also makes the connection between being curious and being conscious: "As more and more inspiration comes from understanding forces and patterns in technology and the marketplace, the people who make sense of all that are the ones who are alive and awake, restless to create newness and uniqueness. For me, it starts with the brilliance of the people we have at the company."

In my book The Catalyst, I talk about the challenge of identifying and recruiting the highly curious people who can help your business flourish. That challenge can be further complicated by the fact that established organizations tend to repel naturally curious (and disruptive) people, which makes retention a problem. So, whether you find your curious people from within or from without, you need to create an environment where they can flex and indulge their curiosity. If they don't find the encouragement and support they need to be successful, they'll go somewhere else.

In my experience, Roche is perhaps unique in his commitment to taking the long view on talent development and keeping curious people in the fold. His approach reflects his typical focus and patience: "To do the innovation thing well, I hire the best people. I hold onto them forever so that I can help them improve their craft over time, and as they improve their craft, we get better." And in getting better, ADI stays ahead of their competition.
Ask yourself...

1. Does my organization value, support and reward curiosity?
2. Are we able to identify curiosity in internal and external candidates?
3. Do we create an environment where people can express their curiosity?

With Vince Roche at the helm, it's no surprise that ADI's tagline is “Ahead of What's Possible.” They are, after all, in the formidable business of bridging the physical and digital worlds. Roche puts it this way: “If we are not learning, sensing and adapting to our environment faster than our competition, then we will become extinct as a company and as a species.” As both a businessman and a researcher, I could not agree more. Increasingly, the ability to be conscious and awake is vital to the survival of individuals, communities and organizations alike. And that ability needs to be part of every leader's skill set.
About Healthy Companies International
Healthy Companies is a global transformation leadership company. Our mission is to help CEOs, executives, and managers build healthy, high performance companies. Through consulting services and learning solutions we unlock organizations’ full potential to create sustainable value, accelerate transformations, foster growth and innovation, and align and execute the human side of business.

Based on over 30 years of advising, coaching and studying hundreds of CEOs and their organizations in dozens of countries, Healthy Companies has developed a dynamic framework to unleash the capabilities of people, teams and organizations to maximize business performance. Our Transformational Leadership Series, through enterprise, licenses and certifications, helps to build leadership capability at all levels.

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