





Harvard Business Review

Leader's Handbook

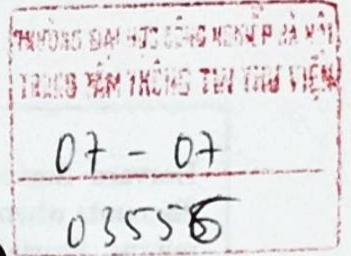



Make an Impact, Inspire
Your Organization, and
Get to the Next Level

RON ASHKENAS | BROOK MANVILLE



Harvard Business Review Leader's Handbook




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Introduction

Linda ran marketing for a midsize online retailer and was thriving: her team had helped drive six straight quarters of growth, and she was praised by sales for her strong partnership and performance. Linda was also a member of the company's customer council and well respected by the CEO and other managers.

But she felt stuck in second gear. Her ideas for more innovation were politely listened to in executive meetings, but never seemed to go anywhere—"Yeah, interesting concept, Linda, but way too blue-sky right now." She raised her hand for bigger jobs in her company, but repeatedly lost out to more experienced outsiders. She wanted to have more impact and occasionally thought about outside opportunities. But when recruiters called, she wasn't able to picture how she could grab the new job and be successful in it.

Linda was frustrated in her quest for a more significant role but had twinges of confusion and insecurity: "Is becoming a leader some mystical transformation? Do I have to be some Sheryl-Sandberg-in-the-making to fulfill my professional dreams?"

Linda's business school friends, Sam and Natalie, also ten years into their careers, wrestled with similar questions. Both were also eager for more opportunities for leadership but were struggling with the transition.

Sam, known for quick learning and hard work, had risen from fundraising manager to chief operating officer at a growing community non-profit. "I'm totally jazzed by the work here and have 100 people reporting

to me," he told Linda proudly. "But I keep waking up at 3 a.m., wondering if I can do this."

Natalie, a rising tech star in Silicon Valley, was itching to found her own startup. She had good management experience and now also some venture backing and a slate of potential employees eager to join her. But she didn't want to launch the business only to have investors force her to hand it over to a more seasoned executive. She sensed that running an entire company would be a bigger—and scarier—challenge than anything she'd done so far.

Linda, Sam, Natalie: this *Leader's Handbook* is for you. If you're hitting a leadership wall like many midcareer professionals, this book will help you break through. It's also for you if you're an established manager wanting to take your career to the next level or to increase the scope of your current job, if you want to start your own business, or if you just want to generally reach for more impact in whatever you're doing. It's for you whether you're at a traditional company, startup, nonprofit, or government organization, or even looking to lead in a more informal or networked enterprise.

Breaking through to a higher level of leadership will require you to think differently and may even be an identity shift for you. You'll have more privileges but also more risk: your daily actions will be much more exposed. But most of all, this shift will require you to *do* different things. You'll be moving from a role where you're focused on your own learning, collaborating with colleagues, and executing on a direction set by someone else, to a role where success depends more on the direction that you set and mobilizing many other people to get the job done. This book will describe the areas you need to excel and how to build those abilities.

Focus on the fundamentals

Today's world desperately needs more and better leaders. Intensifying global competition, rising performance expectations, and proliferating social and economic problems everywhere have put an unprecedented pre-

mium on leadership. Furthermore, organizations continue to change (as always); they are now less hierarchical, more networked, more nimble, and more technology-enabled than a generation ago.

These changes are driving demand for guidance that has resulted in an explosion of books, articles, and other methods for building leadership skills and knowledge. There are thousands of leadership titles available on Amazon, with many more appearing every year. Much of it is helpful, but there's also a growing stream of gimmicky quick solutions flooding and confusing the market.

But despite all the change that swirls around us and the cacophony of advice, in its fundamentals, leadership has not changed: it is still about working with other people to achieve common goals.

Given that reality, we believe the best way for any aspiring leader to succeed and to navigate turbulent times is to tune out the noise and refocus on these fundamentals. By mining the wisdom of the most enduring ideas published in *Harvard Business Review*, our own expertise, and the experience of some of the world's top leaders, this book will cut through the noise and provide you with grounding in those fundamentals so you can break through the kinds of barriers that Linda, Sam, and Natalie are facing.

In doing so, this book will bring you some of the most important research and leadership lessons published in the *Harvard Business Review* in the last four decades. Much has changed over these years, but many areas of leadership have remained consistent. Many of the same time-tested frameworks and ideas apply as much today as they did when they were first published. We describe many of these carefully selected HBR articles in the chapters that follow and list them in a Further Reading section at the end of the book (if you see an HBR article mentioned in the text, you can find more information about it there).

To shape these concepts into the approach we describe in this book, we're also drawing on a combined sixty years of our own collective experience working as thought leaders, consultants, or colleagues with leaders of organizations ranging from *Fortune* 50 corporations, to professional service firms, to nonprofits and startups worldwide. During that time, we've seen hundreds of leaders in action. We've also coached them and

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partnered with them through transformations, crises, and breakthrough achievements. We've stood side by side with them as they confronted their own shortcomings, grew, and learned.

Last, we interviewed nearly forty working senior leaders who graciously shared their perspectives on the core practices and included many of their insights and stories along the way as well.

Let's begin with some context—by simply defining “leadership.” You can't develop and get good at something if you don't understand what it is and why it matters. Once you understand the context, we'll give you a snapshot of what's in the book and how it will help you advance as a leader.

What is leadership?

If you want to become a leader or grow your leadership capability, what does that actually mean?

The term “leadership” has never had a precise definition. For some, it simply means the uppermost segment of an organizational hierarchy. For others, it's a set of competencies that are totally distinct from those of a manager, at whatever level, akin to how professor Abraham Zaleznik described them in a landmark 1977 HBR article “Managers and Leaders: Are They Different?,” in which he said that managers tame chaos with controls and process, while leaders thrive on ambiguity, creativity, and discovery in order to spur change. For still others, a leader might be a hero whose almost mythical success feels beyond reach, like Steve Jobs or Sheryl Sandberg. And at the opposite extreme, the term “leader” is also often applied to the star on a kids' soccer team or the more junior manager with a large following on social media.

We believe that just about everyone has some potential for leadership, and that organizations—and society more broadly—win when more people develop relevant skills and take more initiative to solve problems.

For this book, though, we define leadership as:

Achieving significant positive impact—by building an organization of people working together toward a common goal.

Achieving significant positive impact

“Achieving significant positive impact” means creating results such as a major business transformation, growth at scale, or a new offering that moves markets. The kind of leadership we describe is not just running a big project; it’s about the scale of the results that you achieve when you do. This book will help you achieve that kind of large-scale impact in what you do by encouraging and enabling followers, and creating more value over time than those followers could achieve on their own.

We want you to aim big and understand what achieving it takes. Our chapters are illustrated with examples of successful leaders who have in some way or other really made a difference in their market or competitive arena (for more on these stories, see the box “More on the cases”). For example, one leader we profile, AIG’s Seraina Macia, tells how, in a previous job, she led a transformation of XL’s North American Property and Casualty business that generated huge returns for the company. Darren Walker, president of the Ford Foundation, explains how he’s been transforming global philanthropy by bringing traditional social justice programs into the digital sphere. Paula Kerger, president of PBS, provides another example of major impact based on dramatically expanding the system’s educational offerings to children and local communities nationwide. (For full disclosure, note that we’ve worked with a number of the leaders we describe in the book in coaching or consulting capacities.)

Of course, CEOs and presidents are not the only leaders that we cite, and we don’t want to suggest that they are the only role models that you should emulate or the only ones who can create significant positive impact, particularly since it may be a while before you are running an entire organization. However, the steps that these senior executives have taken and the challenges that they have overcome provide lessons for leaders at all levels and in all types of organizations. For example, even if you aren’t at the stage of your career where you’re developing strategy for the entire enterprise, you might need to figure out a strategy for growing a particular product or for a particular initiative. Similarly, while you might not have the responsibility for creating a people capability plan