Kellogg Insight Presents:

A Guide to Reaching Your Leadership Potential

Northwestern | Kellogg School of Management

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CONTACT KELLOGG INSIGHT
insight@kellogg.northwestern.edu

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Dear Business Leader,

Over the past several months, we've been reminded how quickly the world can change. No business, no industry, no market, and no role is immune to disruption.

Many of us are also using this challenging and uncertain time to reflect on our own purpose and how we show up in life.

If you too have been reflecting, and if your reflections lead you to search for personal and professional growth, Kellogg's Executive MBA (EMBA) program can help you meet these goals head-on. Here are just a few ways we achieve that in a partnership among students, faculty, and the school:

- A welcoming and inclusive community of high-impact, low-ego students, faculty, and staff. Kellogg prepares a different kind of leader, who strives to understand others' perspectives and uses that knowledge to create impact and trust across cultures and teams.

- Unparalleled career support. Our career and leadership coaches have years of experience developing and mentoring executives. They provide unlimited, targeted sessions to align students' passions and purpose with a roadmap for success. Our graduates' outcomes show that this partnership, coupled with the skills and connections developed in the program, help students and alumni reach their highest ambitions (see p. 5 for more information on ROE stats).

- Access to our 65,000-strong alumni network. Because of the transformational experience our students go through in the program and after graduation, they gain leadership confidence and a sense of camaraderie with their peers that provides lasting connections. This can lead to business partnerships and entreprenurial opportunities—and students can become lifelong confidants who exchanging advice and with one another.

- Next-level faculty and curriculum. Our faculty—which includes leading scholars and business executives—works to provide our EMBA students with a deep understanding of business principles, as well as useful tools and frameworks they can take into their jobs the next day. Inside and outside the classroom, Kellogg students are inspired to try something unconventional and innovative, stepping into the unknown with confidence for the rest of their careers.

The following articles from Kellogg Insight feature leadership advice from just a small sample of our EMBA faculty. We hope they pique your curiosity as you ponder what is next for your career and your future. At a minimum, I hope that you have a chance to reflect on your own values and purpose in these unprecedented times.

Warm regards,

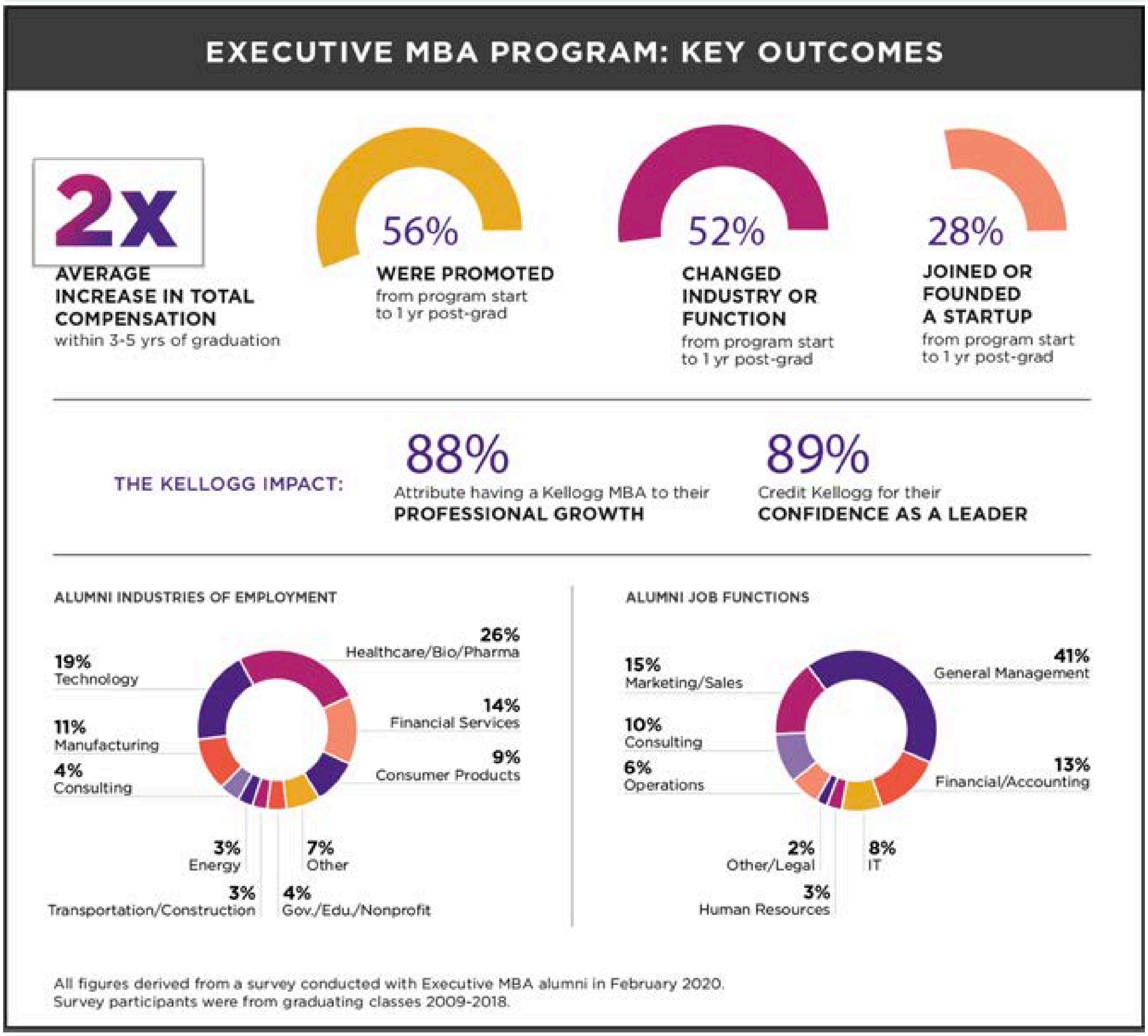
GREG HANIFEE
ASSOCIATE DEAN
DEGREE PROGRAMS & OPERATIONS

Kellogg's Executive MBA Program

Kellogg's Executive MBA program launched in 1976, and we have bravely pioneered business education ever since. Our program enhances the development of experienced professionals and world-class leaders like you.

Here, in the company of the world's most prominent executives, you will develop new frameworks for solving tough business problems while broadening your global network with our community of high-impact, low-ego leaders. Enrolling in Kellogg's top-tier Executive MBA Program is one of the best investments you can make in your future.

You can learn more about Kellogg's perspective in the following pages, but for more in-depth knowledge, we invite you to explore our program.



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How Self-Reflection Can Make You a Better Leader

Setting aside 15 minutes a day can help you prioritize, prepare, and build a stronger team.

YOUR COMPANY'S NEW PRODUCT launch is on hold indefinitely. Your team is reeling from furloughs. And the makeshift "home office" you still use several days a week resembles a second-grade science experiment run amok.

As you frantically react to an uncertain business environment, are you in the mood to reflect on your larger goals? Are you ready to consider what's working, what isn't, and what you might do in the future?

Probably not.

"The usual reaction is, 'Well, I'll just go faster,'" says Harry Kraemer, clinical professor of strategy at the Kellogg School and former CEO of multibillion-dollar healthcare company Baxter International. But that's mistaking activity for productivity. And productivity demands self-reflection.

Kraemer would know. For thirty-seven years—ever since he was unexpectedly duped into attending a spiritual retreat with his future father-in-law—he has made a nightly ritual of self-reflection. "Every day," he emphasizes. Stepping back from the fray is how Kraemer, once the manager of 52,000 employees, avoided "running around like a chicken with his head cut off."

Instead of constant acceleration, Kraemer says, leadership demands periods of restraint and consideration, even—perhaps especially—during a crisis. Leaders must regularly turn off the noise and ask themselves what they stand for and what kind of an example they want to set.

"Self-reflection is not spending hours contemplating your navel," Kraemer says. "No! It's, 'What are my values, and what am I going to do about it?' This is not some intellectual exercise. It's all about self-improvement, being self-aware, knowing yourself, and getting better."

Know Your Priorities—and Where You Fall Short

Anybody in a managerial position has two basic responsibilities: prioritize what must be done, and allocate resources to get those things done efficiently. "But how can you possibly prioritize or allocate if you haven't figured out what really matters?" Kraemer asks.

Self-reflection allows us to understand what is important and focus on what might be done differently.

Kraemer described an experience at Baxter where the company was focused on increasing its growth rate. Other firms were making acquisitions right and left, while Baxter was not. "So we stepped back," says Kraemer, "and asked, if we want to grow externally, what are other companies doing that we aren't?" It turned out that the companies that were growing successfully had

8 Daily Self-examination Questions

1. What did I say I was going to do today in all dimensions of my life?
2. What did I actually do today?
3. What am I proud of?
4. What am I not proud of?
5. How did I lead people?
6. How did I follow people?
7. If I lived today over again, what would I have done differently?
8. If I have tomorrow (and I am acutely aware that someday I won't), based on what I learned today, what will I do tomorrow in all dimensions of my life?

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>
> **HARRY M. KRAEMER**

diverted resources from their core operations to establish large business-development departments. Baxter at the time had a much smaller department. But until taking time to research and reflect on the matter, "we didn't realize we needed a larger team of people who could fully dedicate themselves to this issue," he says.

Of course, after priorities have been defined, it is important for action to follow. To prevent a gulf between word and deed, Kraemer writes out his self-reflection each night, creating a record of what he has done and what he says he will do. He also checks continuously with family, friends, and close colleagues to ensure he is holding himself accountable and "not living in some fantasy land."

Minimize Surprise

Generally speaking, the key to minimizing surprise is to forecast and plan obsessively, accounting for as many scenarios as possible.

While running Baxter, Kraemer oversaw multiple chemical-processing and manufacturing plants around the world.

"I wasn't 'surprised' if there was a fire in one of those plants or if something blew up," he says. Quality, safety, and compliance standards are, of course, essential to minimizing the possibility of disaster. "But we were self-reflective enough to realize that it could happen. So, when it did happen, we weren't confused," he says. "We dealt with it."

Of course, forecasting has its limits, and global crises can catch even the most self-aware leaders by surprise. But this makes it even more important to reflect on how your organization will handle the crises that will inevitably erupt in the weeks and months to follow, and develop as many contingency plans as possible.

Preparation has the added benefit of reducing anxiety about the possibility of things going wrong, says Kraemer. He advises thinking about the worst possible outcome: beloved family members or employees falling critically ill, for instance. Knowing exactly what initial steps you will take should tragedy hit can keep fear and stress at bay.

Personally, he likes to tell himself the following mantra—an overarching principle that will guide his actions during periods of uncertainty: "You're going to do the right thing, and you're going to do the best you can." He adds, "I try to repeat this over and over again."

Build Stronger Teams

Self-reflection's effects go beyond the self, Kraemer points out: "If I don't know myself, is it possible for me to lead myself? I doubt that. If I can't lead myself, how could I possibly lead other people?"

Strong leaders, he says, not only practice self-reflection themselves, but also encourage their teams to do so. "I have a responsibility to develop every single person I touch," says Kraemer. And of course, a self-reflective team is a team that has its priorities straight and arrives prepared to deal with any setbacks.

So if one of his employees or students is "bouncing around like a lunatic," he schedules a meeting with him or her to establish the value of settling down for a moment, taking a breath, and considering what's important. "If I'm going to help you develop as a leader, one of the first things I'm going to try to do is to help you understand the tremendous benefit of self-refl ction," he says.

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Next Steps

How can leaders get themselves, and their teams, practicing self-reflection? Kraemer does not prescribe a specific process; how a person reflects, he says, is a personal matter. (In this article, however, he shares some of his favorite prompts.)

But Kraemer is adamant that leaders—and leaders-to-be—carve self-reflection into their daily routine. It takes only 15 minutes and can be done while taking a walk, gardening, or sipping a cup of coffee.

Still convinced you cannot fit self-reflection on your calendar? That's often an excuse to avoid an uncomfortable exercise, he says.

"There could be a pretty big difference between what you say is important and what you're actually doing, and you may not want to confront that."

Featured Faculty

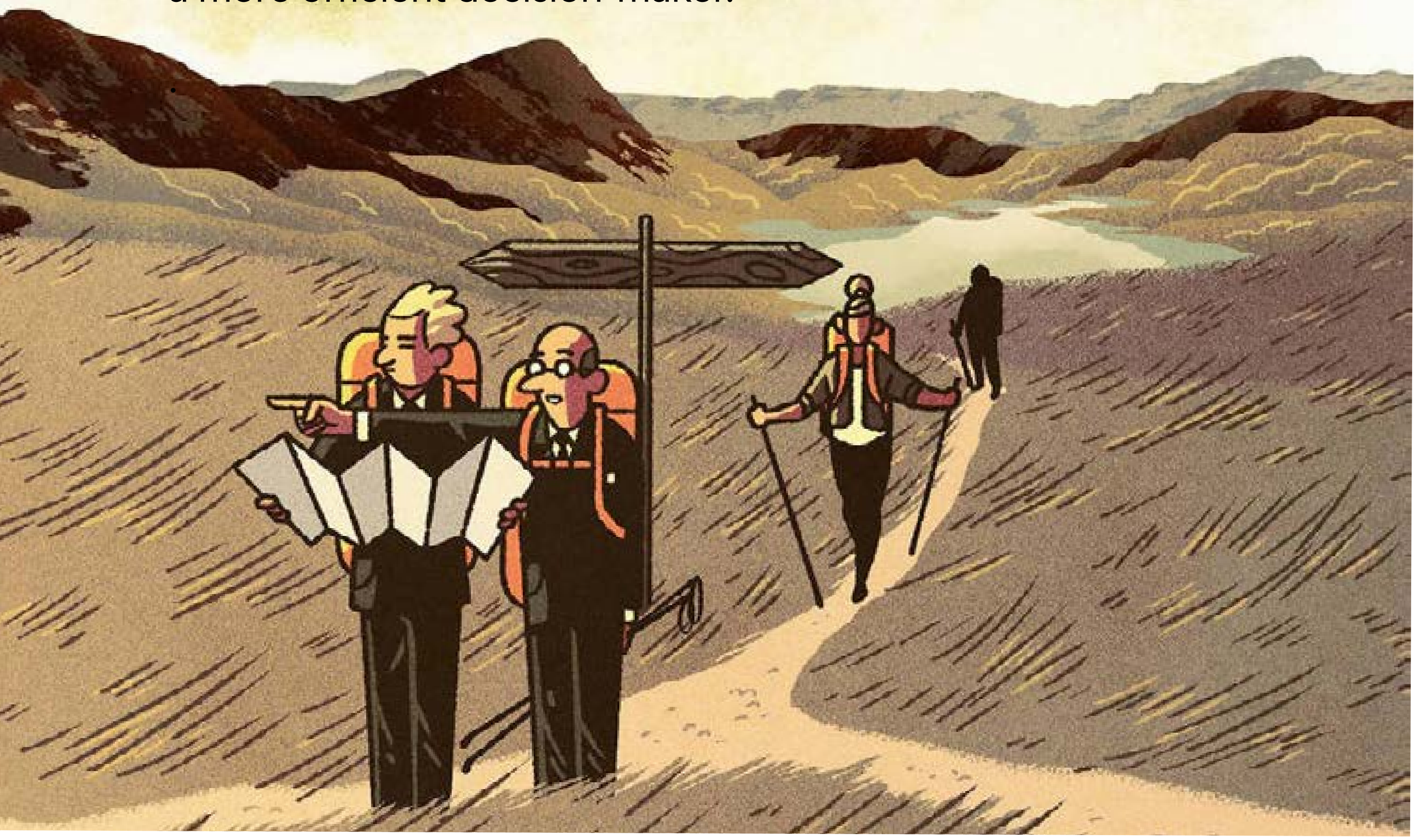
Harry M. Kraemer, Clinical Professor of Leadership

Learn more about leadership from Harry M. Kraemer in our Executive MBA program.

By **Victoria Medvec**

When Should Leaders Own a Decision and When Should They Delegate?

Here are four questions to consider to become a more efficient decision-maker.



LEADERS EARN THEIR KEEP BY MAKING SMART DECISIONS. But sometimes the smartest decision is to delegate that decision to someone else.

Every decision fits somewhere along a risk continuum. An ugly shade of green in the hallway is not necessarily going to damage the brand, but an ill-timed acquisition might—just as hiring a single underwhelming employee will have fewer consequences than the decision to outsource a functional area for twelve global offices.

I encourage leaders to approach decisions by first considering the riskiness of a decision and allowing that assessment to determine (1) who is involved in making the decision, (2) how much time should be spent making it, (3) how much certainty is required, and (4) what your tolerance is for error. These questions can help leaders make better use of their time—and empower their organizations in the process.

Who Gets Involved in Making the Decision?

A well-run company has the right people focused on the right risks. Ideally, the CEO and board of directors should only make decisions at the extremely high end of a risk continuum, leaving mid- and low-risk decisions to those further down the corporate ladder.

Unfortunately, this does not always happen. Too often, low-risk decisions get escalated up to the leadership team. This can happen for a couple of reasons. Sometimes CEOs act like vacuum cleaners, “hoovering” even the smallest decisions upwards. Other times, though, the problem is that the people below the CEO are unwilling to be accountable for mid-risk decisions and push them up to the top.

I once advised a CEO who was being asked to decide when his company should launch a product in New York. He was not even in New York and the riskiness of the decision was relatively low—it was not his decision to make. He concluded that this decision was on his desk because his team was unwilling to make the call and did not want to take accountability.

When I talked to his people, I heard a different story. They said that if you made a decision that was not what he would have decided, he would just re-decide anyway, so it was more efficient to let him decide in the first place. Regardless of whether the decision is sucked up to the top by the senior leader or pushed up from below, this escalation results in a number of predictable problems.

First, this type of escalation makes decisions take much longer. Time is wasted because decisions have to climb their way up through the org chart and then back down. Time is also wasted because the senior executives being pulled into the decision often have very busy schedules, so it takes time to get the decision in front of them and provide adequate briefing on the topic.

Decisions that are escalated also tend to be more error-prone, as the people making the decision are further away from the data required to make the call.

Moreover, when the most senior leaders make every decision, they fail to empower people at the lower rungs of the organization and fail to develop their team's decision-making skills. By pushing decisions down instead of escalating them, leaders can build the decision-making muscles of their employees while making people feel more valued and trusted in their roles.

The reality is that every individual, including the CEO, has limited cognitive resources—resources that should be reserved for addressing the most fundamental issues facing the company at any given time. The biggest mistakes often occur when those at the top are using their mental energy on decisions that are not that critical.

How Much Time Should Be Devoted to the Decision?

In my experience, many organizations spend a disproportionate amount of time making low-risk decisions. I call this "inverting the risk continuum."

Inverting the risk continuum can lead a company to lose focus of core business questions. I recently spoke to a group of leaders whose company had made a significant acquisition, one that doubled the company's size. When I asked them to write down the most important decision they were making at that moment, 180 out of 200 said they were making a staffing decision.

To me, this was surprising. Staffing decisions—unless they involve positions at the highest levels of management—typically fall somewhere in the middle of the risk continuum. But this company was spending more time on staffing issues than they had spent making the much riskier decision of whether to go through with the acquisition.

To be clear, I am not saying that hiring is not important but rather pointing out that a hiring mistake of a single low- to mid-level executive is unlikely to take down a company or rock its share price. On the other hand, a single large acquisition that goes badly could destroy the business. So, more time should be allocated to these decisions than to less risky ones.

How Much Certainty Do We Need in Order to Make the Call?

Some leaders by nature tend to be more cautious than others—and there is nothing inherently wrong with caution. But it is easy to overanalyze mid-risk and low-risk decisions. To avoid paralysis by analysis, the level of risk should drive how much certainty is required: When is 70 percent enough? When is 50 percent sufficient? When should we just make the call based on our gut because the risk is so low that it would be better to revise the decision if needed later than to analyze it upfront? You want to save your analytic rigor for the important stuff.

It is critical to consider the level of

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>
> **VICTORIA MEDVEC**

certainty required because there is a cost to the analysis. There is the cost of completing the analysis and the cost of postponing the decision. Postponing a decision is a decision in itself. Most people tend to overestimate the risk of making a bad decision and underestimate the risk of inaction, and this can have real consequences in a competitive business environment. Postponing a certain decision might be the right call for a company, but it is never completely risk-free; there is always a risk to not acting, and sometimes the consequences are as dramatic as making the wrong decision. For example, a company may spend months analyzing whether a new product should be launched, and in the time they spend deciding, their competitor launches a very similar product.

What Is the Company's Tolerance for Error?

Most companies today claim to value innovation. We can find it in their mission statements or posted in large letters in their corporate lobbies. But innovation is only possible when you are willing to take risks. And in order to take risks, you have to be willing to get things wrong.

Leaders have a choice when it comes to tolerating error. Some choose to punish errors and reward overanalysis. Others actually celebrate mistakes. At 3M, it was hard to get promoted without having made a highly visible mistake that was widely discussed. That is not because 3M loved mistakes, but because they valued risk-taking, which they knew was the spark for innovation.

Instead of being universally cautious, leaders should focus on "de-risking" decisions by actively working to push decisions down the risk continuum. There are many ways of doing this. If a company wants to de-risk the launching of a new product, for instance, it can launch it in a smaller market, where its bugs will be less visible. Many startups live by the mantra "fail often, fail fast," which makes perfect sense when dealing with low- and mid-risk decisions. But it may be less applicable to the higher end of the risk continuum. You do not want to fail often or fast at the core of your business.

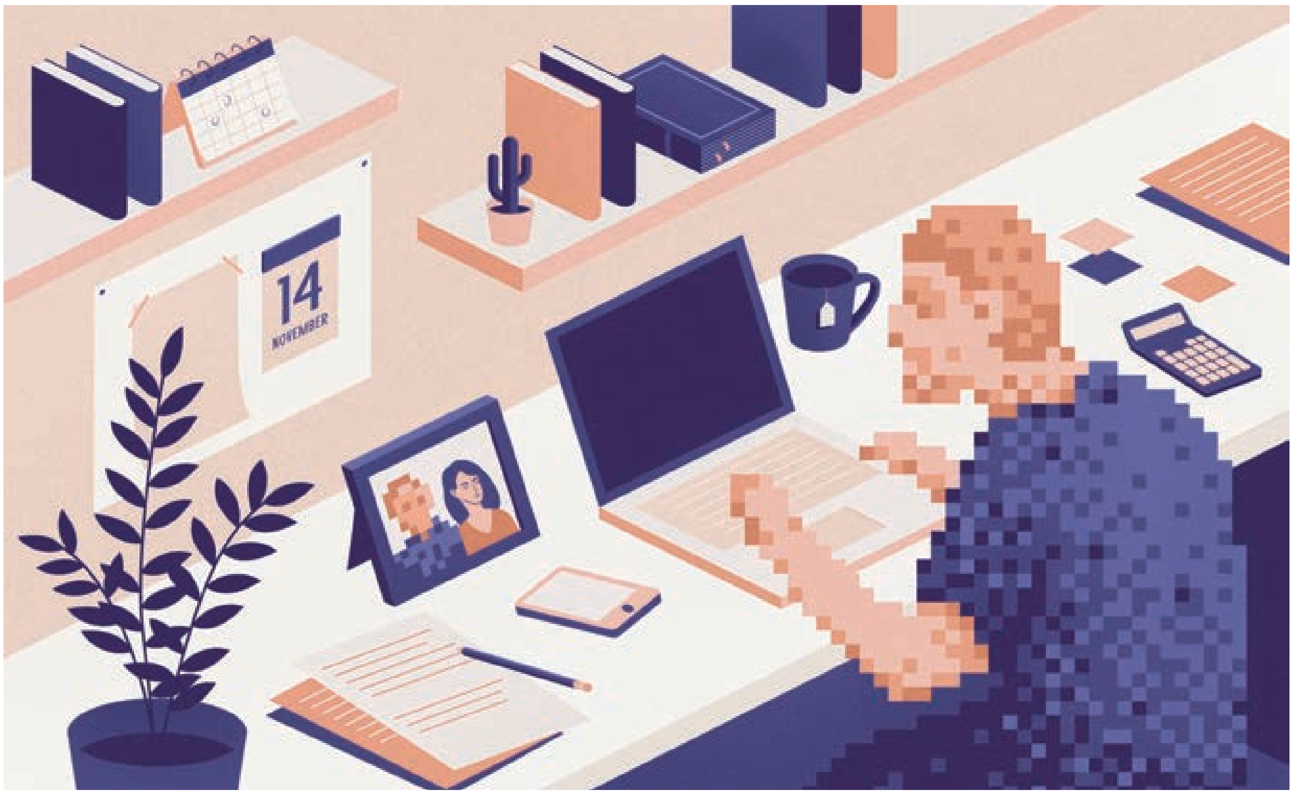
What you *do* want is a company that encourages innovation and empowers its people to make decisions appropriate to their position. No amount of analysis will ever completely eliminate risk. But when leaders learn to assess that risk and focus on what really matters, they are far more likely to succeed.

Featured Faculty

Victoria Medvec, Adeline Barry Davee Professor of Management & Organizations; Executive Director of the Center for Executive Women

Learn more from Victoria Medvec in our Executive MBA program.

Don’t Let Complacency Derail Your Career



ALL OF US WANT TO SHOW UP TO WORK, SETTLE IN, AND DO OUR JOBS WELL. But what happens when that comfort turns into complacency? According to Carter Cast, a clinical professor of innovation and entrepreneurship at the Kellogg School, individuals who have grown too comfortable may not feel safe and secure for long—on the contrary, they may be on track to derail themselves professionally.

Cast, the author of *The Right (and Wrong) Stuff: How Brilliant Careers Are Made—and Unmade*, refers to people who have become complacent and resistant to change as “Version 1.0” employees who tend to lack curiosity, avoid taking risks, and want things to stay the same.

Indeed, in the modern work environment, failure to adapt can be lethal.

"You have to find ways to stay fresh, especially in this day and age with the massive rate of change in technology," Cast says. "Disruption is everywhere."

So what steps can you take to keep Version 1.0 tendencies from interfering with your career progress? Cast offers five tips.

Understand the New Role

Many people find that they have trouble adapting after stepping into a new role or taking on new responsibilities.

"They get promoted and their boss thinks, 'They're so good, they got promoted. They're going to be fine,'" Cast says. But in reality, new positions come with different demands and different ways to evaluate success. So, when you take on new responsibilities, it is important to keep in mind that what worked in your old role will very likely not be the successful formula for the new role.

In a new role, you should take time to learn your supervisor's expectations. "Ask the boss: 'With this new job, what will I have done in two years to make you think that this was a good move to promote me? What are the key success metrics I should be aiming for?'" Cast says.

Cast recommends that after receiving a promotion, you should also reach out to others who have made a similar transition as a way to understand both the position's and the organization's expectations. "Ask them, 'What were the biggest challenges when you moved to this level? What advice

would you give me about this transition? Which departments and people are critical for me to align with?'"

Yet getting honest advice from peers is not always easy. As a person takes on more senior roles, they not only receive less feedback, but also receive less "real" feedback, since they are now the boss, or close to it, and some coworkers may feel conflicted about being candid with a colleague to whom they may report in the future.

Nevertheless, you should seek it out if you want to be successful in your new position—and if you hope to receive another promotion down the line.

Increase Your Learning Agility

Cast recalls meeting a sales manager several years back who refused to understand social-media platforms to find new clients, believing that those platforms were the domain of the marketing team. "He said, 'I don't need to understand all this social-marketing mumbo jumbo. Selling is a face-to-face activity. It's a contact sport.' I said, 'Really? With all the lead-generation possibilities that digital marketing provides, you don't really need to understand and utilize it?'" (In a post-COVID-19 world, the sales manager's position looks even more foolish than it did at the time.)

Like many Version 1.0 people, that sales manager lacked what Cast calls "learning agility," or the ability to quickly develop and apply new skills. Learning agility is especially crucial for those seeking senior management positions. Most successful managers are constantly experimenting with new ideas, learning from customers and competition. They are also reflective, in that they critically examine their past efforts and seek feedback from others in order to improve.

But this trait may diminish as people reach mid-career. This is a time where being comfortable doing things the same way you always have can mean falling into a rut. So how do you keep what Cast calls a "beginner's mindset"?

Here, Cast likes to quote LinkedIn founder Reid Hoffman's maxim: "It helps to consider yourself in a constant state of beta."

This means forcing yourself to acquire new skills that could help you down the road. If you work in sales, for example, you might take time to understand how the marketing team leverages its social-marketing assets.

Honing this discovery mindset need not be limited to the workplace, either. Something as simple as taking a new route to work, or catching up with a former colleague, might challenge you to think differently.

Identify Your Areas of Innate Resistance

Is there a particular topic, or a particular colleague, that you seem to bristle at constantly? If so, then you may have what Cast deems an “area of innate resistance.” “That’s probably a growth area that you need to look at,” he says.

If those areas are not addressed, they can stifle career growth. For one, disagreeing with a particular person or idea too often can make you seem unapproachable and unwilling to consider colleagues’ ideas. Furthermore, Cast warns, having a large number of these triggers means you might be spending too much time and energy on what you already know, and not enough time being open to what you could learn.

Cast often tells students about the idea of a learn-to-leverage ratio, or the time you spend learning relative to the time you spend leveraging what you already know. Early in your

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>
> **CARTER CAST**

career, Cast says, your learn-to-leverage ratio should be about 70:30. Later in your career, your ratio may move closer to 60:40—but it should not stray below that, Cast warns.

"I want to constantly be figuring out ways to feel like I'm learning new skills and gaining new knowledge."

Fight against Risk-Aversion

Version 1.0 types tend to be risk-averse people. While attention to detail and risk mitigation are critical concepts, risk aversion can be paralyzing in a business context, where trying new things—and failing—are inherent in any job.

"Version 1.0 people need to adopt the 'lean thinking' mentality in order to refresh their thinking and test new ideas," Cast says. "[Amazon CEO] Jeff Bezos runs test pilots and A/B tests constantly, developing hypotheses and prototypes and then testing them rapidly with customers and in test markets."

Version 1.0 people should get comfortable sharing their own "minimum viable products" with key stakeholders, who can offer insights about how to update and improve the product going forward. If you wait until a product has all the bells and whistles before you share your work with someone else, Cast says, you have waited too long.

So how can a risk-averse Version 1.0 know when to say "good enough" and get feedback on their work? Cast forces himself to consider the worst-case scenario if he shares his work now, versus the worst-case scenario if he puts it off. "Often, the risk of avoidance is worse," he writes.

> When you help others move forward, they will want to help you in return. This creates a circle of reciprocity that can be critical to a successful career.
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> **CARTER CAST**

Expand Your Constituency Base

One danger of a Version 1.0 mindset is that, while you may feel like you have things pretty much figured out, your job may be changing around you—or even disappearing altogether. Cultivating and maintaining a strong and active network can help you adapt to larger professional trends across industries.

One day, when Cast was in his mid-thirties, he walked into work to discover that his job was being eliminated due to a reorganization in his division office. He immediately placed a call to a mentor at his company headquarters—and within weeks, he had a new job.

Management research shows that highly successful people tend to have a robust constituency base, what Cast describes as a high-speed knowledge network of friends and peers that they rely on for information and assistance.

A strong, diverse network can help you bounce back after a challenge or shake-up. To firm up your own constituency base, Cast recommends making a list of the key duties that your job requires. Next to each, write down the people within your organization who can help you succeed at that specific activity. Then ask yourself some questions about each person on that list: How strong is your relationship? Do you know their goals and objectives? And how can you help them accomplish those goals?

"Many people are focused on their tasks in front of them, and they just don't realize the extent to which business is a complex set of interdependencies," Cast says. "So you have to figure out, when you map your job out and you look at the connective tissue, how well are you connected?"

When you help others move forward, they will want to help you in return, Cast says. This creates a circle of reciprocity that can be critical to a successful career.

Featured Faculty

Carter Cast, Michael S. and Mary Sue Shannon Clinical Endowed Professor of Innovation & Entrepreneurship

Learn more from Carter Cast in our Executive MBA program.

Based on the research and insights of **Maryam Kouchaki, Suzanne Muchin, Brenda Ellington Booth, Brook Vuckovic, Mohanbir S. Sawhney,** and **Nicholas Pearce**

The Case for Being More Authentic at Work

When done thoughtfully, authenticity can make for more confident, ethical leaders. Here's how to ensure you're being your true self.

YES, YES, WE KNOW: "Be yourself." But this tired advice is much easier said than done—especially in the workplace, where we strive to be seen as unflappable superheroes with a singular focus on our jobs.

Indeed, many people are (understandably) hesitant to expose their emotions, fears, and desires to their colleagues, bosses, employees, or customers. "They think that if they are truly themselves, people won't accept it," says Brenda Booth, a clinical professor of management at Kellogg.

Yet being authentic at work is likely a risk worth taking.

Booth and fellow Kellogg faculty members make a powerful case for authenticity in the workplace, explaining how it can make workers more ethical, leaders more confident, and customer relationships stronger.

They also share concrete steps you can take to be yourself—from developing an authentic leadership style, to discovering your deeper purpose.

1. Why You Should Be Your "Whole Self" at Work

Everyone has multiple identities that they trot out depending on the social context—say, the business persona at work, the friend persona at book club, and the parent persona at bedtime.

Is there any harm in compartmentalizing those disparate identities? Yes, according to Maryam Kouchaki, whose research suggests that people are more likely to engage in unethical behavior when they separate their personal and business lives.

In one experiment, Kouchaki and colleagues found that priming individuals to see their work and home identities as distinct led them to harbor more feelings of inauthenticity, such as "I am unsure of what my 'real' feelings are."

And those inauthentic feelings had consequences. In a follow-up experiment, participants who were primed to separate their identities cheated significantly more often in a coin-toss game than those who were primed to integrate their identities.

The researchers then tested whether the same results hold in the real world. They queried 150 actual employee–manager pairs and found that when employees reported feeling like their different identities were not integrated, they were more frequently caught by their bosses engaging in bad behaviors (like fudging expense reports or mistreating coworkers).

Managers looking to encourage good behavior should take note, says Kouchaki, an associate professor of management and organizations. "It's in an organization's interest to help people feel more control over and cohesion in their identity."

So maybe don't worry so much the next time your poodle starts howling in the middle of a Zoom call.

> "People worry that selling themselves means giving a false impression. But nothing could be further from the truth. Great selling requires the purest form of authenticity."
>
> **SUZANNE MUCHIN**

2. Build a Personal Brand That's True to Who You Are

One task that can often feel inauthentic: building your "personal brand."

"People worry that selling themselves means giving a false impression," says clinical associate professor Suzanne Muchin. "But nothing could be further from the truth. Great selling requires the purest form of authenticity."

To Muchin, an effective personal brand consists not of buzz words ("adaptable," "self-starter") but of stories that convey a person's values, principles, and goals. And in an authentic personal brand, those stories will capture what really makes a person unique.

To identify your own authentic stories, Muchin recommends asking yourself, "What's my unique value proposition to the person sitting across from me? What do I want to be memorable for?"

But Muchin points out that being authentic does not mean going off-the-cuff. When she's preparing to participate in a panel, for instance, she carefully plots the "beats" of the conversation—the key points she wants to make, the stories she wants to tell, the questions she wants to ask others—but stops short of scripting anything.

"You want to be authentic, but you also need to be artful," Muchin says. "And that requires discipline."

3. Great Leaders Know Themselves—and Play to Their Strengths

When thrust into a leadership role, many people worry that their "true" self will not be tough or confident enough to hack it. As a result, they often simply start imitating what they see other leaders doing, says Brenda Booth.

But Booth and Brooke Vuckovic, an adjunct professor of leadership, argue that great leaders must learn to amplify their true selves instead of borrowing from others. "It is about being comfortable in your own skin, so you can lead the organization in a way where you do not feel like a charlatan," says Booth.

That process begins with discovering your unique strengths. Booth and Vuckovic emphasize that not all great leaders fit the same mold. Rather, what sets them apart is the ability to recognize how they affect others.

For example, self-professed introvert Douglas Conant won the admiration of many as CEO of Campbell's Soup not by making bold, fist-pounding speeches, but by strolling the halls to meet

Listen to a discussion between Professor Nicholas Pearce and Ginny Clarke of Google about the moral responsibility leaders have to address racial injustice in the workplace, on an episode of our podcast, The Insightful Leader.

employees face-to-face, and sending handwritten notes to those he wanted to acknowledge. “That was his version of authentic leadership,” says Booth.

And it’s important to remember that authenticity does not guarantee popularity. “People may not like what you do even if you are authentic,” says Booth. “But if you focus on what is right for the organization, then chances are you will earn the respect of the vast majority.”

4. Authentic Customer Relationships Are Stronger Customer Relationships

Being genuine matters for organizations’ brands, too.

In the social-media era, customers have come to expect personal connections with brands, says Mohan Sawhney, a clinical professor of marketing and senior associate dean of digital innovation. That’s why it’s crucial for companies to embrace the “engagement marketing” model, which aims to establish a deeper, more sustained relationship in which customer needs are genuinely addressed.

“If you only talk to customers about what you sell them, they have the option of tuning out,” Sawhney says. “The motto for engagement marketing is, ‘Ask not how you can sell, but how you can help.’”

Engagement marketers see advertising, for example, not as a means to an end, but as something that can provide real value. Take Valspar Paint, which built an app that not only sells people paint, but also lets them schedule virtual consultations with a color expert.

Other brands authentically engage their customers by offering community (such as American Express, which started a successful online forum for business owners), a sense of inspiration (such as Toms, which donates one pair of shoes for every pair it sells), or entertainment value (such as Marriott International, which introduced an online game that lets players manage a virtual hotel).

But just like any friendship, an authentic customer relationship requires sustained effort, Sawhney warns. "It's an ongoing conversation. You can't expect customers to tune in only when you have a product to launch."

5. How to Find—and Pursue—Your Authentic Purpose

What can you do if your career does not feel true to who you are? Nicholas Pearce has often seen successful executives grapple with that question.

"Many of them had achieved great things, but at a certain point they looked back and said, 'What was it all for?'" says Pearce, a clinical associate professor. "The market applauded them. Wall Street applauded them. But a part of them was dying daily."

In his book, *The Purpose Path: A Guide to Pursuing Your Authentic Life's Work*, Pearce lays out strategies people can use to better "align their souls with their roles."

It starts with defining what success should look like for you. Too often, people end up judging themselves using someone else's scorecard. "People chase after things other people told them they should want," Pearce says.

One way to build a more authentic rubric: don't forget about the downsides that come with traditional measures of success, like salary and title. People in high-paying careers, for example, often have to sacrifice their leisure time or forego more meaningful work. Including those kinds of drawbacks in your calculus can help you make better decisions.

Pearce says that talking to mentors, colleagues, and family members can also help highlight core traits and values that you may not recognize through your own introspection. And exercises like the "Johari Window," in which you and a peer each choose a series of traits to describe you, can do the same.

Once you've figured out your end goal, Pearce says, start strategizing how to get there. That could mean a career overhaul, or smaller steps like volunteering or enrolling in night classes.

"Sometimes we do need to summon the courage to take the leap," he says, "even if that leap means we don't necessarily quit our job right away."

Featured Faculty

Maryam Kouchaki, Associate Professor of Management & Organizations

Suzanne Muchin, Clinical Associate Professor of Communications

Brenda Ellington Booth, Clinical Professor of Leadership

Brook Vuckovic, Clinical Professor of Leadership

Mohanbir S. Sawhney, McCormick Foundation Chair of Technology; Clinical Professor of Marketing; Director of the Center for Research in Technology & Innovation

Nicholas Pearce, Clinical Associate Professor of Management & Organizations Education

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6 Tools for Communicating Complex Ideas

Business leaders need to know how to make their information stick.

EVERY BUSINESS LEADER IS, IN A SENSE, A TEACHER.

"Not in the sense that their job description says "Teacher"; not in the sense that they stand up in front of a lecture hall," says Mitchell Petersen. "But their job will entail communicating ideas to others, convincing them the ideas are right—convincing them that this is the right way to think about a problem."

As a professor of finance at the Kellogg School and an expert in empirical corporate finance, Petersen spends a lot of his time trying to convince people about how to think about problems.

He offers up these six tools to help you communicate complicated ideas to audiences—whether you are sitting down for a one-on-one, leading a company all-hands meeting, or just trying to make sense of something yourself.

1. Data

Data provide a detailed, and dispassionate, characterization of what has occurred previously. As such, data serve as the foundation for predictions about the future. Before financial experts began collecting daily data on stock prices, returns, and dividends, for example, nobody had a sense of how typical stocks performed over time—and thus how they might be expected to perform going forward.

"The beauty of data is it tells us what happened in the past," says Petersen. "It's descriptive."

"Now, the disadvantage of data is it doesn't necessarily tell you how variables are related. It is just the landscape without any underlying structure."

In other words, all the raw data points in the world are not going to automatically provide you with a solid case for favoring one decision or prediction over another—which can be where logic comes in.

2. Logic

Sometimes, casual observation or even simple intuition can offer the initial structure you need to wrestle with a complex problem. Just as you have a mental model of how gravity operates on objects, you may over time develop a notion about why some stocks are riskier than others, or why certain firms ought to employ more or less leverage.

“Quite often you have an *idea* of how two variables are related,” says Petersen. “That’s logic.”

Logic is valuable in its own right—after all, if your audience struggles to follow the thread of your argument, it will be tough to convince them that the argument is sound. But logic also serves as a fruitful breeding ground for more rigorous analysis.

3. Equations

Equations allow you to make your case with precision and accuracy. Equations capture relationships between variables mathematically, so that those relationships can be mapped to actual data.

How *exactly* do two variables move in relation to one another? “It’s one thing to say the more debt a firm has, the higher its expected return on equity—but is that a small change or a big change?” asks Petersen.

It is rare for an equation to capture every relationship among a complicated set of variables, so good equations also make a statement about the most important relationships. They offer "a way to boil complex relationships down into a small number of important levers," Petersen says.

"The equations are always a simplification of reality, so they never fit perfectly. The question is: Is the fit sort of close, or is it way off?"

4. Pictures

Pictures or visuals offer your audience an invaluable way of remembering the relationships between different variables. Consider how easy it is to picture the trajectory of a rock rolling down a hill or the ripples it creates as it splashes into a pond. Likewise, the right visual offers an easy way to see, internalize, and later recall even complicated informational trends.

When presenting complex information to an audience, "I'll put up the data in a table, because I want them to see the details," says Petersen. "I also put up the picture, because it makes the concept much more persistent."

5. Stories

Stories that summarize certain logics or relationships between variables are perhaps stickiest of all. "There are no cultures that I know of that don't tell stories," says Petersen. "It's fundamentally part of what it means to be human."

These stories can become memorable, almost tangible shorthand for even very abstract concepts. An elaborate story about a Coca-Cola investor swapping shares with first a Pepsi investor, then an orange juice investor, next a peanut butter investor, and finally a tractor investor, might vividly encapsulate the benefits of an otherwise nebulous concept like diversification.

When thinking up stories, do not be afraid to channel the ridiculous. "The dopier the story, the more people may groan—but years later they remember it," says Petersen. "I will meet people 5, 10, 15 years after [presenting information], and they do not remember the specific data, but that stupid story I told them years ago has rooted itself in their brain."

It helps also to keep in mind that stories are not just for your audience. "By telling that story to ourselves, it's a way for us to understand the world and cement it in our memory."

Keep Your Language Skills Simple and Relatable

We all want to sound smart when we speak. This signals to others that our opinions are sound and our recommendations are well reasoned. But the key to gaining people's support for an idea rests on quite the opposite track.

"One of the things that happens when people present is they try to use all these fancy words because, in theory, it makes them look smart," says Tim Calkins, a clinical professor of marketing. "But it's totally opposite."

Studies have shown that reaching for big words tends to make texts unnecessarily complex, when simpler versions are more digestible. They also make the author of the simpler version seem more intelligent than their more loquacious counterparts.

"The simpler you make it, the smaller the words, the more compelling it is," Calkins says.

6. Participation

Tools like data or equations or even stories are of limited value if an audience feels they can't push back, disagree, or ask for clarification. The more senior your audience is, says Petersen, the more important it is to actively create pauses or other spaces where misunderstandings can be voiced.

Want to know whether your audience is with you? Consider a straightforward approach. "I'll just stop and say, 'Somebody please ask me a question,'" he says.

And as you answer, use your body language to communicate that you genuinely welcome the opportunity to clarify. "Do you lean forward? Do you lean backwards? Do you nod? Do you shake your head?" he asks.

Above all, do not assume that the brave questioner is the only one confused.

"Watch the expressions of [others in your audience]. Their bodies all of a sudden relax. What effectively they're saying is: 'I was lost, but I didn't want to ask,' or 'I was lost, and I couldn't articulate the question. Amanda's question actually sorted it out. Now I understand what I don't understand.'"

Featured Faculty

Mitchell A. Petersen, Glen Vasel Professor of Finance; Director of the Heizer Center for Private Equity and Venture Capital

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5 Strategies for Leading a High-Impact Team

"Why teams are not cocktail parties," and other words of wisdom.

NOBODY SETS OUT TO LEAD AN INEFFECTIVE TEAM. In fact, leaders agonize over fostering teams that work well together and deliver smart solutions time and time again—the kind of teams that, in Leigh Thompson's words, "go through the various storms, the successes, the failures, and keep coming out alive."

The only problem? Many of the strategies leaders have adopted to improve teamwork, while well-intentioned, are not all that effective. Thompson, a professor of management and organizations at Kellogg and an expert on teamwork, clears up five popular misconceptions. In the process, she offers a roadmap for building and maintaining teams that are creative, efficient, and high-impact.

1. Teams are not cocktail parties; don't invite everyone

When building a team, business leaders often fall into two traps: they make the team too big and too homogenous.

Trying to be overly inclusive leads inevitably to a team that is too large. One strategy for managing team size is to consult specialists only when their expertise is required rather than keeping them on full time.

Adding some fluidity to team membership can also help with the problem of homogeneity. In team sports, you hear a lot about the importance of team chemistry—that innate understanding that leads to the no-look pass or the intuitive hit-and-run. While building a team of like-minded individuals may create a safe and comfortable environment, it also elicits a narrower vision and less productive friction than a team that is diverse both in personality and function.

"We found that changing the membership of a team—taking out one member and putting in a new member while holding everything else constant—actually leads to an increase in creative idea generation," says Thompson. This process also prevents so-called "cognitive arthritis," which happens when static teams start to think along well-worn mental ruts.

> "Teams that develop a charter end up being more nimble, having more proactive behavior, and achieving their goals more than teams that don't bother."
>
> **LEIGH THOMPSON**

2. It is possible to set ground rules without stifling creativity. Some structure may even *spark* creativity.

For team leaders, nailing the balance between offering freedom and providing structure is never easy.

"I think one of the biggest mistakes that leaders of new teams make is that they say something like, 'our rule is that we have no rules,'" says Thompson. This rule-less approach attempts to give teams autonomy, but it generally backfires. What tends to happen is that each person waits for someone else to take action, creating paralysis, or worse, dysfunction.

Though it may seem like a drag on creativity to spend time establishing ground rules, teams function better over the long term with an explicit written charter. This document identifies—ideally in one sentence—the goal of the team, establishes the rules of operation, and defines where responsibilities lie.

“Teams that develop a charter end up being more nimble, having more proactive behavior, and achieving their goals more than teams that don’t bother,” says Thompson.

Even the process of developing a charter can improve team cohesion and effectiveness. Thompson describes how a team of doctors at a pharmaceutical company overcame what she calls their “analysis paralysis”—a habit of weighing every possibility to such an extent that nothing was ever decided. The team finally composed a charter using a single flip chart and several pens. “These scientists ended up collectively writing something that they could get on board with because they were all authors and they knew it was a work in progress.”

Thompson points out a charter can be especially beneficial for a fully virtual team. It might include rules that everyone keep their camera on, or that nobody be multitasking, and should clarify whether people speak up by raising a hand or just unmuting and going for it.

3. Drop the pride talk. Vulnerability can be a good thing.

Corporate retreats tend toward the celebratory. Managers highlight progress and recognize employees of the year. Such praise aims to act as a kind of cultural glue, binding teams together through shared accomplishment and optimism.

"This is pride talk," says Thompson. But does pride talk actually improve teamwork?

Thompson ran a series of studies in which some teams were told to share accomplishments with each other while other teams shared embarrassments. To her surprise, Thompson found that team members who talked about an embarrassing moment generated more ideas in subsequent brainstorming sessions. Embarrassment, not pride, spurred creative and effective teamwork.

"It's somewhat unintuitive that putting out our worst moment in the last six months can actually help our team," says Thompson. "Almost all of our intuitions are wrong."

> "Teams do a pretty good job of evaluating or expanding on ideas, but they don't do a good job of generating ideas."
>
> **LEIGH THOMPSON**

4. You may be able to cut your meeting time in half—if you're smart about it.

In theory, meetings are designed to increase team efficiency—a purpose they rarely live up to in practice. Most teams meet too infrequently and for too long, says Thompson. Research has demonstrated that, given a two-hour meeting, people will work to fill it; but meetings that are half as long are usually just as productive. It is better to have four hour-long meetings than two two-hour meetings.

What can leaders do to make the most of a shorter meeting? “Teams do a pretty good job of evaluating or expanding on ideas, but they don’t do a good job of generating ideas,” Thompson says. So to optimize meeting time, she recommends a facilitator solicit contributions related to the agenda beforehand to serve as the starting point for discussion.

Facilitators are also responsible for encouraging full participation. After all, the diversity of a team is only valuable if that diversity is given voice. Studies have shown that on a team of eight people, one or two members often do up to 70 percent of the talking.

Thompson recommends “speed storming”—“think of it as brainstorming meets speed dating”—as one way to get the entire team involved. This exercise briefly pairs team members for one-on-one discussion and ideation sessions. After pairs have talked for a short period, people shift seats (or breakout rooms, if you’re meeting via Zoom) and begin again with a different partner.

5. It is possible for teams to get along *too* well. Agree to keep disagreeing.

“Some teams are too polite,” warns Thompson. “They don’t challenge one another because they’re afraid that they will drive a wedge in team cohesion.” But properly managed disagreement helps teams avoid groupthink while probing the strengths and weaknesses of any idea.

Thompson gives the example of an executive who lamented that people in her company were being too polite during meetings and then engaging in passive-aggressive water-cooler talk later. The executive hired a debate coach to teach her team to make debating issues part of the meeting, rather than allowing disagreements to become the fallout afterward.

The challenge for leaders lies primarily in sowing productive disagreement, which means creating an environment where everyone feels comfortable voicing their own opinions and challenging others'. And the disagreement must remain free of personal attacks.

"You're hard on the problem and respectful of the people," says Thompson.

In practice, eliciting this kind of "responsible feedback" can be difficult. So Thompson offers a tip: have team members write down rather than vocalize their opinions and recommendations. Studies of brainstorming indicate that teams often never make it past the second idea before they suppress their concerns. However, when ideas are challenged—without being assaulted—this can often spur truly great ideas.

"When team members are thinking through different possible courses of action, then everybody can be writing cards that talk about a pro and a con. This helps build a balance of feedback," says Thompson. "Let's talk about the positives; then let's talk about the negatives."

Featured Faculty

Leigh Thompson, J. Jay Gerber Professor of Dispute Resolution & Organizations; Professor of Management & Organizations; Director of Kellogg Team and Group Research Center

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