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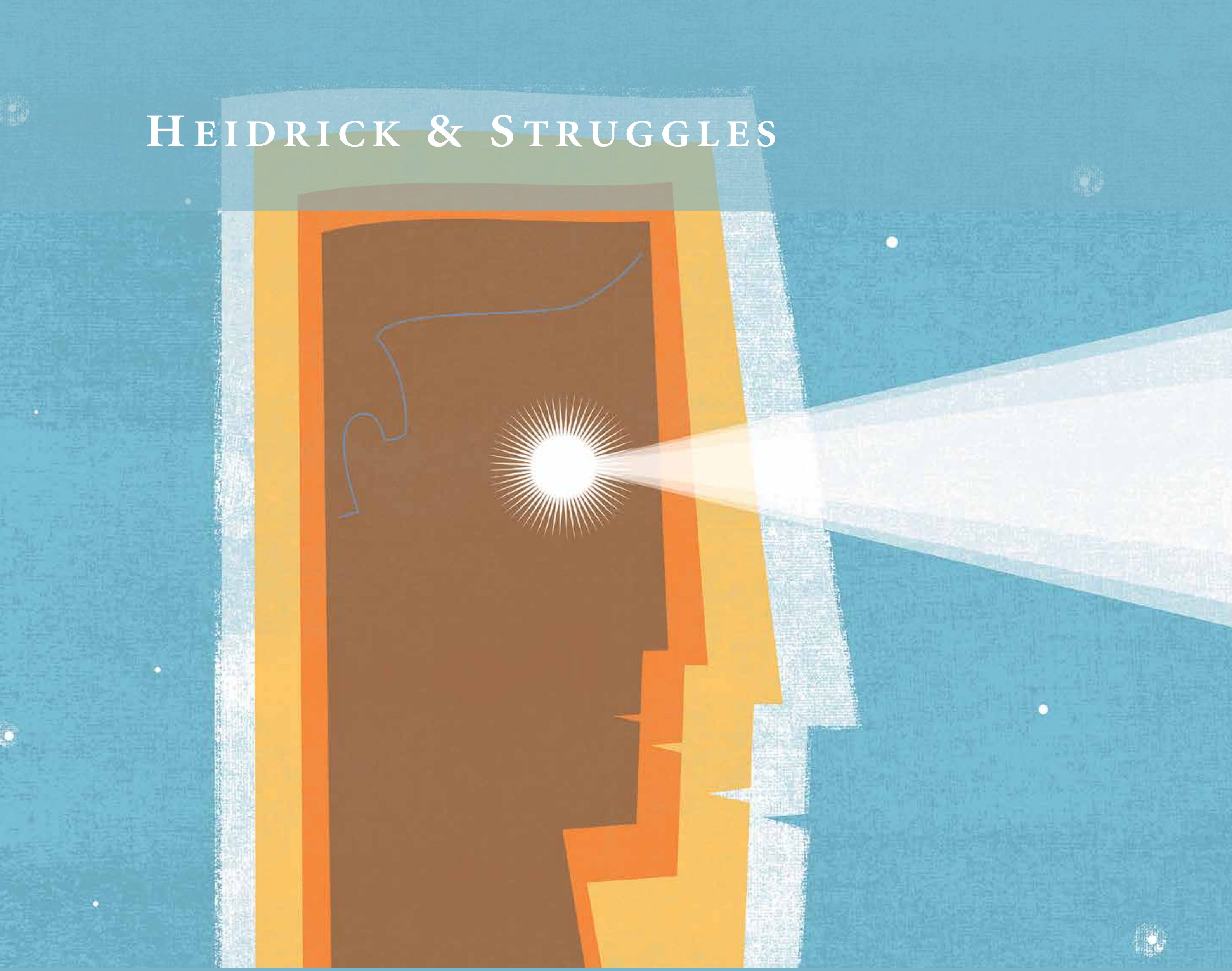

THE INDIVIDUAL

The new transformational leader

These articles are drawn from "The transformation mandate: Leadership imperatives for a hyperconnected world," which is available here.

Leading transformation: Five imperatives for CEOs

The transformative CEO in a hyperconnected world defends the core market *and* plays offense as a disruptor.

As we enter the Fourth Industrial Revolution, *hyperconnectivity* is emerging as the defining characteristic of the era — with profound implications for CEOs, senior leadership teams, and entire organizations. In a hyperconnected world, incremental improvement is not enough to stay ahead of disruptive competitors. Winning requires continual transformation.

Technology that has enabled the always-connected consumer is generating massive economic opportunity for nimble, asset-light organizations. Uber, Alibaba, and Airbnb now have a combined implied valuation exceeding $300 billion. Each of these innovators has been able to quickly achieve scale with platform business models that efficiently match supply and demand to create value for all parties. The result has been major disruption to established brands in formerly capital-intensive industries that seemed impervious to rapid change because of high barriers to entry. CEOs around the world are now asking, "Can that happen in our industry?" or, more pointedly, "How can we disrupt our own industry or create a new one?"

The technological catalysts for transformation in the Fourth Industrial Revolution are already emerging. "Pervasive computing" exists in a world where the cloud, sensors, and mobile devices all intersect, enabling an Internet of Everything that makes machines smarter and people more capable. Driverless cars, 3-D printing, smart homes, smart factories, and smart cities demonstrate the range of possibilities ahead. Clearly, the hyperconnected world is ripe with opportunity. It is also fraught with risk. Competitive risks associated with disruption can quickly leave a market leader irrelevant. Risks of a malevolent nature, such as identity theft on a massive scale, cyber-piracy, and cyber-terrorism, can cripple an organization and threaten stakeholder trust.

Five imperatives for CEOs driving transformation

Make no mistake: transformation can be more difficult than disruption. Disrupters are often entrepreneurial upstarts, playing offense all the time. By contrast, transformation of an established enterprise with a substantial asset base and ongoing capital requirements calls for a strong defense as well as an aggressive offense.

From our work as a trusted talent and leadership advisor to CEOs and boards at many of the world's most successful and influential organizations, we offer the following five imperatives for transformative CEOs today. The first three specifically address our hyperconnected world; the final two have stood the test of time but have additional urgency in an era of constant change.

1. ***Strengthen the core* and *embrace disruptive change.*** The transformative CEO in a hyperconnected world defends the core market *and* plays offense as a disruptor. The CEO must work diligently to continuously improve the competitiveness of the core business beyond

incremental improvements to quality and cost, while simultaneously pursuing a strategy to reinvent the business. A healthy and growing core operation provides a stable platform (and necessary cash flow) to launch disruptive ventures with value-creating potential.

2. ***Invest with courage in both the short and long term.*** Winning CEOs move fast to act decisively on pressing priorities while maintaining progress on longer-term initiatives vital to sustainable success. Long-term investments can put pressure on current margins. Activist shareholders ratchet up the pressure for immediate returns on their investment. The forward-looking CEO thinks like an activist investor without being prompted, demonstrating a compelling case to clients, investors, and other stakeholders on the promise of value to be realized down the road.

3. ***Accept that the life cycle of a winning strategy is shrinking.*** Gone are the days of strategies defined in years. In today's economy, it is no longer solely what one knows but what one is prepared to learn. Agility is now as important as strategy because the playing field is continually shifting. Strategic plans must be adapted to seize opportunities when fresh information points to emerging trends — as well as to defend against heightened risks. Winning CEOs embed a culture of innovation and a low resistance to change into the organization.

4. ***Define an enduring purpose as your compass.*** We all want to be connected to something meaningful. A well-articulated purpose serves not as strategy but provides a sense of "true north," guiding the CEO — and the entire organization — through ambiguity and rapid change. Constancy of purpose provides a bedrock for the organization that would otherwise be unsettled by the constant change inherent in transformation.

5. ***Attract outstanding talent.*** The difference between good and great talent is orders of magnitude. The winning CEO's passion, energy, drive, and vision serve as a talent magnet, attracting top talent from various backgrounds and geographies. Humbled by the scale and scope of hidden opportunities and unseen risks, the winning CEO draws strength from a truly diverse senior team, comprised of talented individuals who each bring a unique line of sight to the challenges ahead.

The successful CEO in a hyperconnected world will demonstrate, model, and cultivate each of these imperatives across three dimensions: the leader personally, the senior leadership team, and the entire organization.

The first of these dimensions — the individual leader — forms the structure for the insights that follow. (For the full compendium from which these insights are drawn, click here.) We hope that our perspective informs and inspires your own thinking, sparks candid and productive conversations among your teams, and encourages your organization to both embrace and fulfill its purpose, bringing positive change to the world. ■

Tracy R. Wolstencroft
President and CEO, Heidrick & Struggles

Winning with purpose in the Fourth Industrial Revolution

A new approach to leadership is needed to meet the challenges of an increasingly volatile, complex, and hyperconnected world.

Like every preceding industrial revolution, the Fourth Industrial Revolution has caused massive growing pains for businesses as they have moved through the initial shocks of disruption to a more recent, if uneasy, understanding that constant acceleration is now, in fact, "normal." Ready or not, leaders must grapple with the subsequent challenges: the impact of technology and the digital world, new and unprecedented socioeconomic implications, and significant geopolitical upheavals. All of this forces companies and their leaders to reexamine the *whys* and *hows* of their businesses — and to do so at a much faster pace than ever before. It also forces leaders to reexamine themselves.

How today's leaders navigate and lead in such a fast-changing environment is a dominant theme of *The CEO Report*, the product of a research partnership between Heidrick & Struggles and the Saïd Business School, University of Oxford.[1] Our research finds that the complexity of the new dynamics requires a changing approach to leadership. The days of leaders having complete command over their organizations are gone. Today's leaders must be inspirational yet calming, visionary yet down-to-earth, "right" and yet not afraid to "not know." They must be monarchs but also very human and able to navigate their organizations through multiple, often paradoxical demands emanating from an increasing — and increasingly active — array of stakeholders.

[1] For more, see *The CEO Report: Embracing the Paradoxes of Leadership and the Power of Doubt*, Heidrick & Struggles and Saïd Business School, University of Oxford. The report is available on heidrick.com.

The key is moving from a single-minded "command and control" mentality to a more agile form of leadership that balances command with purpose, nimbleness, adaptability, and collaboration — all features of the Fourth Industrial Revolution. However, further reflection suggests that CEOs often struggle to find the right balance between collaboration and singular leadership. One Fortune 500 CEO described the task as similar to balancing on two parallel tramlines, where it is easier to bounce from one to the other and hardest to stay on both. Certainly this CEO concludes that collaboration is vital, yet it paradoxically threatens to weaken his leadership when tough decisions are required. Since unilateral decision making often leaves organizations and stakeholders cold, CEOs need to develop a toolkit of significantly more nimble and multidimensional leadership capabilities and a self-awareness of when, and how, to use them.

Deal with speed, scope, and significance

Besides disruption, revolutions also bring opportunity, and this revolution in particular offers the potential to address the most critical societal issues facing our fragile world, most notably through digital technology. Yet there is a real danger that leaders will get lost in the clamor of disruptive technology and the speed at which it is changing businesses and even markets.

Our report highlights how speed is a challenge and how it is impossible — indeed unnecessary — to respond and react to every changing circumstance.

We argue that CEOs must instead be attuned to the scope and significance of change. Consider the tens of thousands of pieces of space junk that hurtle around the Earth's orbit. It is the job of the space station astronauts to track the largest and most dangerous lumps, and maneuver their craft accordingly, rather than deal with every possible threat. The question for leaders is: how deep and broad is the impact of change on the organization and its stakeholders? Is it a fundamental change, or a technological one? CEOs must discern the most appropriate response and remain versatile and adaptable, ready to handle the unexpected.

Lead with purpose and mission

Succeeding in the Fourth Industrial Revolution requires authentic leadership, building trust, and genuine transparency — all grounded in an abiding sense of purpose. Companies need to answer the question, "What do we stand for?" and be free to define themselves more broadly than simply "value companies" or "growth companies." Increasingly, stakeholders expect companies to have a greater purpose and a clear understanding of how to achieve good in the world in ways that extend beyond the company's direct business activities.

This creates another paradox for leaders — how to find a balance among the greater good, a sense of mission, and the ability to deliver products and services in a cost-effective, profitable way. This paradox creates friction among meeting the expectations of investors, satisfying the needs of quarterly or half-year market reporting, and the longer-term, more purpose-driven values of the business.

Embrace ripple intelligence

Striking a balance between short-term (market) performance and long-term, purpose-driven values requires leaders to have a heightened ability to anticipate complex interactions and "see around corners." We describe this ability as "ripple intelligence," a skill that leaders can develop to get perspective and distance and essentially fly above the clutter and noise of the day and look down from above at the intersecting changes affecting the business, like observing ripples on a pond. The CEO can view the intersecting ripples and anticipate disruption, allowing time to plan and protect the organization against unexpected events. Such ripples could be impending business trends, disruptive technology, geopolitical events, or environmental incidents. Each ripple has an impact on decision making and how it is interpreted by the CEO.

The principles of ripple intelligence also help CEOs understand how their own ambition and idealism (along with their conduct and performance) affects employees, investors, consumers, and the broader public — indeed all citizens of the interconnected world. We continue to hear from C-suite leaders who face pressure not only to be outstanding leaders but also to be human, compassionate, and approachable. Here the "power of doubt" can be a catalyst for positive action. Self-aware CEOs are comfortable in not knowing everything and thus will seek opinions and consult valued advisers and networks before making high-stakes decisions in uncertain conditions. (For more, see "How CEOs manage doubt," on page 7.)

Lead with empathy and authenticity

Through our research, we heard repeatedly about the paradoxes that CEOs have to navigate. CEOs must invariably use their judgment to make critical decisions that others in an organization cannot make. The paradox of the demands for leaders to be authentic and empathetic and to display their personalities, while at the same time playing the role of the bold figurehead that people will follow and admire, continues to be a tension. Increased pressure on companies to do the right thing in the world only compounds this challenge. CEOs must have a heightened awareness of their social responsibility and the impact they have on society's well-being and the environment. Leaders are expected not only to be "real people" but also to infuse a sense of direction, purpose, and meaning into the organization. Employees, clients, customers, and other stakeholders (now including social media and bloggers) want to understand what companies stand for. If the company's behavior is not coherent and beneficial to society, strident and opposing voices become galvanized more effectively than in the past. The message for CEOs: "It is not what you say but what you do."

Be a continuous student

In our many conversations with CEOs, we repeatedly hear of an acute and increasing appreciation for the widening gap between an individual's preparation to reach the CEO's chair and the actual demands of "the hot seat." In short: preparation is never enough. Regardless of the complementary roles that aspiring leaders may assume and the work experiences they have along the way — nuanced or overt — the skills needed to be CEO are different from other roles.

To be sure, CEOs will always need to be strong leaders in the traditional sense. Now, however, they must also be students, continuously acquiring experiences that are outside of their traditional career trajectory, and they must remain open and attentive to insights from an increasingly broad set of information sources. The feedback from incumbent CEOs is consistent: technical and work experience aren't enough; the missing skills are often the "soft" skills. How can you handle the dramatic increase in demand for your time? How can you hear the signals in the noise amid the cacophony of stakeholder voices now aimed your way? How do you manage your own doubt and that of others around you? How do you balance being "commander" with the expectation you will remain "human"? The key is to become a student of the role and turn your curiosity into a discipline — and a way of life.

■ ■ ■

Society's expectation of companies, and leaders, has increased dramatically in recent years. In this new, more disruptive, and faster-paced world — where CEOs are faced with leadership paradoxes at every turn — leaders must constantly carve out time to gather fresh inputs from a variety of internal and external sources, challenge their own perspectives and prejudices, and embrace continuous learning. Historically, CEOs have not spent as much time challenging their business models — or themselves — as they now must do. The Fourth Industrial Revolution is a cauldron of opportunity and change for CEOs. How leaders approach it will determine their own personal success — and the future of their businesses. ■

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How CEOs manage doubt

Real CEOs exude confidence. Radiate certainty. Act decisively. Or so popular mythology has it.

The overwhelming majority of CEOs confess that they have doubts. That's one of the striking findings of *The CEO Report*, the product of a yearlong global research partnership between Saïd Business School at the University of Oxford and Heidrick & Struggles. Of the more than 150 CEOs who sat down with us for confidential, in-depth interviews, 71% not only admit to doubt but also embrace it as a basis for better decisions.

"If you don't doubt yourself in a constructive, positive way," said one participant, "you are borderline dangerous for your company."

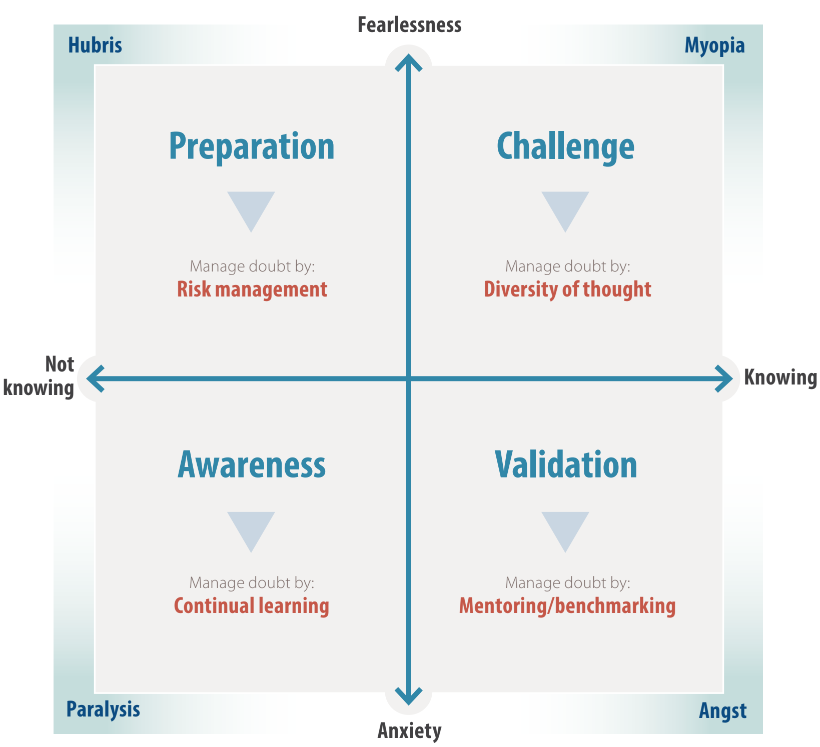
Doubt is a challenge of both knowledge and emotion. Knowledge can fall anywhere on a continuum from full not knowing to full knowledge. Feelings of doubt can fall anywhere between anxiety and fearlessness. How much knowledge do you have when you face a difficult decision? How anxious do you feel? How might you use your uncertainty as a tool?

Thinking about doubt along these two dimensions, with their four possible combinations (see figure), provides a systematic way for CEOs and other leaders to manage doubt and even use it as a competitive advantage.

Figure: **Harnessing doubt to improve decision making**

How can senior executives distinguish constructive doubt from disruptive second-guessing?

Start by acknowledging that doubt is a challenge of both feeling and knowing. Viewing doubt along these two dimensions is revealing.



Source: Heidrick & Struggles

Low knowledge/no fear. This is perhaps the most dangerous combination of all. The risk is hubris — charging blindly ahead, despite what you don't know. The remedy is preparation. The means, say the CEOs we spoke with, lie in risk management to increase the odds that what you don't know won't hurt you. Techniques can include scenario planning, including worst-case scenarios; long-term planning; contingency planning; and more. The goal, as in all instances of doubt, is to find a comfort zone in which you can act decisively despite not having full knowledge.

High knowledge/no fear. Of all the possibilities, this one would seem to entail the least doubt. Even so, there remains the risk of myopia — the chance that a false sense of security has led you to overlook other important choices. The remedy is challenge. Diversity of thought provides the means to get there. As one CEO put it, "One of the most important things is having people around you that tell you how wrong you are." You can seek diverse points of view from your management team, your board, and a wide variety of other people inside and outside the company. You can also use techniques such as war gaming or a devil's advocate to surface contrary views, and you can foster a culture of constructive dissent.

High knowledge/high anxiety. The risk here is angst — not just another word for anxiety but a deep-seated fear that could prevent you from pursuing a course of action you are convinced is right. The remedy lies in validation. You can seek it from mentors and the board, from other internal sounding boards, and through benchmarking. And if you don't get validation, you can at least learn that your fear was justified.

Low knowledge/high anxiety. This is the worst of both worlds and the condition likely to generate maximum doubt. The risk is paralysis — an unaffordable risk when a decision must be made despite the state of your knowledge or your emotions. The remedy is awareness, encompassing the cognitive and the emotional. You can constructively harness doubt in this situation through continual learning, including wide and deep reading, data collection, expert advice, and conversations with a wide variety of people about both dimensions of your doubt.

Understanding the risks and remedies for doubt enables leaders to mitigate their discomfort, whether its source is cognitive or emotional, and return to a zone where they can make more productive and well-considered choices, turning doubt into a powerful decision tool.

But what of the nearly 30% of CEOs who were reluctant to admit that managing doubt was a part of their job? Are 3 out of 10 companies led by chief executives who rarely have second thoughts? Probably not. In fact, around 10% of the interviewees who denied having any doubts went on to describe how they reduce uncertainty and gain clarity — in other words, reduce doubt. Like their peers who approach doubt more consciously and systematically, they recognize that certainty can be not only an illusion but also a dangerous one.

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This article is adapted from *The CEO Report*. For more about the research, contact **Valerie Germain** (vgermain@heidrick.com) and **Karen Rosa West** (kwest@heidrick.com).

What leadership shadow do you cast?

"A leader doesn't just get the message across; he *is* the message."

—WARREN BENNIS

The importance of culture and its effects on organizational performance should by now be well known. Yet even as issues of organizational culture lie at the heart of merger clashes, strategy failures, and change initiatives, too many senior executives approach organizational culture as they might the weather: everyone talks about it as if there's nothing that can be done about it.

Against this backdrop, it's useful to remind leaders of the influence they can and do exert on the cultures of their organizations — for good or ill. In this excerpt from their seminal book, *Winning Teams–Winning Cultures*, Senn Delaney Chairman Larry Senn and President and CEO Jim Hart describe the concept of the "The Shadow of the Leader" and contend that only when the top team lives and breathes the changes it wants and expects from its organization will such changes succeed — and stick.

A few years ago, a CEO asked us if we could help shift one aspect of his company's culture. It was a strong culture in many ways. They had high performance expectations, committed hard-working employees, good basic values, and fairly good performance. He felt they could go from good to great if they could collaborate better across the organization and get more synergies from the different business units.

As we started the cultural diagnostics, it became clear that they had turf issues between corporate and business units and between different functions. While the CEO wanted us to help "fix" the organization, it didn't take long to see that the issues were largely a reflection of the senior team members. They were not fully aligned or mutually supportive. They didn't speak with one voice to the organization. They were generally polite and non-confrontational, but they had a habit of appearing to agree on a decision in a meeting but then not supporting the decision outside the meeting. As we dug deeper, we found that many of the same behaviors existed at the second level of leadership in the teams that reported to senior team members. We asked people at lower levels in the organization why they didn't collaborate better, and they said in various ways, "Why should we? Our bosses don't."

Lack of collaboration is only one cultural trait impacted by the shadow of the leaders. You could substitute many things, including: blaming, stress, lack of coaching, resistance to change, hectic, hierarchical, risk-averse, and so on.

The central finding is that, over time, organizations tend to take on the characteristics of their leaders. This was easy to see in the field studies that were conducted of smaller firms. The values, habits, and biases of the founders and dominant leaders left an imprint on the organization. It's clearly visible in companies such as Wal-Mart, where Sam Walton had such a distinct impact on the culture. The impact Herb Kelleher had on Southwest Airlines is also apparent. The same is true in all organizations, at least from a historical perspective. There are often "ghosts" of past leaders evident. To better understand that, just ask about the values and preferences of dominant founders of a company or early leaders who left their mark. Chances are you can still see at least remnants that have made an impact many years later.

Because of the size and complexity of organizations today, the most important shadows come from teams at the top; specifically, the CEO's team and the teams of those who report to the CEO. Therefore, if you want to shape any element of your culture, your teams need to model the desired behavior.

The shadow phenomenon

The shadow phenomenon exists for anyone who is a leader of any group, including a parent in a family. That is because people tend to take on the characteristics of those who have power or influence over them.

One of the most intimate and far-reaching examples of this shadow concept happens when parents, perhaps aware of their own imperfections, exhort their children to "Do as I say, not as I do." Unfortunately, children generally tune out that message and mimic the behaviors they see. The message of any parent, or business leader, will be drowned out if the actions conflict with the words.

The role of the leader, at work and at home, requires modeling the desired behavior and letting others see the desired values in action. To become effective leaders, we must become aware of our shadows and then learn to have our actions match our message.

A former CEO of one Fortune 500 company felt so strongly about the importance of consistency between actions and words, he once said: "I would submit to you that it is unnatural for you to come in late and for your people to come in early. I think it is unnatural for you to be dishonest and your people to be honest. I think it is unnatural for you to not handle your finances well and then to expect your people to handle theirs well. In all these simple things, I think you have to set the standard."[1]

The head of an organization or a team casts a shadow that influences the employees in that group. The shadow may be weak or powerful, yet it always exists. It is a reflection of everything the leader does and says.

An example of the "shadow impact"

We learned a real-life lesson about the shadow of leaders early in the history of Senn Delaney. J.L. Hudson, a division of one of the top U.S. department store companies, Dayton Hudson Corporation in Detroit (now Target Corporation), asked us to help them work on improving customer service, with the goal of becoming more like the high-end department store Nordstrom. We piloted the process in six stores, working with the store managers, with mixed success. Some stores had measurable increases in service levels and increased market share, while others didn't. In fact, the results were almost directly proportional to our success in shifting the store manager's focus from operations to service and his or her management style. It demonstrated how the leader's shadow of influence crossed the store. This is what we would later term "The Shadow of the Leader."

We concluded that our mixed success was a result of starting to shape cultures at the wrong level in the organization. We discovered this in an interesting way. When we asked sales associates why they weren't more attentive or friendlier to customers, they would ask (in different ways), "Who's friendly and attentive to me?" When we would ask their department managers the same question, we got the same answer. That continued on up through the assistant store manager, the store manager, the district manager, the vice president of stores, and on up to the executive committee. We concluded that fixing the stores was similar to family therapy; you have to include the parents.

Soon after, the CEO of The Broadway Department Stores in California, later known as Federated Department Stores, Inc. (now Macy's), asked if we would develop a customer service process for them. We politely said, "Only if we can begin with the

[1] See Lynne Joy McFarland, Larry E. Senn, and John R. Childress, *21st Century Leadership: Dialogues with 100 Top Leaders*, Executive Excellence Publishing, 1994, page 151.

executive committee." That led to several consecutive years of increased sales and market share for The Broadway.

All too often, leaders approve training programs dealing with issues such as leadership development or culture shaping but don't attend them as participants or visibly work on the concepts themselves. More often than not, as a result, these programs are unsuccessful. That is why it is critical that any major change initiative start at the top.

Cultural implications

One of the most common complaints throughout organizations is that the senior team is not "walking the talk." Whenever a company begins to make statements about desired behaviors and people don't see those behaviors being modeled at the top, there is a lack of integrity. This can take various forms:

- The organization is asking people to be more open to change, yet the top leaders do not exhibit changed behaviors.
- Increased teamwork and cross-organizational collaboration is preached, yet the senior team does not collaborate across divisional lines.
- The organization is seen cutting back on expenses, yet the senior team doesn't change any of its special perks.
- People are asked to be accountable for results, while the senior team members continue to subtly blame one another for lack of results.

We have found that the fastest way to create a positive self-fulfilling prophecy about cultural change is to have the top leaders individually and collectively shift their own behaviors. They don't have to be perfect; they just have to deal themselves into the same game they are asking others to play. When leadership, team-building, and culture-shaping training are a part of the change process, the senior team should be the first team to take part.

Anyone who has ever conducted training processes with middle management knows the limitations of starting at this level. When attendees are asked about the value of the session, the classic responses are, "My boss is the one who should be attending," or "It sounds great, but that's not the way it is around here; just look at my manager."

Because of the critical need for the senior team to role-model the new culture, it is the group that first needs to come together to define the guiding behaviors for the rest of the organization. Whenever this is delegated to a committee under the senior team, or to expert writers, the statements of values may read well but are not owned by and don't reside in the hearts of the senior team members. When the values don't live in the senior team, the probability that the organization will live the values is low.

As a firm that specializes in culture shaping, Senn Delaney has an unwritten policy that we won't design or conduct a culture-shaping architecture for clients unless we can first work with the team that leads the organization, or a major semi-autonomous group, and its leader. It's not that we don't want the business; it's just that we know that without a positive leadership shadow, the process is unlikely to work.

In order to build a winning culture, the top teams must be seen by the organization as living the values and walking the talk. Based on the size of the organization, it is usually the top 100 to 500 people that really set the culture. ■

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What's your leadership signature?

Research into leadership behavior identifies eight archetypes that can help senior executives better understand their strengths, weaknesses, and blind spots.

Why do some business leaders thrive while others flounder? Professional qualifications and technical competencies (the *whats* of leadership) play an important role, of course, but far more often we've observed that success or failure depends on *how* leaders lead — specifically, how leaders' styles mesh with their teams and the cultures of their organizations.

An empirical research project we conducted to better understand these dynamics, and the behavioral patterns that underpin them, identified eight leadership styles, or archetypes. Taken together, they suggest implications for senior executives looking to better understand — and improve — their leadership skills, for teams seeking to improve their dynamics, and for organizations striving to improve the overall effectiveness of their leaders.

What we did

To better understand how leaders lead and what contributes to effective leadership, we created a psychometric survey to measure three interrelated facets of leadership that our experience suggests are important differentiators. Specifically, we wanted to see to what degree leaders possessed 1) a "thriving mind-set"[1] (including a clear sense of purpose, deep commitment to learning, and conveyed sense of optimism); 2) a combination of social, self, and situational awareness; and 3) essential leadership values such as a performance orientation, ethical integrity, ability to collaborate, and openness to change, among others.

The survey included 1,006 largely US-based executives of director level and above at companies with 250 or more employees. The respondents represented a broad range of industries and functions. Importantly, our survey questions were designed to highlight the ambiguity and fluidity of the kinds of real-life situations that senior executives face. We did this by asking respondents to rate themselves on a continuum between sets of opposing, yet equally "right," choices (for example, "I prefer a changing environment" versus "I prefer a stable environment," or "I love to win" versus "I hate to lose"). Factor analysis allowed us to isolate the dozen or so survey questions (from the original 72) that together accounted for the vast majority of the variance we observed in the responses.

What we learned

When we looked at the patterns in the data and conducted further statistical analyses on them, including cluster analysis, we discovered something interesting: eight statistically distinct leadership styles distributed among respondents (see figure). Moreover, while the characteristics of each signature style, or archetype, were quantitatively unique, they also resonated deeply with our own experience of conducting executive assessments. In short, we all know leaders like these — and the strengths and weaknesses they exhibit are at once intuitively recognizable and instructive.

What it means for leaders

It's important to note that there is no such thing as a "right" or "wrong" leadership style, and in fact individuals are likely to have access to every style

[1] For more, see Carol S. Dweck, *Mindset: The New Psychology of Success*, Ballantine Books, 2007; and "How companies can profit from a 'growth mindset,'" *Harvard Business Review*, November 2014.

to a varying degree. That said, our experience and this research both suggest that leaders are likely to gravitate to a much smaller set of default styles they find comfortable or familiar — and particularly so when they are under stress or aren't consciously managing the impressions they leave on others.

What might this mean for leaders? For senior executives, recognizing their "go-to" style or styles could help them better understand and articulate the focus of their leadership (be it relationships, ideas, problem solving, execution, and so on) and thus better play to their strengths when leading teams or operating in complex environments. Moreover, it can help individuals understand the other leadership styles to which they have access, thus potentially broadening the range of situations and environments where they might be successful.

It could also help leaders recognize potential pitfalls and areas for heightened vigilance. For example, a "collaborator" whose empathetic, consensus-driven style is a strength when interacting with his or her C-suite peers could find it ineffective (or even counterproductive) when interacting with subordinates who crave clarity and direction. Similarly, a learning-oriented "forecaster" who uses his or her ability to gather information and think conceptually to help generate great ideas may not consider formulating a deeper buy-in strategy that appeals to people's hearts as well as their heads.

Figure: **The eight archetypes of leadership**

Collaborator
Empathetic, team-building, talent-spotting, coaching oriented

Energizer
Charismatic, inspiring, connects emotionally, provides meaning

Pilot
Strategic, visionary, adroit at managing complexity, open to input, team oriented

Provider
Action oriented, confident in own path or methodology, loyal to colleagues, driven to provide for others

Harmonizer
Reliable, quality driven, execution focused, creates positive and stable environments, inspires loyalty

Forecaster
Learning oriented, deeply knowledgeable, visionary, cautious in decision making

Producer
Task focused, results oriented, linear thinker, loyal to tradition

Composer
Independent, creative, problem-solving, decisive, self-reliant

To learn more about the leadership styles and to use an interactive tool to assess your own style, see our article in *Harvard Business Review* titled "Assessment: What's Your Leadership Style?" at hbr.org. The assessment provides immediate feedback about your style — potential strengths, weaknesses, and blind spots — and pinpoints the settings where you'll be most and least effective.

Similarly, a better understanding of the archetypes and how they interact with one another could help inform the talent management approaches taken by companies, including:

- Understanding how leaders are likely to react to and deal with ambiguity
- Identifying situations and contexts in which up-and-coming leaders are likely to be most successful and where they may find their leadership skills stretched
- Seeking to understand — and balance — team leadership dynamics in order to align leadership styles with organizational objectives (for example, leading a change initiative)

While our research into these leadership archetypes is in its early stages, some things are already quite clear. Human motivations and behaviors are complex, and therefore any model attempting to explain them (including this one) will always have limited power as a predictive tool. Moreover, change is constant as leaders evolve throughout their careers and accumulate experience. Nonetheless, by developing an enhanced understanding of how leaders behave and interact with one another, we might better seek to harness that ability to change in service of expanding leadership potential.

About the authors

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