

Where Will We Find Tomorrow's Leaders?

A Conversation with Linda A. Hill

We might not recognise the leaders we really need because of who they are, where they're from, or how they behave.

For the past half century, there has been consensus about the kinds of places effective business leaders are formed: companies like General Electric and Procter & Gamble, high-powered consulting firms like McKinsey, elite business schools like Harvard and Wharton, the military.

But it's a different world now. Markets and workforces are increasingly global and diverse. Change is so rapid that one leader can't hope to keep abreast of all developments, much less be responsible for the innovation needed to keep ahead of them. Decision making is broadly distributed across an organisation, and collaboration is required with numerous parties outside it.

So it's worth re-examining our image of the ideal business leader and how and where a person will acquire the attributes needed to become one. We may find that it's through experiences unfamiliar to many of us and in places far from Cambridge or Crotonville.

Linda Hill, the Wallace Brett Donham Professor of Business Administration at Harvard Business School, has looked at leadership from many perspectives. In the early 1990s, she led the development of Harvard's required MBA course on leadership. Her research into the challenges faced by first-time managers resulted in the book *Becoming a Manager: How New Managers Master the Challenges of Leadership* (Harvard, Business School Press, second edition, 2003). Her studies have also taken her around the globe to pursue a long-standing interest in emerging economies, from Argentina to South Africa to India to the United Arab Emirates. She is currently the faculty chair of the business school's High Potential Leadership Program and of the Leadership Program and of the Leadership Initiative, a research program aimed at bridging the gap between leadership theory and practice.

In this edited conversation – based on several interviews with HBR senior editor Paul Hemp – Hill offers some predictions about the nature of leadership in the next half century, which she says will be defined in part by two notions: *leading behind* and *leadership as collective genius*.

Are we looking for leaders in all the wrong places?

No, but we definitely need to broaden our search. Most companies understand that in a global economy much of their future growth will be in emerging markets. And because talent isn't as portable as we once thought – there is growing evidence that an executive who's successful in one context may not be in another – companies need leaders who know and are from those markets.

But emerging economies, by definition, do not yet have cadres of globally savvy executives. In places like China and Eastern Europe, capitalism is new. In South Africa, the majority of the population was for decades systematically shut out of the business arena. Elsewhere, lack of education has prevented the emergence of a knowledgeable business class. The war for talent in these countries is fierce, so the name of the game is finding individuals with leadership potential, sometimes in unconventional places, and preparing them for senior positions.

In South Africa, for example, many black business leaders got their start in the antiapartheid movement – they're former union leaders or leaders from the African National Congress. As one black executive explained to me, "You don't launch a revolution without leadership and organisation." In fact, the ANC has its own rigorous leadership development program, even for its youngest members. In Dubai, the government recognises that achieving its ambitious growth targets is a marathon, not a sprint. Both the heart and the legs must be strong. Companies there will need increasing numbers of home-grown leaders augmented by expatriate talent.

I've gotten to know an executive named Adel Al Shirawi, who acquired his leadership skills working in the Dubai government. He's now the CEO of Tamweel, an innovative Islamic finance company with a value proposition that has turned out to be appealing to both Muslims and non-Muslims, who now account for 75% of the company's customers. Since its inception in 2004, the company has seen triple-digit growth in profits. Adel has realised that Tamweel could become a major player in the global market, so he's focusing on young managers inside the company, preparing them to lead not just local or regional operations but a global enterprise. He calls his aggressive mentoring program "CEO training, not management training."

As we look at leadership potential in emerging economies, we risk assuming that leadership models developed in the United States or Western Europe will work elsewhere. Leadership is about making emotional connections to motivate and inspire people, and our effectiveness at doing this has strong cultural overtones. We know from research that

people's expectations of how leaders should behave vary across countries. But we need more research on what is universal about leadership and what is culturally specific.

As we look for those universal leadership principles, let's consider what we might find in emerging markets. For about 10 years, I've been following the careers of non-white business leaders in post-apartheid South Africa. A number of these people have suggested to me that there is an African leadership style, captured in the notion of *ubuntu*, which is often summed up by saying "I am because we are." If such a style does exist, the mind-set implied by *ubuntu* may turn out to be well suited to the increasingly important ability, no matter where you operate, to build partnership within and between companies.

What other leadership approaches have you seen in emerging economies?

I've been especially interested in what I've seen at HCL Technologies, an Indian information technology company, which has been described as having the world's most modern management. The first tenet of HCL's change strategy is called, somewhat provocatively, Employee First, Customer Second. The aim is to attract the very best talent – a tall order in the competitive Indian labour market but crucial for the company's growth – and empower employees to take the lead in coming up with innovative ways to create value for customers. This distributed leadership model is based on communities of interest: tight-knot groups that pull together people from various functions and locations. Each community comes up with new ideas and then competes with the other groups for funding in HCL internal market. According to HCL president Vineet Nayar, the strategy – which is supported by the savvy use of social-networking technology – will have succeeded when it "destroys the office of the president." That is, as the communities of interest evolve, the leaders of the groups will begin to share leadership of the company with Vineet.

In another move, Vineet – to emphasise the importance of leadership transparency – put his own 360 degree feed-back up on the company intranet and encouraged his senior team and thousands of managers to do the same. Such radical tactics appear to be working. When Vineet took over HCL, employee moral was low and the company was trailing behind its competitors. Today, employees are rejuvenated and the company is one of the fastest growing in its industry.

We really haven't spent enough time studying leadership in emerging markets. Since necessity is often the mother of invention, I suspect some of the more disruptive leadership practices will come from those parts of the world. And I don't doubt that over time, more top executives will as well. Right now, though, I fear that some of the most

promising global leaders remain largely invisible to us, just as many have long been invisible in their own countries.

Invisible? In what way?

For one reason or another, many talented people in all parts of the world haven't been viewed as potential business leaders. Often, this has been because of explicit limitations – lack of political rights in South Africa, say, or the absence of outlets for entrepreneurial flair in Central Europe. As you study leadership in both emerging and developed markets, though, you begin to realise that although potential leaders in an economy like the United States may not face explicit limitations, they may face implicit ones that prevent them from going into leadership roles. Such limitations shut off a rich source of talent in our organisations.

Who are these invisible people in our organisations?

First, they are the well-known “demographic invisibles.” These are people who, because of their gender, ethnicity, nationality, or even age, don't have access to the tools – the social networks, the fast-track training courses, the stretch assignments – that can prepare them for positions of authority and influence.

Second, and more subtle, are the “stylistic invisibles.” These are people who just don't fit our conventional image of a leader. Because they don't exhibit the take-charge, direction-setting behaviour we often think of as inherent in leadership, they are overlooked when an organisation selects the people it believes have leadership potential.

But isn't a leader supposed to set a course and inspire people to follow it?

Traditionally, yes, that's what you hear. In the future, though, a person who conforms to that stereotype may not be the best choice to lead a team or run a business, wherever in the world it's located. We know that the increasing diversity within business organisations and the growing interdependence of payers – from business partners to NGOs – within a business ecosystem mean that leaders need to adopt a more inclusive, collaborative style. It's also becoming clear that today's complex environment often demands a team approach to problem solving. This requires a leader who, among other things, is comfortable sharing power and generous in doing so, is able to see extraordinary potential in ordinary people, and can make decisions with a balance of idealism and pragmatism. There's a term I use to describe this leadership mode : leading from behind.

“Leading from behind?” That sounds like a contradiction in terms.

Well, it does send a bit of a mixed message. But I think it captures the type of leader I'm talking about. I got the idea from reading Nelson Mandela. Several years ago – jet lagged in my hotel room in Cape Town, overlooking Robben Island where Mandela had been imprisoned – I was reading his autobiography, *Long Walk To Freedom*. At the time, I was working on an article about leadership in the twenty-first century, and I came across a passage in which Mandela recalls how a leader of his tribe talked about leadership:

“A leader, he said, is like a shepherd. He stays behind the flock, letting the most nimble go out ahead, whereupon the others follow, not realising that all along they are being directed from behind.”

To me, this take on the shepherd image embodies the kind of leader we increasingly need: someone who understands how to create a context or culture in which other people are willing and able to lead. This image of the shepherd behind his flock is an acknowledgement that leadership is a collective activity in which different people at different times – depending on their strengths, or “nimbleness” – come forward to move the group in the direction it needs to go. The metaphor also hints at the agility of the group that doesn't have to wait for and then respond to a command from the front. That kind of agility is more likely to be developed by a group when a leader conceives of her role as creating the opportunity for collective leadership, as opposed to merely setting direction.

I probably should emphasise that leading from behind is not about abrogating responsibility. After all, the shepherd makes sure that the flock stays together. He uses his staff to nudge and prod if the flock strays too far off the track or into danger. In fact, leading from behind is hard work and involves some crucial responsibilities and judgment calls: deciding who's in (and, just as important, who's not in) the group; articulating the values that will inform the group; developing the talents of members so that they can flourish in their roles; setting boundaries for the group's activities; and managing the tensions inherent in group life – deciding for example, when to be supportive and when to be confrontational, when to improvise and when to impose a structure.

Could you say that the shepherd knows the ultimate destination but leaves it to individuals in the flock to determine how to get there?

That's one way to put it. But keep in mind that leading from behind doesn't imply that everyone in the organisation has equal talent or the right to lead at a given time. Talent –

or nimbleness, if you will – is actually a function of context, which means that different individuals will come to the fore in different situations.

It's also crucial to understand that leading from behind isn't a style reserved for the uninspiring or the indecisive. Many people who lead from behind are perfectly capable of leading from the front. Certainly, Nelson Mandela, a charismatic leader in the classic sense, who chose to lead from behind, also led from the front when he deemed it appropriate. During the final years of his imprisonment, for instance, while cut off from his ANC colleagues, he made the bold decision to launch a dialogue with the South African government.

The choice to lead from behind must be based on the circumstances - and circumstances in the business world increasingly demand just this type of leadership. That's why it's a shame that leaders who take this approach are so often overlooked – invisible, if you will. If you think about what an organisation looks for when it's trying to identify people for a high-potential leadership program, “generous in the sharing of power” isn't likely to be high on the list. Consequently, we're overlooking a tremendous amount of leadership potential in our organisations.

How do we know that people who don't behave in leader-like ways can in fact lead successfully?

Let me tell you about two people I have watched lead from behind. One very exceptional leader was formed as an activist in South Africa – evidence that we can learn about different leadership styles by looking in unexpected places. The other comes from a traditional setting: IBM.

Iqbal Surve – a South African medical doctor and social activist, who founded Sekunjalo Investments, a black-controlled investment holding company – is proof that it's not just the shy and retiring wallflowers who lead from behind. Iqbal learned how to lead through his experiences with the ANC, where, as a teenager, he was one of the rotating leaders of an 81,000 strong grassroots student organisation.

When apartheid ended, Iqbal was disillusioned to see that political equality did not close the nation's enormous economic gap and decided that pursuing a business career was the best way he could contribute to his country's transformation. Although as a member of the ANC he'd been exposed to the tradition of leading from behind, he found himself moving toward a lead-from-the-front style as Sekunjalo grew. During difficult financial period, however, Iqbal returned to his roots. When it came time to select a new head for one of the company's troubled divisions, he asked the employees of that division to

nominate a slate of candidates, outline a formal selection process, and then choose the next division leader. Iqbal had to persuade some of the board members to go along. But the candidate selected by the employees received management's unwavering support, which proved crucial as the company worked through its difficulties.

Do you have to look as far afield as the African National Congress to find such a leader?

Not at all. Consider a project at IBM called the World Development initiative, which is being led by Steve Kloebler, a vice-president for business development and a lifelong IBM employee. Steve's primary job is overseeing the acquisition of companies and their integration into IBM. But in 2006, he had the idea that there might be business opportunities for IBM in meeting the needs of people at the base of the socioeconomic pyramid, which would further one of IBM's corporate values: focusing on innovation that matters for the world. Using some of IBM's social-networking tools – an important enabler of any effort to lead from behind – he put out the word, basically saying, "I'm going to try to learn about this. Anybody interested?"

Steve got dozens of replies from people all over IBM – from different disciplines and different locations – who were willing to work on the projects in addition to their regular jobs. He ended up with about 100 volunteers, primarily in their twenties and thirties, and a project that took on a life of its own. The group drafted detailed one-year, five-year, and 10-year plans, with aggressive targets for revenue and profit as well as for reducing the number of people living in poverty. Members have agreed to carry this additional leadership responsibility from job to job as they advance in their careers at IBM.

So far the group has built extensive external networks and travelled to places such as India, China, and Kenya to see firsthand what sort of business opportunities exist. It has also drafted business plans and presented them to senior IBM management to raise awareness of and get support for the project across IBM. The program is part of a broader set of initiatives IBM has adopted to help employees enhance the skills and expertise they need to become global leaders, which IBM's CEO dubbed the IBM Global Citizenship Portfolio.

And Steve? He has let the team define the project's mission. He doesn't inspire the group with stirring speeches. He's pretty unassuming, actually, keeping a low profile at meetings, often qualifying his comments with "we could do this" or "we could do that". What he has done is create a context in which people in the group can take the lead – while persistently nudging them with gently admonitions. In other words, he leads from behind.

Here's another wrinkle: What started out as a business development initiative has, informally at least, also become a leadership development initiative, one that can help identify and develop new kinds of leaders at IBM who are globally aware, who can link the company's value and culture with its strategy, and who can collaborate with others throughout the organisation.

Will leading from behind become the dominant leadership style?

Clearly, many situations require leadership from the front. In crisis, for example, an organisation needs to react quickly, but if the people in it have not been prepared to do so collectively, a leader needs to step forward and tell them where they are going and how to get there.

What we need is a shift in emphasis. Today, things are changing so fast that often it isn't clear exactly where an organisation needs to go. And the complexity of the business environment makes the notion of the leader as expert irrelevant – no one can be an expert in every area that requires expertise. The more you want to get the best out of a group by letting people use their own judgment and take risks, the more you want to lead from behind.

Besides, we already have a lot of people who are able to lead from the front. We need to develop people who can lead in a different way.

There's one area in particular that calls for leading from behind, and that's innovation. By definition, you don't know exactly where you want to go. And innovation is almost always a collective process, the harnessing of the creative talents of a diverse group. Making such a process work is something I call leadership as collective genius. For the past few years, I've been doing research for a book with Greg Brandeau, the senior vice president of technology at Pixar, and my research associate, Emily Stecker, trying to understand how the leaders of teams with a sustained record of innovation manage to both unleash and harness team members' creativity. We've studied a number of leaders, at various levels in their organisations, in a variety of industries and countries, and have developed some theories about how this works.

What's the relationship between leadership as collective genius and leading from behind?

Well, you won't be able to get one without the other. The people on the teams we've studied are often stars in their own right, and if you try to lead them from the front, they simply won't follow. You have to create an environment in which they are engaged and in which the collective talent of team members is tapped by having everyone take the lead at

some point. That is, you have to lead from behind – although the shepherd metaphor may not work here, because sheep aren't usually thought of as the smartest animals in the world.

Maybe *they've* simply been invisible, their talents and potential unappreciated.

Perhaps! Greg talks about the diverse talents of people in such a group as “slices of genius.” At Pixar, for example, a group with a broad array of both artistic and technological expertise is involved in making a film. The process begins with the director's vision for the film, which he inspires the group to bring to life on the screen. Along the way, individuals from throughout the company collectively shape the director's vision. Someone might have a great idea for, say, the story or the animation or how to do some special effects. These suggestions are critiqued by the team. Over the course of the project, a network of ideas emerges that wasn't available to the director when he started out. For instance, some of those ideas involve cutting-edge technology that can be developed only in real time as the project progresses. The final product is the result of team members' collective genius.

What else are you learning about how collective genius can be leveraged to foster innovation?

I should say that we're still in the middle of our research and don't have definitive answers. But as one Pixar executive puts it, “You have to create a world in which people want to belong.” One key is getting the stars you've brought together to realise that their collective output can be more than the sum of their individually impressive parts.

Take Pentagram, the award-winning multidisciplinary international design firm. The partners are rock stars in a variety of disciplines. Normally, you don't think of stars playing well together. In fact, there are very few global partnerships in any industry that have had the sustained success Pentagram has had. But Pentagram has taken great care in designing its partnership so that stars can learn together and raise the quality of their individual and collective work. The Pentagram partners have built a culture of equality – in one profile of the company, the author writes about its “socialist ethos.” But believe me, they are capitalists. They just understand that the kind of interaction necessary for exceptional work – what my colleague Dorothy Leonard calls “creative abrasion” – requires a culture of mutual respect and trust. And they realise that working with people from other disciplines will allow them to get better at their own game, in their own area of expertise. One of the partners, graphic designer Kit Hinrichs, calls the work environment “postgraduate education.”

What can companies do to create the kinds of leaders we'll need in the future?

The first step, of course, is not to let preconceptions about the way a leader looks and acts blind us to people with leadership potential. I once wrote about a woman named Taran Swan, who worked for Nickelodeon Latin America. During presentations to senior management, she would include members of her team, who, after a brief overview from Taran, each presented information while she sat on the side. She spoke only to offer support or clarification.

She got pulled aside by a supervisor and told "You're making a career mistake. You're not going to get ahead if you do this. It would be better if you came by yourself and made the presentations." And she said basically, "But it's not my work – it's our collective work. So I'm bringing the key people together here who actually did the work. It's motivating to them and important to their development. They deserve to get credit for it. And in certain instances, they can answer your questions better than I can." His reply was, "Okay, but you're paying a price." In his eyes, Taran wasn't behaving like a leader. Under her direction, however, her team built a strong presence for the channel in Latin America and met its overall budget in an extremely volatile market.

All too often, little things – taking the lead in a presentation, appearing to know more than you do – are still seen as markers of leadership potential, when in fact they may represent traits that are the opposite of what we need in a leader today. If we're trying to identify people who can lead from behind, we must be on the lookout for other indicators – for example, the extent to which individuals on a leader's team are taking risks or the willingness of leaders to ask for help from the people on their team.

Let me emphasise something here: I'm not saying that if you simply go out and find the right people, your leadership problems will be solved. It's not just about selection; it's about development. Leaders of the future must be nurtured by *their* leaders, who need to make space and provide opportunities for their team members to grow and lead.

Will leadership development, like leaders themselves, need to be different in the future?

In some ways, yes. For example, people will benefit from programs that require them to deal with challenging situations – say, struggling to accomplish tasks in unfamiliar cultures – that are quite different from traditional leadership crucibles. Two people on Steve Kloebler's team at IBM came back from a trip chastened by how difficult it was to develop

cost-effective ways to implement in an Indian village the business plan they had devised in New York, given logistical, language, and other barriers.

People may also acquire lead-from-behind skills working in volunteer settings. The experience of the people on the IBM team – learning to get work done with a diverse group of peers who are volunteering their time for a team that has no designated boss – will be different from the early career experience of working on a project team at, say, McKinsey. Experiences where people work with others who are different from themselves and in settings that are unfamiliar, can be truly powerful opportunities for learning.

IBM's project hints at the potential of ad hoc, flexible approaches to leadership development. Most leadership development programs follow a planned trajectory: People are selected to participate at particular stages in their careers as they move up the organisational ladder. Steve's program was "come one, come all."

Perhaps the voluntary nature of the program is its most significant characteristic. Not only do people get the experience of working and leading a collaborative setting, one in which common and deeply held values hold the group together, but also they self-select as potential leaders.

And this may be one of the best ways to identify tomorrow's leaders: Let people who might otherwise be invisible to the organisation because they lack conventional leadership traits make themselves visible. If IBM managers had selected people for the program from their pool of identified high-potential employees, would the makeup of the team have been the same? Maybe, but I am not sure. One thing is certain: The people on this team are inspired by its ultimate mission and aspire to get where they need to go, whatever the path they collectively end up taking.