

The Leadership Odyssey

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Summary. A paradox of business is that while leaders often employ a hands-on, directive style to rise to the top, once they arrive, they’re supposed to empower and enable their teams. Suddenly, they’re expected to demonstrate “people skills.” And many find it challenging... [more](#)

Executives have always been—and always will be—expected to produce results. But today they’re expected to produce them in a fundamentally different way. Gone are the days of the heroic individual leading from the front. Instead, in most corporations decision-making has become decentralized, and leaders are now

supposed to empower and enable their people. Because of that they've had to give up considerable control. As Raffaella Sadun and her colleagues reported in this magazine (see "The C-Suite Skills That Matter Most," July–August 2022), people skills—often described as "soft skills"—are now especially critical for leaders.



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We've observed ample evidence of this new reality in our work as researchers, coaches, and leadership advisers. And we've also observed that executives are having a hard time adapting to it. For starters, the terms "soft skills" and "people skills" are used to refer to a wide range of competencies and capabilities, leaving many executives confused about what exactly they entail. (For more on this, see the sidebar "What Kind of People Skills Do You Need?") In addition, few aspiring CEOs entering the succession process have mastered the complete array of these skills, and few newly appointed CEOs have them fully ready to deploy. That shouldn't be surprising. No leader who has built a career on making expert contributions and exercising hands-on control can be expected to make the leap overnight to a people-centric style.

What Kind of People Skills Do You Need?

Leaders need to work effectively with people in small groups, across networks, and across the organization. Here are the skills most important in each situation.

Yet reliable information about how to acquire people skills is scant. To find out more—about what skills executives struggle to learn and what learning strategies pay off—we analyzed assessment, development, and interview data gathered by Spencer Stuart, one of the world’s top leadership advisory firms. Most *Fortune* 500 companies partner with advisers like Spencer Stuart to discover and develop succession candidates, so this data can be considered strong evidence of today’s leadership requirements.

In our analysis we studied 75 CEO successions, involving 235 candidates, that took place at large-cap companies in the United States and Europe from 2009 to 2019. Forty-seven of those companies were public. We examined the correlation between CEO skills and firm performance, as measured by shareholder return, revenue growth, and operating margins. We also interviewed a subset of leaders about their development experiences to understand the variety of styles they used to deliver results. In doing so we looked for evidence of strengths and developmental opportunities along the spectrum between

directive and empowering styles. We also studied the executives' ability to work through networks and to enhance organizational performance by instilling and leveraging people skills.

In this article we'll outline our findings. First, showcasing the stories of several of the candidates in our study, we'll describe the extended journey that most aspiring CEOs must go through to properly develop the people skills necessary for leadership today. Then we'll lay out a few guidelines for anyone embarking on such a journey. (We've disguised the identities of the people whose stories we share, at times combining them to protect their privacy and capture the full range of experiences we observed.)

A Three-Stage Journey

How can leaders who fall short on soft skills develop a more enabling style?

The primary lesson we gleaned from our interviews is that there's no one moment when everything snaps into place. People love stories of sudden conversions, which exist in every culture. Think of the biblical story of Saul, who suddenly became the Apostle Paul after being struck blind by God on the road to Damascus. However, most transformations don't happen this way. Instead they involve wandering and uncertainty, inner battles, and protracted periods of personal struggle. A better analogy might be the story of Odysseus, who had a long and arduous journey back to Ithaca from Troy.

So it is with broadening your repertoire of people skills. It's not a single event but an involved process that unfolds over time, often uncomfortably, with many twists and turns. That said, there are predictable stages and challenges along the way.

The first stage is the *departure*, during which the leader recognizes the need for a change and deliberately starts to leave behind familiar ways of working. The second is the *voyage*, a time of transition during which the leader encounters obstacles and

trials that teach important lessons and open the path to transformation. Finally, there's the *return*, during which leaders arrive at a new understanding of who they are and what kind of leader they want to be and start to transfer what they've learned to others.

Now let's explore each of these stages.

The Departure

Leaders alter their habitual—and successful—ways of doing things only when they become aware of a gap between where they are and where they want to be. The catalyst might be a particular event or feedback from colleagues or coaches. But usually people embark on a concerted effort to change only after multiple experiences and conversations make them realize that their behavior is impeding outcomes they care about.

Take Flavio, who worked as the general manager of engineering at a major technology firm before becoming its COO and then its CEO. In his role as general manager, Flavio was eager to enhance the ways that his sales teams positioned products and to increase sales. In his view they weren't getting products to market fast enough, so he drove them harder and harder. Soon he began to hear that people felt he was pushing his own agenda instead of the company's—but he dismissed that as the grumbling of those resistant to change. Then colleagues he respected began to withdraw from conversations with him—including people whose support was critical. His behavior, one former team member told him candidly, was alienating the very people he needed to make his go-to-market strategy work. An executive coach helped him understand the core of the problem—he wasn't crafting strategy jointly with others—and acknowledge the urgent need to change.

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The impetus for change can come in other ways. We've often seen executives emulate bosses with more-developed people skills—usually in the context of an organizational shift toward a more empowering culture—and discover that their new behaviors help them achieve valued results.

That's what happened with Rajiv, a newly appointed divisional CEO. Rajiv's boss, the company's CEO, had launched an initiative to instill a culture of collaboration and psychological safety in his leadership team, which included Rajiv. Keen to follow the lead of his boss, Rajiv replicated the effort with his own unit. Though he initially did so in a perfunctory, "tick the box" manner, he was surprised to find that he and his team were having more-open conversations. He also began to receive candid feedback on his leadership style—which, he learned, instilled fear and encouraged silence. Rajiv turned to an external coach, assuming the "fix" was a simple matter of picking up better listening skills. But the coach helped him recognize a big disconnect between how he saw himself and how others saw him and made him see how deeply rooted, pervasive, and alienating his controlling tendencies had become. His "aha!" moment—the real beginning of his journey—came when he realized just how much time and effort he would have to devote to improving the way he worked with others.

In our experience many leaders underestimate the extent of change required and need the help and perspective of a trusted partner—an adviser, a mentor, or a coach. Not all of them reach the departure stage. And the ones who do embark on a genuine voyage of discovery will need humility, self-awareness, patience, and resilience to complete it.

The Voyage

Having watched many leaders move through this stage, we've found that those who succeed engage in three key practices.

Creating a new context for learning. Executives tend to pursue two main kinds of learning as they work on changing their behavior. One involves putting themselves in situations where they have no direct authority and so are compelled to develop a more indirect, empowering style. We call this *outside-in learning*.

Outside-in learning can be particularly helpful for CEO candidates whose leadership style is firmly rooted in holding people accountable, driving performance, and achieving results. Such leaders often have a hard time experimenting with a new style while working with teams that are familiar with their old one. By taking on roles or projects outside their own areas—roles in which they have no history and must adopt a collaborative manner—leaders can develop people skills to use later with their own teams.

Take Karen, a leader in a big industrial firm who had worked her way up through the hierarchy by cultivating a directive leadership style. With every promotion, Karen had taken on additional responsibilities, but when she finally moved into a C-suite position, she realized she wasn't well-known outside her division and didn't know how to lead people who weren't her direct reports.

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Luckily, at around that time she took on an external board role that gave her an opportunity for outside-in learning. The board meetings demanded that she and her fellow directors navigate complex multistakeholder situations with competing interests, and to do that work successfully she had to learn how to exert influence without authority—for example, by asking questions and probing for desired outcomes. She was able to sharpen those skills further when, in addition to her new role in the C-suite, she was asked to lead her firm’s diversity, equity, and inclusion efforts.

Those experiences helped Karen become the kind of leader that she knew she needed to be. Even so, the transition was difficult: Working under the pressures of her new role, she found herself at times striving to control even minute aspects of the tasks at hand, an old habit at odds with a more inclusive style of leadership. In those moments the outside work she was doing helped her avoid ingrained patterns and maintain her focus on empowering others.

Leaders can also transform their style by taking skills that they’ve developed within their own teams and subunits or even in their personal lives and using them more broadly. We call this *inside-out learning*.

Consider Alex, a recently promoted C-suite executive in an industrial company. For years, Alex had been struggling to adopt a softer style. His drive to succeed often made him feel the need to control outcomes, and at times he was perceived as competitive, highly strung, and overbearing. His opportunity for inside-out learning started at home, where he and his wife were working on developing a collaborative parenting style that would allow them to support their son through his difficult teenage years.



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When Alex took on his new C-suite role, he realized that some of the skills he was cultivating with his family—active listening, recognizing and managing his own emotions, asking more than telling—might be useful to him as a leader, so he tried them out. The feedback he received was positive, and he kept going. Previously, he had sought to push his unit’s interests over those of his peers’, but now, gradually, he started seeing win-win opportunities. What he had learned on the inside, in his personal life, helped accelerate his journey.

Enlisting helpers. At every stage in the development journey, you need partners who can hold you accountable, provide honest feedback, help you connect the dots, and hold up mirrors revealing your true nature. Odysseus would never have been able to make it past the Sirens on his own.

Kevin, the CEO of a large financial firm, is a case in point. He joined the firm five years before being appointed CEO. At his old firm, where he had been the head of the finance function, he had developed a reputation for having sharp elbows. But his new firm prided itself on a culture of mutual respect and warmth, and in that context his style was jarring.

When the firm began its CEO succession process, Kevin's stellar results made him an obvious candidate. But his firm's head of HR made it clear that he'd never get the top job unless he improved his ability to consider and include others' views. With stakes that high, he began working on his people skills in earnest. As is often the case with smart, ambitious people, Kevin was able to adapt enough to get the top job. But the changes he made were superficial, representing his "best" but certainly not his "everyday" self. Once in the CEO role, he regularly found himself falling into old patterns.

To *really* change, Kevin realized, he needed the help of others. He started by setting up an accountability system with an external coach, who in regular sessions worked with him to form new habits and understand what triggered his domineering tendencies. He also asked a small group of trusted colleagues to call him out on his old behaviors. Initially, he had a difficult time getting honest feedback from the people in his inner circle because they were afraid of upsetting him. So he started working to create greater psychological safety. He began regularly expressing gratitude for feedback, making a point of identifying aspects of it that he particularly appreciated, even if he disagreed. That simple technique set a virtuous cycle in motion: The more he allowed his team members to help him, the more they were willing and able to give him support.

Persisting through (and learning from) setbacks. The line to the finish is rarely straight. As the stakes get higher and performance anxiety flares up, executives often fall back into the old style that made them successful for years. Alternatively, they demonstrate only a naive understanding of their new skills, which produces less-than-optimal results. Two steps forward, one step back. The adaptation journey almost invariably involves backsliding and overshooting. To keep going, you need to focus on small wins.

One new CEO, Maria, was eager to fully empower her team but fell into the trap of delegating ownership of too many decisions. At two weeklong strategy off-sites with her top 30 leaders, for example, she hoped to co-create a new strategic direction. She was aware that the last time she had tried to give her team more authority over wide-ranging decisions, it had accomplished little—and its members had felt frustrated by what they perceived to be a lack of direction. In a conversation with her coach, Maria recognized that a better approach would be to retain authority over key decisions but gather input more inclusively. The process worked at the first off-site and set the stage for a more freewheeling and productive second session.

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By demonstrating the potential of a new style and eliciting positive feedback, small wins start to shift the leader's motivation from *necessity* (“I need to be a better communicator”) to *possibility* (“I’m working on communicating better because it will help me accomplish my goal”) and *identity* (“I’m working on communicating better because that is who I want to be”). These subtle changes help leaders become more self-reflective and persistent—invaluable traits for anybody trying to define and anchor a new self.

The Return

The moment of return arrives when, after the trials and tribulations of the voyage, leaders at last internalize a more empowering leadership style, see it as a genuine reflection of their

new selves, and can employ it across the board in their professional lives. Their learning is far from finished at this point, but it has become self-sustaining.

To be clear, there's no "best" style. Leaders must always exercise judgment about when to be more directive or more enabling. We've seen several instances of executives veering too far in an inclusive direction when a more commanding one was called for. But when leaders are equipped with a broader repertoire and hard-won insights about the impact of their behavior, they're better able to flex in response to what's needed. Paradoxically, as their capacity to be more empowering evolves, leaders can more intentionally—and effectively—use a directive approach in situations that call for it.

What Best Predicts Success as a CEO?

Hint: It's not how well candidates have delivered results in the past.

The successful CEO candidates in our sample scored higher than the unsuccessful ones on three dimensions:

A second marker of having entered the return stage is a desire to share and amplify your learning. This is critical because it increases your organization's capacity for developing its workforce.

Three examples come to mind. One executive implemented a long-term succession-planning process to ensure that up-and-coming leaders would have the opportunity to learn how to exert influence without authority. Another executive, a lawyer who led one of his firm's biggest practices, realized that his firm's performance-management system was impeding the kind of developmental discussions that he had benefited from, so he worked with HR to overhaul the entire system. A third executive realized that the way his organization conducted quarterly business reviews didn't lend itself to the introspective conversations he had come to value in his adaptation journey. So he revamped the process to encourage others to own their mistakes and make themselves vulnerable for the sake of learning.

Starting Your Own Journey

Most high-performing executives today intellectually “get” the case for better people skills and know that their well-honed directive styles have significant downsides. But learning and sticking to new habits and skills—especially under pressure—demands commitment and effort. Here are a few tips to help you get on your way.

Know what you're in for. At the outset upping your people skills can seem simple enough. But people who lack knowledge or experience often overestimate their own competence—the notorious Dunning-Kruger effect. And even experienced managers tend to believe they're better at coaching than they really are. So it's important to develop a realistic sense of the time and effort required to genuinely adapt your style. Knowing what milestones to look out for—such as early wins and recovery from a setback—can help.

Map out your learning agenda. Remember that you might need to work on your skills in particular settings. You might be great at collaboratively navigating complex multistakeholder situations

where you have no direct authority over those you're working with, but have a hard time doing the same with your own team. Or you might excel at listening and fostering psychological safety with your team but find yourself unable to leverage those interpersonal skills to get things done with your peers across the organization.

Once you've identified a strength that you want to develop, experiment with using it in different contexts. Recall Karen, whose roles on an external board and heading her firm's DEI initiative helped her learn to exert influence without having direct authority. Her experience was akin to that of many executives we've worked with: Only after they gained perspective in a new project, role, or setting did they truly understand the meaning of developmental advice they had received—one reason that temporary assignments, side projects, and job rotations can be such effective triggers for transformation. It's hard to change if you just keep doing more of the same.

Create space for learning. Carving out regular time for reflection is a simple way to speed your progress, capitalize on small wins, and learn more from your inevitable setbacks. But this sort of daily exercise works best if you also periodically pause to contemplate the big picture. As Ron Heifetz of Harvard's Kennedy School has put it, it's important to spend time “down on the dance floor” and “up in the balcony.”

Two of the aspiring CEOs in our study used the strategy of regular reflection very effectively. One spent her 20-minute ride to work every morning thinking about the interactions of the previous day and defining one learning intention for the day. The second blocked out a regular time in his week to reflect on his successes, failures, and challenges as a leader. He also used that time to seek feedback from his colleagues, often by asking them such questions as “What did you see me do/hear me say?” and “What would you like to see me do/hear me say?”



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Learning requires you to recognize the patterns you fall into. Kevin identified his by writing in a journal about the many situations in which he could have been more appreciative and less hard-charging with colleagues. Later he would analyze those situations in detail—and visualize other ways of responding. A coach helped him recognize that his abrasive self often emerged when he felt impatient, so they developed a plan: Whenever he sensed his impatience rising, he would press each fingertip with his thumb before responding. Just creating that small space between stimulus and response helped him react as he intended.

Don't go it alone. Coaches and mentors outside your normal reporting lines can be very helpful, but you'll also need to rely on close colleagues and in some instances even your family or friends—people who can hold you to account and offer in-the-moment feedback in ways that nobody else can.

With that in mind, select a couple of colleagues you can trust to provide you with honest feedback and ideas for improvement. By doing so, you'll demonstrate your commitment to becoming a better leader. You'll also make clear to those around you that you care, which ensures that when you slip up, as you inevitably will, you'll get help and the benefit of the doubt. But watch out: When you ask for feedback, be prepared to follow up on it. We've found that the leaders most likely to fail in their adaptation journeys are those whose colleagues tire of giving feedback because nothing seems to come of it.

More than ever, we need leaders who can harness ingenuity and foster engagement. At the top level of organizations, success requires a broad repertoire of people skills that make it possible to lead others indirectly on a large scale. For many executives, gaining them will involve a journey of transformation, one that's likely to be longer and more difficult than they'd imagined—but ultimately also more rewarding.

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