

**'Real advice to help you become
a skilled and authentic leader.'**

Ian Powell, Chairman and Senior Partner,
PricewaterhouseCoopers, UK

INSIDE THE LEADER'S MIND

**Five ways to
think like a leader**

Liz Mellon



PUBLISHING
FINANCIAL TIMES

Praise for **Inside the Leader's Mind**

'I believe in leadership books that offer practical advice. *Inside the Leader's Mind* achieves this in three ways. It allows aspiring leaders to share the real experiences of successful CEOs and chairmen and women. It also raises awareness of the issues that new leaders will face, and it's always better to go into new situations with your eyes wide open. And finally, and most importantly, it offers real advice on how to build your own authenticity as a leader. This book doesn't tell you how to be like someone else, who is already a famous leader. It helps you to become a skilled and authentic leader in your own right. For me, this ranks alongside Goffee and Jones' book *Why Should Anyone Be Led by You?* in its capacity to offer helpful guidance to leaders.'

Ian Powell, Chairman and Senior Partner,
PricewaterhouseCoopers, UK

'At blackswan, we believe in business transformation through innovation. This fresh look at how a leader thinks hits squarely into our own belief system. Unless business leaders are comfortable with the uncertainty and risk taking that underpin successful innovation, nothing changes. *Inside the Leader's Mind* addresses this head on. These five ways of thinking like a leader are so obvious it is a wonder someone hasn't thought of them before. Follow this advice and you will become a better leader.'

Maurice Duffy, CEO, blackswan

'Leadership matters in all walks of life, from companies to NGOs to nations. It makes a difference. For me, the most important message in *Inside the Leader's Mind* is that leaders need a solid core; a reserve of instinct, experience and integrity that lead them to do the right thing.'

Phumzile Mlambo-Ngcuka, Former Deputy President of
South Africa

chapter 3

Comfortable in discomfort

Dr Arthur Jensen is a Professor Emeritus of educational psychology at the University of California, Berkeley. You become an Emeritus Professor if you have contributed so much intellectual capital to your research area that they never want you to retire. It's like having a permanent key to the boardroom. Dr Jensen is a somewhat controversial figure (he believes that genetics trump nurture in how we end up as human beings) and has published over 400 scientific papers. In 1981, he published a book setting out his research showing that executives tend to have an IQ of 125 or above, putting them in the top 3 per cent of the population.¹⁴

You are in this band.

You are decisive. You have a capacity for data and synthesis. You can hold a lot of information in your head and analyse it to draw conclusions. You may even have an MBA degree, in which case you have certainly learnt the black art of 'scientific' analysis. You can crunch the data, find the flaws and make the call. And if there isn't enough data, you have learnt the hard way to hold out for more. Sometimes, you feel it's too early to decide and so you set about gathering more information for dissection. You are looking for patterns and trends that give a hint to the future and you are good at it. Not everyone can see 'the matrix', the themes inside the data, but you can. You have the horsepower.

This chapter introduces the second way of thinking, a new trick. To have the courage to take the decision when you don't have all the information, when you are struggling to find the answer but you know that you have to move – now. And to live with the discomfort it brings, the uncertainty, the nervousness, the tension. And not to mind. Think *comfortable in discomfort*. This story describes it.

Meeting the CEO

The room is packed and it's hot. People at the back open the door to let in the cool night air and the exotic sounds of the African evening seep in alongside. Nothing breaks the concentration in the room. For some, it's the first time that they have met their CEO and they are intent on understanding more about the strategy and their role in it.

They are also intent on understanding more about him. The company has global ambitions and has been expanding internationally through acquisitions, throughout Africa, but also as far afield as Argentina. These executives want to see if their CEO has the mettle to lead them. You can hear it in their questions. Some are thinking 'what does a South African know about Argentina?'

Ambitions for expansion

Jacko Maree, the Group CEO of Standard Bank, has been CEO for over 10 years and is highly regarded in South Africa, both within and outside the bank. Why? Because he takes his role in helping to build South Africa as a nation seriously and he is successfully taking Standard Bank global. Both of these help to put South Africa on the map.

Jacko's current strategy is to move from a comfortable and successful South African bank, to leading a complex organisation that spans the Urals to the Andes. As we heard

briefly in Chapter 2, his bank is also one of the early adopters of the accelerating South–South connection. This is the growing trade and partnership between companies based in the Southern Hemisphere, for example between Africa and China. The largest deal in South Africa was when the Industrial and Commercial Bank of China (ICBC) paid 5.5 billion Rand for a 20 per cent stake in Standard Bank in 2008.

The deals being struck are big. In June 2010 the Chinese state firm Jinchuan invested almost 900 million Rand in the platinum industry through a 51 per cent stake in Wesizwe. Standard Bank, South Africa's largest bank by assets in 2010, is at the head of this wave and reaping the commercial benefits. In August 2010, the bank signed two agreements to be financial advisor to two giant Chinese companies, the China Railway Group and Guangdong Power Company. Jacko says: 'There has been no question that we have now a completely different interface with China than we had before. For us, the immediate short-term opportunity is to help Chinese companies, most of whom are developing some kind of Africa strategy.'¹⁵

This series of 'firsts' has taken Jacko Maree well into the discomfort zone.

Like many other CEOs, his intellect distinguishes him, but more than that, he is quite simply a happy man. He has a healthy, rosy complexion and he smiles most of the time. He loves engaging in debate and he has a clear and certain view of the world that he communicates easily. He is dedicated to Standard Bank and employees respect him. Jacko answers question after question; he is relaxed, warm and affable, but you can hear the sharp intellect that whirrs just underneath. Over 10 years as CEO has given him plenty of practice with these events.

The diversity in the room is unexpected at this senior level, where often organisations find the room full of executives that represent only the country of origin.¹⁶ Here we have South

Africans, Argentinians, Russians, English and Nigerians among others. The questions probe thick and fast: why this investment, why that move, what did that decision mean? It's not just that he's comfortable under this quickfire onslaught; this is how he thinks about the business.

I recall his words from one of our many conversations over three years of working together. 'Often I don't know where I am going. Being comfortable in discomfort is a critical dimension for a leader. There is lots of grey, lots of ways to solve a problem, often no one way is right. You live with the problem for a while. Most people can't deal with this, they are always looking for THE answer. You are checking your gut feel, if it fits with the company, getting other inputs. You need self-confidence to be comfortable here. I was a mathematician. This has come to me with maturity.'

What is *comfortable in discomfort*?

Let's unpeel some of the layers here. Jacko thinks being comfortable in discomfort is a critical dimension for a leader, so that's a big tick for the concept itself. He is also, unknowingly, laying out some of its foundations that are found in more detail in this chapter. He tells us that he doesn't always know where he is going and he has to live with the uncertainty. How does that sit with the leader's job of having a vision and giving the organisation direction? Especially if he's right and most people can't live with the uncertainty, they need to hear the answer (from him) straight away. He thinks that there's lots of grey and not one right answer.

Jacko's first degree was in economics, accountancy and mathematics. So he explains that he has grown into this way of thinking over the years. You can imagine that a young mathematician might not have been so comfortable with the possibility of multiple potential answers. That's a big shift