

THE OUTSIGHT PRINCIPAL

BECOMING A BETTER LEADER FROM THE OUTSIDE IN

By Herminia Ibarra

Effective leaders are highly self-aware, purpose driven, and authentic. But how did they get to be that way?

Conventional leadership thought would have us believe that outstanding leaders develop through introspection and self-reflection. Looking inward, we are told again and again, is the key to becoming that outstanding leader.

My research shows just the opposite. The more successful we are, the more vulnerable we are to insular mind-sets that limit how we define our work, our businesses, and ourselves. And, the business world around us is changing rapidly. Chances are you just don't have what you need to know to lead into the future "inside" you. So, paradoxically, too much self-reflection can anchor you rigidly in the past instead of preparing you for the future.

What leaders need instead is what I call "outsight"—the fresh, external perspective that comes from doing new and different things and interacting with new

and different people. Outsight reveals the relevant trends that affect your company's role in an evolving ecosystem and shapes your ambitions about what is worth doing. Increasing "outsight" means taking your nose off the grindstone, leaving your comfort zone, and experimenting with new ways of getting things done. It creates change by "doing," generating new material for later reflection. Table 1 outlines the difference between outsight and insight.

The outsight principle is not new. Aristotle observed that people become virtuous by acting virtuously. A wealth of social psychology research confirms his insight, demonstrating consistently that people change their

Insight	Outsight
• Internal knowledge	• External knowledge
• Past experience	• New experience
• Thinking	• Acting

TABLE 1. THE DIFFERENCE BETWEEN INSIGHT AND OUTSIGHT

minds by first changing their behavior. As management guru Richard Pascale summarizes it, “Adults are more likely to act their way into a new way of thinking than to think their way into a new way of acting.”

Likewise, my research on how managers step up to bigger leadership roles finds that only by doing different things do you become a different kind of leader. Let’s examine three areas in which acting to increase oversight can deliver powerful leadership outcomes:

1. Working more strategically
2. Leading innovation
3. Tackling your “fatal flaws”

Working More Strategically

Most executives I meet believe that if they could only set aside a few hours each week for uninterrupted thinking, they would have more and better strategic ideas. But because they are swamped by the routine aspects of their work, thinking about strategy seems less pressing than their “to do” lists . . . until the future is here and it demands change fast.

An alternative to carving out more thinking time is to reengineer your job so that it gives you continuous oversight. That means making daily choices about what to do and where to invest limited time and resources, choices that prioritize gaining an external perspective and playing linchpin roles. Strategy thus becomes a way of conducting one’s daily work life, not something we carve out time for periodically and certainly not something executives do once a year at a strategic offsite.

Applying an “outsight” strategy will transform you from being a “hub” around which all internal activity centers—for example, setting goals, assigning tasks, monitoring progress, and creating a climate conducive to teamwork—into being a “bridge” between your group and its external environment, for example, aligning your team’s goals with organizational priorities, getting support from key allies outside the team, funneling critical outside resources and insights into the team, and enhancing the visibility of the team.

One example of successful “bridge” work lies within British Petroleum’s (BP) Gas, Power and Renewables Group, once headed by Vivienne Cox. Cox chose a “number 2” to run the day-to-day operations while she focused on strategy; specifically, what was to be done with “renewables,” which at the time consisted of futuristic peripheral businesses such as wind and solar energy and hydrogen gas. A neophyte on alternative energy, Cox canvassed her network of outsiders to better understand both the business environment and innovations affecting the potential of alternative energy. She came away with a sense of urgency to move away from BP’s purely petroleum-based business model. Selling her emerging notion of the importance of low-carbon power to then-CEO John Browne took as much time and effort as her research. “It’s the socialization of facts and ideas,” says Cox. “Creating a buzz.” Her vision of the organization didn’t emerge from thinking time shut up in her office, it took form with time invested talking to diverse parties across organization and industry boundaries.

Table 2 outlines two contrasting roles leaders play. When you play a hub role, your team and customers are at the center of your work; when you play a bridge role, as Cox did, you link your team to the rest of the relevant world. Both roles are critical. When people rate the effectiveness of leaders, guess which ones come out on top? The bridges. Leaders who focus on the right-hand column outperform the leaders on the left at nearly every turn.

Cox redefined her role to give herself more time for “outsight” gaining perspective by researching and developing nascent ideas that, in the case of BP, have turned out to be industry imperatives.

Leading Innovation

In no arena is oversight more critical than leading innovation. In the old world of silos and solo players, leaders had access to everything they needed under one roof. But things have changed: the world has become much more interconnected, and if executives don’t know how to tap into the power of those connections, they’ll be left behind.

Hub roles	Bridge roles
<ul style="list-style-type: none"> • Set goals for the team 	<ul style="list-style-type: none"> • Align team goals with organizational priorities
<ul style="list-style-type: none"> • Assign roles to your people 	<ul style="list-style-type: none"> • Funnel critical information and resources into the team to ensure progress toward goals
<ul style="list-style-type: none"> • Assign tasks 	<ul style="list-style-type: none"> • Get the support of key allies outside the team
<ul style="list-style-type: none"> • Monitor progress toward goals 	<ul style="list-style-type: none"> • Enhance the external visibility and reputation of the team
<ul style="list-style-type: none"> • Manage team member performance; conduct performance evaluations 	<ul style="list-style-type: none"> • Get recognition for good performers and placement in great next assignment
<ul style="list-style-type: none"> • Hold meetings to coordinate work 	
<ul style="list-style-type: none"> • Create a good climate inside the team 	

TABLE 2. ARE YOU A HUB OR A BRIDGE?

The problem is that our networks, left untended, tend to be as “siloed” as our formal organizations. Most people get their advice, information, and support from a narrow range of “usual suspects”—people they may trust but are too much like them to provide insight. The result is what I call “narcissistic and lazy” networks made up of people like us and people we bump into on a regular basis because we share geography and common activities—precisely the kind of network that stifles innovation and breeds “groupthink.”

In his bestselling book *The Tipping Point*, Malcolm Gladwell used the term “connector” to describe individuals who have many ties to different social worlds. It’s not the number of people they know that makes connectors significant; it’s their ability to link people, ideas, and resources that wouldn’t ordinarily bump into each other. My research shows that business leaders can also develop this capacity and use it to lead innovation in their firms by building networks characterized by what I call the BCDs (breadth, connectivity, and dynamism) of network advantage:

Breadth:—How Diverse Is Your Network?

The place to begin is by ensuring that your network has the requisite variety. That means forging relationships that span organizational boundaries, functional specialties, and levels of seniority and, perhaps more important, lateral relationships with people outside your organization. Redefining your job to make your

daily activities more strategic will go a long way toward diversifying your network, as it necessarily puts you in touch with a more diverse set of stakeholders.

Connectivity:—More Than Six Degrees of Separation?

The fewer degrees of separation between any two people in your ecosystem, the easier it is to access the resources you need; *but* you all may be accessing the same limited pool of resources. Sociologists call this property of networks “density,” an insular condition that exists when most of your contacts, no matter how diverse they are, know each other. Innovation leaders avoid this kind of network inbreeding, working to reach out to new, unconnected social worlds so as to learn from them and link them back in to their organization to foster new ideas.

Forge relationships that span organizational boundaries.

Making a Network Future Facing

A financial services firm executive, Pam, realized that she was unprepared when her job became more externally facing. “I was fairly well networked internally and within my region,” she told me, “but I had no external network or external points of connectivity, and I don’t think I understood the value of those external points.” Never one to give much thought to whom she knew, she realized the time had come to build a new network systematically. Here are the steps she followed:

- Identify twenty to twenty-five key stakeholders you wish to stay connected to in a meaningful way.
- Assign these contacts into key categories:
 - Most-senior clients.
 - Most-senior people in your company.
 - Most-senior hedge fund people and competitors.
 - Most-senior service providers (e.g., lawyers, accountants).
 - Most-senior women in financial services.
- For each category, select the three to five people you want to stay connected to.
- Decide how frequently you will reach out to each contact.

Dynamism:—Is Your Network an Historical Artifact?

You may be changing jobs, firms, even countries, but if your network doesn’t keep pace, it’s holding you back. Joel Podolny, former head of Apple’s human resources, calls the tendency of people’s networks to evolve more slowly than their jobs’ “network lag.” Making your network more future facing means continuously building out toward the periphery of your current network, making new connections and strengthening ties to new acquaintances who may be relevant to the evolution of your business or your own

career reinvention. The case study above outlines the method one financial executive used to do just that.

Innovative ideas and creative means for putting them in place do not blossom in a vacuum, nor do they grow out of collaborations and discussions within your habitual social circles. Being an innovative leader is as much about the company you keep as it is about what you do. Good company generates good, new ideas; as Steven Johnson, author of *Where Good Ideas Come From*, puts it: Chance favors the connected mind.

Tackle Your Fatal Flaws

Many executives realize that they need to revamp their leadership styles to succeed in today’s business environment. But changing one’s habitual way of interacting with others isn’t easy. Often we are blind to behaviors that are working against us.

Let us take for example, the famous duo of Steve Jobs and Jony Ive, the legendary Apple designer. Tired of seeing colleagues crushed again and again by Jobs’s uncensored criticism, Ive gave Jobs some feedback on

Innovative ideas do not blossom in a vacuum.

the negative consequences of his style. But, Jobs saw his own behavior much more positively, according to Ian Parker in a recent *New Yorker* profile of Ive: his words might be harsh but at least people knew exactly where they stood, something that Ive failed to achieve with his oblique comments. For Jobs, Ive's tact was not a positive but a form of selfishness. By remaining ambiguous, Jobs told Ive, "You don't care about how they *feel*! You're being vain, you want them to like you."

Needless to say, Ive did not see himself as a coward driven by a pathological need to be liked, just as Jobs did not see himself as a jerk who aimed to hurt peoples' feelings for sport. Both of them—like the rest of us—suffered from *positive illusions*, the robust tendency to see ourselves in the best light possible.

Positive illusions persist despite negative feedback because we take comfort in our self-awareness—Ive knew that some thought him too nice, just as Jobs knew that many saw him as too critical. Worse, we cherish our problematic behaviors as essential aspects of who we are and how we add value, when in fact they are disturbing fatal flaws for those who suffer the "collateral damage."

Our tendency to assume that the problematic facets of our leadership styles are inextricably bound up with our greatest strengths—a small price to pay for all the benefit we and the team gain—make our fatal flaws extraordinarily resistant to self-reflective methods for personal change. Once again, oversight holds the key to sustainable change.

If you have been using the oversight principle to make your work more strategic and to expand your network, chances are that you are also gaining a useful external perspective on yourself. The self-oversight that you get from people and groups outside your everyday activities often has greater face validity, elucidating the negative consequences of your dysfunctional behavior, and providing role models for how to lead differently. After he was famously fired from Apple, Jobs developed a relationship with Pixar CEO and informal mentor

Oversight holds the key to sustainable change.

Ed Catmull, who provided him with oversight that led him to soften his brutal behavior; in relationship with Jobs, Ive realized that his deep desire to be liked was compromising the clarity of his feedback, ultimately affecting the evolution of his style and values as a leader.

Start Now

Today, more than ever, with technological revolution and digital disruption lurking around every corner, we cannot remain relevant without continuously working to increase "oversight" on our jobs, through our networks, and on ourselves. As Jack Welch famously said, "When the rate of change outside exceeds the rate of change inside, the end is in sight."

New ways of acting may seem awkward at first, even a bit "inauthentic," but it is in reality a dress rehearsal for your future roles, because it is by behaving differently that we start to think differently, not the other way around.

You may not see, as you start branching out beyond your routine work, how the dots connect. You won't know where the journey is going to take you, but "oversight" and these new ways of acting will slowly change the way you think about your work and yourself, giving you fresh material for reflection and urging you to find more meaningful ways of leading at work and in your personal life. We start by doing, we reflect on our experiences, and we rethink ourselves. And we grow.



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