

Essential Operating Principles

There are thousands of ways to run an organization and make decisions, so why do you do it the way you do? Maybe you strongly believe that management is a practice of leading by example, so you try to emulate the most important behaviors for your teams' success, like preparing thoroughly for a customer meeting or leaving detailed comments in a design review. Maybe you believe that no decision should be made without data, so you require all of your teams to conduct experiments with measurable results before they make major decisions. Or maybe you're a master delegator, so you spend most of your time matching the right talent with the right problems, then position yourself to unblock obstacles so that nothing stands in the way of them achieving great results.

Whether you know it or not, you've probably already formed many of your own management operating principles—the guidelines you use to make decisions and get work done. These principles act like a personal value system for how you manage your work and your teams. They're guardrails for your management approach and decision-making. Knowing and understanding how they influence your work can make you a better manager, not least because you can articulate them and help others understand how you work. They'll also guide the way you build and implement your company-wide core frameworks.

Before we dive into these frameworks in the coming chapters, I want to share my own principles. I've relied on many management strategies over the course of my career, many adapted from the work of admirable managers and leaders to whom I and many others owe a great debt. Over time, I've refined the backbone of how I lead into the following principles, and I believe they form the foundation of my success as a leader and a manager:

1. Build self-awareness to build mutual awareness.
2. Say the thing you think you cannot say.
3. Distinguish between management and leadership.
4. Come back to the operating system.

If you believe in authentic leadership, as I do, you know that I can't tell you how to manage and lead in a style that is true to your preferences and behaviors. You will have your own set of principles. Nevertheless, I believe that this short list is a strong foundation. It applies to all styles of leadership and is critical to effective management.

All these principles are about one thing: building trust. If you're not self-aware, how can others trust your feedback about their own abilities and behaviors? If you're not direct with your opinions and judgments, how will people know where they stand and trust that you have their interests in mind? If you're not clear on whether you're managing to a defined goal or charting an entirely new vision as you build a company, how will your team trust that you're leading them to success? And if you don't maintain a foundation of consistency and stability, how will those around you know what to expect?

Patrick Collison, the cofounder and CEO of Stripe, and someone with whom I've had the pleasure of working for several years, recently sent me a link to a post by Ted Gioia entitled "How I Became the Honest Broker."⁸ In a prior career that involved complex dealings with governments and other stakeholders, Gioia learned that the only way to make progress was to find the person whose "influence and power is built solely on a reputation for straight talk and trustworthy dealings": the honest broker who "played the long-term game." It was such a powerful realization that, in his second career as a writer and reviewer, Gioia aspired to become the honest broker for his readers. Patrick remarked that he thought I would relate, which I certainly did. In fact, I was flattered that he'd recognized my fundamental commitment to building trust. Seek to be the honest broker, for your colleagues and especially for your team.

The other tenet I believe in steadfastly is "Know thyself." It's such an old adage—a Delphic maxim, even!—that people disagree on which ancient coined the phrase. It may be counterintuitive to say that leadership, management, and company building all start with self-awareness, but I strongly believe that to be the case. Self-awareness is the most important of my four principles, so we'll begin there.

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1. Build self-awareness to build mutual awareness

Self-awareness is the key to great management. The other three operating principles are much more about functioning in the moment as a manager, but this is the one that underpins them all. By starting with yourself, you can create an environment in which everyone is self-aware—which, in turn, leads to mutual awareness among team members.

Many people think management is about other people. I think management starts with understanding what you're good at and what you need to work on. Your team won't be able to succeed if you can't describe yourself and your contributions. More importantly, you won't be able to build an effective and complementary team if you don't know what strengths you can contribute and what capabilities you lack.

Self-awareness has three components: understanding your underlying value system, identifying your innate preferences—your work style and decision-making tendencies—and being clear about your own skills and capability gaps.

Understand your values

At Google, I worked with a manager whom I'll call Eli. Eli's reports liked working for him, his teams delivered results, and he cared a lot about the company. Eli was a good manager. But we had a problem: He told his team everything. When we were planning a divisional change that would affect many teams, he informed his reports early, making other managers look uncommunicative. When we were working on a new compensation process, he told his reports and introduced uncertainty into the team's dynamic, letting his fears guide his language with announcements like "It's a mess and we don't know our compensation plan yet, so I'm totally stressed." His reports started to feel anxious about the process and rejected it before they'd had an opportunity to learn why we were putting it in place and how it might benefit them. Eli and I had a couple of difficult 1:1 sessions to discuss his behavior. In every meeting, Eli would agree with my assessment of his behavior, but as soon as he left the room he would revert to his old habits. I felt stuck.

Not long after one of these frustrating conversations, my HR partner helped me organize a manager training for my division with Stan Slap, the author of *Bury My Heart at Conference Room B*.⁹ Stan led us through a session on values in which he asked all of the managers to reflect on the values that were important to us and where we thought they came from. He invited participants to come onstage, in front of hundreds of other managers, to share one of those values. Eli raised his hand.

This was the story Eli told: When he was around seven or eight, his mom fell very ill. Later, he would learn that she had breast cancer, but at the time

no one in his family told him what was going on. They wanted to keep things as normal as possible. Of course, things were far from normal, and Eli noticed how much his mother was not herself, physically or emotionally. His mother's condition deteriorated, and she eventually had to go to the hospital. Eli was not allowed to visit her. One day, while his mother was in the hospital, Eli's stepdad came to pick him up from school. They drove to Eli's favorite diner and ordered pancakes. While Eli poked at his pancakes, syrup dripping down the sides, his stepdad told him that his mom had died.

Eli's value was transparency.

That story has stuck with me for a long time, particularly two lessons I took from it. First, you never know someone else's story. When you're finding a report difficult to work with, there's almost always a deeper reason for their behavior that's worth trying to understand. Second, some people don't necessarily understand why they act the way they do. If you don't understand how your actions are driven by your underlying beliefs, you'll never be able to adapt them, no matter how hard you try.

Eli knew that his lack of discretion was not only making it harder for his team to operate but also sometimes harmed the division, as with the compensation process issue. He wanted to do better for his team, but at the same time, withholding information from them felt like betraying his commitment to transparency. He and I both cared deeply about creating a supportive, stable environment for our teams, but his overemphasis on transparency was undermining that goal.

Once Eli became aware of this value and was able to share it with others, including me, we were able to talk about every situation at a meta level. We could negotiate what felt right and appropriate for him to share with his team and his division. By building self-awareness, he was able to contribute to the dynamic of mutual awareness that makes managers—and their reports, teams, and divisions—work successfully. Ultimately, Eli realized that he needed to consult his peers and his manager before he shared critical decisions, and that being thoughtful about communication was a way of caring, not withholding from those he was meant to support.

Understanding what is important to you will help you make sense of how you work, what gives you energy and what saps it, and what might trigger an outsize reaction. With those insights, you'll be able to express your values and understand when they are at odds with one another or with someone else's values. Once you do, you'll be able to use the method that Eli and I used, which is one of my favorites: a conversation about the conversation. When you "go meta," as I like to call it, you can unblock a decision or defuse a situation by saying "What I care about is X because I want to honor my value of Y, and I think you might have a different motivation." When

you get frustrated, you'll be more open to the possibility that your own values are making you a blocker. Then you can develop a path forward, as Eli did. I've included an exercise in the chapter appendix on page 51 to help you get started uncovering your values.

Identify your work style preferences

Once you've started to understand your underlying values, it's time to build awareness of your personal work style and preferences. The most obvious preference is probably whether someone is an introvert or extrovert. Do you gain energy from interactions with others or from quiet reflection on your own? One of my favorite litmus tests is: Do you talk to think or think to talk? Although I'm not a heavy extrovert, I'll be the first to tell you that I talk to think, and that my best work is done in collaboration with others, not alone.

There are lots of other dimensions of preference beyond extroversion and introversion. For example, are you someone who loves to define a process, or are you someone who resists following one? Understanding your preferences will help you play to those strengths in your role. (It's no coincidence that many salespeople are extroverts, while sales ops people, who are typically more introverted, are the ones defining the processes.) More importantly, you'll learn about your potential weak points and which colleagues and team members might best complement the way you work.

Much of building this dimension of self-awareness comes down to paying attention. If you spend even just a few weeks writing down the moments when you feel energized, when you feel drained, when you feel like you're reaching new heights at your job or hitting new lows, you'll start to see patterns. If you have trouble trusting your own instincts, ask someone whose judgment you respect: When have you seen me do my best and worst work? There are also more formal ways to gain a deeper understanding of yourself and others. For example, you can find someone—a manager, coach, or mentor—who can help survey those around you and draw out observations about your preferences.

At a basic level, most work style and personality preference assessments plot you and your team on a continuum from introverted to extroverted and from task-oriented to people-oriented. (See Figure 1 on the next page; the quadrant labels are my own, adapted from assessments I've seen.)

The point of such exercises is not to be deterministic about who you are or how you work, or, worse, to stereotype people, but rather to give you and your colleagues some shared language around your expressed preferences, and to make you aware of some of the opposing poles of those leanings.

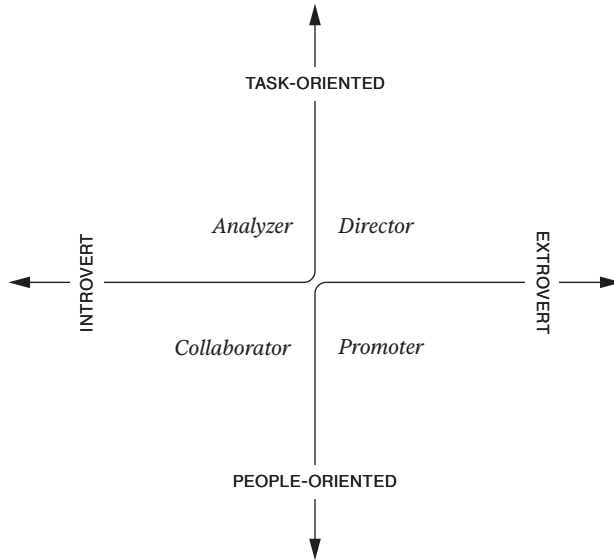


Figure 1. Work style and personality preferences.

With the caveats that it's dangerous to fall into stereotypes and that we're all unique individuals, I think of the main quadrants of all work style assessments this way:

Analyzer (introverted, task-oriented)

Analyzers are very deliberate about decisions and constantly seek data on which to base any action or reaction. They'll be rigorous and prevent you from falling into an intuitive trap that lacks data-driven support. They have trouble acting without data, though, and because they're task-oriented, they can be less good at collaborating, process building, and bringing people along with their decisions and actions.

Director (extroverted, task-oriented)

Directors have strong opinions about the "right" answer and a bias toward rapid action because they care a lot about getting to the right outcomes quickly. They're great at establishing a vision, but they want everyone to fall in line behind that vision. Often, they do the work themselves because they don't enjoy building processes, or they dictate exactly what steps need to be taken, which can be disempowering for others.

Promoter (extroverted, people-oriented)

These talented individuals are charismatic and people-oriented. They tend to have a lot of ideas and the ability to articulate an inspiring narrative. They

don't like details or administration and they're usually great starters but not always finishers. Overall, they can see the big picture and excel at inspiring others and building relationships.

Collaborator (introverted, people-oriented)

These employees care a lot about the customer, be it an internal customer (an employee at the company) or an external one (a user of a product). Given this inclination, collaborators often build great systems to bring others along. On the flip side, people-oriented builders tend to overcomplicate things because they don't want to leave anyone out. They may create a process that everyone can agree on but that doesn't benefit the organization. For example, you might end up with a process that allows everyone on a team to meet a job candidate, but the time in process for that candidate might be 90 days.

None of these work style preferences is objectively better or worse than another. Often, however, one might be better or worse in specific circumstances. For example, during a technical outage, you want to have systems in place that allow a small set of individuals to make a lot of big decisions quickly. You may not care about getting longer-term buy-in from others because you need to take action immediately. For that, you need a director. If you're trying to build a planning process that enables you to decide what teams are going to work on for the next year, you probably want to build something that will endure and help people understand the importance of the work. You could do all the planning yourself with a select group of people you trust, but that would mean leaving out the people who actually have to do the work. Plus, you wouldn't be helping them develop the skills they need for future planning cycles. You need a collaborator, and probably a promoter too.

A few other assessment frameworks that follow this general pattern include DiSC (which stands for dominance, influence, steadiness, and conscientiousness),¹⁰ as well as the well-known Myers-Briggs Type Indicator (MBTI),¹¹ which helps identify 16 different personality types and is based on the work of Carl Jung. My personal favorite is Insights Discovery¹² because it's more nuanced than the MBTI yet easier to understand, and it quickly builds a strong vocabulary for certain behaviors within a team.

The Insights Discovery assessment puts you into one of four colored quadrants of a circle: red, yellow, green, or blue.



discprofile.com



themyersbriggs.com



insights.com

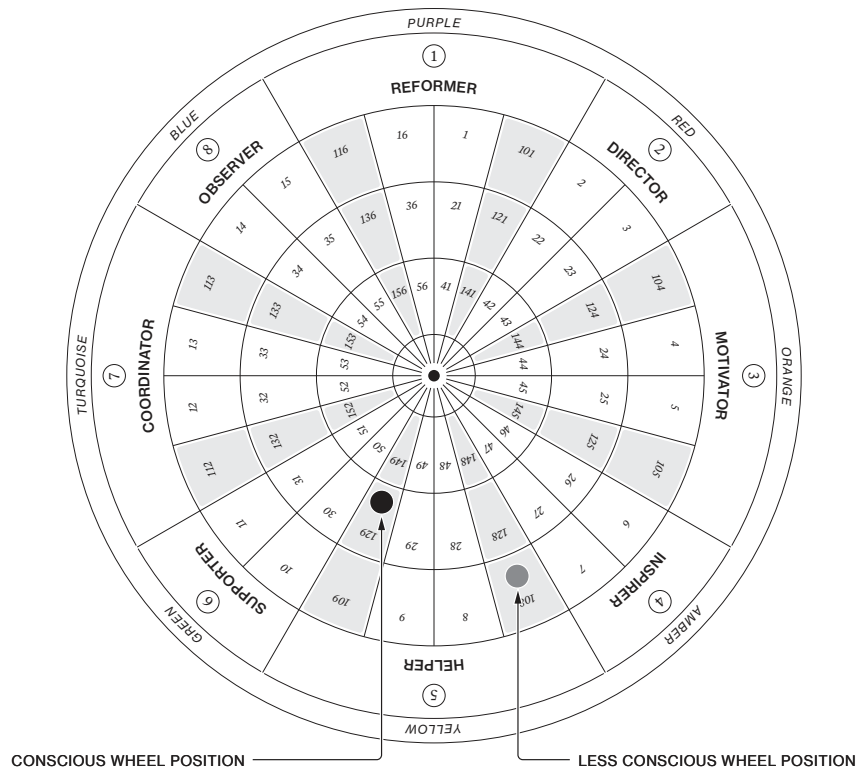


Figure 2. The Insights Discovery wheel, including an example individual result.
Adapted from the Insights Discovery wheel. The Insights Group Limited, 2021. All rights reserved.

Your placement with respect to the center of the circle depends on the strength of your preference. The results also indicate how much you dial your behaviors up or down at home versus at work. For me, the biggest insight was that my preferred style (green, near the border with yellow, in the “supporter” category) is closely followed by the opposite style on the wheel (red, or “director”), which is apparently somewhat unusual. These insights gave me the language to articulate what I think is (largely) a strength of mine: I love to get things done, but I do so via process and people, whereas other leaders who have a lot of red in their charts do so more via assigning tasks, or just doing the tasks themselves.

Analyze your skills and capabilities

Once you can articulate your core values and your work style preferences, you can get down to the more tactical version of self-awareness by asking yourself two sets of questions:

- **What can you do really well?** Which skills do you have, and which do you need to build?
- **What are your capabilities?** What are you naturally good at, and which capabilities have you acquired over time?

Skills are quite tactical: whether you can write a simple software program, use HTML, build a financial model in a spreadsheet, create a detailed marketing campaign. At a slightly higher level, they also encompass abilities, like whether you can break down a business problem and write a strategy. But they're all fairly binary: Yes, I have done this, and yes, it was effective, or no, I haven't done this, or no, it wasn't effective. Take inventory of what skills you need for your role, what you know how to do, and what you need to learn in order to identify the gaps and make a plan to fill them.

Capabilities (also called competencies) are a step above a pure skill. They're more about an innate ability to use a particular set of skills in a given situation. For example, my tactical analytical skills are not particularly strong. Although I learned how to build a financial model in business school, I wouldn't trust myself to build a good enough one to base a decision on. But my analytical capabilities are strong. I've been told that I can absorb a lot of data and opinions and quite quickly synthesize all the elements of a situation to identify the decision that needs to be made, the risks, and the potential actions to take.

Consider managing internal and external communications for a company in a crisis. This takes skill, yes, but also instincts and pattern-matching to past events, both of which allow you to handle any issue that might arise, even if it's a new one. Your skills might include project management and writing talking points for a leader. Your capabilities might include the ability to manage stakeholders, assess risk, and make sound judgments on communication strategy in high-pressure situations.

When I think about whether a capability is innate or not, I ask myself: Is doing this thing well as easy as breathing? Meaning, I've never had to think about needing to acquire that particular ability. Instead, I've been able to draw on it whenever I needed to. For example, if a large group of people needs to accomplish a task, I have no trouble identifying and listing the sequence of actions and roles required to get the work done. On the other hand, I had to acquire the ability to use various project management tools, like Gantt charts. But within those charts, the scope and sequencing of activities always came naturally to me.

Your strengths are the sum of your skills and capabilities. That's why both skills and capabilities tend to come up in conversations about strengths and weaknesses. For example, when asked about an area for development, one of my reports might say, "I want to write better emails."

When I ask why, they might answer that their team has grown to a size that requires them to have stronger communication skills. Because email is the primary method of communication within their division, they're working on that skill. But as they do that, they're also building leadership communication capabilities. Both are important, but it's the capability that really fosters growth, because it can be translated and repurposed into other forms of communication. Email is a specific skill that's useful right now, but effective communication is a much broader and more versatile capacity.

Speaking of strengths and weaknesses: The not-so-secret secret to building self-awareness is to understand that strengths can also be weaknesses. One of my most distinct memories from business school is listening to the dean of the school, Jeffrey Garten, say, "The greatest lesson you will learn here is that your biggest strength is also your biggest weakness." He added that feedback from classmates, a key feature of the program's project-based approach, would make this truth abundantly clear.

Recognizing this reality will have implications for how you build divisions and teams, run processes, and make decisions. Teams become mirrors of their managers. If you don't recognize that your strengths need to be matched by other people's strengths in other skills, you'll be bringing some real vulnerabilities to the table. I can be a forceful and effective communicator, especially when there's work to be done and we're under time pressure, but I sometimes don't stop and listen closely. Instead, I jump too quickly to action. When I'm in a team meeting or even a 1:1 and I'm presented with an urgent situation that needs a decision and an action, I now have a personal rule I try to follow: Ask a question first. This stops me from moving too quickly. It also helps build my team's confidence and strength in their own communication and problem-solving skills, especially if I've populated the team with others who are not as quick to action.

Even though it's tempting to build a team that coddles your own skills and capabilities, what you really need is a team that complements them. As a manager, it's your job to identify your team strategy, then hire a complementary team and arrange their assignments to make optimal use of each person's work preferences and strengths. For example, if you're a strong strategic thinker, you'll more easily recognize this capability in others. After all, you know what good strategic thinking looks like. You'll also be more likely to value strategic thinking since it's something you enjoy doing and talking about. Before you know it, you've hired a team full of strategists and your team meetings are consumed by discussions of two-year vision documents and big-picture brainstorming. The team is having a blast because you're all like-minded individuals and love talking about this stuff. But nothing ever gets done because no one on the team is thinking about execution.

“My father told me that it’s very important to understand your strengths, but also to understand your weaknesses. When you come to understand this, it doesn’t mean that you are less than you are. You have to make sure you surround yourself with people who can fill up your weaknesses. I knew this since the beginning.”

—**Dominique Crenn**, owner and chef, Atelier Crenn, Michelin three-star restaurant

Your teams will be much stronger if you can build a portfolio of people with a diversity of preferences, experiences, skills, and capabilities. That's where self-awareness, followed by mutual awareness, comes in handy.

Even with a complementary team, you'll still probably need to build in some mechanisms that force you out of your comfort zone. For example, I don't enjoy doing deep reviews on spreadsheets full of data. I would greatly prefer to pick out a couple of important insights from the data quickly and spend the rest of the team meeting discussing those. But I run teams that have a lot of measurable targets, so I've had to put guardrails in place to make sure my teams meticulously review tables and data. I also elevate those around me who are obsessed with the underlying numbers (my analysts!) by giving them airtime at meetings. I ask them to present the charts they've poured their talents into and talk about what might be driving the outcomes. That way, we spend the necessary time on these topics. Then, since I know that data deep dives are draining for me, I reward myself with a higher-level strategic discussion afterward.

The self-awareness assessment

If you're not self-aware, how would you know? Here are some telltale signs:

- You're consistently getting feedback, from various sources, that you disagree with. (This doesn't automatically mean the feedback is correct, but it does mean that how others perceive you differs from how you perceive yourself.)
- You often feel frustrated and annoyed because you don't agree with your team's direction or decisions, and it feels like your colleagues don't understand what you're trying to convey when you explain why.
- You feel drained at the end of a workday, and you can't pinpoint why.
- You can't describe what kinds of work you enjoy doing and what kinds of work you don't enjoy doing.
- You have friction with your manager, and you're both having trouble resolving it.

If you check one or more of these boxes, it's time to dig deeper into the reasons why. Many of the exercises in this book are about developing a better understanding of yourself and others. Writing a "Working with Me" document forces you to reflect on how you like to get work done. Running a career conversation with your reports helps both you and them understand the professional decisions they've made and why they made them. (There's more on self-awareness, the "Working with Me" document, and career conversations in Chapter 3.)

I strongly believe that you need deep self-awareness in order to be effective at work. You can't change *how* you work if you don't understand *why* you

“Once a mentor told me, ‘Eric, you’ve got to look at yourself. Make sure you’re looking at your strengths and weaknesses every day. You need to have a plan to become more aware of yourself every day.’

I’m still doing this. I put it in my calendar and call it ‘15-minute thinking and meditation.’ I ask myself: If I start over today, what can I do differently? Did I make any mistakes? Can I improve tomorrow? Sometimes I write down something important. But most of the time, the thinking is enough.”

—**Eric Yuan**, founder and CEO, Zoom

work the way you do. And you can't manage people and teams effectively as your company grows if you don't know yourself and what you contribute to the environment you operate in.

2. Say the thing you think you cannot say

Shortly after we started conducting quarterly business reviews (QBRs) with teams at Stripe, I sat in on one such review for a critical product area. Partway through the review, I noticed that people were talking around a significant blocker: The team was dependent on another team doing similar and related work. I stopped the QBR and said, "It feels like we're not talking about the big issue. Is there or is there not a challenge with this other team?" We spent the rest of the meeting talking through the apparent issues and made a plan for the two teams to address them. On the way out of the meeting, an engineer who'd been in attendance said to me, "Well, that was refreshing."

How often have you sat in a meeting and mused, "It really feels like there's something that isn't being talked about right now"? Or had a conversation with a report and thought, "I think they're getting upset about what I'm saying"? Or caught yourself filtering everything you say? These questions prompt a bigger one: Why don't managers say what's actually on their minds?

People often think that good management is about having a lot of filters, and for good reason. There's a lot that might feel risky to say, or that feels like a personal judgment. But be wary of over-filtering. Fine-tuning your filters and pushing yourself to name your observation in a constructive way means you'll be able to have a more honest conversation about what's going on. Then you can all start working on a solution in earnest.

In his book *Conscious Business*, Fred Kofman explains why it's so hard for us to say what we're thinking.¹³ It's because every conversation has three components:

- The "it": the task being discussed
- The "we": the relationship between the people having the discussion
- The "I": your personal stance in the conversation

Each of these can add difficult unspoken dynamics to the conversation.

The "it" is about the issue at hand—for instance, how to revise a production schedule given a delay in shipping. Maybe there's disagreement about the steps different teams have taken to get to this point, or unspoken beliefs about who is at fault or responsible for the delay. The "we" concerns all the unsaid aspects of your relationship with others in the room. Do you respect each other? Do you like each other? Do you trust each other? The "I" brings up all the doubts and criticisms you may have about yourself. Am I stupid for

thinking this? What will people think of me if I say this thing out loud? Do I not understand how to approach this shipping delay?

This framework is extremely helpful for understanding and working through blockers and giving air to the voices in your head. I'll add three tactics I've found useful in helping me say the things I felt I couldn't say:

Share your feelings

Because everyone has emotions, they can be a powerful management tool. Everyone understands what it feels like to be worried or overloaded. Sharing a feeling with your team can quickly contextualize the importance of your statement. If you say, "We didn't hit our targets," you haven't offered any comment on the gravity of the situation. On the other hand, if you say, "We didn't hit our targets, and I'm worried about the impact that this will have on our team and on the business," the team will immediately understand that there's a problem that needs fixing.

Be measured

Imagine how your team would react if you said, "I'm freaking out because we didn't hit our targets." The team might start to feel panicked, which would impede your ability to move necessary work forward. In the example I shared earlier in this chapter, Eli was honest about what was going on in the division and how it made him feel ("It's a mess, I'm totally stressed"), but didn't deliver the information or feelings in a measured way, which destabilized his team.

Separate the person from the idea or task

Make the distinction between who someone is and what they did. The discussion should be focused on the "it," but it can often feel like a judgment of the "we" or the "I." I once had a coach who observed that criticism and risky observations often feel oppositional—picture two people facing off against each other—when in fact it's powerful to stand next to someone and look at the same thing and make observations together. Think about the difference between saying "That presentation was terrible," prompting the other person to feel defensive about whatever role they played in it, versus saying "What did you think of the presentation? I was disappointed in aspects of it and would love to hear what you thought." Or imagine jointly discussing a piece of art. Saying "I don't like it" doesn't convey much information. It's more effective to explain why you feel that way. So rather than "The team is performing terribly," you might say, "My impression is that the team isn't communicating well right now, and I think deadlines are being missed as a result. Do you agree, or could it be something else?"

I understand why a lot of managers don't say what they think. Sometimes management can feel like a balancing act in a gymnastics competition—a high-stakes sport in which you risk not just your own failure but also that of your team and company. Take one step to the right and you've shared too much. Take one step to the left and you're unapproachable. But learning to constructively express the closest thing to your truth helps you keep your balance. It feels high-stakes because it is, but honing this ability will help you land the dismount: building trust.

That payoff—building trust—is enormous. It will strengthen your whole team. Teams where people can say what's on their minds will raise and resolve problems much more quickly. They'll also be happier, since they won't be suppressing their thoughts and feelings about their work and their environment. More importantly, being more open and direct, yet always constructive, will earn you the one-to-one trust that is critical to an effective relationship with your direct reports. There's a reason Kim Scott's book *Radical Candor*¹⁴ made such a splash: That kind of open, caring communication is the foundation for the highest-functioning people, teams, and workplaces.

When it comes to getting better at communicating the unsaid things, practice will give you the repetitions and feedback you need. Sometimes you'll say something that will fall flat, prompting you to learn from the experience, reframe your approach, and try again next time. Once, I told someone on my team that I thought they seemed nervous in certain meetings. In response, they gave me a blank stare, followed by a defensive remark that cut off the conversation. My intention was to help this person. I wanted to explain that this perceived nervousness, real or not, was undermining their impact. The next time I brought it up, I asked them what they thought of the meeting, let them speak, and then added my own view, which was "To me, you seem a bit nervous. What do you think?" The person thought for a moment, then asked me why I thought they were nervous. I explained some of the clues, like their vocal speed and quality and their mannerisms. It was clear that they were unaware of these behaviors and how they might be affecting the way others perceived them. The conversation then turned to how the person might mitigate these patterns in future meetings, which was the conversation we needed to have so they could thrive at work.

It can be hard to make comments that might be understood as personal judgments even when they're really just reporting your own observations. I go into this in more detail in Chapter 5. Many of the templates in this book—on coaching, performance feedback, meetings, and offsites—will also give you an opportunity to practice this skill.

“Leadership is strategic, and management is more [about] implementation. Leadership is about setting direction, knowing where you want to go, convincing others to go with you, and explaining why you’re going there: setting standards, setting expectations, setting tone. Management is about implementing that: getting the processes right, getting the people right, getting the teams right.”

—**Zanny Minton Beddoes**, editor in chief, *The Economist*

3. Distinguish between management and leadership

As you're thinking about structuring your teams, developing your reports, and managing your own career, it's crucial to recognize the difference between being a manager and being a leader. Both are necessary for scaling a company, but they're not the same thing.

Great leaders put forth a vision and set lofty goals that inspire others to forge ahead, even when the path isn't always clear. The clarity of their vision keeps everyone focused on the big picture and sustains participation and motivation. Leaders don't have to be managers, but if they aren't, they need to know how to work with and hire managers to build the right teams to execute that vision. It often feels like leaders are asking for just a bit too much, but in the end, that's what provides motivation.

Great managers run teams that do the actual building. Management is all about human-centric execution. Great managers know how to define goals and set operational cadences, all while helping each report have a clear view of their current performance and future career aspirations. Teams with great managers have a high level of trust, experience the challenge and reward of hard work, and feel like they're making progress both as individuals and as a team. Great managers don't initially have to be great leaders, but the more senior a manager becomes, the more important it is that they also develop leadership skills. Eventually, managers need to be able to set a vision and direction for their team—and potentially make the team uncomfortable with a bit of heat—or they'll hit a ceiling in their careers.

Here's another way to think about it. I often refer to a framework in *The Practice of Adaptive Leadership* by Ronald Heifetz, Alexander Grashow, and Marty Linsky that evaluates technical versus adaptive problems.¹⁵ Technical problems have a solution and an achievable resolution, while adaptive problems are continuously, well, adapting. They're an infinite game, if you will.¹⁶ A technical problem might be that you consistently miss your customer service-level agreement of responding to an inquiry within two hours. An adaptive problem might be how to set product priorities in the face of evolving user needs and increasing competition. Managers are superb at solving technical problems. Tackling adaptive problems takes leadership. Once you become a great manager, you can get very comfortable. But once you become a true leader, almost every day is uncomfortable. Don't confuse the two.

Understanding the distinction between management and leadership has proved invaluable in my career. It has helped me retain high performers I might have been tempted to promote into management but who I recognized could be much more effective as leaders in non-manager roles. It has also helped me push myself and others to develop beyond technical problem management and into the adaptive leadership zone. When I take another of my

“Management has a lot to do with whether we’re playing the game well, we’re developing the tools, we know what the dashboard looks like, we’re paying attention to the dashboard, and so on.

Leadership has a lot to do with how you set the spirit of the organization. To some degree, it could be how big the goal is and what the goal is. But usually, it’s a goal that’s set in a way that isn’t necessarily operationalized well.

Management is how you get the mechanics of the pieces coming together. And leadership is more [about creating] a culture or energy of engagement—belief in the importance of winning. It’s that ‘We can do this’ energy.”

—**Reid Hoffman**, partner, Greylock Partners,
cofounder and former executive chairman, LinkedIn



bigfive-test.com

favorite self-awareness assessment tests, the Big Five Personality Test,¹⁷ I score as a classic great manager, high on conscientiousness and agreeableness. But great leadership often requires a person to be disagreeable and demand more. I've had to learn how to do that.

Sometimes that can be as simple as naming the need to frame the problem differently. I recently coached a talented up-and-coming product marketing leader at Stripe who kept running up against the challenge of syncing her team's work with the company's ever-changing product roadmap. We spent a whole 1:1 talking about solutions, at the end of which I observed that there would never be a one-and-done fix for the issue. Instead, she would need to continually adapt her approach and push the product team to adapt theirs. The realization that this situation called for leadership via influence and careful communication, rather than building the perfect process, freed her from seeking the perfect "management" answer. In doing so, it tilted her toward adapting how she led herself and her team to improve over time. This employee needed to show up as a leader for her team, which included very experienced people who needed her less to provide internal guidance and more to push other teams to speed up, to their mutual benefit.

Marty Linsky, one of the authors of the book *The Practice of Adaptive Leadership*, has a saying that I've repeated often to colleagues and direct reports: Leadership is disappointing people at a rate they can absorb. Leadership is ultimately about driving change, while management is about creating stability. Stability is important in a work environment, but confronting challenges and realizing new ideas require discomfort. This means that you and your teams must abandon the stable and familiar in favor of an uncertain—but exciting—new direction.

Experienced employees mostly need a leader and just a bit of a manager. If they've made it to a certain point in their careers, they're probably good at getting their work done. But they'll look to a leader to lay out the overarching vision and the milestones they should be working toward, and to pave the way for progress within the systems that operate outside of the team. The leader pushes their team to think and act differently, to welcome change, and, ultimately, to aspire to and achieve more ambitious outcomes. Less experienced employees mostly need a manager and just a bit of a leader. They'll benefit from

someone who can help them think through tactics, manage their work and their day-to-day, and help them develop and operate.

4. Come back to your operating system

The bulk of this book—meaning the four chapters that follow—covers how to build a solid operating system by looking at the four core frameworks it's composed of. But it was only recently that I was able to articulate this work as an actual guiding principle. In 2018, in a string of events that feels like it could only happen in the tech industry, I was leaving a conference in Colorado when bad weather prompted a huge number of flight cancellations. I ended up problem-solving a trip home with a venture capitalist and a banker who were seated nearby, forming what we jokingly called our “escape syndicate.” Our solution involved chartering a small plane (luckily for me, paid for mostly by the other syndicate members) to get back to the Bay Area. Trapped as we were for hours in the airport, and then on the flight, we traded stories. The banker, who has worked with many successful companies as they've gone public, said that he has a favorite question he asks the CEOs and leaders he gets to know: “What is your secret power?” He described one interview in which a CEO revealed that he asks every employee to submit their top ideas for the company and personally reads every submission.

I thought for a minute and realized that my secret power is this: the ability to build a repeatable operating system for every team I manage. They each have the same components: clear missions, stated goals, metrics that matter, similar meeting structures, and weekly and quarterly cadences. That means that as a leader, I can switch contexts seamlessly.

When I started managing multiple teams at Google, I felt overwhelmed by the constant context-switching. Creating a common user interface for all of them made things much easier. Just as it did for me, a common operating approach with the same core elements across all of your teams will give you a management shortcut of sorts. I later realized that a common operating system that spans an entire company, including the hiring and development of people and teams, is even more powerful.

If you're looking for a story with a little more gravitas than my airport revelation, consider the business school professor of mine who took issue with the exhortation that everyone should “think outside the box.” He said, “To succeed, you actually want people thinking *inside* the box. The box *you* constructed!” I come back to that moment more often than you might imagine. Sometimes it's because I'm seeking to frame a problem for my team or my colleagues, and I know that if we can just view the fundamental factors at play in the same way, we will be able to solve it. In the context of managing my team, it reminds me that the operating system creates a

foundation of consistent practices that we can all rely on, even when everything else is changing.

Your system, like mine, will be based on how you hire and develop your team and the rhythms of how you operate: quarterly goals, metrics review meetings on Mondays, team meetings on Tuesdays, weekly 1:1s, offsites for big-picture thinking, and so on. Teams and companies vary, but these fundamental approaches create stability. Don't get me wrong—there are times to break the rhythm and change the routine, but what makes doing so effective is the fact that you *have* a routine. It's like perfecting the fundamentals of figure drawing before going abstract, or learning poetic meter before writing free verse. I had another business school professor who painstakingly taught us various business frameworks, like Porter's five forces and the four Ps of marketing, then gleefully declared, "Now that you understand all of these frameworks, you can break them!"

Building self-awareness, saying the thing you think you cannot say, and knowing when you're being a manager versus being a leader are all fundamental principles of great management and building a strong team. But none of them describe how you will drive results. It's the combination of your team environment and the team's execution that produces results—and for that combination to work, you need to operate within a set of core frameworks. The principles I've outlined in this chapter create an environment of ambitious trust. The rest of this book is dedicated to the frameworks that turn the gears to produce results within that environment. As Bill Walsh eloquently explained to Steven Jamison in *The Score Takes Care of Itself*, in that kind of environment, you will not just win but *repeatedly* win.¹⁸