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Wisdom

Knowledge is a process of piling up facts;
wisdom lies in their simplification.

—Martin Fischer

The Wisdom of Giving: Part One

Frances had been born in a small town in Kentucky, Harrodsburg, to Bavarian immigrants, Leon and Rosetta. At the time of her birth, she had one sibling; not long afterwards, she had six. Frances learned early about the value of lending a hand.

The family soon moved to Cincinnati. While her father strove to earn money as a tailor, Frances and her siblings attended public school, where she was exposed to children who both looked quite a bit like she did and not at all like she did. Some of them celebrated the same holidays as her family; some celebrated different ones. They had delightfully varied ways of speaking, thinking, and behaving. It was a wonderful miscellany of humankind.

One of these students stood out from the others—Abraham Jacobs—her brother Benjamin's friend. When the two boys headed west to seek their fortune, Frances was crestfallen, but understanding. One couldn't sit around waiting for life to happen. In the area that would later become the frontier town of Denver, Abraham started a general store and operated a stagecoach that went to Santa Fe.

But he had felt the same stirrings as Frances. In 1863, after four years away, Abraham returned to Cincinnati and, in February, they

were married. When Abraham and Frances moved to Central City, Colorado, a thriving mining town thirty miles west of Denver, she was amazed. Droves of people seemed to arrive daily, all descending on the west with the same unbridled hope. Nothing but opportunity seemed to lie before them.

At the same time, however, Frances saw the other side of that unchecked optimism—people whose dreams had not worked out, whose lives were not full of aspiration, and who fought a daily battle against desperation and despair. Troubled by what she saw, Frances began volunteering for social work. The ability to help the sick and needy, even slightly, gave her a feeling of worth. She had seen her own parents do so much with so little. Surely she could give of her time.

In 1872, Frances helped found the Hebrew Ladies' Relief Society, and presided over it. The group provided help to those facing the problems of poverty, sickness, malnutrition, and unsanitary living conditions. It was something—but it wasn't enough. The problems of humanity, Frances knew, were not confined to only one community. They affected everyone.

Often, we think of wisdom as something inborn, an attribute some people possess and others do not. We envision a sage sitting in the lotus posture atop a mountain, Confucius-like proverbs floating off his tongue one after the other, as though they had been implanted in his head at birth.

Some of us think of wisdom in a passive sense, something that occurs as a direct and automatic by-product of our experiencing life, so a young person is not able to achieve wisdom and someone old cannot be lacking in it.

Both of these conceptions of wisdom miss the mark. First, none of us is born wiser than someone else—even Confucius was naive in his youth. Second, wisdom isn't passively obtained; it is the result of conscious reflection, evaluation, and decision. Perhaps you're familiar with the colloquial definition of stupidity: doing the same thing as before and expecting a different result. Wisdom might broadly be considered as the opposite: acting in a different way based on a conscious examination of previous experience.

In other words, experience on its own does not equal wisdom. Experience is a necessary prerequisite to wisdom, but to assume that wisdom occurs as a

natural consequence of experience is false—and, for someone who wishes to be a leader, dangerously limiting. I have seen many experienced leaders who think that their lengthy résumé predetermines their ability to be successful, that they have all the answers because they have been around the block a few times. However, as leadership coach Marshall Goldsmith aptly puts it in the title of his recent book, *What Got You Here Won't Get You There*, previous experience is not a proxy for capability.

This kind of confused thinking happens often in the boardroom. CEOs are hired because they have been CEOs before, many times regardless of what industry or company they come from. Take the case of Starwood Hotels & Resorts, owners of the Sheraton, Westin, Le Meridien, and W hotel brands. In 2004, then chairman Barry Sternlicht tapped Steven Heyer to be CEO of the global hotel company. Heyer came directly from Coca-Cola, where he was president and COO at the time of his departure. Before coming to Starwood, Sternlicht publicly lauded Heyer as "a marketer who has championed some of the world's most valuable and global brands." Who could blame him? It was Coca-Cola, after all. As it turns out, the culture is very different at Coca-Cola than it is at Starwood, and the leadership style did not translate. What worked there did not work at Starwood.[1] Heyer, who in college was known as "The Tank," had a direct, hard-nosed approach to leadership. Experienced as he was, things didn't work out at Starwood and Heyer left.

A similar fallacy occurs with age. People assume that gray hair is a determinant of success. In the years following the dot-com boom, there was a flight to more experienced CEOs. A case in point is Yahoo!. In 2001, Yahoo! founder Jerry Yang brought in the fifty-eight-year-old former co-head of Warner Brothers, Terry Semel, gray hair and all, to take over the leadership of the online giant. At the time, it was hailed as a great move—an example of a smart decision by young entrepreneurs to let a more experienced CEO take over. The Yahoo! stock price surged, and for a short time great optimism prevailed.

Unfortunately, all of Semel's rich experience did not bring material success to Yahoo!. When Semel finally left in 2007, the company was in a significantly worse financial position than it had been in when he got there. During the years that Semel was at the helm, its rival Google grew its shareholder value twenty-one times that of Yahoo!. Semel reportedly had the opportunity to buy Google for about $3 billion in 2002, but declined. He also could have bought YouTube or MySpace when the opportunities came up.

Not such a great record for a guy whose total compensation over the last five years of his tenure at Yahoo! was reportedly $550 million.

Gray hair is a badge of honor; indeed, it is almost destined to show up on an executive bio. But leaders aren't wise as a result of their experiences. They are wise because of their ability to utilize those experiences. The wise person reflects on their experience—the result is insight into past behaviors and outcomes. In turn, they achieve wisdom and—in the case of great leadership—apply it. This occurs independent of age.

Picture the kind of contraption you might see in a cartoon or Dr. Seuss book where something is shoved in at one end, and then, after the machine chugs, throbs, and whirrs for a while, something comes out of the other end a more refined version of the original. The contraption is our brain. What goes in is our experience. What comes out is wisdom.

WHAT IS IT?

Two disciplines, philosophy and psychology, have attempted to pin down a definition of wisdom for centuries. Our earliest philosophers tackled this dilemma with gusto. In fact, the very definition of the word philosophy dates back to the ancient Greek combination of *philo* (love) and *sophia* (wisdom). Hence, the word philosophy literally translates as "love of wisdom." Plato described three types of wisdom:

1. *sophia*: found in those who are contemplative and who seek life's truths;
2. *phronesis*: found in the kind of experienced, practical wisdom judges, lawyers, and statesmen tend to demonstrate; and
3. *episteme*: found in those who seek to understand the world through the lens of science.

Aristotle added the notion of *theoretikes* or theoretical knowledge of the truth. In his book, *The Psychology of Aristotle*, Daniel Robinson writes that, according to Aristotle, "A wise individual knows more than the material, efficient, or formal causes behind events. This individual also knows the final cause, or that for the sake of which the other kinds of causes apply." Socrates said that wisdom "consists of realizing one's own ignorance, by knowing what one does not know."

Following the tradition of the ancient Greeks, much has been written about the philosophy of wisdom. Early Christian views described the importance of a life lived in pursuit of divine and absolute truth. A complementary way of describing wisdom is the pursuit of the knowledge necessary to lead a good life. Most religions espouse the virtue of seeking truth in some way. In the Old Testament, wisdom is characterized by a sense of justice and lawfulness, personified in the wise King Solomon. In Eastern philosophy, wisdom is famously embodied in two figures, Confucius and Buddha. Confucius said that wisdom can be achieved via three methods: reflection, imitation, and experience. He also said that the love of learning is akin to wisdom. Buddha said that wise people are blessed with good bodily conduct, verbal conduct, and mental conduct. "A wise person," he taught, "does actions that are unpleasant to do but give good results and doesn't do actions that are pleasant to do but give bad results." If only Wall Street executives had paid more attention to Buddha in recent years.

In psychology, the attempt to define wisdom in a satisfactory way has led to two prevailing theories. Dr. Robert Sternberg, dean of arts and sciences at Tufts University, developed the first of these as a result of his own experience with intelligence quotient (IQ) tests. As a child, he performed terribly on these tests, scoring so poorly on one of them that he was sent back to fifth grade from sixth, until his score improved. In grade seven, Sternberg chose intelligence as his science project topic and he devised his first IQ test, selecting a more robust set of indicators than those contained in the traditional tests he was used to seeing.

The Sternberg Test of Mental Abilities (STOMA) not only became a scientifically valid, reliable test, but the same test devised in Sternberg's grade seven science class is still used today. Dr. Sternberg went on to study at Yale and Stanford and, ultimately, he became one of the foremost psychological minds of the last century.

Sternberg's main assertion is that typical IQ tests measure a limited set of intelligence-related factors and there are qualities indicating intelligence that reach beyond those tests. He was interested, in particular, in creativity and practical intelligence—what we might think of as street smarts. In one series of studies, he asked subjects to think of "wise" people and write down as many words as possible to describe them. He then took these words, wrote each of them on separate cards, and asked another set of people to sort the cards into "as many or as few piles as they wished on the basis of which behaviors are likely to be found together in a person."

After having conducted this exercise with several of his subjects, Sternberg devised three dimensions of wisdom:

1. Reasoning well and taking in advice from others;
2. Being perceptive and having good judgment; and
3. Using experience to understand and interpret information and then offering solutions accordingly.

He summarized his findings this way:

> *The wise individual is perceived to have much the same analytical reasoning ability that is found in the intelligent individual. But the wise person has a certain sagacity not necessarily found in the intelligent person: He or she listens to others, knows how to weigh advice, and can deal with a variety of different kinds of people. In seeking as much information as possible for decision making, the wise individual reads between the lines as well as makes use of the obviously available information. The wise individual is especially able to make clear, sensible, and fair judgments and in doing so, takes a long-term as well as a short-term view of the consequences of the judgments made. The wise individual is perceived to profit from the experience of others, and to learn from others' mistakes, as well as from his or her own. This individual is not afraid to change his or her mind as experience dictates, and the solutions that are offered to complex problems tend to be the right ones.*[2]

The second major psychological theory of wisdom comes from a group of scientists at the Max Planck Institute for Human Development in Berlin, Germany. Paul Baltes, Ursula Staudinger, and their colleagues defined wisdom pragmatically, suggesting that it occurs when an individual has deep insight into, and judgment regarding, the ways of life and can offer advice accordingly.[3] They concluded that wisdom is the combination of intellect, personality, context, and expertise—the Berlin Wisdom Paradigm, as it is popularly known.

In this study, the researchers asked their students to nominate people they know as being wise. They then asked those "wise" people and others of similar ages to think out loud about difficult life dilemmas. For example, "Sometimes when people think about their lives, they realize that they have not achieved what they had once planned to achieve. What should they do

and consider in such a situation?" Baltes and Staudinger evaluated the responses based on five criteria:

1. deep knowledge of facts;
2. experience;
3. understanding events in their context;
4. knowing right from wrong; and
5. managing uncertainty.

The results weren't surprising: People who are thought of as wise make better decisions and perform better on the dilemmas than those who aren't.

So wisdom, it would seem, begins with basic intellect, but it also involves the ability to synthesize information and be analytical while remaining tied to reality. Of course, there's also the importance of performing conscious reflection on past experiences, in addition to an awareness of the key learnings that have emerged from those experiences. Wisdom also includes the ability to use that information to inform future decisions—and the willingness to apply these learnings across a variety of contexts and situations. Wisdom is like a marriage: You have to work at it. And when you do, the effort can lead to tremendous results.

Wisdom for the Ages

When you hear the highlights of John Rowe's career—a senior chief executive in the electric utility industry, co-chair of the National Commission on Energy Policy, named the best electric utilities CEO in America two years running, chairman of the Nuclear Energy Institute, former chair of the Chicago History Museum, honorary doctorates from seven different universities—you're bound to be impressed.

My colleague Hank Tufts, a twenty-eight-year RHR veteran, has known and worked with John for twenty-five years. Hank describes John as a gifted individual who is not only smart in the traditional sense, but wise with deep perspectives. When the three of us met in John's office overlooking Chicago's downtown, I was immediately struck by the museum-like collection of what appeared to be Egyptian artifacts. I was clearly in the presence of a history buff. As we sat and discussed John's philosophy of leadership, I learned that, beyond his sheer love of learning and curiosity about the past, John looks to history for lessons about the future. His particular brand of wisdom reaches far back, enabling him to see forward.

Let me explain. While John's business card says Chairman and CEO of Exelon Corporation—the biggest electrical utility in the United States, operating the largest fleet of nuclear power plants in the nation—it might as well say "Chief Historian." While he is well known as a visionary with a rare talent for seeing the future, John looks to the past for his inspiration. A voracious reader and historical scholar, he has endowed several university history chairs, primarily focused on Byzantine and Greek history.

As a result, he is often able to see the future in a clearer way than others, allowing him to create positive change. He studies the characters that have walked across the human stage at various times and in different places as well as the events that have shaped the course of world history. He spoke to us about Churchill and Ghandi, Lincoln and Washington, devoting as much attention to their shortcomings as he did to their strengths.

It's not just about how much John knows about the past; it's also about how he uses that knowledge to integrate data. Affectionately known as the dean of the utility industry, John possesses what I call "informed instincts." He is able to see the trends and the larger picture. He was a strong and early advocate for cap and trade, clean air and clean energy—for example, recognizing the social responsibility of sustainability. This is characteristic of the wisdom he displays. When faced with disparate data points, he sees how they fit together. It is because of his ability to understand the landscape from a deep and wide perspective that he is able to make astute, at times "out of the box," decisions and judgments.

Despite his immense intellect, John does not operate as though he has all the answers. Perhaps the best demonstration of his wisdom is his appreciation for the knowledge and insights others can bring to the table. As a leader, he enables those around him to leverage their own minds, artfully surrounding himself with an eclectic group of people rather than only those similar to him.

"Wisdom comes from being wrong," he remarked. "From being open to people and available to advice and differences of opinion." John's only requirement is that people demand excellence of themselves, in whatever form that might take. He appreciates sharp intellect, but also gives superior instincts their due. He deeply respects academic talent, but is equally respectful of the perspectives, the humility, and the "smarts" honed by tested experience and even

failure. As you might imagine, it's important to do your homework if you report to John, but he's happy to hear your ideas, contemplate your advice, and use your input—as long as there is thought behind it.

Hank had initially described John to me as having a "magnificent mind in the broadest sense." It's easy to see why.

HOW DO YOU KNOW IT WHEN YOU SEE IT?

Think back to the last time you needed advice about something important. Perhaps you were at a major crossroads in your career and wanted guidance on which path to choose. Maybe you were trying different ways to inspire your team to action, none of which were proving successful. Maybe it was something personal—a marital issue, a physical problem, or a poor decision with potentially large ramifications.

Who did you turn to? Your spouse, perhaps? Maybe it was your mom or dad; your rabbi, priest, or imam; your corporate mentor; your doctor, lawyer, or accountant; your psychologist; Jim Morrison's ghost; or perhaps, that guy at Starbucks who seems like he'd have good insight into people.

Whoever it was, you probably sought their counsel because you think of them as someone who possesses a certain amount of insight and discernment. Though wisdom is an elusive attribute, we seem to instinctively associate it with certain traits or mannerisms. Put another way, different individuals in your life probably serve various unconscious needs for you. There's a certain colleague you go to whenever you want to bounce business ideas off of someone. For relationship guidance, there's one particular friend you always call. When it comes to money or practical matters, you speed-dial someone else. And when you feel the need for general life advice, you find there's another person altogether who seems best suited to the task.

Why that particular person? Are they the smartest person you know? Not necessarily. The oldest? Maybe, maybe not. Is it a certain look, a way of speaking? The fact that they own a copy of the *Tao Te Ching*? Unlikely. More likely, they demonstrate a number of the following behaviors.

They are advice-worthy

To be wise, you must have experience. You may be young or old, but you must have experienced a wide variety of life events that have changed you in some way. As Robert Sternberg knew, wisdom is not merely raw intellectual

horsepower—it is the combination of that component plus experience and personal characteristics. Those of you who are parents know this to be true. You know the experience of developing wisdom. When you became a parent, you became wiser (though not necessarily smarter).

In my experience, we typically think of our parents as wise. Indeed, I think of both my parents as being among the wisest people I know. If I think of all of the values that I have and the lessons I've learned over my life, my parents were either at the heart of them or uniquely qualified to help me reflect on them. One evening not long ago, when my father and I were having a glass of scotch and pondering the problems of the world, we discussed his perspective on wisdom. "We trust the wise person more than the smart person," my dad said thoughtfully. True enough—trust is critical. As soon as trust is broken, we lose our faith in the wisdom of an individual. This was the case for President Clinton. As a Rhodes Scholar and brilliant academic, Clinton is clearly a very smart man. However, he had lapses in personal judgment and lied to the country. As a result, the psychological contract he had with the American people was broken. People lost faith in his words and ignored the wisdom contained in them.

They encourage others to think about where they've been in the context of where they are

What does a leader's demonstration of wisdom convey to members of her team? That she has read a lot of books? No. That she's always ready with a good quotation? No. That she's erratic and inconsistent? No. It conveys to her team members that they, too, should be self-reflecting as a matter of course. They should always have their antennae up for signals that will alert them to the potential hazards of past behaviors. What was an appropriate response yesterday isn't necessarily appropriate today. They ought to look at their past selves in order to continue to mold the best future selves they can.

Effective leaders communicate the changes they undergo while gaining wisdom to those in their charge, not for the purpose of demanding that everyone else adopt the same stance as them, but to show that they are committed to continuous improvement and self-evolution. If all the members of a team, from top to bottom, are using the lessons of yesterday to be smarter, better, and more strategic today, the team can only move forward. Top leaders know this and work to encourage it.

They exercise good judgment

Wise leaders are rational and have excellent judgment. They have the ability to see through the clutter and get to the heart of an issue. They are able to step back and objectively analyze the situation. This has sometimes been called "helicopter thinking."

In a recent 360-degree assessment we conducted of the new CFO of a major consumer products company, the feedback was not only impressive, but illuminating as well. Everyone described this woman as wise. When we asked them why, no one spoke about her intellectual might or her extensive business résumé. Almost everyone, in fact, gave one version or another of the same opinion: She was able to bring the emotional tenor down, establish focus, and see what was truly important. Because she always brought clarity to discussions and ignored extraneous issues, she made people feel like they were going to get through whatever issue they were facing, even when they had been feeling overwhelmed before. This leader's wisdom manifested in her ability to keep people focused on what was truly relevant and, therefore, make good judgments about it.

They don't speak in banalities

You don't usually sense that wise leaders are *trying* to be wise. Their wisdom often seems effortless and organically formed. But don't be fooled. They think carefully about what they say and how to say it. That's why they are so often able to communicate their ideas, thoughts, or message in a way that is profound and memorable.

This is a crucial quality for any leader to develop, since they are called on frequently to settle disputes, offer opinions, provide guidance, and give direction. To be seen as a wise leader, you must be able to capture the gist of a dilemma and articulate it in a clear manner that sticks. And if you're *really* good, at the same time, you make people take a step back and think. Consider some of the most enduring examples of great leaders who achieved this quality remarkably well:

- John F. Kennedy (quoting Oliver Wendell Holmes): "Ask not what your country can do for you but what you can do for your country."
- Dr. Martin Luther King, Jr.: "I have a dream . . . that my four little children will one day live in a nation where they will not be judged by the color of their skin but by the content of their character."

- Winston Churchill: "Let us therefore brace ourselves to our duties, and so bear ourselves, that if the British Empire and its Commonwealth last for a thousand years, men will still say, 'This was their finest hour'."

Each of these individuals delivered words that continue to resonate today, because those words powerfully and persuasively expressed very specific ideas in a way that made listeners reflect on their own experiences.

They don't rush their words

Have you ever noticed how members of the clergy speak? Slowly and deliberately, usually in a soft voice. This manner of speaking reflects thoughtfulness and perspective. To demonstrate wisdom you must exercise the ability to step back, and in a rational, even-handed way, evaluate a situation and then communicate your views in a way that has impact.

In a set of interesting studies conducted at the University of Texas, researchers looked at how people's vocabularies tend to change as they age. In the first study, the investigators reviewed transcripts of interviews with people who were instructed to discuss traumatic or emotional events. What they found was that older people used more positive-emotion words and fewer negative-emotion words than their younger counterparts. They also found that as people get older, they develop a tendency to use fewer self-focused words (such as I, me, and my) than they had used when they were younger. Older people also employed the past tense less frequently and used the present or future tense more often than younger participants. Finally, the researchers also reported that older people used more "thoughtful" words, (such as think, realize, and reason) than younger people.

Building on these results, the same researchers conducted a follow-up study looking at the language used in the works of famous authors over time. They electronically reviewed the collected works of, for example, George Eliot, Edna St. Vincent Millay, William Wordsworth, and William Butler Yeats, searching for changes in the way each author wrote as he or she grew older. Just as in the earlier study, it was found that these authors, over time and as their careers progressed, used fewer self-focused words, more future-tense words, and more thoughtful words.

What do these findings tell us? That if you want to be seen as wise by those around you, you should use words that focus not on you, but on the

people you're addressing. Also, talk more about the present or future than the past. Be reflective and thoughtful. And hey—slow down.

They think independently

Wisdom has nothing to do with rolling over and accepting conventional wisdom. When one points to leaders now considered to be among the wisest people in history, one finds that their stories almost always include moments when the person flouted intellectual convention in order to stay true to their ideas. Few leaders are strangers to this experience. It is a frequent necessity to go against popular thought and stay true to your convictions, and you must be willing to do it. While you need to be open to new information and willing to change your perspective for good reason, you must also be willing to show people that you will hold firm when you believe in something.

The wise leader is wise, in large part, because he considers each situation separately and tries to provide an objective view that will benefit the whole organization. He will often take a devil's-advocate perspective to try to propel new angles or insights to the surface. He will hold his own ideas up to the mirror to be considered. He will get other smart people together in a room to hash out the issues and, hopefully, arrive at a solution that best serves the group.

They are selfless

The wisest leaders bring deep knowledge, but no personal agenda, to the advice they give others. What they say, they believe, and their counsel is always genuinely tailored to the recipient rather than applied indiscriminately or cut and pasted from a previous conversation. When a wise leader is approached with a problem, she lets go of personal biases and abandons any thought of personal gain. She offers the gift of experience only.

Leaders who demonstrate wisdom also do so by encouraging others to develop their own ability to reflect on experience and derive important, and applicable, lessons. It will only do so much for you if I tell you what I think you should do, even if you heed my advice out of respect. Without you actually thinking about the decision yourself, what good will it do you?

Wisdom Checklist

What do I look for when assessing wisdom in a current leader or leadership candidate? Here's a checklist:

☐ ***Smarts.*** *The person has a high intellect and strong cognitive capacity. One needs to have basic intellectual horsepower in order to be seen as wise.*

☐ ***General life experience.*** *The person has been through difficult situations. She has seen things that others haven't. She has traveled. She has acquired some street smarts or has otherwise endured crises or complex circumstances.*

☐ ***Perspective.*** *The person can step back and see the way an individual problem fits into the bigger picture.*

☐ ***Root-cause analysis.*** *The person is able to cut through the clutter and pinpoint central components of an issue or other matter.*

☐ ***Procedural knowledge.*** *The person has a diverse knowledge base. He knows how to do a wide variety of things.*

☐ ***General knowledge.*** *The person knows a lot about a wide variety of things. She is conversant with history, politics, economics, and a number of other areas. She reads the newspaper. She knows what's going on in the world.*

☐ ***Teaching capability.*** *The person knows how to communicate in such a way that others are able to learn from him.*

☐ ***Global sensibility.*** *The person does not live in a bubble. She is aware of and understands the most pressing issues affecting the world at large. She is not insular in her thinking.*

☐ ***Makes you think.*** *The person is interested in hearing others' opinions. He asks clever, penetrating questions and listens closely to the answers.*

☐ ***Selflessness.*** *The person holds others' interests above her own and gives advice as a means of helping people improve themselves or perform better at their jobs or careers.*

☐ ***Awareness of limits.*** *The person is aware of what he doesn't know and has no problem admitting to these knowledge gaps.*

☐ ***Critical thinking.*** *The person is able to weigh assumptions, evaluate arguments, and draw conclusions.*

(continued)

- ☐ ***Reflectiveness.*** *The person devotes an appropriate amount of time to thinking about the past and reflecting on the meaning behind events that have occurred in her life and career. She is able to use this reflection as motivation in the present.*
- ☐ ***Emotional containment.*** *The person uses a slow and deliberate style of communication. He maintains an even-keeled delivery and does not get riled up, defensive, or baited. Through his comportment he projects calmness and intelligence.*

HOW DO YOU GET IT?

Let's repeat it again: Wisdom doesn't just fall into your lap after you've been on the planet a certain number of days. I daresay we can all give plenty of examples of people we know who have been around a heck of a long time and don't seem to have learned much about anything at all.

Developmental experts have often said that we don't reach our full emotional and mental maturity until age sixty. That's a long time to wait for wisdom. Here are some things you can do to accelerate the process.

Strategy 1: Develop a Teachable Point of View

In a 1999 *Harvard Business Review* article, leadership expert Noel Tichy introduced the idea of a teachable point of view (TPOV). In order to provide advice to others, you need to be clear about your own point of view, and you need to be able to communicate it in a manner that impacts others. A TPOV, in its original form, is a lengthy summary of "what a person knows and believes about what it takes to succeed in his or her own business as well as in business generally."[4]

The leaders of one company I know in particular, a large retailer, use the TPOV to share institutional wisdom regularly. The leaders are continually challenged to identify, and have in their back pocket, not only a perspective on a business issue, but also a way to teach it to others. According to Tichy, in order to develop a TPOV, you need to think about four components: ideas, values, emotional energy, and edge. I will try to simplify this, distinguishing between questions regarding yourself and questions regarding your organization. Go ahead and answer them.

Questions About You

1. What personal experiences in your life were particularly relevant to your current success? How did they affect you?
2. Who were your early influences? What did you learn from these people and how did that stick with you over the course of your life?
3. How would you describe your values? What kinds of people are you friends with or drawn to personally? Who would *not* be a friend of yours? What characteristics do they have that makes you say that?
4. What ideas do you have about the future of your industry and your organization in particular? What will make your organization successful?
5. What tough issues are you dealing with? What are the key decisions you face right now?
6. What holds you back or gets in the way of success?
7. What motivates or energizes you? How do you keep yourself motivated? What do you do to motivate others?

Questions About Your Organization

1. How does your organization currently create value for its customers? What more could it do?
2. What are your organization's values? How does that translate into business practice?
3. If you could reshape your company's existing culture in any way, what would you do?
4. Where does your organization need to improve? What major hurdles do you face as a company?
5. What are the consequences of not doing anything differently?

Your TPOV

Reflect on what you've written for your answers so far. Now, from your perspective, answer the following:

a. What does it take to be successful (as an individual, a leader, and an organization)?
b. What is the best way to motivate and lead others?
c. What needs to change in your organization? What does the company need to do in order to make this a better, more successful place?

d. How will you get there? What do you, and the people around you, need to do, stop doing, or do differently to achieve this goal?

Now that you have the answers, develop a leadership story around them that you can teach others. The results will be powerful.

Strategy 2: Seek Out New Ideas

As a senior leader, you have to devote almost all of your hours to being effective in your role. Still, if you don't know what's going on around you—in your city, country, and the world—you're going to seem less wise and more narrow-minded. Starting today, do the following:

- ☐ **Read the newspaper every day.** There is no substitute for understanding what is going on in the world. You must be in the know. This is a very basic activity that does indeed take time out of your morning schedule, but it pays major dividends.
- ☐ **Subscribe to the *Harvard Business Review* (*HBR*), *The Economist*, and any similar publications that interest you.** You need to be acquainted with what is going on in areas beyond your particular scope of work. This is particularly helpful for people who struggle with how to "get more strategic." The *HBR* is a phenomenal periodical that gives a robust view of all aspects of organizations. *The Economist* will inform you about the global economy and geopolitical events. Increase your awareness of such matters by picking up a copy.
- ☐ **Read a book—any book.** All wise leaders I know are also voracious readers. Why? Because reading exposes them to new ideas and perspectives. It helps them to integrate their thoughts. In many cases, wise leaders read history books, business books, or fiction. I'm not suggesting you need to read every boring business book that hits the shelves. Read something fun, something beyond your typical fare, even if that means following Oprah's Book Club. It will make you a wiser leader—I promise.
- ☐ **Challenge yourself to learn something new.** Once a year at a minimum, take a course in a subject you know little about or take up a hobby that makes your brain explore new territory. Take a trip somewhere you've never been. The key is not to remain stagnant. Do not accept the status quo. Be a constant learner and you will grow wise.
- ☐ **Go to a play, movie, concert, or performance.** Once a month or more, get the heck away from business and immerse yourself instead in the arts. Art

makes you think, reflect, and react, all crucial steps in being able to build wisdom. It doesn't matter what style or mode of art you most appreciate. I am not much of a ballet person and I have yet to go to the opera, but I do enjoy a U2 concert, I love traditional jazz, and I can get lost in a good art gallery.

- ☐ **Listen to wise people.** Bring in those with wisdom to share to speak at your organization. This could mean a lunch-and-learn or a full-blown speaking engagement at your company's planning meeting. Sponsor community learning events such as a speakers' series. And if you can't get them to come to you, then you go to them—attend conferences and conventions where they'll be speaking or offer to go to their homes or offices for an hour of face time. A single conversation with someone who possesses true wisdom may be the most valuable one you'll ever have.

Strategy 3: Find a Mentor or Advisor You Trust

In order to provide wisdom to others, you must receive wisdom from someone else. Having a trustworthy mentor or advisor helps you in two ways. First, by listening to the insights someone else has gleaned from their own journey, you will be prompted to engage in your own self-reflection, with consequent insights into yourself. Second, by observing how others impart their wisdom, you will learn how to more effectively do so yourself. Here are some specific ways to seek out and maximize the relationship with a mentor or advisor.

- Ask a trusted peer whom she gets advice from. Who is the wisest person she knows?
- Hunt wisdom. Seek out those who are wise and spend as much time with them as possible.
- Once you've found a trusted advisor, don't let go. These people are rare commodities in the world. Go to them for advice and listen to it. If they challenge you, they are doing it for a reason. The key is to engage in meaningful dialogue about yourself and the world.

Strategy 4: Create Diversity of Thought on Your Teams

The most successful teams have built different *types* of wisdom into them—individuals with varied expertise, different backgrounds, contrasting career paths, and diverse personalities. Teams composed of a bunch of people who think, act, and talk in the same way don't usually go far. The goal for your

teams should be to bring together people who are smart, but who represent different kinds of smart—especially if they think differently than you do yourself. If you feel your team is beginning to stagnate or can't unlock the secret to moving forward, have a look around the room. Is it because everyone is too similar? Here are some tips to help shake things up a bit:

- ☐ **Invite challenges from those who report to you.** Take a hard look at your team and reflect on whether they are willing and able to challenge your thinking and decisions. Is your team susceptible to groupthink? If so, break out of it. Publicly reward or praise people when they present alternative points of view.
- ☐ **Have different people lead discussions.** Just as members of a family tend to take on established roles over time that, ultimately, are extremely difficult to change, members of business teams can get into ruts because of the roles they fall into—the quiet one, the jokester, the guy who always disagrees, Miss Serious, the one who wants to be the boss, and so on. By forcing people into different roles on a regular basis, you keep things fresh and bring new ideas and perspectives to the surface constantly.
- ☐ **Bring in people from other offices, other teams, even other companies.** It's easy for those inside an organization to quickly lose objectivity about how the rest of the world sees them. No matter how much internal wisdom you are able to develop, that wisdom is still confined to, and has developed within, your own four walls. Adding someone who can bring wisdom in from outside can be invaluable to the way you devise your organizational strategy.

Strategy 5: Designate Time for Self-reflection

Reserve time in your calendar at least once a week to step back and reflect on the bigger issues. Period. You don't have to formally meditate or sit alone in a room staring at a candle (though if you like that sort of thing, knock yourself out). Just try to avoid getting bogged down in the mire of everyday management activities. Think big and be honest with yourself about the things that come to you. Psychologist Richard Kilburg, an expert on executive wisdom, has his clients reflect about their decisions and actions.[5] Here are some questions you can use to stimulate your own reflective thinking:

- What decisions or actions did I make this week?
- What was the dumbest decision I made? What was the wisest decision I made this week? What was the wisest action I took this week?

- What did I miss this week? Did I fall victim to any blind spots?
- What are the implications for my decisions in the larger context of what I am trying to do here?
- What I have I learned this week? What can I teach others based on what I have learned?
- Who needs help around me? Who might benefit from my advice?

Your own reflection time isn't the only important thinking that should be done; your team, as a group, should be engaging in reflection too. One method you can use to do this is called an "after action review" (AAR). The AAR process was developed in the U.S. military as a way of debriefing and learning from its missions. Military psychologists realized that much wisdom was being lost by not taking the time to really achieve an understanding of both the organization's successes and its failures. So they devised a set of four questions that, if answered rigorously, would reveal the wisdom gained from any given event. As I said, it's only four questions, but together these questions have the power to unlock a world of valuable information. If you aren't already conducting some sort of postmortem on a regular basis, start getting your teams to sit down following the conclusion of an initiative to answer these questions:

1. What results did we expect to achieve?
2. What did we achieve?
3. Why did we achieve what we did?
4. What would we do differently next time?

By asking these questions following a major event, you will learn from the event in an infinitely more robust way. The trick is to be thorough and not allow anyone off the hook. Don't let anyone on the team get away with surface answers or throwaway comments. Go a level deeper and probe for the answers beneath the answers. As happens anytime you open yourself up to the possibility of learning and reflection, you'll be surprised what you can learn.

WHY IT MATTERS

Let me tell you a story about a CEO my company recently advised. This individual had been a star in his organization—a storied Australian holding company that owned a diverse portfolio of public companies. He was brought to North America to oversee a large supermarket company that had been around

for nearly a century and was in urgent need of someone to blow off the cobwebs, pump some fresh thinking into the operation, and, hopefully, take it to the next level.

This new CEO had, in his previous position, made a large investment that ended up delivering a huge return. Without devoting too much time to studying the current business climate or the particular circumstances under which the company was operating, he decided to swing for the fences again to see whether he could catch lightning in a bottle not once, but twice. Increasing the risk profile had worked before; why wouldn't it work again?

The new CEO's investments almost ended up sinking the company. In retrospect, it was obvious that they were ill-advised and reckless investments, but at the time, they'd seemed to make sense.

Well, to the CEO, at least, they made sense. But they had not, in fact, made sense because they'd been based only on previous experience with no consideration of the present context. When leaders simply transplant thinking from one context to the next, they are courting trouble. Knowledge gleaned from previous experiences serves as the foundation to wisdom, but it does not become wisdom until one consciously applies it to new circumstances. In the case above, the new CEO's failure to undertake the second part of the equation led to a host of other problems. His integrity suffered because he had to hide things from the board after the investments went south. His judgment and efficacy were called into question since he'd hired thousands of people and expanded into new geographies on the basis of his bad bets. Worst of all, by acting boldly instead of intelligently, he lost the faith of his team.

By contrast, those who consciously reflect on the past and apply it to the present are consistently able to transfer their knowledge and experience to current circumstances, and they thrive in their leadership roles as a result. The process of actively nurturing wisdom leads to an expanded perspective, enables you to be more nimble in a great variety of situations and to more effectively navigate your teams through different waters. It allows you to frame discussions and ideas in meaningful ways so that they make sense to others.

Great leaders don't just think about what happened—they think about why it happened, why they reacted or behaved the way they did, which of those reactions or behaviors led to successful outcomes, and which ought to be different next time. Those who do not take the time for such reflection land on the flip side of wisdom. They might as well not have had any experience in the

first place, because they aren't doing anything useful with it. Don't aim to be a smart leader. Aim to be a wise one.

The Wisdom of Giving: Part Two

The dust was everywhere and so were the sick. For every fleck of fool's gold dredged up out of the water, there were lungs blackening and people yielding to its effects.

Frances realized she must step up her efforts. The Hebrew Ladies' Relief Society was not adequate for the problems that needed to be faced. It would require the generosity of many, the communal kindness of an entire town.

So in 1874, Frances broadened the scope of her work, approaching people outside of the Jewish community to help found the nonsectarian Denver Ladies' Relief Society. At the same time, she organized Denver's first free kindergarten to help the children of poor families. "God never made a pauper in the world," she said during one of her many public campaigns to promote charity from all corners. "Children come into the world, and conditions and surroundings make them either princes or paupers."

She didn't stop there. Though Colorado's dry air and sunshine were supposed to be a cure for tuberculosis, hundreds of sufferers still appeared day after day. Frances regularly visited impoverished homes to bring food, coal, clothing, and soap. Unlike others, she was not afraid to touch people whose bodies were emaciated. She did not flinch at the sight of blood. She often would stop to give aid to those who were lying in the street felled by hemorrhages.

As her work progressed, Frances realized not only that she couldn't do it all herself, but that she shouldn't do it all herself. She had marshaled resources to help Jewish ladies and then to help all ladies that were in need throughout the city. What more might she accomplish by assembling the right people?

She wasn't the type to wait around to find out. In 1887, she lobbied the city's congregational minister and the Catholic archdiocese to create the Charity Organization Society. The idea, she said, was that this association would act as a central repository for fundraising and other efforts; proceeds would be portioned out across a federation of charities.

Frances continued to be troubled by the number of tuberculosis victims who made their way to Denver in search of a cure, only to find that no facilities existed to give them treatment or even shelter. "Most of the community ignores those who roam the city coughing or hemorrhaging," Frances wrote. Due to the lack of facilities, those afflicted were often transported to the local jail.

Frances sought a new ally—the lately appointed rabbi of Denver's Temple Emanuel, William S. Friedman. The rabbi, sympathetic to Frances' arguments, endorsed her ideas to build a tuberculosis hospital and spread the word loudly from his own pulpit. In April 1890, Denver's Jewish Hospital Association was incorporated and, in October, a cornerstone was laid.

Unfortunately, Frances would not live to see the hospital built. Early in 1892, she herself became ill, but instead of following her physician's advice to stay home and recuperate, Frances clung to her calling, stubbornly continuing to provide assistance for the medically indigent. Soon she developed pneumonia. By spring, Frances was dead at the age of forty-nine.

Her funeral was attended by thousands of people who felt it was their obligation to mourn the woman who had become known as the "mother of charities." The memorial service, open to all faiths, was presided over by Rabbi Friedman and three leading Christian clergymen. Through her tireless efforts, Frances Wisebart Jacobs had forged an enduring legacy and created a powerful model of collective generosity that is still followed today. Which is why the United Way, the organization that the Charity Organization Society would later become, today proudly recognizes her as its founder.

THE BOTTOM LINE

Experience is the basic ingredient in wisdom—but reflection and perspective are what allow it to rise to the surface.