



Self-reflection is the key to identifying what you stand for, what your values are, and what matters most. Through self-reflection, you are able to step back, filtering out the noise and distractions. As your view becomes clearer, you can prioritize how and where to invest your time, efforts, and energy. Self-reflection allows you to gain clarity on issues, both personal and professional, because you have taken the time to think more deeply about them. The more self-reflective you are, the easier it is to make choices that are in line with your values, with awareness of the full impact of your decisions.

Self-reflection has been my lifelong practice. As I became more self-aware, I gained clarity about my values and goals. I was able to focus on what mattered most because I took the time to discern my priorities. Engaging in self-reflection on a regular and ongoing basis has made a huge difference in my life as a business leader, an active board member, a university professor, a husband, and a father of five children. What would otherwise appear to be a complicated existence has become much more straightforward and easier to navigate.



Through self-reflection, I have also become a more effective leader in my career, including as a former chairman and CEO of a multibillion-dollar global health care company and currently as an executive partner in a private equity firm with a portfolio of more than thirty companies. Likewise, whether you are a leader of a team, a department, or a Fortune 500 company, or simply an individual who is trying to manage yourself, your priorities, and your time, self-reflection helps you make choices that are better aligned with your values. You are able to discern whether what you're doing is really what needs to be done. You will know what you are deciding and why, and what the outcomes of those decisions are most likely to be. The more aware you are of your choices, whether personal or professional, and their impact, the better the decisions you will make in the future.

Being self-reflective, you take the time to think through your choices and decisions. As situations arise, you are surprised less frequently. Even when you do face an unexpected outcome, self-reflection can help you use it to your advantage for the future.

THE SELF-REFLECTION CONNECTION

Self-reflection is central to your leadership. The more you self-reflect, the better you know yourself: your strengths, weaknesses, abilities, and areas to be developed. Being self-aware, you know what you stand for and what is most important to you. With this clarity, you are able to connect and communicate with others more effectively. Grounded in self-knowledge, your leadership becomes more authentic.

All too often, when people aspire to leadership, they want to emulate someone else's style. They want to be like Jack Welch or Ronald Reagan or Abraham Lincoln or another recognizable leader. Although we can all learn a lot from the example of others, your leadership must come from your core. You cannot determine the kind of leader you are without first figuring out who you are. Your leadership needs to be rooted in the real world and reflective of your views, life experiences, and professional path. I believe self-reflection is so important that I make it the focus of

my leadership classes at Northwestern University's Kellogg School of Management. My goal is to give the hundreds of students I teach each year a tool that I believe will make a significant difference in the choices they make professionally as well as personally.

Self-reflection enhances leadership by helping you become more aware of the decisions you make, as well as the likely outcomes and implications of them. I refer to this as making your decisions *explicitly* rather than *implicitly*. With an explicit decision, you understand that you are not making one decision by itself in a vacuum. An explicit decision takes into account all the factors that are affected by or have an influence on the decision. There are causes, contributing factors, previous decisions, and direct and indirect outcomes to consider. By being explicit, the process becomes transparent. In contrast, implicit decision making takes only a narrow focus without much regard for the big picture—an approach that can lead to surprises, often unpleasant ones.

Making an explicit decision requires you to be self-reflective, ensuring that you stay consistent with who you are, your goals, your values, and your priorities. Therefore, the likelihood of being dealt an unexpected disappointment is far less when you are introspective. Your decision can even be a bit “out of the box” and still have a high probability of producing the expected results, as long as you spend some time in reflection and discernment. Such was the case at Baxter when we decided to promote an unconventional candidate into a very important position.

Baxter's senior vice president of human resources, Mike Tucker, and I sat down to discuss the creation of a talent management process for the entire company, which would be led by one person. Rather than make a quick decision to put someone from HR in that job, we looked at the position holistically. We determined that the ideal candidate would have a good understanding of the total company, with exposure to different divisions, functions, and geographic locations. When we looked at the position with that perspective, someone immediately came to mind: Karen May, who had a background in finance and auditing and was a CPA. She had the company knowledge, the people skills, and a

deep understanding of various functions. On the surface, the decision to promote Karen to the job was not obvious; after all, she had no specific HR experience. However, by stepping back and reflecting on the type of person who would be best suited for the job, we could see that Karen was a perfect fit.

She was so successful that two years later Mike told me she was qualified to take over his position as senior vice president of HR for the entire company. Today Karen is an executive vice president for Kraft, a \$50 billion global firm. Were we surprised? Truthfully, no. Being self-reflective increased our chances of making a decision that turned out as we had expected. Had we not been introspective and merely followed the usual hiring route, we never would have offered Karen the job, and would have missed out on the contribution she made to talent management at Baxter, and currently at Kraft.

Karen, too, had to engage in self-reflection in order to determine whether she wanted to pursue this opportunity and, if so, for what reason. In a conversation I had with Karen recently, she recalled that when Mike and I approached her about the talent management position, it prompted her to reflect on her inventory of skills. As she explained it, “Was I really a CPA and accountant, because if that was who I was, why would they want me to do this job? But as I reflected on my personal inventory of skills, it raised the question, ‘What would I do to bring value to the table?’”

Her conclusion was that the new job provided another lens through which to gain perspective on her career and how she could contribute her knowledge, talent, and experience in new ways—all priorities of hers. “I saw this as something different . . . as an opportunity to grow in a much different and more rapid way than if I did something that I was more comfortable with,” Karen added.

Looking back, Karen also found it enlightening to reflect on what did *not* come to mind at the time. “I did not think about ‘What are people going to say?’ or ‘What about my career?’” she recalled. “It never occurred to me to think that way about a job opportunity, which

others would probably have seen as a huge risk. I didn't see it as a risk. I saw it as an opportunity to grow."

Explicit decisions also help you with your relationships with other people, helping you determine how your choices and actions affect others. Nowhere has this skill been more critical for me than in balancing my personal and professional life. There have been times when my youngest son, Daniel, has asked me to go on a bike ride with him. Normally, nothing would make me happier. But on one particular day, I was about to leave for Kellogg to teach. I had to say no to Daniel, which was disappointing for him, but it was the right decision. The next day, Daniel asked me if I could color a picture with him. Unfortunately, I was about to head out the door to give a speech, so I could not. Two days later, a Saturday, I was going to the gym. I couldn't wait to work out. Daniel stopped me before I left and asked if I would watch one of his Disney DVDs with him. Before I said yes or no, I realized that I was not making one decision in that moment. I was actually making the third of three decisions in a row: the first two resulted in my saying no to him about a bike ride and coloring a picture. I cannot say that my children are very important to me if I continuously put other priorities in front of them. With that understanding, I put my gym bag down and went to watch Mickey Mouse.

Whether you are trying to set priorities about time spent with your children or with your team members, self-reflection helps you pause and look at things holistically. Has a member of your team asked to speak to you on several different occasions, but you were always too busy with something else? If you don't make time to speak with him or her and to live up to your stated value of having an open-door policy with your team, what are the chances that this valued team member will seek opportunity elsewhere? Through self-reflection, you can see that certain decisions are not just one-off incidents but part of a pattern. Therefore, if making time for your team members, spending quality time with your family, or whatever you have identified as a priority is important to you, then saying no to someone or something three times

(or more) in a row is a pattern you should avoid. Something must be wrong, and you may have confused your values and priorities—or you may have not set your priorities well to begin with. Self-reflection also plays a critical role in that process.

SETTING PRIORITIES

One of the biggest benefits of self-reflection is in identifying what comes first and what comes last. Too often when people or teams engage in setting priorities, they identify multiple things—maybe even ten or twenty—that are “the” top priority. Sorry, but it really doesn’t work that way. If you prioritize one hundred things, then there is only one first priority, one second-place priority, and so forth. Moreover, if something is number one on the list, then that means other items must be relegated to places from number two to one hundred. This isn’t easy, but unless you prioritize in this fashion, you’re only fooling yourself. You will be rushing around trying to accomplish fifty-first-, second-, and third-place “priorities,” instead of committing your time, attention, and resources to what matters most.

This approach to prioritizing may take some getting used to. For example, at Baxter, we would identify the top one hundred projects, listing them from one to one hundred. Initially, when a manager found out that his project was number twenty, his reaction was shock and disappointment. Rather than realizing that the project ranked in the top 20 percent of the company’s priorities, which was indeed a good thing, he reacted on the basis of the more common view at most firms, where five or ten things are ranked number one, and a similar number are rated second, third, and so forth. With that skewed scale, of course being number twenty would seem as though he was at the bottom of the barrel! Once the people at Baxter understood that this was really a top one hundred ranking, the perspective began to shift. They knew all one hundred projects would get some attention, with the highest-ranking receiving the most. In time, projects could either move up significantly or be dropped.

As a leader, when you engage in true prioritization, you confront a harsh reality, one that nobody, particularly the overachievers and perfectionists among us, likes to admit: we can't do everything. If you create your own list of one hundred things you'd like to do, you may be able to do only the first seventeen. Knowing that, you must make sure that the top seventeen on your list really ought to be there, and that they are ranked in order of what is most important to you. Once you have established your priorities, then making decisions based on what matters most becomes fairly easy. You do not have to agonize about what is most important because through self-reflection you have already established what comes first, second, third, and so forth.

Similarly, by being a self-reflective leader, you can determine where the organization excels, just as you can assess your own strengths. Unless you, as a leader, are willing to take a step back to reflect, it will be very hard to make these distinctions consistently. I used to tell my teammates at Baxter that I had good news and bad news. The bad news was that of all the things we were involved in, we were probably really good at only two or three of them. The good news, however, was that many companies were not good at any of them. By knowing what we were really good at, we were able to put our focus and our energies on those areas that reflected our strengths and core competencies.

Once you have determined what your organization can do well, then it is time to prioritize accordingly. For example, a company that operates in forty countries can state that its strength is its global nature. But not all the countries in which it operates are equal when it comes to size or the importance of its market. Similarly, a company's strength may be its multiple product lines, but every line is not equal; some rate higher than others in importance. Without an honest assessment, leaders and their companies run the risk of trying to make everything a priority—which, as I've stated previously, is impossible.

When you are in the middle of setting these priorities, however, you can't get your brain around the task unless you step back and ask the key questions: *What is most important? What should we be doing?* The analysis becomes clearer and easier when you take the time to reflect. Otherwise,

your company is at risk of engaging in a lot of activity without much to show for it.

Being able to discern *activity* from *productivity* requires discipline because priorities shift with changing circumstances and new developments. As a leader, you need to address these shifts constantly in order to make credible decisions that make sense today and in the foreseeable future. Here's an example of what we face at Madison Dearborn Partners as we manage our nearly \$20 billion portfolio of companies across diverse industries. Let's say we have the opportunity to buy a fast-growing business that, on the surface, appears to be complementary to our portfolio. Without self-reflection, we might be tempted to jump in and make the deal work. Instead, long before planning, negotiating, financing, or serious due diligence come into play, we need to stop and reflect: Does this company really fit into our portfolio? Is it consistent with our investment philosophy? Given the amount of time and effort that it takes to complete a transaction (negotiation, due diligence, financing, and integration), does it fit with all the other priorities that we said were critical? As a leader in your organization, when you engage in self-reflection, you can see how and whether a business opportunity or project is important to the company, how it aligns with and advances the goals of the organization, and how priorities that you set might change as a result.

If we move forward with the acquisition, having determined that it is strategic, economically sound, and consistent with our objectives, then we are able to move forward with a framework that makes sense. We have thought about the acquisition explicitly, instead of merely engaging in the frenzied activity that often surrounds deal making.

Your self-reflection may lead you to the opposite conclusion: that although the company looks and sounds good, it is not aligned with your company's strategic goals. For example, the business may be in a particular niche market or geography that is not your top priority. If your focus is on trying to make the deal work, however, it is easy to rationalize and see connections that are not really there. Only self-reflection can help you discern if it is truly an opportunity worth pursuing. The

process is ongoing as new opportunities arise, challenges are faced, and priorities shift.

WHAT HAPPENS WHEN YOU ARE NOT SELF-REFLECTIVE?

As a twenty-four-year-old graduate student at Kellogg, I was fortunate to be recruited by several leading firms and soon found myself caught up in the process. What started out as an interesting, fun, and, admittedly, flattering mission to find out what it might be like to work for one of these firms suddenly advanced to a final round of interviews. There I was in New York, in the global headquarters of one of “the” investment banks, and they wanted to hire me. As I was ushered around to speak to various people, I started to get a funny feeling. Did I really belong there? I had a serious girlfriend (now my wife, Julie) at Lawrence University in Appleton, Wisconsin, and I was trying to picture myself as a New York-based investment banker. How did this job fit with my life goals and priorities?

Through self-reflection, it occurred to me that, yes, this was a great company, and I was being considered for a position that others might envy—but it was not where I belonged. Equally important, I was not the right person for this firm. Fortunately for me, self-reflection kicked in before I accepted the job. Otherwise, the excitement of the moment could have carried me into a position that did not fit me.

Experiencing such a seminal moment early in my career should have made me alert to the warning signs when it happened to me again, twenty-five years later. The truth is, however, that I was right back in almost the exact same scenario. I had just left Baxter as the chairman and CEO and had started teaching at Kellogg. At the same time, I was being recruited by a number of private equity firms in New York to become an executive partner. Before I knew it, I was taking several flights a week to New York to meet with senior partners. Finally, one evening as I was getting ready for yet another trip, Julie said to me, “Harry, since we live in Chicago and have decided that we are going to

stay here, why are you going back and forth to New York all the time? Wouldn't taking a job there be inconsistent with our priorities?"

I had done it again. Because I let my practice of self-reflection lapse for a bit, I didn't catch the disconnect between what I was doing and what I said were my goals and priorities. Thankfully, Julie (as is usually the case) kept me on track. Although personal assessment is key to self-reflection, you cannot always do it without the input of others. We'll talk more about this in the next chapter.

What these two stories point out is that engaging in self-reflection on a regular, ongoing basis (preferably daily) keeps you from becoming so caught up in the momentum of the situation that you get carried away and consider actions and decisions that are not aligned with who you are and what you want to do with your life.

Although self-reflection is the cornerstone of my leadership, it did not come naturally to me. In fact, for people who know me well there is a certain irony when I say that my leadership philosophy starts with self-reflection. My background was in mathematics and economics at Lawrence University, followed by finance and accounting at Kellogg where I received my MBA, after which I received my CPA. I was always a quantitative, numbers-oriented person. Even though I had used self-reflection on a personal level, if someone had said to me that one of the keys to becoming a better leader was to practice self-reflection, I probably would have questioned his or her judgment.

Then one day I had an epiphany. I had always believed in multi-tasking, thinking it was the key to getting a lot done. At first, I felt pretty good because I *could* get a lot done. What I soon realized was that the more I accomplished, the more there was to do. I was never done; instead I was just exhausted. Was more really better? Was faster the ideal? These same questions apply as much to my life today as they did back then. Thankfully, I have learned the value of slowing down and reflecting on what is happening in the moment. I realize that instead of moving faster, it makes far more sense to focus on what is most important.

UNDERSTANDING SELF-REFLECTION

There is no right or wrong way to engage in self-reflection. The key is to find time when you can be silent and really focus on what matters most. Some people are able to do this when they are jogging or walking, others while they are commuting by train or car. For some, it is when they pray or meditate. You focus on the inner voice, rather than the outside noise.

My personal time for self-reflection is often at the end of each day, when my work and family activities have been completed. I've made my phone calls and sent my e-mails. I've exercised, and my children are in bed. In these quiet moments, I reflect on the day that is coming to a close, the impact that I have made, and the impact that others have made on me. I ask myself the following questions, which are personal in nature: *What did I say I was going to do today, and what did I actually do? If what I did was different than what I planned, what were the reasons? What went well, and what did not? How did I treat people? Am I proud of the way I lived this day? If I had the day to live over again, what would I do differently? And finally, What did I learn today that will have an impact on how I live the next day, the next week, and going forward?*

The questions you ask yourself may be similar to mine, or they may be very different, depending on your particular situation. Ask yourself the questions that are the most relevant to you. You may want to record your reflections in a journal. Personally, I find it helpful to write things down so that I can tell when I'm really being self-reflective, instead of just daydreaming. Putting my thoughts in writing also gives me notes to review later.

In addition to my daily practice, every year in early December I attend a silent retreat. This is a time I set aside to really get to know myself and to think deeply about what matters to me. As the Jesuits who run the retreat explain, in silence we are able to “dispose ourselves” so that we can really listen to our inner thoughts. When we stop talking and remove ourselves from conversation, we can engage in listening on a deeper level. For me, the retreat provides a few precious days without

phones, faxes, my BlackBerry, and other outside distractions. There are only paper, a pen, and silence, which allow me to delve into the key questions of who I am, what my values are, and what difference I want to make during the short time I am on earth.

Understand that when I went to my first retreat, I was a fairly animated, type-A personality and very quantitatively oriented. It was my future father-in-law, Tom Jansen, who suggested that I join him on the retreat. I wanted his approval, so I agreed, even though I had no idea until we were on our way to the retreat that I would have to be silent for three days. At the time, I thought it would be difficult for me to be silent for three minutes, let alone three days. However, once the retreat began, I saw the value of being able to contemplate, without distraction, my values, my goals, and what I wanted to accomplish in the next five years of my life.

For the next thirty consecutive years and counting, my father-in-law and I have continued the tradition of going on the retreat. Wherever I am in the world—Tokyo, Singapore, São Paulo, or someplace in between—I always make sure I return to St. Paul, Minnesota, in early December for the retreat.

At this point in your life, you may not be able to devote three days to a silent retreat. But what about fifteen minutes a day? Surely your life and future are worth that investment. The next time you have some unexpected free time on your hands—a conference call ends early or gets cancelled—rather than racing to fill it up, consider devoting that time to contemplation and self-reflection. I keep a list of things I want to think about more deeply for just those occasions.

On a recent business trip to New York, as I waited at the gate at LaGuardia, an announcement was made that our flight was delayed. Other travelers scrambled to see if they could book another flight, or immediately picked up their cell phones to complain to someone about being delayed. Instead, I found a quiet corner of the gate area and started to go through my list of things I wanted to give more thought to: career coaching for a friend or advice for someone who was having difficulty in a relationship. Rather than seeing the delay as a huge



inconvenience, I regarded it as a gift of time for self-reflection, which I knew would benefit me in dozens of ways.

Although I would like to say that I am disciplined enough to engage in self-reflection on a continuous basis, I'm human. Even after all these years of practice, sometimes I neglect the routine. The same thing will happen to you from time to time, perhaps because of several large projects at work, a new baby, or out-of-town guests coming for a visit. You are so busy you skip your daily self-reflection. You tell yourself that you'll do it tomorrow or next week. The problem, as it is with many good habits, such as maintaining a healthy diet or exercising regularly, is that it is all too easy to slip into your old ways. Before you know it, you haven't taken time out for self-reflection for a week or even a month or more, and all kinds of chaos creep back into your life. The good news is that when you fall out of the discipline of daily self-reflection, you can easily resume. In a quiet moment, sit down and reflect about what was going on that kept you from engaging in self-reflection. Where did it almost take you? What did you learn? Did you gain clarity about what you really want? The insight you gain may be worth the lapse and all the upset it caused.

No matter how or where you engage in self-reflection, use the time to contemplate whatever is on your mind, such as a particular opportunity, challenge, or even crisis. The same questions you asked personally now apply as you think about how you handled a certain situation. What was the outcome? What would you do differently? What did you learn that you will apply in the future? Taking the time to reflect each day on all the priorities of your life—work, family, personal, and so forth—will reinforce your commitment to make choices and decisions that are consistent with your values. Over time, this habit will become the foundation of your values-based leadership.

THE SELF-REFLECTIVE LEADER

Self-reflection can serve as a wake-up call to live your life more fully in the present. Rather than spending your time obsessing about what will happen down the road or continuously planning for the next move, you

will become more connected to the actions, decisions, and interactions of today. That, in itself, will make you a better leader. Your teammates, peers, customers, and business partners will experience you as more alive, present, and connected. You will make decisions more consciously with an understanding of the likely outcomes and consequences. If your team is facing challenges, you will be able to prepare them for what lies ahead. At the end of the day, you will assess what you did, how you did, what the result was, and what you wanted it to be. Then you will go back the next day and do the right thing with awareness and intention.

Understand that self-reflection is not a panacea. It will not automatically make you a better leader or open the door to the C-suite. However, I have used this tool throughout my career, from when I was a young analyst until I was the CEO responsible for the entire company, and now in the current phase of my professional life. Self-reflection keeps you honest *with yourself*. You will see quite clearly whether you are focusing on the things that you say are most important. You can fool a lot of people, but why fool yourself? Self-reflection will guide you on the path that you want to follow.

Self-reflection will require you to ask yourself some personal questions that will most likely force you outside your comfort zone, but the knowledge you gain about yourself is priceless. As you will see throughout this book, self-reflection is fundamental to each of the other principles of values-based leadership. Learning how to take the time to step back and reflect is absolutely essential to your becoming a values-based leader. So turn the spotlight on yourself. The glare will not be more than you can handle. Rather, let it illuminate your life and your choices—personal and professional—and help you see how you are affecting the course of your life and your leadership.