

INTELLIGENCE MULTIPLIERS:

HOW SMART LEADERS DOUBLE THE POWER OF THEIR WORKFORCE FOR FREE

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Imagine what you could accomplish if you were able to double the brainpower of the employees in your organization. Perhaps you would pursue new markets or find ways to get your company back on a growth trajectory. Even better, what if you could boost employees' brainpower without spending any money, even a single penny?

Today, it appears that the smartest leaders are doing exactly that: they're doubling their organizations' smarts and capabilities at no additional cost. These leaders are what we call Multipliers, and in this article we will describe how they enable employees to use the full range of their intellectual skills to solve problems and create value. We will also describe how Diminishers, leaders whose behavior causes employees to use only half of their capabilities, can become Multipliers.

Intelligence: Our Most Underutilized Asset

While employees today are stretched tight, most believe that they are underutilized. They are frustrated

because they are unable to use their ideas, skills, and interests to improve their own performance and the organization's. Why? Many work for bosses who are so focused on using their own capabilities that they can't see or use the full capabilities of the people around them.

In many cases, these myopic leaders have actually diminished or restricted the use of intelligence in their organization. In our research of 150 leaders across 35 companies, we found that the behavior of these diminishing leaders results in employees using just 48 percent of their total capabilities. This is an expensive proposition for organizations that have had to scale back and that actually need leaders who can do more with fewer resources. The people working for these Diminishers not only report that they are being grossly underutilized, but, curiously, they also claim that they find such underutilization exhausting.

Is it possible then that our organizations and employees are capable of doing far more than we are asking them to do? Is there a management logic or system that can

increase or accelerate growth by making better use of employees' brainpower? Just when we thought that we could not ask for more from people, it turns out that we can.

The Multiplier 2X Effect

Instead of waiting for conditions to improve and hoping that they'll be able to increase the headcount, smart leaders may find that the brainpower needed to solve their most pressing challenges is sitting right in front of them. These leaders need to learn how to be Multipliers so that they can tap into the full capability and intelligence of the people who work for them already.

Multipliers are leaders who use their intelligence to amplify the smarts and capabilities of the people around them. They invite and inspire people's best thinking and get more from their teams—more discretionary effort and more mental and physical energy. They bring out the genius in others and create a collective, viral intelligence in their organizations. They are also leaders who access the full intelligence and capability of the people around them.

Multipliers don't get a little more from people. They get vastly more. Our research has shown that Multipliers utilize people at nearly 100 percent of their capac-

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ity, which means that they get twice the capability from their people than Diminishers. Essentially, Multipliers double the size of their "brainforce" at no incremental cost and without the coordination costs that accompany an increase in headcount.

Multipliers create this 2X effect because they tap into new energy reserves. When people work for Multipliers, they hold nothing back. They offer their very best thinking and ideas. They give more than their jobs require them to give, volunteer their discretionary effort and energy, and hold themselves to the highest possible standards. They give 100 percent of their ability, and then even more as they stretch further. Employees working for these Multipliers report a sense of absolute exhilaration from being utilized fully.

The Multipliers

Our research revealed some of the unique ways in which Multipliers capture all of the intelligence that resides in their organizations. At the most fundamental level, Multipliers and Diminishers hold very different assumptions about intelligence. The Diminisher's view of intelligence is based on elitism and scarcity. Diminishers appear to believe that really intelligent people are a rare breed and that they are one of the few really smart people. They then conclude that "other people will never figure things out without me."

Multipliers see diverse forms of intelligence.

I recall working with one such leader, who can only be described as an intellectual supremacist. He ran a technology organization with more than 4,000 highly educated knowledge workers, all top professionals recruited from the best universities and companies. After leaving a staff meeting with his top 20 managers, he turned to me and said, “In meetings, I typically only listen to a couple of people. No one else really has anything to offer.”

Whereas Diminishers see intelligence in black and white, Multipliers have a rich, Technicolor view. They don’t see a world where only a few people deserve to do the thinking. Multipliers see diverse forms of intelligence and believe that it grows with use. They are leaders like Bill Campbell, the former CEO of Intuit (and now an advisor to some of Silicon Valley’s most prominent CEOs), who is known for his ability to see genius in others. Campbell recently reflected on working with the engineers in his organization: “Their minds can do something that mine can’t. They have a genius that I don’t.” Instead of giving these engineers programming specifications, Campbell learned to give them problems to solve. He said, “When they understand the problem, they always come up with better solutions.” The core assumption of the Multiplier is clear: people are smart and will figure it out.

The Five Leadership Practices of Multipliers

The above core assumptions are the foundation for the five leadership practices that distinguish Multipliers:

1. *Attract and optimize talent.* Diminishers hire smart people but quickly assign them to doing unimportant tasks. Multipliers attract people by making accelerated development a part of the deal. They take the time to learn the capabilities of each individual so they can connect their employees with the opportunities that will engage and stretch those capabilities.

They are leaders like the twin brothers Thomas and Andreas Struengmann, of Munich-based Hexal Pharmaceuticals. They created a company worth \$7 billion by finding great talent and unleashing it inside their organization. The brothers used unconventional tactics to match talent with opportunities. Instead of relying on organizational charts and job descriptions, they followed an “amoeba model.” Jobs were structured loosely and people could pursue work where there appeared to be a fit between their capabilities and a business need. For instance, a customer services assistant saw an opportunity to streamline a flow of work that was outside her typical scope of responsibilities. She e-mailed her colleagues asking for input on ways to improve the process. She then gathered a team of people with the right expertise, secured a budget, and created a prototypical process. The system was then green-lighted for widespread use by the Struengmann brothers.

2. *Create an intensity that requires the best thinking.* Corporate hierarchies, typified by their org charts, titles, and approval matrixes, are breeding grounds for diminishing leadership. In these environments, even well-intentioned managers are likely to create tension and anxiety that suppress their people’s best thinking. Multipliers counteract this effect by explicitly giving people permission to think, speak, and act with reason. They create an intensity that encourages, even demands, people’s best work. But they also encourage experimentation and mistakes along the way.

Lutz Ziob, the general manager of Microsoft Learning, creates an environment of equal parts

pressure and learning. One member of his management team said, “Lutz creates an environment where good things happen.” Lutz is clear about the realities and demands of the business but he makes it safe for his staff to experiment. As another of his managers said, “With Lutz, you can make any mistake once. But just once.” Lutz encourages risk taking by talking openly, and quite shamelessly, about his own mistakes.

3. *Extend challenges.* Today’s business environment is too complex for leaders to rely only on their own knowledge to set the direction for their organizations. So, instead of telling people what to do, Multipliers help people see what they can do. Multipliers understand that it isn’t how much you know that matters. What matters is how much access you have to what other people know. As Steven Johnson demonstrated in his book *Emergence*, the organizations that access the greatest number of brains will win. Multipliers use their knowledge to ask the hard, interesting questions that spark intellectual curiosity in others. Then, after extending a challenge, they step back and let others fill the vacuum that they’ve created.

Shai Agassi, CEO of Better Place and a member of the Young Global Leaders (an elite group of up-and-coming world leaders), is one such challenger. When Agassi sat in on the Young Global Leaders forum in 2005, he was asked the question, “What could you do to make the world a better place?” This question and challenge stuck with him and became the catalyst for founding Better Place, a company focused on building the battery-charging infrastructure needed to make electric cars a reality. Agassi challenged the people in this young company by asking, “How can we change a battery in five minutes?” and “How can we make it user friendly, location-independent, car independent and cheap so it can be scalable?” It seemed like a near-impossible task when he turned it over to his team, but as one team member said,

“Shai has a way of making the impossible seem possible.” The team broke down the challenge into pieces and constructed a prototype in three months—not for a battery switch in five minutes, but rather for a switch in 1.5 minutes. The team surpassed his outrageous expectations.

4. *Debate before deciding.* In organizations, important decisions are always subject to debate. However, a problem will occur if that debate happens after the fact—in whispered conversations in hallways and cubicles, as baffled teams try to make sense of decisions that seem abrupt and random. When diminishing leaders make decisions alone or in small, inner circles, they leave their organizations reeling instead of executing smoothly. In contrast, Multipliers engage people in making decisions up front, allowing their team to bring data and diverse perspectives to bear on the issue. Not only does this lead to sound decisions, but the key players, because they have been part of the debate, understand the issues and are prepared to execute the resulting decisions.

Sue Siegel, former president of the bio-tech company Affymetrix, built this muscle for debate inside the organization when she led it through a critical decision about whether or not to recall a flagship product. Customers had begun reporting problems with the firm’s micro-arrays, which

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Many well-intentioned managers jump in and rescue their people.

were rendering inaccurate DNA-typing data from 20 percent of the chip. As a scientist and industry veteran, Siegel could have easily diagnosed the situation herself. But she reached out into the organization for the deep intelligence that would lead to the best decision.

She convened a team of managers and professionals that spanned the normal management hierarchy. She framed the issue, asked the hard questions, and then opened a debate. Some argued for keeping the product, which was rendering accurate results from 80 percent of the chip and delivering value to customers. Others argued that the chip should be pulled and replaced. After two days of debate, the senior management team decided to recall the product.

What was the result? Affymetrix experienced a short-term hit to its market value. At the same time, the entire organization rallied and carried out the decision brilliantly. The company regained its market value and more. It built an ethos for how customers should be treated and how important decisions should be executed.

5. *Instill ownership and accountability.* Diminishers, believing that people won't be able to figure things out without them, tend to micromanage and jump in and take over at the first sign of a glitch. In contrast, Multipliers put other people in charge and then invest in their success by teaching, coaching, and supplying the needed re-

sources. This enables their staff to work independently and to be held fully accountable for their work and results.

When John Chambers, CEO of Cisco, hired his first vice president, he gave the new VP complete control of his domain (customer support) and made sure that their respective roles were clear. He said, "Doug, when it comes to how we run this area of the company—you get 51 percent of the vote and you are 100 percent responsible for the result. Keep me in the loop, and consult me as you go." By letting Doug know that he had "51 percent of the vote," Chambers gave Doug clear ownership but also let him know that he was available to consult with him and back him up. Instead of second-guessing his boss and worrying that his efforts would be hijacked, Doug could use his full intellect and energy to build a successful business.

Through the above five practices, Multipliers stretch people's thinking and capabilities and utilize people's talents and skills to their fullest.

The Accidental Diminisher

Perhaps the most surprising finding in our research was that most Diminishers did not understand that they were underutilizing their people. Many of these leaders had been promoted into management roles after having spent years being praised for their intellectual ability. Thus, they assumed that they were supposed to have all the answers. Others had worked for Diminishers or in diminishing cultures for so long that they had lost most of their ability to think critically, if at all. Many of these leaders were like the high-tech director who said, "I have the heart and mind of a Multiplier, but I've lost my way."

Formal organizations create a hierarchy that is inherently diminishing and encourages people to shut down and comply. This makes it easy for well-intentioned leaders to accidentally diminish the smarts of their people. Here are some common (and even

popular) management types who can be accidentally diminishing.

- *The Visionary*: Visionaries are big thinkers who paint a compelling picture of the future and evangelize it to those around them. But, these leaders might be providing a vision that's too prescriptive and not leaving enough space for others to think the challenges through for themselves and build the intellectual muscle to make the vision a reality.
- *The Idea Guy*: The Idea Guy is a fountain of creativity whose mind races with nonstop ideas. Idea Guys may think they're sparking innovation, but they are more typically causing organizational whiplash, as people around them scurry to keep up with each new idea, making only a millimeter of progress in each of a hundred directions.
- *The Rescuer*: Many well-intentioned managers jump in and rescue their people or a project in order to help the person avert failure and get on the path of success. But when rescuing struggling people, leaders can also diminish their capability by weakening their ability to think for themselves and to learn how to spot problems and recover from them. Instead of creating a cycle of success, it creates a chronic dependency on the leader.

Accidental Diminisher or not, the effect on team members is the same: your team's full brainpower is not being tapped.

How to Become a Multiplier

If the path of least resistance is the path of the Diminisher, how can someone change course and begin operating more like a Multiplier? Here are three simple but powerful starting points:

1. *Shift from answers to questions*. Perhaps the most powerful shift a business leader can make is to stop thinking that he or she has all the answers and start asking the right questions. The late management thinker C. K. Prahalad said, "The

most vital skill going forward will not be how much you know, but how quickly you can access what other people know." The most powerful leaders use their intellect to ask the insightful questions that cause people to stop and think—and then rethink. Asking challenging questions invites contribution and shifts the burden of thinking onto other people. Rethink your role and spend less time answering questions and more time asking them.

2. *Dispense your ideas in small doses*. If you are an Idea Guy who is prone to tossing out more ideas than anyone can catch or if you have "the gift of gab," try dispensing your ideas in small, intense doses. Introduce fewer ideas and leave white space. Providing more distance between your ideas has a powerful dual effect. First, it creates room for others to contribute, and second, people really listen when you speak up. Imagine you are playing your ideas like poker chips, placing each one where it will create the most value.
3. *Expect complete work*. People learn best when they are fully accountable and when they experience the consequences of their work. Instead of jumping in and fixing the work of others, give it back to them and let them know what needs to be improved or completed. And ask people to go beyond pointing out problems. Ask them to find a solution. By wrestling with it themselves, they'll increase their capabilities and be able to operate more independently next time.

Leaders who operate as Multipliers use their know-how to engage and amplify the intelligence of others. As a result, these leaders get twice the capability from the people around them. This is a compelling return.

In the current economic climate, managers face a choice. They can either wait until conditions are right to hire additional people or they can make better use of the talent in their now-slimmer organization. Those who learn to multiply the intelligence around them will find latent stores of intellect and energy that can

be applied against their most pressing challenges. Just imagine how much better prepared these organizations will be when the economy rebounds and they begin to hire again. They will be poised for accelerated, instead of mere linear, growth. Think about it: Just imagine what your organization could accomplish if you could double the brainpower in your workforce without adding a single new person.



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