Introduction

Have you discovered your True North? Do you know what your life and your leadership are all about?

Leadership starts with being authentic, the genuine you. The purpose of Discover Your True North is to enable you to become the leader you want to be. In the process you will discover your True North—the internal compass that guides you successfully through life.

Your True North

True North is your orienting point—your fixed point in a spinning world—that helps you stay on track as a leader. It is derived from your most deeply held beliefs, your values, and the principles you lead by. It is your internal compass, unique to you, that represents who you are at your deepest level.

Just as a compass needle points toward a magnetic pole, your True North pulls you toward the purpose of your leadership. When you follow your internal compass, your leadership will be authentic, and people will naturally want to associate with you. Although others may guide or influence you, your truth is derived from your life story. As Warren Bennis said, “You are the author of your life.”

Discovering your True North takes a lifetime of commitment and learning. As you are tested in the world, you yearn to look at yourself in the mirror and respect the person you see and the life you are leading. Some days will be better than others, but as long as you are true to who you are, you can cope with the most difficult circumstances life presents.
The world may have very different expectations for you than you have for yourself. Whether you are leading a small team or at the top of an organization, you will be pressured by external forces to respond to their needs and seduced by rewards for fulfilling those needs. These pressures and seductions may cause you to detour from your True North. When you get too far off course, your internal compass tells you something is wrong and you need to reorient yourself. It requires courage and resolve to resist the constant pressures and expectations confronting you and to take corrective action when necessary.

As CEO of Sara Lee Brenda Barnes said, "The most important thing about leadership is your character and the values that guide your life." She added:

If you are guided by an internal compass that represents your character and values, you're going to be fine. Let your values guide your actions and don't ever lose your internal compass. Everything isn't black or white. There are a lot of gray areas in business.

When you discover your True North, you find coherence between your life story and your leadership. A century ago psychologist William James wrote:

I have often thought that the best way to define a man's character would be to seek out the particular mental or moral attitude in which . . . he felt himself most deeply and intensely active and alive. At such moments there is a voice inside which speaks and says: "This is the real me!"

Can you recall a time when you felt most intensely alive and could say with confidence, "This is the real me"? Professionally, I had that feeling from the first time I walked into Medtronic in 1989 and joined a group of talented people dedicated to the mission to "alleviate pain, restore health, and extend life." I felt I could be myself and be appreciated for who I was and what I could contribute.
I sensed immediately that my values aligned with the organization’s values.

**The Rise of Authentic Leaders**

When I wrote *Authentic Leadership* in 2003, the most common question I received was “What do you mean by *authenticity*?” To me, being authentic was the natural way of leading, but many people in that era of charismatic leaders considered leading authentically a new idea.

Today *authenticity* is seen as the gold standard for leadership. No longer is leadership about developing charisma, emulating other leaders, looking good externally, and acting in one’s self-interest, as was so often the case in the late twentieth century. Nor should leadership be conflated with your leadership style, managerial skills, or competencies. These capabilities are very important, but they are the outward manifestation of who you are as a person. You cannot fake it to make it, because people sense intuitively whether you are genuine.

The hierarchical, directive leadership style so prevalent in the past century is fading fast in favor of today’s collaborative leaders, who believe in distributed leadership at all levels. The old notion of leaders as the smartest guys in the room—as Enron CEO Jeff Skilling typified—has been replaced by leaders with high levels of emotional intelligence (EQ).

Because of this move toward greater authenticity, we are blessed with much higher caliber leaders today. In discovering their True North, they have committed to leading with purpose to make a difference in the world and leave behind lasting legacies. The quality of today’s leaders is reflected in the lasting results they are achieving within their organizations.

For this all-new edition, my colleague Zach Clayton and I interviewed and studied 47 authentic leaders that represent the
diversity of the new generation of global leaders—among them, Unilever's Paul Polman, PepsiCo's Indra Nooyi, Alibaba's Jack Ma, the Huffington Post's Arianna Huffington, Merck's Ken Frazier, and Sojourners' Jim Wallis.

Before writing True North in 2007, our research team of Peter Sims, Diana Mayer, Andrew McLean, and I set out to get definitive answers to the question of how to develop authentic leaders. We interviewed 125 authentic leaders to learn the secrets of their leadership. This research constitutes the largest in-depth study ever undertaken on how business leaders develop.

We circled back to most of the leaders interviewed for the first edition to get updated on their progress as leaders. Much to our pleasure, we found that the vast majority of them are doing exceptionally well. Some have moved to new positions, some have retired from their organizations and taken on new challenges, but almost all of them continue to make vital contributions to business and society. Only a handful have failed.

In Discover Your True North, we retain the structure of the first edition, but go much deeper into what we have learned about leadership in the past decade. It includes many insights that my Harvard Business School colleagues and I, as well as practitioners and scholars around the world, have learned about leaders: how they discovered their True North, developed as authentic leaders, became global leaders, and stayed on the course of their True North throughout their lifetimes.

Although the 47 new leaders included in Discover Your True North are more international and more diverse than the first group, their stories and beliefs about leadership showed a high level of congruence with the earlier interviewees. (The back of the book contains the list of interviewees for this updated edition.)

Rather than waiting to get to the top to become leaders, they looked for every opportunity to lead and to develop themselves. Every one of them faced trials, some of them severe. Many cited these experiences, along with the people who helped them develop, as primary reasons for their success. Without exception,
these leaders believed being authentic made them more effective and successful.

As the result of our research into these leaders, we have a clearer understanding of what constitutes an effective and authentic leader. We know that each leader is unique, just as each human being is. The reality is that no one can be authentic by trying to be like someone else. You can learn from others’ experiences, but you cannot be successful trying to be like them. People will only trust you when you are genuine and authentic.

If you create a false persona or wear a mask, people will quickly see through you. As Reatha Clark King, chair of the National Association of Corporate Directors, said:

*If you're aiming to be like somebody else, you're being a copycat because you think that's what people want you to do. You'll never be a star with that kind of thinking. But you might be a star—unreplicable—by following your passion.*

Amgen chairman and CEO Kevin Sharer, who gained priceless experience at the beginning of his career by working as Jack Welch’s assistant, saw the downside of General Electric’s cult of personality in those days. “Everyone wanted to be like Jack,” he explained. “Leadership has many voices. You need to be who you are, not try to emulate somebody else.”

**The Leadership Transformation**

What has caused this dramatic change in today’s leaders?

As CEO of Medtronic in the 1990s, I witnessed firsthand many corporations choose the wrong people as CEO. Under pressure from Wall Street to maximize short-term earnings, boards of directors frequently selected leaders for their image, style, and charisma rather than their substance and character. Many of these leaders put their companies at risk by focusing on the trappings and spoils of leadership instead of building their organizations for the long term. When
those who failed walked away with enormous financial settlements, confidence in business leaders further eroded.

These stock market pressures boomeranged in the fall of 2008 when many financial institutions became insolvent, forcing the U.S. government to intervene to save the economic system from complete collapse. In the deep recession that followed, millions of Americans depleted their savings and unemployment rose above 10 percent. The root cause of this crisis was not financial instruments, such as subprime mortgages, but *failed leaders*, just as it was in the early 2000s.

As a result, public trust in business leaders fell to its lowest level in 50 years. In business, trust is the coin of the realm. The success of any organization depends upon customers’ trust in the products they buy, employees’ trust in their leaders, investors’ trust in those who steward their funds, and public trust in capitalism as a fair and equitable means of creating wealth for all. More than seven years after the global financial crisis, the public still has low trust in business leaders.

The positive side of these crises is the high quality of leaders who have emerged in the new generation and how well they have learned the lessons of these debacles. These leaders lived through the corporate governance debacle of 2003, when Enron and WorldCom went bankrupt, and survived the global financial collapse of 2008.

From these negative experiences when many leaders went awry, today’s leaders learned what not to do. They saw many of their predecessors get caught in the trap of chasing money, fame, and power, and lose sight of their True North. They learned the perils of putting self-interest ahead of the institutions they were chosen to lead. Most important, they learned that being authentic is the most effective and sustainable way to lead.

As we will see through their stories, today’s leaders have discovered their True North and are pursuing it to the best of their abilities. And yet, leading an organization today is much more difficult than when I was CEO. Today’s leaders have to cope with vastly increased pressures for short-term results and far greater
legal and regulatory compliance, all of which can pull them off the course of their True North.

In reading Discover Your True North, you may wonder why we focus so much on your life story and on developing yourself, as opposed to leading others. As we have learned from working with many leaders, the hardest person you will ever have to lead is yourself. Once you are fully comfortable with who you are—and feel good in your own skin—leading others authentically becomes much easier.

Authentic leaders who follow their True North have learned from their crucibles and setbacks. They have the resilience to resist pressures and seductions. They know they must be authentic to gain legitimacy with those with whom they work and the multiple stakeholders who have vested interests in their organizations. They are committed to building sustainable value for their institutions, while producing near-term results.

The fact that business today is far more global than it was a decade ago has significant implications for leadership throughout the world. As World Economic Forum USA chair Jean-Pierre Rosso reflected, “Today’s leaders are more global, more open, and more concerned about societal issues than their predecessors.”

The new generation of leaders introduced here are much more diverse than their predecessors, more global in their outlook and national origin, and more likely to be promoted from within. Many more women, people of color, and leaders who live and work outside their country of origin are among today’s authentic leaders. They have global visions and a desire to make lasting contributions. As a result, authentic global leaders who understand today’s global business world are rising to the top of organizations around the world.

As Fortune’s Manager of the Century, Jack Welch has long been thought of as the prototypical leader of the twentieth century. Unilever’s Paul Polman is emerging as such a leader in this new century. Figure I.1 shows some of the ways this generation of leaders differs from its predecessors.
INTRODUCTION

What is an authentic leader? Authentic leaders have discovered their True North, align people around a shared purpose and values, and empower them to lead authentically to create value for all stakeholders.

Authentic leaders are true to themselves and to what they believe in. They engender trust and develop genuine connections with others. Because people trust them, authentic leaders are able to motivate them to achieve high levels of performance. Rather than letting the expectations of others guide them, they are their own persons and go their own ways. As servant leaders, they are more concerned about serving people than about their own success or recognition.

This is not to say that authentic leaders are perfect. Far from it. All leaders have weaknesses and are subject to human frailties and mistakes. Yet by acknowledging their shortcomings and admitting their errors, their humanity and vulnerability come through, and they are able to connect with people and inspire them.

Discover Your True North is written for anyone who wants to be an authentic leader and discover his or her True North. It is for leaders at all stages of their lives, from students aspiring to lead to those at the top of organizations. You are never too young, or too old, to take on leadership challenges and lead authentically. Discover Your True North is grounded in the hundreds of years of experience of

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Figure 1.1 Differences in Twentieth-Century and Twenty-First-Century Leaders
the authentic leaders we interviewed as well as my own 50 years in leadership roles. For you, the reader, it is an opportunity to learn from authentic leaders and to create your own development plan to become an authentic leader.

The bottom line is this: You can discover your True North right now.

- You do not have to be born with the characteristics or traits of a leader.
- You do not have to be at the top of an organization.
- You can step up and lead at any point in your life.

As CEO of Young & Rubicam Ann Fudge said:

> All of us have the spark of leadership in us, whether it is in business, government, or as a nonprofit volunteer. The challenge is to understand ourselves well enough to discover where we can use our leadership gifts to serve others. We’re here for something. Life is about giving and living fully.

**Discover Your True North**

Discovering your True North is hard work. You may take many years to find it, as was the case for me.

This book does not contain six easy steps to discover your True North or other simple formulas. It takes the opposite approach. Discovering your True North requires you to maintain your individuality and retain your authenticity. This requires introspection, support, and feedback of friends and colleagues. Ultimately, you must take responsibility for your own development. Like musicians or athletes born with great abilities, you must devote yourself to a lifetime of development to realize your potential.

Part I of *Discover Your True North* examines the journey to authentic leadership. It begins with the leaders’ life stories, which are unique to them and more powerful than any set of characteristics or
leadership skills they possess. Next, the three phases of the leader's journey are dissected, looking at key steps in each phase of the journey. During their journeys, many leaders lose their way. To understand how derailment happens, we analyze five types of leaders who see themselves as heroes of their own journeys. Finally, by exploring the crucibles and life-changing experiences leaders have had, we see how they overcame setbacks and built the resilience to become authentic leaders.

Part II offers five elements of your internal compass that help you develop as a leader and get back on track when you are at risk of losing your way. This section provides you the insights to stay true to who you are as you confront challenges in the world around you. It includes five key areas of your development as a leader: self-awareness, at the center of your compass, and at the four points, your values and principles, sweet spot, support team, and integrated life (see Figure 1.2).
Part III describes your transformation from an I leader focused on yourself to a We leader focused on serving others. Only when you make this transformation will you be ready to discover the purpose of your leadership and empower people around a shared purpose. Finally, as the world becomes truly global, you can develop the special qualities required to be an authentic global leader. In the afterword, we challenge leaders to serve society by making capitalism a force for solving the world’s most challenging problems.

After each chapter, you will find a series of exercises that you can use to build your leadership development plan. Better yet, purchase the companion workbook, The Discover Your True North Fieldbook: A Personal Guide to Finding Your Authentic Leadership, written with my colleagues Nick Craig and Scott Snook, which contains in-depth exercises corresponding to each chapter in this book.

By dedicating yourself to discovering your True North, you will become an authentic leader who can make a positive difference in the world and leave a legacy for others to follow.