
If you're quiet, you're complicit.

It takes a new set of leadership traits to navigate this complicated world—and that's on top of the traditional list of evergreen leadership skills, the ones that were important 50 years ago, and will be needed 50 years from now. Effective leaders—and that applies to people all over an organization, not just c-suite executives—share many timeless traits: discipline, toughness and holding people to high standards, strategic thinking, intelligence, curiosity, and a desire to understand key drivers of the business like technology. In today's volatile, uncertain, complex, ambiguous world, other qualities, like adaptability and resilience, become critical as well.

But now, with the world facing extraordinary environmental and social challenges, leaders need to develop new skills to help them build “net positive” organizations—that is, ones that thrive by serving the world and improving the lives of everyone they touch. Net positive companies, which will still have a profit motive as well, should understand that profit should come not from creating the world's problems, but from solving them.

Leading a net positive organization takes more than the basics, and it's much more personal. The world needs business leaders who are the opposite of the old “company man” who coldly maximizes profits. The obsession with shareholder value has turned businesses into soulless money machines. It's all numbers, statistics, and profits. Businesses and their leaders have become robotic, valuing only contractual relationships instead of open, trusting partnerships.

We believe that a business is and should be comprised of real people serving the needs of other people. If we start with people as the core of business—not with the

pursuit of short-term profits—then the first step in building a more human business is to look inward and embrace being more vulnerable, open, and human.

The best leaders in business and civil society are first and foremost good human beings. They have integrity, so what they say and what they do are in synch. They also understand that putting the interests of others ahead of their own makes them better off as well. It also helps to know yourself. The sweet spot is leading in the overlap of what you're good at, what the world needs, and what you are passionate about.

We see five critical traits that help create and distinguish a net positive leader:

- A sense of purpose
- Empathy, humility, and humanity
- Courage
- The ability to inspire
- Openness to deep collaboration

1. A sense of purpose, duty, and service

In the early 2000s, John Replegle was flying high. He was president of the Guinness brand for Diageo and living a good life. But one day, after he spoke with a mentor about his personal mission statement, he got into the car with his two young girls, looked at them, and broke down. He realized he wasn't doing something that he felt had real purpose. There was nothing wrong with selling beer, but he wanted more. Replegle decided to work only for sustainability-minded companies from then on. He had great success in this phase of his career, becoming the CEO of two well-known purpose-driven companies, Burt's Bees and Seventh Generation, which he sold to Unilever.

Replegle had found purpose. As many have noted, *passion is about finding yourself, while purpose is about losing yourself in something bigger than you*. A sense of personal duty lays the foundation for building purposeful brands and companies. For those who understand their personal purpose, working in a place only focused on profits can create an uneasy feeling, a disconnect between values and actions (i.e., cognitive dissonance). It's an empty

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shell of a mission—if all you care about is profits and your salary, literally *anything* that makes money would be fine to sell. But most of us have deeper aspirations for ourselves and our families. Bringing your values to work and living your purpose will make you feel alive, and you'll bring out the best in everyone around you.

Tackling the biggest issues, such as fighting against climate change, or for justice and equality, while doing business well, is not easy work. Work is not always fun, but it's much easier when you feel that you have meaning.

2. Empathy: a high level of humility and humanity

There's a lot of luck in life. We don't diminish the hard work that gets any organization's leader to the top. But many people start with a tremendous advantage. The two of us are white males, born in wealthy countries, who had supportive parents committed to helping us thrive. We were handed a winning lottery ticket. Acknowledging that luck and putting yourself in others' shoes to be more empathetic is an important new skill set for a modern leader.

Ajay Banga, Chairman and former CEO of Mastercard, says what makes you stand out now is not just older measures like intelligence (IQ) or emotional skills (EQ), but DQ, or a decency quotient. For Banga, that means coming to work every day caring about the people who work with you, for you, and around you. And Nigerian Ngozi Okonjo-Iweala, the director-general of the World Trade Organization—the first woman and the first African to lead the global trade body—embraces humility by putting the mission of her work ahead of herself. As she has put it, “I keep my ego in my handbag.”

Humility does not mean being soft or unambitious—it does not get in the way of doing big things. But it does mean being transparent about what you can and can't do. The world faces large, systemic challenges with no easy answers, such as, what needs to happen for renewable energy and storage to fully power a factory or data center? Or, how can we ensure that all workers in the apparel or electronics supply chains make a living wage? The only way to solve tough questions is to say, humbly, to the world, “I don't have all the answers and I need help.”

3. More courage

All five attributes of net positive leaders are important and reinforce each other, but courage rules them all. As poet Maya Angelou has said, “Courage is the most important of all the virtues, because without courage you can't practice any other virtue consistently.”

Net positive leaders go after the biggest challenges. It takes courage to go out of your comfort zone and think 10 times bigger than you or your peers do—to set absurd goals that we need now, but that nobody could possibly do alone. For example, Microsoft has committed to remove more carbon from the atmosphere than it has emitted since its founding in the 1970s. By 2030, Google wants to power its operations “24/7” solely using renewable energy and storage onsite. Unilever has pledged to pay everyone in its sprawling, global-straddling supply chains a living wage. None of these companies, nor their CEOs, know exactly how to achieve these audacious goals.

But they've put these targets out into the world, challenging others to follow their lead. Executives often want to have things under control and predictable, so they shrink the scale of goals—they play to lose, not to win. That inherently reduces the potential for the

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business, and for the world. With courage, we can do so much more.

Courage also means speaking truth to power. When Paul was three weeks into the job as CEO of Unilever, he told investors that the company would no longer provide them with estimates of the company's financial performance over the next few months (i.e., quarterly earnings guidance). Most CEOs know this is the right move. They talk behind closed doors about how nobody wants to run their company the way a young stock analyst wants them to. But they don't go public. There's courage in numbers, but some leaders have to go first.

Taking on investors is hard, but imagine publicly rebuking the President of the United States. Ken Frazier, the CEO of Merck, showed tremendous moral fortitude when he resigned his position on former President Trump's American Manufacturing Council. After Trump said that there were "very fine people on both sides" of a neo-Nazi rally with counter protestors, Frazier could not in good conscience work with the president. He left the council, calling on leaders to reject expressions of hatred, bigotry, and group supremacy.

Frazier's story should not be news. That it sticks out as rare is a tragedy. Why is it so hard to speak out in favor of the world we want? Why should it feel risky to fight for human rights and the end of slave labor, or to create a diverse organization that gives people with different sexual orientations, skin colors, or abilities the same chance, or to actively avoid the destruction of the planet? It may not be easy to figure out *how* to get there, but let's make it easier for people to say what they know is right. Show the courage and others will follow.

4. Ability to inspire and profile moral leadership

A leader's responsibility is ultimately to unite people behind a common purpose. It's not just about giving energy, but unleashing it. It's the ability to motivate others to higher levels of performance, supporting people through mentoring and helping them to find their purpose.

A leader in any organization (or in life) will be more trustworthy, inspirational, and follow-worthy if their words and actions match. Employees and stakeholders sniff out hypocrisy. Every executive shows their level of commitment through a mix of what they say, do, and prioritize. They create the "shadow of a leader," which helps set the culture of the organization. With today's level of transparency, it's not just about how people act at work, but also what they do in their private lives. With social media, all of our actions are on display. The exponential rise of tele-work and video meetings lets our colleagues see into our homes. We're always in public, especially senior leaders with high profiles.

Leaders should find ways to show what they prioritize at home and work. They can demonstrate life balance and a commitment to well-being of all kinds. Inspire people to be healthy. *Exhausted people don't serve anyone well. We end up with burned out people on a burned out planet.* Be a mentor to others and help them bring their full selves to work. That's how we get a multiplier effect.

Make personal connections central to leadership, and don't avoid the hardest, most human moments. Paul once visited the widow of a man who died on the job, working at a Unilever facility. Doing the right thing and taking personal responsibility for safety should be the norm, not the exception. It shows caring and commitment, and people notice, but it also makes life more meaningful for leaders.

5. Seeking transformative partnerships

The most critical element of the net positive mindset flips the typical approach to strategy on its head. Most planning starts with an inside-out view, asking, "what are we good at, so what should we offer?" Net positive organizations understand the world's needs by looking outside-in. What are the world's limits and constraints? Where are we failing humanity?

Thinking at that scale, it becomes clear that the change we need requires broad partnerships. Shifting entire value chains—the operations of suppliers, the organization, and its customers—means not just pressuring suppliers to do better, often in partnership with peers and competitors, but innovating with them

to rethink how products and services are delivered. And the system won't shift without the right policy changes, which require open, productive partnerships with governments as well.

Leaders have to demonstrate that they're open to listening and working together, not just commanding from behind a desk. And not only open to it, but proactively seeking partners out and hungering to solve bigger challenges with them. The bias for action that the best organizations embrace needs to be a bias for collaboration and *transformative* action.

Working well with a diverse set of stakeholders is a new leadership skill. Nobody in this web of stakeholders works for you. Putting yourself on par with all partners, and being in service to them, requires humility, and shedding any disdain you might have, like assuming NGOs/non-governmental organizations have no business acumen. A net positive company treats everyone as worthy of respect and partnership. For NGO leaders, it's also unhelpful to think business people have no soul. Don't judge and put people in boxes.

We can do so much in collaboration, with a critical mass of players in the room. How much impact can, say, two dozen big players in a sector have? How many hectares of regenerative agriculture can they create? How much clean energy can they purchase? How many people can they inspire through their brands? The answer is unknown, yet, but it's exciting to explore the potential for real change in the world when everyone is working together.

Talking to the grandkids

Building and leading a net positive company are not easy tasks. The resistance to change is great. But the willpower to overcome hurdles comes from cultivating those five attributes. And underlying those traits, basic human values can be our guide and foundation for a new kind of leadership that embraces justice, dignity, and respect. When you know what the right thing to do is, you'll find the courage to take a stand.

We need more leaders who are decent, empathetic, kind, and feel an obligation to improve society for everybody. A net positive organization thrives by caring and putting people first. Companies may seem like unlikely leaders of a movement to bring more humanity

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to the world, but why not? We can shift from faceless organizations and recognize each other's humanity.

The first step is actually caring about what's going on in the world. Do you care that hundreds of millions of people go to bed hungry, not knowing if they'll wake up the next day? Or that two and a half billion people still do not have access to clean drinking water and sanitation? Or that in most countries, women still do not have the same rights as men? Or that island nations and low-lying cities will be flooded and uninhabitable within a generation? And on and on.

Without getting overwhelmed, we can work towards solutions and feed our own souls. So, the answer to the question "Do you care?" is really another question: Whom do you really serve? (How rewarding is it if the answer is "my shareholders"?). Why else are we working if not to serve others, even if it's just to improve the lives for your kids and grandkids?

How do we heal the world? The solution, perhaps, is as simple as love. In the end, finding our humanity at work is about knowing who we work for, and what we'd want our loved ones to say about the way we've spent our lives. The CEO of a large European automaker recently gave her Board homework for a strategy session—write a letter to your grandkids about what you did on this Board.

What would your letter say?

Adapted from *Net Positive: How Courageous Companies Thrive by Giving More Than They Take* by Paul Polman & Andrew Winston (Harvard Business Review Press, 2021).

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Paul Polman works to accelerate action by business to achieve the UN Global Goals, which he helped develop. He was the CEO of Unilever from 2009 to 2019 and has been described by the Financial Times as “a stand out CEO of the past decade.”



Andrew Winston is a leading adviser and speaker on sustainable business strategy. He is also the author of The Big Pivot and co-author of Green to Gold. He was selected for the 2021 Thinkers50, a list of top management thinkers globally.