



Book Co-Leaders

The Power of Great Partnerships

Warren Bennis and David A. Heenan
Wiley, 1999

Recommendation

Although the business press likes nothing more than the rise and fall of mighty corporate monarchs, authors David A. Heenan and Warren Bennis (co-leaders themselves, clearly) contend that today's most important management trend is the movement toward collaborative leadership. While it's become common wisdom that the lightening-fast pace of contemporary business demands more flexible command structures than traditional corporate hierarchies can provide, the cult of personality still dominates public perception. Heenan and Bennis present compelling theory as a basis for their co-leadership model, and reinforce their thinking with a string of examples of executive dynamic duos, like Gates/Ballmer, Grove/Barrett and Merrill/Smith. The case histories are not used to blindly buttress the authors' point, however. The bloody Eisner/Ovitz debacle at Disney is presented in gruesome detail, an apt illustration of the danger of ego in a collaborative age. *BooksInShort.com* recommends this book as required reading for any corporate executive.

Take-Aways

- The American workplace needs to be recreated to be more equitable and faster.
- Mature organizations are moving away from the deification of an individual leader.
- Historically, many successes - political, corporate and cultural - result from intelligent collaborations.
- Co-leaders exist in business (Microsoft's Bill Gates and Steve Ballmer) and government (Bill Clinton and Al Gore: The Early Years.)
- Institutionalized dissent is a part of any effective co-leadership culture.
- Subordinate co-leaders must be willing to check their egos.
- Both parties - Number One and Number Two - must feel secure for co-leadership to work.
- No co-leader can work effectively without the support of organizational leadership.
- Not every executive (think George Steinbrenner or Ted Turner) is cut out for co-leadership.
- A pairing of incompatible personalities (Ovits/Eisner) can be disastrous.

Summary

Collaborative Genius

The old corporate monotheism is finally giving way to a more realistic view that acknowledges leaders not as organizational gods but as the first among many contributors. In fact, a study of the lives and philosophies of co-leaders demonstrates clearly that the genius of our age is truly collaborative. Co-leadership is the only way to get things done in quickly evolving markets and fast-changing organizations. The term "co-leadership" is not a fuzzy-minded buzzword. It is, instead, the label for an effective strategy you can use to exploit the strengths of your company.

“We have long worshipped the imperial leader at the cost of ignoring the countless other contributors to any worthwhile enterprise. In our hearts we know that the world is more complex than ever and that we need teams of talent - leaders and co-leaders working together - to get important things done.”

These conclusions about co-leadership are based on a five-year study of political and corporate co-leaders. The study led to in-depth profiles of the relationships between various co-leaders, including Chrysler Chairman Bob Eaton and his co-leader Bob Lutz, Microsoft kingpins Bill Gates and Steve Ballmer, Intel managers Andy Grove and Craig Barrett, Merrill Lynch managers Charlie Merrill and Win Smith, North Carolina coaches Dean Smith and Bill Guthridge, and Stanford University coaches Tara VanDerveer and Amy Tucker.

“Great co-leaders are often born when leaders decide to do the one thing that most often distinguishes a great organization from a mediocre one - hire people who are as good or better than they are.”

Other profiles focus on political co-leaders, such as Al Gore and Bill Clinton (the early years), former Secretary of State George Marshall and former President Harry Truman, Bernice Pauahi Bishop (of Hawaii’s royal family) and her husband Charles Reed Bishop, and even the co-dependent relationship between Chairman Mao and Chou En-Lai.

“That the American workplace needs to be rethought is increasingly obvious. The mounting anger over executive pay is only one piece of evidence.”

To add depth, you can also draw lessons from the relationship between Helen Keller and her teacher Ann Sullivan Macy, and from the fictitious relationship between Sherlock Holmes and Dr. Watson (which even sheds psychological light on their creator, Sir Arthur Conan Doyle).

Paths to Co-Leadership

These diverse profiles teach many lessons. One is obvious: Co-leaders, like other people, don’t fit easily into categories. However, co-leaders tend to follow one of three distinctive paths to co-leadership: fast-tracker, back-tracker or an on-tracker.

1. Fast-Trackers - These are deputies who are moving up. In fact, for many people, the second spot is a time-honored path to becoming number one. One survey indicated that 86% of Fortune 500 company CEOs are former number twos. These upwardly mobile lieutenants learned that the road to the corner office is paved with luck, loyalty and achievement. They also understand how sharing power creates power.
2. Back-Trackers - These are former chiefs who have gone back to a position of less authority. Chou En-Lai, who effectively handed over leadership of the Chinese Communist party to Mao, is one example. Generally, these talented men and women find greater peace being the quiet power behind the throne.
3. On-Trackers - These individuals either weren’t promoted to the top slot or who didn’t want it. Generally, these are people of tremendous ability who are more comfortable as a part of a vibrant team and can prosper as supporting players.

“Man’s inability to get along often transcends economic logic. Fueled by ego, warring partners routinely forget that their collective talents far outstrip their individual abilities and that their professional fortunes are married together.”

Co-leaders can be classified into three other meaningful categories, based on the person or organization they serve to fulfill their own innate sense of mission and purpose:

1. Crusaders - These are people who serve a higher cause, such as George Marshall.
2. Confederates - These people serve on behalf of an exceptional enterprise or organization, and would include women's sports leader and coach Amy Tucker or Chrysler manager Bob Lutz.
3. Consorts - These people serve the needs of another extraordinary person, such as the vital role Anne Sullivan Macy played in the life of Helen Keller.

Do You Have the Co-Leader Temperament?

Some people are simply not cut out for co-leadership. It's hard to imagine a strong individual personality, such as George Steinbrenner or a Donald Trump, serving in a number two slot. Anytime the co-leader opposes the chief, no matter how valid his or her position, the number-two man's position is at risk. This includes his prospects of one day assuming the number-one role, and even his current job. Such risk can intimidate even a hard-nosed executive into holding his or her tongue in the interests of self-preservation, but such hesitancy inevitably diminishes effectiveness, thereby weakening the precarious position even further.

“Being No. 2 is just as hard as being No. 1, perhaps harder. The successful co-leader is one whose ego is strong enough to watch the kudos for his or her best work go to someone else.”

Executives who want to create strong co-leadership relationships should consider the following questions:

- Can you overcome the Superman complex? Or would you rather run an organization yourself than team up with another great talent?
- Is there good chemistry between you and your prospective co-partner? Do you share the same philosophies and core values?
- Can you split duties with your alter ego? Can you delegate responsibilities?
- Do you have the capacity to cut yourself off from day-to-day responsibilities and hand those duties over to someone else?
- Can you stand to hear dissenting opinions? Do you trust your co-leader's opinion?
- And - this is the ultimate test - could you happily trade places with your co-leader?

Checklist for Co-Leaders

The partnership examples set by the best first lieutenants of all time, including such standouts as Intel's Craig Barrett and Microsoft's Steve Ballmer, demonstrate some general guidelines other co-leaders can follow:

- Know thyself - Prospective co-leaders who recognize that they can't work in someone else's shop should do themselves and the organization a favor and not take the position. Gateway maverick Ted Wiatt had the opportunity to merge his company with Compaq, but decided that the partnership just wouldn't fit his style.
- Know thy leader - If you are going to be a co-leader, choose your boss very wisely. The world is littered with discarded number twos and threes who were undermined and sabotaged by their bosses. This happens frequently when a boss becomes uncomfortable with having a strong second in command. For example, Michael Eisner is widely believed to have undermined Michael Ovitz's position at Disney.
- Avoid titanic clashes - When a co-leader enters into a big dispute with a leader, the co-leader loses. If you're a co-leader, you have to decide to pick your fights with the boss very, very carefully - or maybe not at all. Learn the culture of the company very well so you understand how to express dissent properly. Otherwise, you might find yourself out the door.
- Give your bosses what they need, as well as what they want - Wise leaders welcome the truth because they realize that the truth is essential to good decisions. A good co-leader should be willing to give the leader that truth. However, not all leaders are wise, so executive suites are splattered with the blood of candid number twos or threes. But tact is no crime either.
- Know when to stay put - Not everyone was meant to be number one. Many outstanding people recognize that their strength resides behind the scenes. You can be a very talented person and lack the charisma to handle the top spot. And frankly, times have never been tougher for CEOs, who now have to handle markets that change in years, not decades.
- Know when to walk away - Like leaders, co-leaders must learn to say no. Sometimes, you have to step away. One reason to exit is that you may discover that your boss is involved in illegal or questionable behavior. You might also leave if your boss

begins to place far too heavy a demand on your life and health. The other reason you might leave, as would any number two person, is if you think there is a better opportunity somewhere else - an opportunity to be number one.

Creating A Co-Leadership Culture

It is not a happy sign when the business best-seller list is topped by volumes devoted to Dilbert, the cartoon Everyworker. This is organizational humor at its darkest, and one of its loudest messages is that it is time for sweeping change.

“No co-leader, however talented and hard-working, can succeed without at least the tacit support of the person at the top.”

To meet this need for change, you can create an organizational structure that fosters co-leadership by following these examples of effective co-leaders:

- Celebrate the enterprise, not the celebrity - Try to create a culture that celebrates the team and not the individual. David Glass, CEO of Wal-Mart, says that superstars don't exist at the retail giant. The executives whose companies successfully implement co-leadership policies don't show up on the cover of People magazine, unless they show up together.
- Cultivate egalitarianism - In locations where an effective co-leadership culture sets the tone, caste distinctions are kept to a minimum. Elitism is expensive. Companies that have co-leadership cultures, such as Dow Chemical and Mrs. Fields, do not have expensive executive dining rooms. In this environment, culture rules. In fact, one successful CEO said that his company's outstanding sales are the result of "70% culture and 30% technology."
- Institutionalize dissent - Abraham Lincoln was an effective leader because he actually listened to the concerns of ordinary people. He wanted to know the truth about what was happening in the country. This demonstrates that the single most important aspect of the co-leadership culture is its willingness to seek the truth. Wise organizations don't wimp out. They welcome honest dissent within the ranks.
- Foster togetherness - Successful organizations discourage capricious self-interest. For example, teamwork has replaced the star culture that used to rule at Fidelity Investment. The firm once had star stock pickers, but instead it now uses teams of analysts. General Electric CEO Jack Welch insists on an organization without boundaries, where valuable information can come from anywhere in the company, not just from those at the top.
- Redefine loyalty - Blind loyalty to the boss can backfire. Many co-leaders have been done in because they were loyal to the wrong boss. The most recent example is former Vice President Al Gore, who probably lost the presidential election because of his close ties to a very flawed president. Genuine co-leadership abhors toadyism. But co-leaders often have to walk a tightrope between loyalty and the interests of the company.
- Build team goals - Try to create a culture that rewards the fulfillment of team goals over the accomplishments of individuals.

“Co-leadership is not a fuzzy-minded buzzword designed to make non-CEOs feel better about themselves and their workplaces. Rather it is a tough-minded strategy that will unleash the hidden talent in any enterprise.”

In the emerging networked workplace, it is even more important for enterprises to create shared goals and results. Company leaders should downplay damaging intramural competition.

Looking Ahead

The future trend is toward decentralization and co-leadership. Modern companies are moving away from the kind of society touted in the book, *The Winner-Take-All-Society*. Instead, collaborative teams provide the power for today's enterprises. Companies that refuse to recognize the reality of this change will lose a very precious resource in the future - their most talented leaders.

About the Authors

David A. Heenan is a trustee of the estate of James Campbell, one of the nation's largest landowners, with assets valued at more than \$2 billion. A former senior executive with Citicorp and Jardine Matheson, Heenan has served on the faculties of the Wharton School and the Columbia Graduate School of Business. He is the author of *The New Corporate Frontier* and *The Reunited States of America*. **Warren Bennis** is Distinguished Professor of Business Administration at the University of Southern California and a

consultant to multinational companies and governments. Bennis is the author of more than a dozen books, including the bestsellers *Leaders* and *On Becoming a Leader*. His insights have fundamentally shaped the way we think about leaders today.
