

How Leaders Become Self-Aware

by Anthony K. Tjan

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A plethora of people, courses, and self-help guides profess to lead you by the hand to the promised land of business success. The problem is that things are always messier than the how-to's make them out to be. This is why it is often better to consider less the specifics and more the principles and qualities that bring success.

In my experience – and in the research my co-authors and I did for our new book, *Heart, Smarts, Guts, and Luck* – there is *one* quality that trumps all, evident in virtually every great entrepreneur, manager, and leader. That quality is **self-awareness**. The best thing leaders can do to improve their effectiveness is to become more aware of what motivates them and their decision-making.

Without self-awareness, you cannot understand your strengths and weakness, your “super powers” versus your “kryptonite.” It is self-awareness that allows the best business-builders to walk the tightrope of leadership: projecting conviction while simultaneously remaining humble enough to be open to new ideas and opposing opinions. The conviction (and yes, often ego) that founders and CEOs need for their vision makes them less than optimally wired for embracing vulnerabilities or leading with humility. All this makes self-awareness that much more essential.

That self-awareness is a critical factor for business-building success is not a new insight. The tougher code to crack is how to become more self-aware. Here are three key ways to do so:

1. Test and know yourself better. Having a framework for self-awareness helps to bucket your strengths and weaknesses. Personality tests like Myers-Briggs, Predictive Index, and StrengthsFinder have gained popularity in recent years, for good reason. It's not that such tests are perfect measures or predictors, but they facilitate self-reflection, which leads to better self-awareness. Our own recently developed Entrepreneurial Aptitude Test (you can take it here) measures how one stacks up in the four key traits that drive business and entrepreneurial success: Heart, Smarts, Guts, and Luck. Among a sample set of about five-hundred global entrepreneurs and business builders, about 50% were Heart-dominant, 25% Luck, 15% Guts, and 10% Smarts. We found successes and failures across all types, but understanding which core trait drives your decisions and your attitude is what is most important for increasing the probability for success.

2. Watch Yourself and Learn. In the classic *Harvard Business Review* article, "Managing Oneself," Peter Drucker wrote, "Whenever you make a decision or take a key decision, write down what you expect will happen. Nine or 12 months later, compare the results with what you expected." Drucker called this self-reflection process *feedback analysis* and credited it to a 14th-century German theologian. He said it was the "only way to discover your strengths." Many successful people follow similar practices: Warren Buffett, for example, has made it a habit for years to write down the reasons why he is making an investment decision and later look back to see what went right or wrong. Such analysis can be qualitative or highly quantitative – think of the executive dashboards that can now give almost instantaneous feedback on the "vitals" and health of a business. It can be private or part of a regular communication between a CEO and a board. The key to the effectiveness of feedback analysis is to (a) codify rationale and motivations and (b) reflect and assess outcomes. Such a practice forces one to focus not just on the *what*, but also equally on the *why*. Perhaps the biggest benefit of a codified feedback analysis is avoiding the attraction of revisionist history when things do not turn out as expected. Backward rationalization is all too easy to fall prey to – and is a reason why so many do not progress in their self-awareness and personal development.

3. Be aware of others, too. Self-awareness is crucial when building a team. Knowing your natural strengths and weaknesses makes you a better recruiter and allocator of talent. But you also must be an acute observer of others' strengths and weaknesses. Effective teams are made up of people who both understand and complement each other. By definition, it is impossible for any one individual to be above average across all the business-building traits. The best teams are rarely made up of similar types. On the contrary, they are composed of a diversity of excellence. If one is open-minded

and objective, different types of people on a team will also help over time to further self-awareness and deepen an appreciation for the variety inherent in patterns of success. When you see people progressing towards a common goal by following different paths from yours, there is an implicit peer-based feedback loop and systemic learning in that observation itself. Having the right complement of people and a supportive learning organization allows you to see more clearly what you do well and what others do well.

This is the trinity of self-awareness: know thyself, improve thyself, and complement thyself. These are common sense principles but are not necessarily commonly followed. Why? Because people don't always commit to stand in the face of truth. Intellectual honesty, rigorous commitment, and active truth-seeking are sine qua non to any self-awareness process.

Self-reflection and its reward of self-awareness cannot be thought of as passive exercises, new era meditation, or soft science. They're absolutely essential. There is a reason why in rehabilitation programs the starting point is being aware enough to admit you have a problem. So, too, is the case in business leadership and personal development.



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