

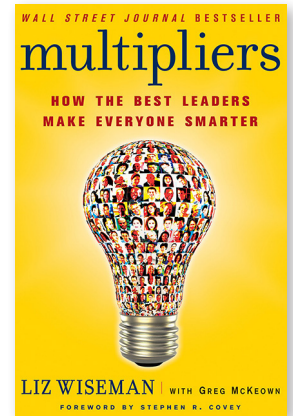


Executive Book Summaries[®]

Multipliers

How the Best Leaders Make Everyone Smarter,
Revised and Updated

by **Liz Wiseman**



Contents

The Multiplier Effect

Page 2

The Talent Magnet

Page 3

The Liberator

Page 4

The Challenger

Page 4

The Debate Maker

Page 5

The Accidental Diminisher

Page 6

Dealing with Diminishers

Page 7

Becoming a Multiplier

Page 7

THE SUMMARY IN BRIEF

Consider two dramatically different types of leaders. The first type drains intelligence and capability from the people around them and always needs to be the smartest person in the room. They are Diminishers. Then there are leaders who amplify the smarts and capabilities of the people around them.

When these leaders walk into a room, ideas flow and problems get solved. These are the Multipliers, and the world needs more of them, especially now when leaders are expected to do more with less.

In this revised and updated edition of the best-seller *Multipliers*, leadership expert Liz Wiseman explores these two leadership styles, showing how Multipliers can have a resoundingly positive and profitable effect on organizations. With two new chapters, this revered classic proves better than ever how the five disciplines of Multipliers are skills that everyone can learn to use.

Just imagine what you could accomplish if you could harness all the energy and intelligence around you. *Multipliers* will show you how.

IN THIS SUMMARY, YOU WILL LEARN:

- Three key insights of the revised and updated *Multipliers*.
- The five disciplines of Multipliers and how to practice them.
- To recognize the Accidental Diminisher.
- Tips for dealing with Diminishers and strategies to become a Multiplier.

Preface

Multipliers began with a simple observation: *There is more intelligence inside our organizations than we are using.* When the book was released in 2010, this idea struck a chord with managers around the world, perhaps because it came on the heels of a global recession, at a time when a tectonic shift was occurring in management and the ground was moving under all our feet.

Ideas that were once considered subversive are the new normal. Diminisher bosses still exist, but like old BlackBerry phones, it is only a matter of time before they become obsolete and people upgrade to newer models. As companies do the math, they realize that they simply can't afford leaders who waste talent, suppress vital innovation, and slow business growth.

In 2011, research showed that managers were utilizing just 66 percent of their people's capability on average. When considering only direct reports, that number increased to 72 percent. Slow, steady improvement has occurred, rising from 72 percent in 2011 to 76 percent in 2016. While managers have become better at estimating their diminishing impact on others, most managers are still overestimating their Multiplier characteristics.

In realizing a richer way of working, many critical questions remain: How fast can we get there? What is the best path to impact? Who can make the shift and who can't? What do we do with those who can't? How do we move and reshape an entire culture?

Three New Insights

Here are the three most essential insights that have shaped this new edition of *Multipliers*:

- **The need is universal.** People across cultures, across professions, across industries come to work each day hoping to be well utilized—not by being given more and more work but through the recognition that they are capable of contributing in significant ways and doing progressively more challenging work.
- **Sometimes the good guys are the bad guys.** Previously, most Diminishers appeared to be tyrannical, narcissistic bullies. But the vast majority of the diminishing happening inside our workplaces is done with the best of intentions, by the Accidental Diminishers—good people trying to be good managers. Hence, “The Accidental Diminisher” section below is new and offers

a glimpse into how our best intentions can go awry and how, with self-awareness and simple workarounds, otherwise good managers can become great leaders.

- **The biggest barriers are contextual and cultural.** To build organizations where intelligence is richly utilized, we need both an offensive and a defensive plan. The reductive effect of a Diminisher is not inevitable. While you cannot change another person, you can change your response and smooth the sharp edges of your diminishing boss or colleague. The new section “Dealing with Diminishers,” offers strategies and tactics that help reverse the cycle of diminishing, or at least minimize its effects.

The Multiplier Effect

Some leaders make us better and smarter. They bring out our intelligence. These leaders access and revitalize the intelligence in the people around them. They are called Multipliers.

Multipliers create collective, viral intelligence in organizations. Other leaders act as Diminishers and deplete the organization of crucial intelligence and capability. But what is it that Multipliers do? And what do Multipliers do differently than Diminishers?

Multipliers get more from their people because they are leaders who look beyond their own genius and focus their energy on extracting and extending the genius of others. And they don't get just a little more back; they get vastly more.

2 x Multiplier Effect

Let's begin by examining how Multipliers influence the people who work around them. In interviews, people were asked to identify the percentage of their capability that a Diminisher received from them. The numbers typically ranged between 20 and 50 percent. For Multipliers, the numbers typically fell between 70 and 100 percent. Multipliers got 1.97 times more, an almost twofold increase—a 2 x effect.

The reason for the difference is that when people work with Multipliers, they hold nothing back. They offer the very best of their thinking, creativity, and ideas. They give more than their jobs require and volunteer their discretionary effort, energy, and resourcefulness. They actively search for more valuable ways to contribute.

The Logic of Addition, the Logic of Multiplication

The logic of addition is the dominant logic that has existed

You can often spot Talent Magnets inside organizations because they are the ones who ignore org charts.

in corporate planning: that resources will be added when new requests are made. Operational leaders entrenched in the logic of resource allocation and addition argue, “Our people are overworked; our best people are the most maxed out; therefore, accomplishing a bigger task requires the addition of more resources.”

It seems persuasive, but it ignores the opportunity to more deeply leverage existing resources. The logic of addition creates a scenario in which people become both overworked *and* underutilized.

Better leverage and utilization of resources at the organizational level require adopting a new corporate logic based on multiplication. Instead of achieving linear growth by adding new resources, leaders rooted in the logic of multiplication believe that you can more efficiently extract the capability of your people and watch growth skyrocket by multiplying the power of the resources you have.

Here is the logic behind multiplication: Most people in organizations are underutilized. All capability can be leveraged with the right kind of leadership. Therefore, intelligence and capability can be multiplied without requiring a bigger investment.

The Mind of the Multiplier

Diminishers and Multipliers hold radically different assumptions about the intelligence of the people they work with. 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 of that rare breed. From this assumption, they conclude that they are so special, other people will never figure things out without them.

Multipliers look at the complex opportunities and challenges swirling around them and think, “There are smart people everywhere who will figure this out and get even smarter in the process.” And they see that their job is to bring the right people together in an environment that liberates everyone’s best thinking—and then to get out of their way and let them do it!

Let’s now look at the five disciplines in which Multipliers differentiate themselves from Diminishers: the Talent Magnet, the Liberator, the Challenger, the Debate Maker, and the Investor.

The Talent Magnet

Multipliers operate as Talent Magnets to attract talented people and then use them to their fullest capacity, that is, working at their highest point of contribution. Multipliers have access to the best talent, not because they are necessarily great recruiters but because people flock to work for them.

In contrast, Diminishers operate as Empire Builders who hoard resources and underutilize talent. They bring in top talent and make big promises, but then they underutilize their people and disenchant them. Why? Because they are often amassing the resources for self-promotion and their own gain. Empire builders accumulate rather than multiply; they collect people like knickknacks in a curio cabinet—on display for everyone to see, but not well utilized.

The Four Practices of the Talent Magnet

Research revealed four active practices that, together, catalyze and sustain the cycle of attraction for Multipliers.

Look for talent everywhere. Talent Magnets are always looking for new talent, and they look far beyond their own backyard. Multipliers cast a wide net and find talent in many settings and diverse forms, knowing that intelligence has many facets.

You can often spot Talent Magnets inside organizations because they are the ones who ignore org charts. Such charts are handy for finding out who works for whom and who’s in charge if something goes wrong, but these issues are of relative unimportance when you are searching for genius.

Find people’s native genius. Talent Magnets know how to uncover and access the native genius of others. “Native genius” means something even more specific than a strength or a skill that might be highly rated on a 360-degree leadership assessment. A native genius or talent is something that people

do not only exceptionally well but absolutely naturally.

Finding people's genius begins by carefully observing them in action, looking for spikes of authentic enthusiasm and a natural flow of energy.

Utilize people at their fullest. Once a Talent Magnet has uncovered the native genius of others, he or she looks for opportunities that demand that capability. Some of these are obvious; others require a fresh look at the business or the organization. Once they've engaged the person's true genius, they shine a spotlight on them so other people can see their genius in action.

Remove the blockers. Talent Magnets go beyond just giving people resources. They remove impediments, which quite often means removing people who are blocking and impeding the growth of others. In almost every organization there are people who overrun others, consuming the resources needed to fuel the growth of people around them.

Sometimes a Talent Magnet removes the prima donna who is blocking the intelligence of others. But sometimes the blocker is the leader him- or herself. One corporate VP had a favorite saying, quoted often and written on her door: "Ignore me as needed to get your job done."

The Liberator

Michael Chang began his career in a small consulting company. As a young manager, he was forceful with his opinions and veered toward brutal honesty.

Michael began to realize that when you become the leader, the center of gravity is no longer yourself. He had a mentor who taught him that the leader's job is to put other people on stage. As he began to shift his focus to others, he became less controlling and learned to give people space.

He found that not only do other people step up, they often surprise you by producing something better than you would have. Today, this manager is the CEO of a thriving startup company. The accomplishment is significant when you consider that the path of least resistance for most smart, driven leaders is to become a tyrant. Even Michael said, "It's not like it isn't tempting to be tyrannical when you can."

The Three Practices of the Liberator

Research reveals three common practices among Multipliers.

Create space. Liberators deliberately carve out space

for others to be able to make a contribution. They release others by restraining themselves. It is a huge victory to maintain that space and resist the temptation to jump back in and consume it yourself. They shift the ratio of listening to talking. They listen to feed their hunger for knowledge, to learn what other people know and add it to their own reservoir of knowledge. They also define a space for discovery and level the playing field.

Demand people's best work. Liberators defend the standard. As a manager, you know when someone is below his or her usual performance. What is harder to know is whether people are giving everything they have. Asking whether people are offering their best gives them the opportunity to push themselves beyond previous limits.

Requiring people's best work is different from insisting on desired outcomes. Stress is created when people are expected to produce outcomes that are beyond their control. But they feel positive pressure when they are held to their best work.

Generate rapid learning cycles. Liberators give people permission to make mistakes and the obligation to learn from them. When Chris Pirie, the general manager for sales and marketing working for Lutz Ziob at Microsoft, was newly promoted to lead sales for Microsoft Learning, he tried a risky promotion. Unfortunately, it didn't work. But instead of rationalizing the mistake, he went to Lutz and admitted the misstep, diagnosed it, and then tried something different.

Chris said, "With Lutz, you get to make mistakes. But you are expected to learn fast. With Lutz, it's okay to fail. You just can't make the same mistake twice."

The Challenger

Diminishers operate as know-it-alls, assuming that their job is to know the most and to tell their organization what to do. Because they are overly focused on what they know, they limit what their organization can achieve to what they themselves know how to do.

In setting direction for their organizations, Multipliers have a fundamentally different approach. Instead of knowing the answer, they play the role of the Challenger. They use their smarts to find the right opportunities for their organizations and challenge and stretch their organizations to get there.

They aren't limited by what they themselves know. They push their teams beyond their own knowledge and that of the organization. As a result, they create organizations

The secret to a great decision is what the leader does before the debate starts.

that deeply understand challenge and have the focus and energy to confront it.

The Three Practices of the Challenger

Research reveals three common practices among Challengers.

Seed the opportunity. Multipliers understand that intelligence grows by being stretched and tested. One of the best ways to seed an opportunity is to allow someone else to discover it themselves. When people can see the need for themselves, they develop a deep understanding of the issues, and quite often, all the leader needs to do is get out of their way and let them solve the problem.

Multipliers provide a starting point but not a complete solution. In this way, they generate more questions than answers. These questions then encourage their team to fully define the opportunity while giving them confidence that they are building on a solid foundation.

Lay down a challenge. Once an opportunity is seeded and intellectual energy is created, Multipliers establish the challenge at hand in such a way that it creates a huge stretch for an organization. While Diminishers create a huge gap between what they know and what other people know, Multipliers create a space between what people know and what they need to know, and that draws people into the challenge. They establish a compelling challenge that creates tension. People see the tension and the size of the stretch and are intrigued and, perhaps, even puzzled.

Generate belief. Multipliers generate belief—the belief that the impossible is actually possible. It isn't enough that people see and understand the stretch; they need to actually stretch themselves. When people create the plan that they eventually will implement, belief in its viability will be inherently high.

Led by Ray Lane in 1996, Oracle not only built a strategic intent, it also built a deep belief within the organization that Oracle could lead the internet era. Because 250 senior leaders were given the opportunity to co-create the corporate strategy, they understood the challenge ahead and

knew what actions would be necessary to achieve it. They had built the collective will and energy needed to execute. The organization was ready to take the challenge.

The Debate Maker

How leaders make decisions is profoundly influenced by how they engage and leverage the resources around them. Research has shown that Diminishers tend to make decisions solo or within a small inner circle. As a result, they not only underutilize the intelligence around them but also leave the organization spinning instead of executing.

Multipliers make decisions by first engaging people in debate—not only to achieve sound decisions but also to develop collective intelligence and to ready their organizations to execute.

The Three Practices of the Debate Maker

In research, Multipliers did three specific things very differently from Diminishers when it came to decision making.

Frame the issue. The secret to a great decision is what the leader does before the debate starts. They prepare the organization for discussion and debate by forming the right questions and the right team. Then they frame the issues and process in a way that everyone can contribute. In framing an issue, there are four parts to a well-crafted frame: What is the decision to be made? Why is this an important question to answer? Who will be involved in making the decision? How will the final decision be made?

Spark the debate. A great debate is engaging, comprehensive, fact based, and educational. There are two key elements that couple and form the yin and the yang of great debate. The first is to create safety. The second is to demand rigor. Multipliers do both.

Multipliers create a safe climate for people's best thinking by removing the factors that cause people to doubt themselves or their ideas. They demand rigor by asking the questions that challenge conventional thinking.

Drive a sound decision. Multipliers may relish a great debate, but they pursue debate with a clear end: a sound decision. They ensure this in three ways. First, they reclarify the decision-making process. Second, they make the decision or explicitly delegate it to someone else to decide. And third, they communicate the decision and the rationale behind it.

The Investor

Multipliers operate as Investors. They invest by infusing others with the resources and ownership they need to produce results independent of the leader. It isn't just benevolence. They invest, and they expect results.

The Three Practices of the Investor

As Investors, Multipliers define ownership up front and let other people know what is within their charge and what they are expected to build. They invest in the genius of others in a similar way. They teach and coach. They back people up, infusing the resources they need to be successful and to be independent.

Defining ownership. Giving someone 51 percent of the vote and full ownership creates certainty and builds confidence. It enables them to stop second-guessing and start getting second opinions. Clarifying the role that you will play as a leader actually gives people more ownership, not less.

Time after time, people say that Multipliers got not only 100 percent of their skills and know-how but 120 percent or even more. One way that Multipliers incite this growth is by asking people to stretch and do something they've never done before.

Investing resources. The moment Investors establish an ownership position, they step in and begin investing. They protect their investment by infusing the knowledge and resources the person will need to successfully deliver on their accountability. Diminishers tell you what they know; Multipliers help you learn what you need to know.

K.R. Sridhar, CEO of Bloom Energy, is a masterful teacher. When the team is wrestling with a technical setback, K.R. engages not with a solution but with a thought-provoking question. He'll ask, "What do we know about what doesn't work?" and "What assumptions led us to these outcomes?" His team pursues these questions in turn, unearthing their individual knowledge and building a collective body of intelligence.

Holding people accountable. Investors get involved in other people's work, but they continually give back leadership and accountability. Give people an opportunity to complete their thinking and their work. Encourage them to stretch and exercise intellectual muscles that might otherwise atrophy in the presence of other smart, capable people. Multipliers never do anything for their people that their people can do for themselves.

Allowing consequences to have their effect allows natural forces to inform intelligent action. It communicates that the manager believes people are smart enough to figure things out. By providing the possibility to fail, these leaders give others the freedom and the motivation to grow and succeed.

The Accidental Diminisher

While the narcissistic leaders grab the headlines, the vast majority of diminishing happening inside our workplaces is done by the Accidental Diminisher—managers with the best of intentions, good people who think they are doing a good job leading.

We all have Accidental Diminisher moments. The secret to the Multiplier effect is knowing what your vulnerabilities are, spotting them in action, and turning these situations into Multiplier moments. Here are a few of the ways that really well-intentioned leaders end up having a diminishing impact on the people around them:

Always on. This dynamic, charismatic leader exudes energy; he or she is always engaged, always present, and always has something to say. They assume that their energy is contagious, like a virus to be caught by anyone in their presence. But, like the common cold, this leader can be draining. As she expands, like a gas consuming all the available oxygen, others suffocate; most find her just plain exhausting.

Rescuer. He is a good manager and a decent person, the type of leader who doesn't like to see people struggle, make avoidable mistakes, or fail. At the first sign of distress, he jumps in and helps. This is the most common way leaders accidentally diminish. Because he interrupts a natural performance cycle, he starves people of the vital learning they need to be successful.

Optimist. This positive, can-do manager always sees possibilities and believes that most problems can be tackled with hard work and the right mindset. She is a "glass half full" kind of person. But when you play the role of the optimist,

People who cope best with Diminishers don't bark at every disturbance. They've learned what to ignore.

you undervalue the struggle the team is experiencing and the hard-fought learning and work. Your staff may wonder if you have lost your tether to reality. When the leader sees only the upside, others can become preoccupied with the downside.

Perfectionist. We all know the leader with perfectionist tendencies: He appreciates excellence and loves the feeling of getting something perfect. He goes beyond setting a high standard for others to follow and wants everyone around him to have the satisfaction of getting it just exactly right. So, he offers helpful critiques and points out little mistakes and flaws. But, while he sees an A+ in progress, others see nothing but red marks all over their work. They see blood and loss and can easily become disengaged and disheartened.

Are You an Accidental Diminisher?

As a leader, how do you know whether you are having a diminishing effect, despite having the best intentions? How do you increase your self-awareness? Formulating and recording your own insights is a reasonable first step, but you'll learn more by asking the people you lead to share their insights. Here are some questions you might use to elicit this feedback:

- “How might I be shutting down the ideas and actions of others, despite having the best of intentions?”
- “How might my intentions be interpreted differently by others?”
- “What can I do differently?”

Dealing with Diminishers

You *can* be a Multiplier while working for a Diminisher. With the right mindset and a set of smart tactics, you can minimize the diminishing effect. There are no templates, just sound ideas that must be executed with discretion and savvy.

Turn down the volume. People who cope best with Diminishers don't bark at every disturbance. They've learned what to ignore. They don't avoid the Diminisher or pretend the problem doesn't exist; they merely tune out some of the interference. They choose to turn down the volume, reducing the Diminisher's intrusion into their head and the other

person's consumption of their life and psychic energy.

Strengthen other connections. If you can't get inside the Diminisher's trust circle, build other circles of influence. The individuals who most effectively deal with Diminishers take steps to broaden their support base and strengthen other relationships, much like a torn ligament requires the strengthening of proximal muscles. A petty officer in the US Navy described it this way: “When I find myself dealing with a bad leader, I still take their orders, but I latch on to another leader that I trust, someone who can give me an alternative point of view, especially about myself.”

Assert your capability. Sometimes you need to tell an overly helpful manager or colleague that you don't need help. There's no need to throw a tantrum; just announce and assert your capability. For example, you might say, “I appreciate the help, and I think I can handle this one,” or “Can I try this by myself and come to you if I get stuck?”

Shop for a new boss. If you are in a diminishing environment, you have to ask yourself if this is the right place for you. If you are being forced into a small box where you can't grow, you might need to take the hermit crab's approach and find a bigger home.

Becoming a Multiplier

Bill Campbell, former CEO of Intuit, began his career more than 30 years ago as a college football coach at an Ivy League university. As a coach he was smart, aggressive, and hard-hitting. When he was recruited into the consumer technology business, he operated in much the same way.

While working under detail-oriented John Scully at Apple Computer, Bill became the ultimate micromanager. He burrowed into every detail in the business and directed every decision and action. He said, “I drove everyone nuts. I was a real Diminisher.”

Bill recalls one of his worst moments. During an important staff meeting, a member of his management team asked a simple question. Bill, annoyed at the uninformed manager,

sharply replied (with unprintable colorful language), “That’s the dumbest question I have ever heard.”

The room went silent. Bill continued the meeting, uninterrupted by any other annoying questions. Over the next few weeks, he noticed that most everyone stopped asking him questions. He had dismantled the group’s curiosity.

Counsel from two bold colleagues was just the dose of self-awareness that Bill needed. He could see his need for a course correction, and he made it. He started by listening more and telling less. He began to develop a deep appreciation for what his colleagues knew.

Bill became a better leader over time. It was a steady transition that happened naturally out of his desire to preserve his team and to realize the value of the incredible talent that he had attracted. By the time Bill became CEO at Intuit and led the company past the \$1 billion revenue mark in 2000, he had uncovered the Multiplier inside of him.

Five Accelerators

Examples such as Bill Campbell and countless others show that Multiplier practices *can* be learned and developed. The following five accelerators are proven fast-track practices—both for arriving sooner and for staying longer.

1. Start with the assumptions. Because behavior follows assumptions, you can knock out a whole set of behaviors by adopting a Multiplier mindset.

2. Work the extremes. Begin by assessing your leadership practices and then work the two extremes: 1) neutralize a weakness; 2) top off a strength.

3. Run an experiment. Effective and enduring learning involves small, successive experimentation using new approaches—testing new behavior, analyzing feedback, adjusting, and repeating.

4. Brace yourself for setbacks. Give yourself permission to stumble as you cultivate new Multiplier behaviors while transforming old habits. Know that it will be hard.

5. Ask a colleague. If you really want to accelerate your development as a Multiplier leader, let a colleague—an employee, peer, or boss—choose your experiment for you.

Bono, musician and global activist, said, “It has been said that after meeting with the great British Prime Minister William Ewart Gladstone, you left feeling he was the smartest person in the world, but after meeting with his rival Benjamin Disraeli, you left thinking you were the smartest person.” The observation captures the essence and the power of a Multiplier.

The choice matters. Which will you be: a genius? Or a genius maker?



Liz Wiseman is a researcher and executive advisor who teaches leaders around the world. She is a former executive at Oracle Corporation and the author of three best-selling books: *Multipliers*, *The Multiplier Effect*, and *Rookie Smarts*. Liz has been listed on the Thinkers50 ranking and named one of the top ten leadership thinkers in the world.

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