



The Wise Leader

Smart leaders steer their organisations to victory, but wise leaders are needed to keep them on top in a dynamic world.

We like to think that top leaders are smart, intelligent people. Mensa defines high intelligence individuals as those with IQ “in the top two percent of the population”, where 140 is considered a genius IQ score. Such individuals include General H. Norman Schwarzkopf (verified IQ 170, Mensa member), Commander of the U.S. troops during Operations Desert Storm and Desert Shield; Israeli Prime Minister Benjamin Netanyahu (estimated IQ 180); and Microsoft founder Bill Gates (estimated IQ 160).

The intelligence of these men have brought them plenty of success and recognition, but just being smart may not be enough in the long run.

“‘Smartness’ allows people to become savvy for their own self-interests,” says **Prasad Kaipa**, Senior Research Fellow and Executive Director Emeritus at The Center for Leadership, Innovation and Change, Indian School of Business in Hyderabad, India. “One should recognise when our strengths have gotten to a point where they become our weaknesses - I call it ‘core incompetence’. The signature strength of yesterday, when it is inappropriately used, becomes the weakness of today.”

RED v BLUE STATES (OF MIND)

According to Kaipa, who participated in the

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Leadership Consulting and Coaching Forum on the Asia campus in Singapore recently, there are two kinds of “smartness”. “One, I call being in the red zone – that means you are more aggressive, you are always looking for what is the next opportunity, and you are looking at the big picture, the big vision, and you want to stay on that visionary perspective but you do not pay sufficient attention to how that vision gets executed. Whether it is cost issues, quality issues, delivery issues, you feel it is not your job.”

“The second kind of “smartness” – being in the blue zone – is about being cautious and careful, paying attention to operational excellence, paying attention to the supply chain, paying attention to the execution of the problem. Making sure it gets done impeccably, it gets done on time, under budget to the highest customer satisfaction. This is obviously a gift that many organisations would love to have.”

These two different paradigms of smartness are embodied by the last two men who have run the world’s most valuable publicly-traded company, Apple. The late Steve Jobs was the archetypal “red leader”, while the current CEO, Tim Cook, personified the “blue leader” in his previous role as the Chief Operating Officer. However, both men made the necessary and crucial move away from just being a smart leader to becoming a wise leader.

“Steve Jobs, in his first run at Apple, he was very much a smart leader,” said Kaipa, who once worked with the former Apple boss, and has been a student of his methods for many years. Jobs’ legendary – some might say obsessive – hands-on approach to product design made it easy to label him a micromanager, but at the same time he never lost sight of what the market wanted i.e. seeing the big picture. “But when he came back for his second stint, he was beginning to demonstrate, in certain areas, wisdom. He did act with wisdom to start the Apple stores. He did act with wisdom when he began to respect Jony Ive and his designs, and he began to work closely with him. And he also began to demonstrate wisdom when he allowed Tim Cook to become the COO first, and then CEO.”

“On the other hand, Tim Cook, when he was in the operations role, when he was primarily working from the supply chain aspect, did not talk about FoxConn, did not talk about some of his suppliers joining some of the consortiums. He focused on what his job was, and he stayed in his zone. When he became the CEO, he was talking to the public about increasing the quality of life for the employees and he began to step up to the plate and recognise that some of these things could not be dealt with from his preferential zone; he had to step up to the wise leader zone.”

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So is wise leadership as simple as avoiding the extremes of both “red” and “blue” leadership styles? “This requires a certain dancing between one end of the spectrum – it could be the red zone or the other end of the spectrum – and recognising between the two continuous movements, dynamic movements, is what generates wise leadership,” Kaipa explains. “It is not just coming to the centre and stop. That’s not wise leadership – that’s dead leadership.”

How then does one go from being a smart leader to a wise leader? One school of thought suggests being aware of one’s own identity and actions is a good place to start. “I think the essential pieces of awareness, and through that self-awareness, grows a depth of something that goes beyond smartness,” says **Roger Lehman**, Affiliate Professor of Entrepreneurship and Family Enterprise at INSEAD. “One of the issues is that smart leaders keep using the same formula even when the context or the situation or the market has changed, and what was smart becomes ineffective. Without self-awareness, it’s very hard to move out of your smartness.”

Self-awareness is part of Kaipa’s overall strategy, where leaders find a “North Star”. “Smart leaders make New Year resolutions and set quarterly milestones, charting progress against ambitious

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plans and goals. Wise leaders, however, take a different approach: they root themselves in a noble purpose, align it with a compelling vision, and then take action — not just for that year, but for the rest of their lives. That noble purpose becomes a North Star, giving direction when the path ahead is hazy.”

Kaipa believes that the answer to “What makes a leader wise?” would have been clearer had pancreatic cancer not taken Steve Jobs at the age of 56. “There are dimensions of wisdom that Steve Jobs began to show, and maybe, if he had lived longer, if his biography were to come out when he was still alive, I would assume that the self-awareness would move him more and more into wise leadership.”

Roger Lehman is Affiliate Professor of Entrepreneurship and Family Enterprise at INSEAD. He directs the Executive Master in Consulting and Coaching for Change programme, part of INSEAD's Executive Education portfolio.

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