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*act like a leader  
profiles*

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## Act Like a Leader – Introduction and Instructions

### Using Imitation to Develop Leadership Skills

Welcome to the Act like a Leader leadership development program where you will embark on your journey to become a more capable and flexible leader. How? By imitating successful leaders you will learn their behaviors and perspectives and how they used them to make their mark in the world. This program is intended to be a fun and collaborative way to develop leadership abilities, and we hope you both enjoy them and learn a lot. Imitating someone else may seem odd at first, but you may have experienced role-playing in training sessions. Most role-playing activities ask you to play yourself in a pretend (hypothetical) situation. Ours asks you to pretend to be someone else in your real situation.

For some background, this method of developing leadership abilities is based on three premises:

1. There is still no definitive description of the traits, behaviors, or skills that make a successful leader. Successful leaders come in all shapes and sizes, genders, races, temperaments, and personalities. Scholars have been studying successful leadership for centuries, and yet there really is no consensus on what makes a successful leader. Many successful business leaders, for example Steve Jobs and Martha Stewart, do not meet the leadership ideals that many competency models describe. Therefore, instead of asking you to become an ideal leader, we ask you to learn the behaviors of successful leaders through practice and adopt them for your own as you see fit.
2. There is growing evidence that the more empathy and flexibility a person exhibits (emotional intelligence), the more likely he/she is to succeed in life. Imitating other people will help you improve in both these areas.
3. Addressing behaviors, not thought processes, attitudes, or beliefs develops leadership abilities. It's much easier to change behaviors than the way we think or what we believe. There is also a growing field of study on how behaviors can affect our thought processes and emotions. We all know that we smile when we are happy, but only recently has evidence shown that smiling makes us happy, just as standing tall makes us more confident.

This package contains in-depth profiles of successful leaders, outlining both activities for you to do and behaviors to imitate. These business leaders were chosen because they all have track records of extraordinary success, often in multiple domains and often overcoming multiple setbacks. In other fields, we picked the best of the best, like John Wooden as a coach, Albert Einstein as a theoretical scientist, and Thomas Edison as an entrepreneur, because we believe you should learn from the best. Because of this, the people we profiled tend not to be young and some are no longer alive. Some of them are not very likeable. This is a crucial point: disliking a personality does not mean you can't learn from them.

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Your task will be to impersonate these leaders until you have mastered their behaviors and internalized their perspective of the world. Afterwards, you can incorporate what worked well for you into your own leadership style.

## Instructions:

1. Review the package and determine which leader to impersonate. We recommend getting the advice of your manager, direct reports, and peers for help with choosing. To get the richest learning experience, you should choose someone unlike yourself, who will stretch your behaviors, but not someone whom you will find too difficult to impersonate. As you gain more comfort with your ability to imitate, you will be able to impersonate more unfamiliar perspectives and behaviors.
2. The profiles contain brief biographies and learning objectives and then sections with questions, activities, and behaviors to adopt. Explanation of sections:
  - Demeanor – This section describes clothing, speech, and eating habits to adopt. While this may seem unnecessary, we ask you to do this in order to break out of ingrained patterns of behavior. If you start the day eating or dressing differently, you will be less likely to fall into your normal daily routine. Use your judgment to determine the extent of the changes needed to change your habits without being disruptive.
  - Activities Alone – Conduct these activities first as they are meant to help you get into character and better understand that person's values and motivation. They are also indicative of activities the character performs on a regular basis. Some of the activities are quite intensive so you need to be sure that you have the buy-in of your manager. While it is important to conduct all of the activities in order to get the full benefit of the character, you will need to use your judgment on the extent to which you can carry these out. For instance, some require streamlining your workload or putting a system in place. Simple examples could be automating some email replies or eliminating a to-do list. We recommend scaling an activity rather than skipping it.
  - Activities with Others – After you have done your activities alone, often we ask you to share those insights with your team or peers by performing similar activities with them. These activities will also help your colleagues recognize that you are acting in character as well as provide good opportunities to get feedback.
  - Behaviors – While activities are one-off or have a concrete start and end, the behaviors and questions should be ongoing when you are enacting the profile.
3. It should take you somewhere between 1-3 weeks to master the character. We recommend that you plan on two weeks, and continue if you need more time to fully internalize the persona. Thinking like the persona or exhibiting their behaviors without thinking are signs that you have internalized the skills. While you are impersonating the character, inform all your colleagues of what you are doing and solicit their help in mastering the appropriate behaviors. We encourage you to ask, “Is this what so-and-so would do or say?”

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4. The most important part of this exercise is the debriefing and reflection. Do not short change these. Using the profiles allows others to give you lots of impersonal feedback on your behaviors, which can be awkward in normal circumstances. Take advantage of this step as this is where most of the learning will occur. You should, at a minimum, schedule separate meetings to debrief with your manager and with your direct reports. If possible, schedule debriefing sessions with all your work-withs (co-workers); if not, you can get their feedback during your normal course of business.

Debrief questions:

On your own

- How did it feel to be that leader?
- What did you like about that person? And dislike?
- Which uncomfortable behaviors grew to become more natural?
- What behaviors would you like to keep for yourself?
- How can you adapt this person's perspectives and behaviors to work for you?

With others:

- How did I change while I was being this person?
- What did you like and dislike?
- What behaviors do you think I should keep and which should I discard?

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## Warren Buffett

Warren Buffett's claim to fame is his immense wealth, usually ranking in the world's top three richest. Born into a middle class family, he attained his wealth through prudent investing, first in stocks, and then through the acquisition of businesses. Called the Oracle of Omaha, Buffett always seems to know when the stock market is under or over-valued and which companies to buy and sell.



**Lesson:** Maximize future rewards by leveraging assets and mitigating risks in a highly rational fashion.

**Goals:** Use assets to create assets; sacrifice present rewards for future gains; manage risks; develop deep competence; find the right people for the job.

**Governing Principle:** Stockpile favors or “claim checks” in the form of wealth, reputation, and relationships.

**Traits:** Folksy, down-to-earth, talkative, analytical, friendly, voracious reader, humble, self-deprecating, loyal, easy-going, honest, trustworthy, community-oriented

**Values:** Value learning and reputation over results, adherence to own competence over trends, and long-term over short-term. Trust facts, not theory. Place more importance on people than process. Never tarnish your reputation or let people down. Collaborate rather than compete. Don't sweat the small stuff. Try to be fair.

### Background:

Warren Buffet is the son of a Nebraskan senator and heir of a prosperous but frugal grocer's family. Growing up, Buffett was obsessed with both collecting things and starting businesses. His early childhood goal was to be a millionaire by the time he was thirty. Although the Buffetts seemed like the perfect Midwestern family to outsiders, Buffett's mother's family had a history of mental illness, and his mother often viciously verbally abused Buffett and his older sister. Buffett sought solace in work and delivered newspapers as one of his first jobs.

Besides delivering newspapers, Buffett embarked on other money-making schemes. He sold gum door-to-door and installed vending machines in barbershops. One of his favorite activities was to go to the horse track and search for discarded tickets that had value. He called the practice of picking through garbage to find items of value “looking for cigar butts.” He would continue to search for cigar butts in the form of stocks or businesses his whole life. Almost all of his early ventures were profitable, and he used that money to fund new business ventures rather than to buy things. He was obsessed with maximizing his capital to make new capital and to create businesses that could manage themselves.

Intelligent and curious, Buffett was, and still is, a voracious reader, of all things money and business. After graduating college, he applied to Harvard Business School, but was rejected. When he discovered that the author of his favorite investing book taught at Columbia, he applied and was

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accepted there. At Columbia, he became a disciple of Ben Graham, and Buffett's talent for digesting numbers and handicapping odds became apparent in their classroom discussions. After graduating, he worked for Ben Graham's investing company in NYC to learn his methods. When Graham retired, instead of taking over, Buffett decided to return to Omaha and start his own firm. There he solicited funds from friends and family members, and he started an investment partnership. This partnership ended up outperforming the stock market and made multimillionaires out of his original investors.

Tired of being responsible for other people's money and pessimistic about finding good stocks to buy, Buffett started buying companies, starting with Berkshire Hathaway textile mills. Eventually, Buffett retired the partnership and focused on buying businesses and stock for Berkshire. Today Buffett's worth is over \$50 billion, one share of Berkshire Hathaway stock sells for \$175,000, and his investment advice is sought around the world. His business acumen has given him a voice in political advocacy, and he speaks out often for progressive government policies.

## What you will be learning:

- Creating your circle of competence
- Building a self-sustaining machine
- Leveraging resources to their maximum
- Understanding and mitigating risks
- Managing your reputation

## How to be Warren Buffett

### Demeanor

Dress – Although Buffett typically wears nice suits, they are often ill-fitting. Spend little time on your appearance and wear bland, non-noticeable clothing. Turn one side of a collar up or misbutton your shirt, so that your dress is just slightly off, to signify a nonchalance about the way you look.

Speech – Buffett often attributes attending a Dale Carnegie course on public speaking as one the best things he ever did. Find a copy of *How to Win Friends & Influence People* and follow its advice. Buffett uses folksy, simple tales to get his point across. For instance, he likes to tell a story about a genie who will grant a wish to procure any type of car in the world with the provision that the owner has to keep it for life. The owner would be compelled to take great care of the car. The moral of the story is to take care of your health and body.

Diet – Ironically, Buffett has a limited diet of mostly hamburgers, Coke, french fries, and steaks. He is famously an unadventurous eater and drinks mostly Cherry Coke. Limit your diet to a few American staples while you are Buffet, although for health reasons, we don't recommend following his diet closely.

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## Activities Alone

Determine your circle of competence to become an oracle – Buffett has spent much of his life studying and understanding business and investing, but he doesn't presume to understand all businesses. He has developed competences in retail, such as clothing and furniture, and insurance. He avoids high tech because that industry falls outside his circle of competence. Your first step should be to determine your area of expertise. If your experience or knowledge is limited, define it narrowly. Make sure that this area is of value to you and your company. The point is to focus your attention on what you understand and learn more about it to become an expert.

Develop your circle of competence – Spend a half hour to hour every morning reading up on your circle of competence. Find experts in that area and arrange to learn from them. Buffett first learned about insurance by visiting Geico and dropping in unannounced on the CFO. Take this as an opportunity to meet new people both inside and outside your organization.

Write a narrative – Once you've developed your circle of competence, write a narrative about its history, how it works, and why it is important. Berkshire Hathaway's shareholder reports are famous for Buffett's thoughts on business and investments because he uses them as an opportunity to teach. Find these on the web and use them as an example to write your own.

Develop your reputation – Use your circle of competence and narrative as the base for building your reputation. Stay away from decisions outside this circle and always be mindful of how your actions and words will affect your reputation. Buffett often advises his peers to act as though their conversations are being recorded.

## Activities with Others

Find ways to teach – Based on the activities alone, find opportunities to teach others about your circle of competence. The purpose of the teaching moments is to sincerely help your audience, not for self-aggrandizement. Seek to understand the causes and implications of some pressing work issues and schedule lunch-and-learns, presentations, or general meetings to impart your knowledge.

Build self-maintaining/generating systems and methods – Buffett uses the businesses in Berkshire Hathaway to fund each other and create more revenue. His success has been founded in using assets to create assets. He also likes businesses that can be run by a “ham sandwich,” meaning that they have a great business model and can almost run themselves. Work with your team to take stock of all your assets and brainstorm how they can be leveraged to create more assets. Some ideas to consider are setting up databases of reusable marketing content or a self-service website. For every asset you create, determine how it can be reused to create more assets. Be very frugal about expenditures that can't generate more assets.

Plan for unplanned events and risks – Acquaint yourself with the book *The Black Swan* by Nassim Nicholas Taleb which discusses catastrophic risks. With your team, review all your projects and

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brainstorm all possible risks and conduct a scenario planning session. Also consider acts of God and other major events. Rate all your scenarios from likely to highly unlikely and develop plans to deal with all the scenarios, not just the likely ones. Make sure you have a plan B for when crises occur and expect them.

Use tit-for-tat for favors – Buffett is famously frugal, keeping a very small corporate staff and having a modest lifestyle. He also likes free stuff. Buffett uses the favor system among his friends to get many things for free. For instance, he manages the investments of Carol Loomis, and she writes his shareholder reports. Start doing favors for your colleagues so that you build a base of people who owe you. Call in favors when appropriate.

Delegate work – Buffett's preferred management method is to choose the right person for the job, make his expectations clear, and then delegate, offering lavish praise along with high expectations along the way. He rarely gets involved in the management of his companies. Short-term mistakes and underperformance are ignored if they will change in the future. His expectations are high over the long-term. Review your own workload for tasks you can delegate with minimal oversight. Ensure that these include high-status items and that you assign them to the right people.

### Behaviors

Concentrate on what you know – Don't get involved in anything you don't fully understand. Learn everything you need to about your circle of competence. If pressed, don't be afraid to say, "I don't know."

Be self-deprecating and humble – Tell folksy stories if you have some. Always use plain and clear language, free of jargon and acronyms. Listen well when you have something to learn from the other person.

Speak plainly and honestly – Be candid, but not confrontational, and don't spin anything. Act like all your conversations are being recorded. You want people to trust your advice so you need to be right. Don't harbor hidden agendas. Be honest about what you want.

Set high expectations and let others figure out how to do it – Use praise as a motivation and let others know you trust their competence. If you discover that your trust is misplaced, act quickly to rectify the situation. Don't spend much time explaining how to do a task unless you are asked.

Avoid confrontations – Spend your time choosing the right people for the job so you won't have to confront them later. If possible, find others to give critiques.

Forgive well-intended mistakes – Mistakes are fine if we learn from them. Your focus is the proper decision-making process for the long-run, not immediate results.

Rely on analysis to make decisions – Be unemotional about business decisions, ignoring politics and popularity. Don't be afraid to be a contrarian, e.g., investing when others are divesting and vice versa. Rely on your circle of competence to support you.

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Enumerate multiple recommendations and opportunities for each situation – Calculate the probabilities of different scenarios occurring. Understand all the risks involved and figure out how to mitigate risks. Always have a plan B.

Make decisions for the long term – Consider the future value versus the present value and maximize the future value. Don't be afraid to sacrifice short term goals if it will pay off in the future.

Be frugal – Invest rather than spend, and make sure you are maximizing the value of your assets. Avoid extravagant expenditures and frills.

## At meetings

Your role in meetings is to be the voice of rational thinking and long-term solutions. You are not bothered by poorly-run meetings as long as they give everyone a chance to be heard or improve relationships. Insist on evaluating the numbers in detail, having more than one option for a course of action, and making sure that a good risk analysis has been conducted. Share relevant war stories and teach others about your circle of competence when appropriate.

## In presentations

Use presentations as an opportunity to teach. Review the complete history of the situation and explain the situation with a compelling narrative. To warn against the internet bubble, Buffett reviewed the entire history of the stock market and analyzed other tech bubbles, e.g., automobiles. Make a solid numerical business case with the scenarios outlined. Don't use fancy presentation materials, let your story tell itself. You are less concerned with the needs of your audience and more concerned about the lesson you need to impart. Again, rely on your circle of competence to guide you.

## Questions to ask:

- Is this within my circle of competence?
- What is the future value of this expense or investment?
- What are the long-term benefits?
- How can we use our assets to make more assets?
- How will this affect our reputation?
- What is the worst thing that can happen and how do we plan for that?
- How do we put emotions aside to enact the rational decision?
- Are the right people in place to do what needs to be done?
- How can we increase our knowledge and competence?