

BOOK CLUB SYNOPSIS

**Learning to Lead: The Journey to Leading Yourself, Leading
Others, and Leading an Organization**
Ron Williams with Karl Weber

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INTRODUCTION

Ron Williams began writing this book following his retirement from the chairmanship of Aetna, where he served as CEO and chairman from 2006 to 2011, but he was first inspired to write his story after joining the health care provider several years earlier, at a time when both the company and its reputation were suffering.

When Williams first joined Aetna as president in 2001, a physician and medical researcher by the name of Jack Rowe had recently been appointed CEO. Williams provides a brief overview of both his and Rowe's backgrounds before turning to an anecdote from their early days at the company, during which time they were holding numerous face-to-face meetings with their biggest clients to reassure them that the problems the company had faced were about to change.

While on their way to one such meeting, Rowe asked him, "Did you ever imagine that one day you'd be flying in a corporate jet on your way to meet with America's top CEOs?" to which Williams responded, "Never in a million years."

Following this conversation, the pair agreed that theirs was "an amazing American story—the kind of tale of overcoming obstacles and conquering barriers that more people, especially young people, needed to hear about." It was then that he decided to write *Learning to Lead*, with the goal of presenting the tools he has accumulated over the course of his storied career "in a form that will allow readers to use them in their own lives and careers."

PART

1

LEADING YOURSELF

01

CHAPTER ONE

FIND YOUR CHALLENGE: LAUNCHING YOUR CAREER QUEST

“Many successful people have started their careers without a plan or without even a clear objective in mind. If that describes you, here is some advice on how to transform the twists and turns of an unpredictable journey into a satisfying road to achievement.”

According to Williams, it’s possible to have a successful career even without having a clearly defined plan or objective from the outset. He outlines some advice for doing so that he gathered from his own experience growing up in a working-class family in Chicago, Illinois.

While he had few opportunities within easy reach when he was young, Williams learned to have a strong work ethic from his parents. He worked hard to attend community college and then university before working in a variety of roles, including in the office of Illinois Governor Richard Ogilvie, as a consultant, as an entrepreneur and then as an executive at a variety of health care companies.

When he was first recruited to Aetna in 2001, he had already established himself “as a go-to guy—someone with a knack for making things happen in tough situations where others struggled.” With annual losses of \$292 million, Aetna was in desperate need of the help of such a leader. By the time he retired in 2011, his reputation held strong, and the company recorded an annual profit of \$1.97 billion.

Williams believes that his ability to help turn the company around was largely in part because of his “inquisitive mind and the search

for understanding that it engendered.” In addition, throughout the course of his career, he learned a number of lessons that he believes helped him succeed, which he goes on to enumerate.

His first lesson entails the importance of self-leadership, which ultimately “starts with discovering the inner drive that will spur you to seemingly impossible achievements.”

While some individuals know what they’re passionate about from a young age, others may find it harder to figure out what career path to pursue. But Williams advises against following the path of least resistance, since “the most crowded trail is never the way to achieve extraordinary success.” Instead, he believes his own experience demonstrates that there is more than one way to attain a goal, and that there is something to be learned from every experience that can enable leaders to better prepare for their next challenge.

Another lesson he learned is that becoming a leader doesn’t require “any dramatic transformations or revelations,” nor is “an overwhelming personal passion” required to have a successful career. Rather, success depends on a commitment to excellence and continual improvement. Lastly, he explains that “rising to the top” isn’t akin to winning a reality television contest but instead comes about because of a combination of factors, including hard work and an openness to learning—in addition to luck.

Williams details the story of Pat Russo, the former CEO of Lucent Technologies. Despite facing gender inequality throughout her career, Russo’s hard work eventually earned her a seat at the table of a number of successful companies.

Like Williams, Russo also learned a number of important lessons throughout her career, such as the importance of maintaining solid relationships with both current and former colleagues and taking advantage of serendipitous opportunities for leadership as they arise.

While Williams acknowledged it can “take time to discover the challenge you were born to tackle,” he also provided a list of specific suggestions to help people define their paths early on in their careers.

- **“Reject stereotypical thinking.** Don’t let other people define who you are, what you can become, or what you can accomplish.”
- **“Break out of your comfort zone.** In every job, look for opportunities to stretch yourself.”
- **“Take a calculated risk.** ... [T]ake the job that you perceive as carrying the bigger risk. That’s probably the job where you’ll face the greatest challenges—and therefore learn the most.”
- **“Pick jobs with quantifiable results.** ... Jobs like this give you a chance to build up a track record of results that no one can question or argue with, and that create opportunities for your future. ”
- **“Keep your future options open.** ... When making any career choice, think in terms of increasing the number of options you will have in the future. ... And do your homework to identify sectors of the economy that are growing rather than shrinking.”
- **“Exceed your job description.** ... By sticking strictly to the tasks listed in your job description, you are refusing to demonstrate your ability to perform at a higher level.”
- **“Be patient.** As you’re working your way to the higher levels of an organization, avoid trying to force the process. ... If you focus too intently on the when in your career, you may end up sabotaging the if.”

02

CHAPTER TWO

REDEFINE WHAT'S POSSIBLE: THE ART OF REFRAMING

“Many times, the barriers that hold us back are mental walls of our own construction. Reframing is the art of seeing familiar problems in a new light. Practice this skill and you’ll find yourself achieving goals you assumed were unattainable.”

Obstacles are often the result of our own making. Too often, people don’t realize that they’ve created their own limitations—and that they can overcome them. “Often our mindset makes it impossible for us to escape that box, magnifying short-term setbacks into insurmountable obstacles.”

Overcoming these barriers can be as simple as practicing reframing. Reframing can be used to look at yourself or the situations you face differently, enabling you to distance yourself from assumptions you’ve made that may be holding you back. Williams tells the story of Ursula Burns, the former CEO of Xerox, to demonstrate an example of reframing.

Burns was raised in a housing project by a single mother, who worked hard to put her through private school. Burns was imbued with the qualities of “self-discipline, inner strength, and high aspirations” by her mother, aunts and uncles. Despite coming from a working-class background and being a woman, she studied engineering in college—a male-dominated field. In the years since, she has sought to encourage youth from similar backgrounds to see that they, too, can push back against stereotypes.

According to Williams, reframing is a learnable skill, and one way to learn it is to “deliberately open yourself up to new perspectives.” From simple actions such as talking to people from different industries and walks of life to going on field trips or site visits to other organizations, there exist myriad opportunities to broaden your perspective and explore businesses and fields that differ from your own. He also suggests learning from leaders throughout history who were able to successfully reframe their businesses or perspectives, such as Walt Disney and Thomas Edison.

03

CHAPTER THREE

START WITH MINOR MIRACLES: THE TOUGHER THE CHALLENGE, THE BIGGER THE OPPORTUNITY

“Searching for that ‘dream job’? It may look different than you expect. The best job, especially early in your career, is often one that provides tough, unpredictable challenges and unexpected opportunities to learn valuable life lessons.”

When you’re entering the working world, the best jobs are those that provide opportunities to learn. Williams took this mentality to heart during his early career, as evidenced by the various choices he made.

Not long after finishing school, Williams began working for Control Data Corporation, an organization at which he thought he could gain a deeper understanding of the business world. While it initially offered him what he was looking for, he felt he had run out of opportunities to learn after about a year at Control Data, and he subsequently sought out and accepted an offer from another company.

It was then that Williams’ boss at Control Data offered him a new, better opportunity. Recognizing that there was only a minimal downside to the offer and vast potential for growth, he decided to accept the role, telling himself that, worst case, he could always leave if it didn’t work out.

The decision was undoubtedly a risky one, but it proved worthy. “Taking a calculated risk had proven to be a smart career move for me,” notes Williams. Over the course of his career, he continued to make similar calculations, and he attributes much of his success to his willingness to take risks.

He also advocates for making choices early on in your career that can increase your future marketability. This entails developing valuable skill sets, many of which can be learned on the job. Even still, he eventually realized that he needed an MBA in order to make himself the strongest possible candidate for any future job. Of this decision, he explains, “[P]ersonal claims of experience, expertise, and success are of limited value and don’t travel well.”

One of the most valuable lessons he learned while pursuing his MBA at MIT was something that one of his professors, the economist Lester Thurow, used to say: “[T]here are two common ways to go wrong in your thinking: to rely solely on theory and to rely solely on experience. The secret is to keep the two in balance,” which Williams was better able to do after earning his MBA.

Once Williams finished his degree, he decided to pursue another job, rather than return to Control Data. He eventually decided to pivot entirely, taking a job at a health care startup. Within an industry that was growing and was projected to continue doing so, he saw an opportunity that seemed too good to pass up.

Overall, he found his experience working in a startup especially illuminating, and he appreciated the fact that he was able to interact with people in all roles and positions and didn’t have to adhere to the strict hierarchy that is often found at larger, more established companies. Although the startup didn’t work out the way he had hoped, he nevertheless recommends the experience and learned much about the world of entrepreneurship as a result.

He also recommends that young people find mentors early on in their careers. But, he warns, mentors should “arise naturally,” rather than be sought out. In fact, mentors don’t necessarily need to be official mentors, and in many cases, this relationship can be as casual as asking someone you think you can learn from to grab a coffee. Beyond that initial meeting, maintain the connection and try to make yourself useful to that person as well, in order to foster a two-way relationship. Ideally, you will build such relationships with a handful of people from various areas and touch base with them several times a year.

“And above all, don’t think of mentorship as something that someone owes you. You earn mentorship by demonstrating your value and your promise to someone in a position of leadership or authority. ... The value and benefits must flow two ways, not one.”

Throughout his career, Williams “learned a lot by observing a series of mentors, both official and unofficial,” including when it was time to move on. After working for several years at Blue Cross (which later became WellPoint Health Networks), he decided that his goal at this point in his career was to become CEO of a major company. While he gained a lot of experience during his time at Blue Cross, he eventually realized that he would never become the company’s CEO and knew he would need to leave in order to fulfill this goal.

“That self-awareness, combined with the willingness to reinvent myself,” explains Williams, “made it possible for me to open a new door—one that led to both the toughest challenge and the most rewarding adventure of my entire career.”

That adventure was joining Aetna.

While most people would steer clear of a company in trouble, Williams felt that working at a financially underperforming business might offer him the greatest opportunities for learning and growth. Though this gamble paid off for him, he acknowledges that it is important for people to be realistic about their strengths, weaknesses and preferences when making career choices, and to recognize what type of leader they are and want to be.

According to Williams, there are two types of individuals: SEALs and sailors. The former “take on the high-risk, high-demand, high-prestige challenges,” while the latter “prefer more mainstream careers performing important but less grueling assignments.”

It is important not only to determine which type you feel you are, but also to recognize when you feel you no longer identify with one group and want to transition to the other.

04

CHAPTER FOUR

MAKE YOUR ENEMIES DISAPPEAR: ASSUME POSITIVE INTENT

“Not everyone you meet in your career will be friendly. Some may even be out to get you. But the smart strategy is to assume that people mean well until they demonstrate otherwise. Here’s how assuming positive intent can be a powerful tool for disarming potential opponents.”

Despite the business world’s competitive nature, there do exist instances of simultaneous competition and cooperation. As such, Williams suggests it’s best to take on an innocent-until-proven-guilty attitude, in which you “assume positive intent” until someone gives you a reason to believe otherwise.

Assuming positive intent is particularly useful for reducing conflicts, opening doors and increasing team productivity. There will always be moments when you are faced with challenges, but more often than not, taking this approach can lead to a better outcome for everyone. “After all, what is a company except a collection of people working together to reach goals they have in common—productivity, sales, profit, growth?”

It’s not always easy to put this tactic into practice, and Williams had to learn the importance of resisting the temptation to take things personally. Now, he often tells others, “If there’s something that will make you feel really good to say—something you are itching to say—don’t say it.” He learned that engaging with his feelings of frustration or anger when they arose in his personal and professional life would only cause him to lose power—not gain it.

He provides additional examples from his own career in which assuming positive intent allowed him to defuse tension, steer conversations and overcome emotional reactions, demonstrating the power of his approach. But even Williams acknowledges that this doesn't always work, and sometimes it's necessary to take a stand.

PART

2

LEADING OTHERS

05

CHAPTER FIVE

“IT CAN’T BE DONE”: MEETING THE TOUGHEST LEADERSHIP CHALLENGE

“The biggest challenge any leader faces is the difficulty of changing people’s perceptions of what is possible. This story from my early days at Aetna illustrates how a leader can help people discover capabilities they never knew they had, making unexpected levels of achievement possible.”

Williams believes the role of a leader is “to define reality and to give hope.” The first part of this definition—defining reality—entails establishing “an understanding of the world, and of your place in the world, that you and your team share.” Giving hope is to “make it possible for your team members to believe in a better future—one in which your organization is growing and contributing to an improved way of life for all of its members as well as for the customers it serves.” While managing to do both sets up a leader for success, failing to define reality is far worse than failing to provide your organization with hope, explains Williams.

When he first joined Aetna, he had already determined that the company struggled with technical problems related to a lack of adequate information and data. But another more serious problem had to do with company culture and the fact that “deeply ingrained perceptions, attitudes, and relationships” had been “shaped by years of dysfunctional behavior at every level of the corporation.” Overcoming these patterns of behavior required entirely transforming company culture, including many of the long-held assumptions of Aetna’s employees.

To get to the heart of the company's most critical problems, Williams began by asking individuals at all levels of the organization probing, carefully worded questions. By doing so, he was able to counteract employees' natural tendency to act defensively. He also avoided asking "why" questions that can pin blame and instead asked questions such as, "Can you help me understand how you determined that?" and "Have you considered X?" In his experience, these types of questions not only encourage employees to take a problem-solving approach to their work but also help them feel supported when brainstorming new ideas of their own.

From here, he recommends writing up detailed plans, holding frequent check-ins and, more broadly, communicating in an honest and transparent way. As Williams explains, planning can help increase the likelihood that you'll reach your goals by giving people an idea of what to work toward, while frequent check-ins allow the team to provide updates about their progress and make adjustments as needed.

He also says that leaders can encourage openness and transparency throughout this process by focusing on "analyzing what has happened and finding a solution"—as opposed to getting angry or pointing fingers when plans go awry. "Practically all people *want* to do the right thing. If they can't or don't, it's either because they don't know how or because they haven't been given the appropriate tools. It's the leader's job to remedy those shortfalls—not to berate employees for skills or resources they may lack."

As a leader, he believes it was his responsibility to open up Aetna employees to new ways of thinking—not just by teaching and explaining but also by personal example. The essence of leadership, according to Williams, is "the art of helping people free themselves from the mental constraints that limit what they can achieve."

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CHAPTER SIX

WHEN ALL ELSE FAILS, GET THE FACTS: SOLVING PROBLEMS IN THE REAL WORLD

“You might assume that the importance of making decisions based strictly on facts would be taken for granted by most business professionals—yet experience shows that’s not the case. Here are some ideas about how to make fact finding a routine part of your leadership toolkit, and how to use hard data to improve your problem-solving capabilities.”

When faced with difficult decisions, Williams relies on the mantra, “When all else fails, get the facts.” Since conflicts are often unavoidable, especially when challenging decisions need to be made, he has found that the best way to defuse tension is to rely on this mantra and get to the bottom of what’s actually happening.

It is also critical to develop systems that allow you to track facts in real time, and to account for the reality that facts can change as situations evolve. To do this, Aetna began to rely on big data, years before it became the “popular buzzword” it is today. According to Williams, “Thousands of companies are now learning what Aetna figured out a long time ago—that the data you collect and the algorithms you use to analyze it can be a fount of invaluable insight.”

But data isn’t the only piece of the equation. Qualitative information is important, too, much of which can be derived from listening. Williams notes that he was able to gain critical insight about the health of Aetna by listening to what was happening at various levels of the business. For example, he would often listen in on customer service calls (with their knowledge) to better understand the issues Aetna’s customers were facing and, in turn, take steps to resolve these issues.

He also conducted monthly site visits and face-to-face meetings to better understand the experiences of Aetna employees. As a leader, he says, it is critical to understand what's really happening on the ground, "not the way you assume things are, or the way you might wish them to be, but the way they truly are."

Another tip to keep in mind is to "identify the few key data points in any situation." He learned this lesson from his colleague Rowe, who noted that focusing only on the data points that matter will help people avoid getting "overwhelmed and confused by a vast array of secondary information."

Williams explains how to determine when you have enough information to make an informed decision after collecting facts and data points. This can be a challenge, as having too much information can be just as bad as not having enough. It is therefore important not to put off decision-making indefinitely based on a perceived need to get every piece of information possible, a phenomenon he calls "paralysis by analysis."

To determine whether you have the right information needed to make a "good-enough decision," Williams lists nine rules of thumb.

- **"Listen to many voices."** Get multiple points of view before making a decision.
- **"Create a clear, simple decision framework."** Define what the issues are and make your decision based on those considerations and no others.
- **"Gauge the importance of any missing data."** Determine if any information is missing and whether or not getting it could impact the outcome.
- **"Avoid recency bias."** Avoid being swayed by the most recent piece of data.
- **"Protect your future flexibility."** Whenever possible, avoid making decisions that could have irreversible repercussions.
- **"Take levels of risk into account."** Don't hesitate to act in low-risk situations, but take an adequate amount of time to make decisions in high-risk situations.

- **“Don’t dither needlessly.”** Putting off making a decision is not likely to improve the outcome.
- **“Disagree but commit.”** Allow room for disagreement but ensure that everyone will commit to seeing through the decision after it is made.
- **“Heed your inner voice.”** Listen to your gut.

Ultimately, don’t be detail-oriented just for the sake of it. Figure out what’s important, make sure you get that information and make your decision based on what you know.

07

CHAPTER SEVEN

CHANGING THE PROBLEM CHANGES THE SOLUTION: REFRAMING FOR BUSINESS LEADERS

“In addition to opening up personal opportunities, reframing can also help business leaders discover unexpected solutions to knotty strategic problems. Here are some examples that illustrate how the process works.”

When Williams joined Aetna, the company was in debt, following a period of aggressive acquisitions. Previous leadership had thought that these acquisitions were necessary to help the company succeed, falsely believing that “size was the key to profitability.” Although size can, in fact, improve the profit potential of a company in a number of ways, the leaders had overlooked a number of other equally important factors.

In particular, the importance of corporate culture was ignored in the process of integrating the new companies, and the acquisitions were made at the expense of “the people, processes, and technologies” required to make the transition go smoothly. Aetna’s leaders had focused so much on the question of how much the company had grown that they failed to consider other factors that could affect the health of the business. Ultimately, stakeholder relations floundered, and the company’s downturn only worsened when an Aetna subscriber died, leading to a wrongful death suit.

The underlying issue was that Aetna’s leadership had made erroneous assumptions about the nature of the business and what it needed to succeed. When Williams and Rowe were hired to help bring the company back from the brink of collapse, they also had to work to repair the company’s relationships with its stakeholders, ranging from health care providers to customers. To begin this

process, they focused on asking the right questions about Aetna's business model, people and technology, as well as on reframing the challenges the company faced.

For example, he took on the issue of complaints regarding Aetna's customer service. While he concedes that the obvious solution to the customer service problem would have been to retrain all of the customer service representatives, he knew that alone wouldn't be sufficient. Eventually, after asking a number of questions, he and his team began to understand that the problem was structural in nature and that the way the customer service teams were organized didn't make sense. By looking at the situation differently, they were able to get to the root of the problem and solve it.

In addition to helping to reveal problems, the act of reframing can bring attention to opportunities for growth, even in areas that are not struggling. For example, in an effort to make every department at Aetna more customer-focused, Williams and Eleise Wright, the head of human resources, recognized one such opportunity in the HR department.

Given that Aetna is a health insurance company, Williams and Wright realized that they could design and test new types of health benefits services with company employees. After stumbling upon this realization, they did just that, essentially reframing the HR department "as a research and development (R&D) unit for innovative health benefits programs." After experiencing early success, Aetna ended up making these products available to client companies as well.

08

CHAPTER EIGHT

THE SEARCH FOR TRUTH: ASKING QUESTIONS THAT OPEN MINDS

“We sometimes assume that the leader in a group is the person who knows the most. It’s not always true! Sometimes the most effective leader is one who knows what he doesn’t know—and uses well-crafted questions to uncover hidden realities that make innovations possible.”

In the early days of working at Aetna, Williams and Rowe recognized a need to get back to basics, so they asked a group of executives to describe Aetna’s primary customer. When each person offered a different, albeit equally relevant, answer, this shed light on an underlying problem in the company: that people were pursuing different goals, leading to a “confused mishmash of results.”

Over the course of the discussion, the group realized that Aetna “lacked a clear, overarching strategy that united all its varied activities behind a single fundamental purpose.” Instead of leaving it at that, they continued to explore the issue until the group came to the following agreement: Aetna’s primary customer was the patient—and patient health was therefore the central goal of the company’s activities.

Williams outlined five different types of questions corporate leaders should always ask when faced with similar problems:

- **Questions that highlight key problems**, such as “What are the barriers that are stopping us from achieving our goals?” or “Can you help me understand the difficulties that are in our way?”

- **Questions that clarify the facts**, such as “[C]an you describe how you reached that conclusion?” or “[W]hat is the source of the data on which that list of complaints was based?”
- **Questions that probe an underlying story**, such as “How was the current system designed?” or “What’s the story behind this issue?”
- **Questions that suggest alternatives**, such as “What might be another way of achieving the same goals?” or “Can you think of other organizations that have faced similar issues and used different approaches to address them?”
- **Questions that drill down to basics**, such as “What is the central goal of our organization?” or “What business are we in?”

These questions help reframe the problem and refocus company leadership, not least of all because people rarely pause to think about them. Even still, Williams admits, there’s also power in not having all of the answers—so long as you are willing to work to overcome gaps in knowledge, which can be done by asking questions, challenging assumptions and encouraging out-of-the-box thinking.

Since questions must be posed in a fairly constructive way in order to avoid triggering defensive responses or resistance, Williams outlines a number of rules of thumb to help pose better questions:

- “Avoid starting questions with the word ‘why.’”
- “Avoid yes-or-no questions.”
- “Don’t ask questions for which you think you already know the answer.”
- “Actively listen to the answers people give you.”
- “Ask follow-up questions.”
- “Encourage others to ask questions, including ones that are ‘stupid’ or ‘naive.’”
- “Use questions to ensure that your team members are all on the same page.”

- “When problems arise, question the issue, not the person.”
- “When tough questions are needed, use them with care.”

Active listening and follow-up questions will help you gain a better understanding of the way your team thinks—even if their answers are factually incorrect. This insight can, in turn, provide an opportunity to clarify or introduce alternatives. Similarly, encouraging others to ask as many questions as they answer will ensure that everyone is on the same page and understands what is going on.

Even with these tactics in place, problems can arise. There will also be rare instances in which it’s truly necessary to ask hard-hitting questions, but use these “with care” to ensure they “remain useful tools rather than turning into needlessly aggressive weapons.

09

CHAPTER NINE

DEFINE WHAT'S REALLY IMPORTANT—THEN MAKE IT HAPPEN

“We all fall into the trap of spending time, energy, and other resources on activities that don’t really matter, while neglecting the things that do. Here’s a system for figuring out what’s truly important for your organization (rather than what’s merely urgent), then making sure it gets taken care of—on time and within budget.”

Leaders are responsible for overseeing numerous matters that affect their businesses. But one of their most important responsibilities is to help their teams set priorities and work toward achieving their goals.

Determining what to prioritize is not always a straightforward job. To differentiate between that which is important but can wait and that which is urgent, Williams provides the following list of questions to ask:

- **Financial impact:** How could this matter affect your organization financially in the short, medium and long term?
- **Stakeholder impact:** How could this issue affect your organization’s key stakeholders?
- **Future scope:** Could this issue become more serious in the future?
- **Reputational impact:** Could this issue have an impact on your organization’s reputation?
- **Underlying cause:** Could this matter be caused by an underlying problem that you are not yet aware of?
- **Degree of uncertainty:** How confident are you that you understand the issue and its scope?

Ideally, a well-run organization shouldn't constantly face unexpected crises. But in an effort to avoid them entirely or better deal with them should they arise, Williams advocates for "smart, deliberate scheduling," which entails breaking down a complex project into parts, listing the order in which tasks should be completed and determining what resources are required to complete each part of the project.

Critical to this process is that the desired result of each part should be defined "as clearly and specifically as possible, along with communication methods to be used to keep the whole team informed about what is happening." Such clearly defined scheduling helps avoid the common problem of "schedule bloat," which happens when people overestimate how long it will take to complete their part of the project, thereby delaying its completion.

Of course, much like prioritizing, smart scheduling is also seldom straightforward. Misunderstandings happen, along with conflicting priorities and false deadlines, all of which can be mitigated by making sure that managers have open conversations with their employees about priorities.

Finally, once the schedule has been determined, you must then ensure that everyone sticks to the schedule. One way this can be done is through what Williams calls "the action-forcing event."

An action-forcing event is essentially a deadline that includes a deliverable. The timing of the action-forcing event should be chosen carefully and should include everything required to complete the product, as well as the amount of time each task is estimated to take. Since numerous action-forcing events can be built into the schedule for any given project, the exact number will depend on the type of project at hand.

When and if projects are interrupted, even despite a strict schedule, Williams likes to think of such interruptions as an opportunity rather than a hinderance and uses this time to bring new ways to save time or money to light.

Williams summarizes the approach as follows: “Having a plan enables you to (a) recognize when events differ from the plan, (b) measure the direction and the magnitude of the variance, and (c) plan and carry out corrective actions.”

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CHAPTER TEN

WINNING THE TALENT HUNT: HOW TO BUILD YOUR TEAM

“One way to define leadership is the art of achieving things through other people. To make that possible, you have to learn how to recruit, train, and motivate the most talented working team possible.”

Building a strong team requires learning how to set expectations, accurately identifying reality and putting people first, all of which describe what Williams calls “people-centered leadership.”

When building a team, it’s important to hire a diverse group of people who complement each other’s strengths and compensate for each other’s weaknesses. While cultural fit is important in some respects, leaders too often recruit people whose backgrounds are overly similar to their own, which can be detrimental to the team and its future success. In particular, overly homogeneous teams tend to decrease the likelihood of “getting the kind of innovative, out-of-the-box thinking that makes reframing possible.” Williams therefore urges leaders to recruit a team that is diverse in a number of ways, including demographics, professional backgrounds, values and attitudes.

The final piece to the people-centered leadership puzzle is your relationship with the people on your team. Williams highlights the importance of letting your team know that they matter by keeping abreast of what is going on and by being a good listener. Sometimes this requires reading between the lines, especially since team members are “typically reluctant to ‘bother’ the boss.” Leaders must therefore listen not just to what is said but also take note of the concerns that may be left unsaid, and do so on a daily basis.

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CHAPTER ELEVEN

MASTER THE ART OF MIND READING: THE TWO-UP/TWO-DOWN SYSTEM

“In any large organization, the existence of hierarchical levels can make clear communication difficult. Those on the front lines are often at a loss as to what those in the executive suite have in mind ... and those on top often have no idea what their frontline employees are thinking. The two-up/two-down system offers a way to bridge such gaps.”

Even with the best scheduling efforts, misunderstandings are often unavoidable. But the biggest culprit behind such misunderstandings is typically a communication problem—both in terms of conveying your own messages clearly and fully understanding those of others.

Williams sets forth a tactic called the “two-up/two-down system” to help decrease the likelihood of misunderstandings. Underpinning this system is the act of “paying close attention to the ideas, information, and concerns of the people around you”—especially including employees two levels above and below yourself.

Based on insight provided by JD Hoyer, a friend of Williams and a leader in her own right, Williams encourages those with higher ups (including board members) to use the following tactics: engage in frequent communication, share detailed and clear information, plan ahead for meetings and be available between meetings. Ultimately, Hoyer says, you should aim to do everything you can to make your superiors feel as though you are helping them achieve their objectives.

Managing down is equally important, one of the most critical aspects of which is encouraging honest communication. Williams notes that “the freedom to speak up is largely about power,” and individuals “will share information and ideas only to the extent that they feel empowered to do so.” Managing two-down can be challenging, as it must be done in such a way that the person is not seen to override the authority of the direct manager. Despite this, there are some instances in which it can be both healthy and necessary to connect with someone who does not report directly to you.

To ensure that such communication is effective, he suggests a number of tactics, including incorporating cross-level communication into your “leadership routine” by scheduling regular meetings with individuals two levels down from yourself. Even something as simple as “managing by walking around” can be an effective way to determine what’s going on at all levels of the company.

Williams also emphasizes the importance of asking for open-ended feedback, informing managers when you are speaking directly with their reports, ensuring that everyone knows what role they’re supposed to play and never assigning work to those you don’t directly supervise.

While the two-up/two-down system is unique to you and your place in an organization’s hierarchy, Williams recommends spreading the system to others as well. By practicing it and encouraging others to do the same, you can become “one of the few indispensable people in your organization, no matter what rung of the corporate ladder you currently occupy.”

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CHAPTER TWELVE

FIND THE MAGIC WORDS: DISCOVERING YOUR AUTHENTIC LEADERSHIP VOICE

“Leadership requires the ability to communicate effectively with people—a talent that comes naturally to very few people. Here are some suggestions about ways you can hone your public speaking ability in the service of more effective leadership.”

Williams, who struggled with a stutter throughout much of his life, found that “self-study and constant practice” helped him improve his public speaking abilities. Through this study, he also determined that he performs better when he speaks from an outline than he does when he reads from a script. While every leader must determine the speech preparation method that works best for them, Williams provides an overview of his approach.

The outlines he relies on include only a handful of key messages in order to keep them short and simple, and to leave ample time for questions at the end. To prepare for a public speaking engagement, he starts the process a few weeks ahead of the event and reviews the material daily to ensure he’s internalized it.

Even when you aren’t giving a formal speech, you can expect your words and behavior to be scrutinized, especially during moments of crisis or urgency. From “your facial expressions and your body language” to the precise words you choose, people pay attention to everything.

The methods and modes of communication a leader uses also have an impact on how the rest of the team reacts to a crisis. From recalls to financial hardship, it is essential not only to communicate the

issue to those at the top—and get their feedback—but also to convey the seriousness of the issue to the rest of the organization. Though you “may never be faced with the task of leading a multibillion-dollar corporation through a period of crisis,” he notes, “you should learn how to instill an appropriate sense of the seriousness of problems throughout your team.”

PART

3

LEADING AN ORGANIZATION

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CHAPTER THIRTEEN

WHAT ONLY THE CEO CAN DO: CREATING A POSITIVE COMPANY CULTURE

“Leading an organization brings with it a new set of challenges. One of these is the job of defining and nurturing a positive company culture—a set of values, behaviors, and expectations that help make the organization a satisfying and successful place to work. Here are some observations about what it takes to make such a culture a reality.”

As Williams explains, “The better you understand the challenges of leading the organization you work for, the better you can serve in any capacity—and the more you can achieve, for your own benefit and the benefit of everyone around you.”

One of the most significant problems corporate leaders face is low employee engagement. In Williams’ experience, “positive goals that transcend the immediate, short-term objectives of the company or the individual worker” are the best way to inspire high performance. Though performance can be driven by positive or negative motivations—including teamwork, financial incentives, or even intimidation and fear—people are most likely to be motivated by the belief that they’re doing something to help both themselves and the company at large.

As a leader, you must also define the values that will guide decision-making in the organization. Determining these values must be a well thought out process, and employees should strive to embody the values in everything they do.

When Williams joined Aetna, the company's primary focus was on satisfying shareholders, which ultimately caused the company to suffer. Though "Aetna was aligned around a purpose, ... it was the wrong one. And that made all the difference in the world." Based on feedback gleaned from conversations and employee surveys, Williams and Rowe began to work on distilling a new set of values for the company. The result was a written document called the "Aetna Way," which identified four core values that were to serve as the backbone for everything the company did: integrity, quality service and value, excellence and accountability, and engaged employees.

Williams notes that he made a point of frequently referring to these values after they were determined, in order to convey to employees that the values were intended to guide decision-making for everyone at every level of the organization. Another way that he sought to demonstrate the importance of these values was to truly embody them himself. He and Rowe made a point of visiting every Aetna facility and spending time with employees to send the message that everyone mattered. "When you are a leader, simply showing up—being personally present among the people you are relying on to make your dream a reality—carries enormous symbolic weight."

Creating a positive culture may also entail overcoming a dysfunctional one, but Williams explains that it's necessary to fully understand the situation at hand before making hasty decisions. After joining Aetna, for example, he applied the following rule to his thinking: "Never take anything apart that you don't fully understand." Instead, he delayed making decisions until after he compiled the facts to determine what was actually happening.

In a troubled organization, this task might be challenging. Williams notes that he had to "get tough," by refusing to tolerate dysfunctional modes of communication and demanding honest and transparent communication instead. He plainly conveyed these expectations to the team, while making it clear that those who chose to stay on were making a personal commitment to adhere to these values.

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CHAPTER FOURTEEN

THE LEADER'S VISION: FROM TODAY'S REALITY TO AN INSPIRING FUTURE

“A company CEO should not delegate the essential task of defining and articulating the corporate vision. Such an effort demands both a firm grasp of current reality and a clear-eyed picture of a hopeful future.”

As previously mentioned, Williams adheres to a definition of leadership that emphasizes the importance of defining reality and providing hope. In this chapter, he digs deeper into this way of thinking to look at how a leader can create a strong future for an organization.

The first step is to define reality, which entails understanding the current situation of your business. Understanding the organization's reality also requires interacting with people from every part of the business, including suppliers, regulatory agencies and customers—all of whom will perceive the company's reality differently. When connecting with these people himself, Williams made sure to focus more on listening than on talking in order to better absorb what he was hearing. He also notes that defining reality isn't a singular exercise, and meetings must be held frequently to address reality as it evolves.

The next aspect of defining reality consists of analyzing the information you've acquired, which occurs when qualitative information is combined with quantitative data from analytics. In Aetna's case, the company developed a health analytics division, which was responsible for analyzing its financial situation. In turn, the findings helped it make many important decisions, including when its insurance plans would cover a given medical procedure.

The second part of the leadership equation is giving hope, which Williams defines as conveying to people in every part of the organization what a successful future looks like and outlining the road map to success. This can only be done when the picture of reality is clearly defined, as without it, “your vision of the future is just idle daydreaming.” The strategy for achieving success should be well-defined and straightforward, helping employees to understand what they should be doing on a day-to-day basis to help achieve it.

This plan should not only be strategic in nature but also operational—and Williams believes that effective leaders should be able to do both. Eschewing the belief that operations and strategy are diametrically opposed, he explains that, in his view, “operational activity builds the bridge to a strategic future.”

Aetna was able to build such a bridge with its health analytics division, which first compiled data and then spent time determining how that data could be used to help improve people’s health. The result was an integrated clinical strategy, which examined data across numerous health care areas to give Aetna “a more accurate, holistic view of how to improve or maintain member health.” With this information in hand, the company was able to address its strategy for growth, which led to acquisitions and developments. “In short,” Williams notes, “our drive to get the details right opened our eyes to a range of strategic opportunities that might otherwise have eluded us—at least for a time.”

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CHAPTER FIFTEEN

MAKING CONNECTIONS: COMMUNICATION AS A TEAM SPORT

“As the leader of an organization, you’ll have access to communication tools that can greatly amplify the reach of any message you need to send. These tools can make communication more powerful—but also more complicated.”

When looking to communicate a message to every part of a business, Williams suggests getting the support of a critical mass of people first. The first group of supporters, or that first 10 percent, “will help spread your message through their daily words and actions,” and will encourage others to follow along. He recommends relying on a close group of advisors or a chief of staff to begin with—but even friends and colleagues can help. These individuals can provide advice and feedback on your messaging, helping you to strengthen the message before it is disseminated to the wider organization.

Successfully communicating your message is critical, but the way that people best absorb messages differs. It is best to use a variety of communication tactics to ensure that your message gets across, such as speeches, memos and videos. The message should also be repeated frequently, “even past the point when you are certain that everyone has been exposed to it.”

In order to avoid misunderstanding, you must also ensure that everyone is employing the same language with the same definitions. Organizations are frequently faced with the problem of not having a shared language. To cut through this problem and establish a set of definitions that everyone agrees on, Williams relies on “dialogue, discussion, repetition, and practice.”

Whenever Williams noticed in meetings that people were using terms differently, he would make a point of pausing the conversation to call for a “moment of clarity.” He would then point to the source of confusion and call on the team to agree on a shared definition to use uniformly from that moment forward.

Your physical presence is also essential to communicating effectively. “You’ll find you can do a much better job of motivating people if they feel they know you and sense that you truly care about them, their needs, and their concerns.”

One way Williams sought to do that was by creating an “Ask Ron” question-and-answer column that would appear on Aetna’s intranet every few weeks. Another method was by making sure he never ate alone, since he used meals as a time to socialize with both colleagues and customers. Doing so allowed him to better understand their needs—and had the added benefit of making any future message he needed to share with them “more compelling,” since people knew him personally.

Lastly, a leader is often the public face of their organization, creating many instances in which careful communication is critical. Make the job of journalists easier by determining what they’re looking for and helping them meet their deadlines. You must also keep in mind that “everything you say is fodder for analysis—fair or unfair.” Therefore, you should try to avoid using jargon that might not be familiar to the general public in addition to generally being careful with what you say.

Williams learned that lesson the hard way. On an earnings call not long after being named president of Aetna, he used the phrase “culling members.” While it is a fairly innocuous term in the industry, those who weren’t particularly familiar with the industry “were aghast.” Attacks on Williams and Aetna resulted, simply because of this “careless choice of phrasing.”

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CHAPTER SIXTEEN

SHAKING UP AN INDUSTRY: THE HEALTH-CARE REFORM CHALLENGE

“Few experiences test the skills of a CEO like finding their industry thrust into the spotlight of national controversy. The story of Aetna’s role in the health-care reform battles of 2009–2010 vividly illustrates some of the toughest challenges of business leadership in today’s world.”

The biggest test of Williams’ leadership was working at Aetna at the height of the push for health care reform under former U.S. President Barack Obama.

Williams met with Obama prior to his election to the presidency and eventually became an informal advisor to the president on the topic of health care reform. Part of Williams’ vision for what would later become the Affordable Care Act was making health insurance affordable for and available to everyone—regardless of pre-existing conditions, as well as “defining a values-based approach to health care reform.”

One component of his participation as a spokesperson during the national debate about health care reform was to educate people on Capitol Hill about the health care system and insurance. But he quickly learned that getting involved in a politically charged debate could be hazardous, even if he had the best intentions.

For example, after writing an op-ed that appeared in *The Wall Street Journal*, he realized that the newspaper headline mischaracterized his position. Through this experience, he learned an important lesson: “Try to avoid letting somebody else control the way your

message is framed.” Despite such challenges, Williams feels that all business leaders should play a bigger role in public debate, particularly when they have something of value to contribute.

While he concedes that the Affordable Care Act did not reverse all of the existing problems inherent in the American health care system, he believes it did make progress. Nevertheless, he calls for a reframing of the system to address the numerous issues that remain and notes that many companies are already beginning to do just that. One such example: Aetna’s new business, called Healthagen, is looking to change the business structure of the health insurance industry by using data to undercut traditional incentive structures.

The work of Healthagen is an example of “population health,” which looks at “overall health outcomes of everyone in a particular population group.” Caregivers are no longer only responsible for intervening in the case of illness or injury, but instead are paid for contributing to everyone’s health in a proactive way, thereby better aligning the interests of the system with the interests of patients.

Population health programs are also intended to “help people get the information, advice, and medical help they need *before* they get seriously ill, so they can avoid many costly operations, drug treatments, and hospital stays.” Though Healthagen is still in its early stages, the results have been promising thus far.

EPILOGUE

KEEP BREAKING BARRIERS

“The leadership challenge never ends. To ensure that you keep growing, set your personal achievement bar higher every year.”

In Williams’ own experience, achievement is possible by recognizing your limitations and working to overcome them.

He then provides a summary of the recommendations he outlined throughout the book:

- “[S]eize every opportunity to learn and grow.”
- “Volunteer to take on the toughest challenges.”
- “When you feel boxed in by circumstances, try reframing the situation.”
- “Don’t overlook the extraordinary power of simply finding the facts.”
- “[D]on’t jump to conclusions. ... Assuming positive intent can often enable you to turn apparent enemies into allies.”
- Build a team of people with “different skills and perspectives that complement your own.”
- “Master the art of managing two up and two down.”
- “Learn how to define reality for the members of your team and to give them hope for the future.”
- Use questions to challenge assumptions and overcome misunderstandings.
- “Find ways to connect your dream of the future with the deepest values of the people you work with.”

- Instill a commitment from your team by “energizing their highest aspirations.”
- “Work to discover your voice, and use it to communicate crucial insights clearly and persuasively to those around you.”

While Williams believes these strategies can help anyone be successful, he warns against becoming complacent, noting that “every triumph is short-lived.”

Lastly, to work against stagnation and ensure continual growth, he recommends setting both short- and long-term goals, and regularly checking your progress against them. He calls his goals a list of key deliverables and maintains them for three areas of his life: his job, his family and himself. While he notes that everyone’s deliverables are personal, one area that everyone should include is to “stay current on changing technology,” as it will affect you no matter what industry you’re in. Ultimately, Williams strives to feel as though he challenges himself “to tackle new skills and new heights of performance that are somewhat intimidating, even a bit scary.”

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