Jim Whitehurst, president of IBM

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"I Believe My Role Is To Create Context For People To Do Their Best Work."

Published on August 19, 2020

Adam Bryant in
Managing Director at The ExCo Group (formerly Merryck & Co. Americas)

*Great to catch up with **Jim Whitehurst**, the president of IBM, who I **first interviewed** eight years ago when he was leading a few thousand employees at Red Hat. IBM has about 350,000 employees, so I was eager to hear how his leadership approach has evolved. He shared smart insights on culture, building teams and innovation.*

Q. How are you leading differently today, compared to your time at Red Hat?

A. I've learned that you need somewhat different approaches to leading different parts of a large company. An open, transparent leadership style works really well for companies that are in fast-changing, competitive environments or are driven largely by innovation. But I've observed over time that these new open models are not necessarily better. They're just different for different contexts.

There are still areas in which a more traditional leadership style is required. In the airline industry, for example, you don't want anybody innovating on the safety procedures before your flight. IBM is in the business of innovation, but we also operate mainframe and data centers for the most mission-critical systems in the world. And you need different models for leading and supporting that part of our business.

When I joined IBM, many people were saying to me that they wanted to adopt a lot of Red Hat's ways of doing business. And my answer to them was that, yes, there are some things we ought to adopt, but there are some incredible things about IBM and how we operate here, and so

it's really about applying the best leadership approaches to different businesses in our portfolio.

Q. What are aspects of Red Hat's culture that you'd like to see more of at IBM?

A. One is more of a willingness to question authority and have debates. I noticed early on when I'd walk into a meeting at IBM that there often was a bit of a silence, because everybody was waiting for me to drive the meeting. At Red Hat, when I walked into a meeting, I was just another colleague, and we had debates.

> *"Debating gets us to a better answer."*

I've said to the people who directly work for me at IBM that I like to debate. I think debating gets us to a better answer, but they have to be really careful with what I'm saying because sometimes I'll take the other side of a debate that I don't even agree with just to get the debate going.

Someone at IBM said that part of its culture is that the cost of disagreement can be very high. So I really want to lower that and make sure that we're having open, transparent debates because, again, that gives us the best answers. It's not that IBM doesn't have that culture, but I'd like to drive that to more of an extreme because that's how you get better answers.

Q. Corporate culture is an amorphous topic. How do you think about it?

A. I've recognized that culture's an output, not an input. Many leaders say they want to change their culture, but culture is the output of the management system you've put in place. If you focus on improving your systems, and the leadership principles that create context for them, morale will improve in a much more authentic way. One of the ways I've matured as a leader is that I've recognized that the whole system – including the behaviors and leadership styles that are rewarded — has to work together.

Q. What was your first-day speech in terms of telling your team what they should know about working with you?

A. I believe my role is to create the context for people to do their best work. And therefore, if I have to step up and start driving an agenda in a meeting, it's because I failed at setting the context or I failed at picking the appropriate people. I'm not being passive; I'm trying to set up a context where I'm not really needed.

I also leave half of my staff meetings open, with no set agenda. I want to create space for people to talk. If you don't create that space, then you don't even really know the issues that you need to change. A lot of that comes from just creating some space. So far, we have yet to finish one of those meetings early.

Q. Who were some important influences early on in

your life/career?

A. My parents. My dad was an ear, throat, and nose cancer surgeon. My mom was a nurse. I grew up in Columbus, a mid-sized city in southwestern Georgia. Growing up, it felt like a lot of folks knew my parents and appreciated the roles they played in our community. That probably has had more of an influence on me than I give it credit for, and it's why I'm such a big believer in the power of community.

My parents taught me the importance of doing my best, helping others, and keeping things in perspective. I can remember Dad coming home at night, us all sitting around the table for dinner, and him talking about losing a patient that day. I remember that often when a bad day arises at work. It helps you keep things in perspective.

When I jumped into the real world after college, I started off working at Boston Consulting Group. It was not hierarchical, and technically, I didn't really have a boss. There were case team leaders and I would bounce from case to case. And that lack of hierarchy was the culture of the firm.

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This was back when airlines only issued paper tickets. If you flew a lot and had status as a frequent flyer, you'd get these little stickers that you

could use for upgrades. So if a bunch of us were at the airport after a client meeting, everybody started running after they got through security to be the first to the gate to get in line to get upgraded. It didn't matter whether you were a first-year associate or a partner; whoever got there first got the upgrade. So I grew up in an environment that was very non-hierarchical.

I then went to Delta [as chief operating officer], and soon after, Jerry Grinstein was named our CEO. He was a lawyer by background, and was very curious and open to debate. In meetings, he was always asking questions and scribbling notes. A consultant once even commented to me about how rare that was, saying, "A lot of CEOs don't want to take notes because it makes them seem like they're not in control or that they don't really know what they're talking about."

And so now I always scribble notes in meetings. Part of it is that I do like to have notes, and part of it is to convey that I care what you say and you're probably saying something I don't know. And I don't mind saying that I don't know something. If you're going to be an open leader, you have to be comfortable with that and recognize that you're going to make mistakes. I've made a few good decisions — otherwise, I wouldn't be where I am — so I don't mind admitting that I've made mistakes or I don't know things.

Q. How do you hire? What are the X-factors you're looking for when you're interviewing people?

A. I look for curiosity. I generally try to get them talking about

something that isn't directly related to their prior job, like how deeply they know their industry or their hobby. I want to know how curious they are to learn more than just what they need to know. Wanting to figure out how things work is so critically important.

Another test from days at Boston Consulting Group is what we called the "Toledo test" — would you want to be stuck in the Toledo airport with this person for five or six hours? So much of work is who you work with. Who are the people that you want to be around? I do think you're more willing to open up, question and debate with people who you feel good about and like. So I really try to get a sense in the interview if someone is open that way.