



Leading Through Disruption

Powerful conversations with prominent leaders on navigating this era of relentless change



Muna Bhanji

Leadership Is All About Earning Trust And Creating An Inspiring Vision



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***Muna Bhanji**, a director at **Intellia Therapeutics**, **Veracyte**, **Cytokinetics**, and **Ardelyx**, shared key leadership lessons with me in my latest "Leading Through Disruption" interview. [Subscribe here](#) to receive future interviews.*

Lauterbach: What's changed in leadership over the past ten years?

Bhanji: Some leadership elements have stood the test of time. This includes the recognition that when stepping into a leadership role, it is no longer about you. It is about something bigger than yourself. It is about placing the interests of the enterprise and stakeholders above your own.

Effective leaders serve those who are in their care. They create a safe space for people to speak up and foster an environment that unleashes the full potential of their teams. They take a principled approach in their decision-making even if they have to pay an economic penalty for doing so.

Leaders today need to be highly in tune with the ever-increasing geopolitical and economic complexity of the environment in which they are operating. They realize that innovation is the name of the game. One can't lead hierarchically. It is all about earning trust and creating an inspiring vision for the organization.

It comes down to people and culture. Today, talent is sourced globally. Leaders have to work even harder at building connectivity, instilling a sense of community and ensuring a high degree of engagement and collaboration.

Lauterbach: What role do boards play in fostering culture?

Bhanji: Strategy and culture are two sides of the same coin. Boards play a critical role in the choices a company makes around its strategic imperatives in long-term value creation. It sets the tone at the top, and it ensures organizational alignment through how it incentivizes growth and how it measures, rewards and recognizes company performance.

Lauterbach: How do you ensure a board has the complete picture and understands what is happening?

Bhanji: "Noses in and fingers out" is sound advice given to board directors. Highly effective boards stay true to that guidance and have found a way to build a strong relationship with the broad management team and are engaged with them on key business priorities even in between board meetings. In addition to culture surveys, engaging with the internal teams, engaging externally with customers and other stakeholders can also offer important insights to a board.

Lauterbach: What X factors would influence your decision when hiring a new CEO?

Bhanji: I pay a lot of attention to leaders' ability to balance advocacy with objectivity. Especially in innovative industries,

one can fall in love with one's product or idea. Effective CEOs can act as a cheerleader but stay clear-eyed about the limitations and challenges surrounding their innovations. The best leaders will make decisions holistically considering a broad set of constituencies, which is a bit of a balancing act and not always easy to get right.

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I recall one particular presentation to company executives, where, rather than asking for approval and funding for my rather significant project, I laid out all the reasons to support my proposal and then all the reasons not to do so. Very dispassionately and data-driven. The project was good for my group but would not have been the right decision given broader trade-offs within the company's portfolio. We never moved forward with it.

Lauterbach: In "The Hard Thing About Hard Things," Ben Horowitz talks about peacetime and wartime CEOs. Is there such a thing as a kind of Swiss Army-knife CEO who can scale for growth and transform in downturns?

Bhanji: The "Swiss Army knife CEO," as you describe it, embodies an adaptable leader with a clear vision, a leader who can pivot if needed who is not afraid to call it like it is, someone who can make the tough decisions in good times and bad and never loses sight around the purpose and mission of his or her company.

I recall a newly appointed CEO, coming into his role during a challenging period, and in his first month, having to make the difficult choice of withdrawing financial guidance and cutting the R&D budget or affirming guidance. That would have required budget cuts that would have impacted the development of new products, which, if successfully developed, would have come to market many years down the road.

Scientific excellence was the hallmark of this innovation-based company. The CEO's decision to withdraw guidance while funding R&D was a principle-based decision. This decision set the company up for great success over the

years that followed, despite an initial hit to the stock price. This was courage in action and the organization rallied behind him and it reaffirmed that the company was taking the long view.

Lauterbach: How do you operationalize a balance between dedication to short-term results and a long-term view in the context of ESG?

Bhanji: Great companies recognize that ESG is really about understanding and communicating the shared value the company creates for a diverse set of stakeholders and partners to meet both short and long-term goals. The materiality assessment can help define what is truly important and applicable in the context of that company and industry. One could see ESG as a compliance and regulatory set of issues or as an opportunity—a forward-looking chance to innovate and think about the future of the business. So having the right mindset is key.

Lauterbach: What qualities are you looking for when hiring a colleague for the boardroom?

Bhanji: The role of a director is to help the management see around corners. On my boards, we are looking for leaders who are passionate about our business, are keen to bring their experiences to drive value creation and make a positive difference for those we serve, people who can assimilate different aspects of their broad experience and are capable of framing the killer question—the question that could make or break the decision point of the organization. I cannot overstate the importance of board culture, and so ensuring good fit is also part of the assessment above and beyond their particular area of expertise.

Lauterbach: What experiences prepare you for serving on boards?

Bhanji: My 30+ years serving in global leadership roles within the healthcare industry allowed me to bring a robust set of broad, value-creating operational experiences coupled with governance, enterprise risk management and strategy development, to my board service. Given my commercial background, I joined boards for companies that were planning for commercialization or were in launch phase

of bringing products to market.

Lauterbach: How will corporate boards change in 10 or 15 years?

Bhanji: With the increasing complexity within the macro-environment, boards are engaging actively around strategy, governance, and risk oversight—all while needing to understand the capital markets, economic uncertainties and implications to their companies. Boards will need to consider reputational risk, ESG considerations, shareholder democracy, SEC regulations and disclosures, and human capital issues. If a company's footprint is multi-regional, they need to be prepared for this additional complexity.

With AI unleashing new opportunities, boards will pay increasing attention to the evolution of digital and technological advancements and the impact to their companies. So being a director, brings with it a need to stay educated and committed to board excellence.

Lauterbach: What were important early influences that shaped who you are today?

Bhanji: My brother and I were born and raised in East Africa, and my father died when I was nine. Following his death, we found ourselves in an economically challenging position, to say the least. My mother with only a high school diploma began selling food out of our home so we could make ends meet. Despite these difficult circumstances, she never forgot my father's advice – "If you could only educate one child, ensure it is the girl child." He felt strongly that this would ensure that she would not be placed in a compromising position. For my mother, that meant ensuring we were educated as that was our only ticket to a better life.

Those formative years taught me to be laser-focused on what mattered most and would move the meter. The second thing it taught me was that I could not change what was outside of my control. I could only decide how I chose to react to it. I could not control the death of my father. What I did after that was up to me. Rather than feeling victimized, I used every opportunity I had to do what I could to get an education and ultimately I moved to the US to attend university thanks to sponsorship by a relative.

Grit, resilience, and focus have been the underpinnings of every step of my personal and professional journey.

Difficulties and failures are part of life. Each time, we pick ourselves up, we exercise that resilience muscle. And we become stronger and better for it.

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