

# Leading Out Loud

Inspiring Change Through  
Authentic Communication

New and Revised Edition

Terry Pearce

*Foreword by David S. Pottruck*



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San Francisco



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## Advance Praise for *Leading Out Loud*

“For those remarkable leaders who have the capacity to inspire, communications is less of a rote skill and more of a life practice in creating meaning. *Leading Out Loud* encourages us to plumb the depths of our own motivations in order to communicate change with the power that only authenticity engenders.”

—Randy Komisar, virtual CEO, adjunct faculty, Stanford University, author, *The Monk and the Riddle*

“This is a powerful, simple, and essential tool for any leader who hopes to move and inspire others. Keep it on your desk.”

—Patrick Lencioni, author, *The Five Dysfunctions of a Team*

“This book will make you laugh, cry, and squirm. It will inspire you and it may even scare you. Implementing Terry’s advice may require far more courage and discipline than anything else you do as a leader, but if you want to know and do something for yourself that will enrich your character and engage your spirit, then read and use the ideas in *Leading Out Loud*.”

—Jim Kouzes, coauthor, *The Leadership Challenge*, chairman emeritus of the Tom Peters Company

“Pearce has written a gem. *Leading Out Loud* is a superb, enjoyable, and practical road map on how we can become effective inspirers of change. Read it and act on it!”

—Costas Markides, Robert Bauman Professor of Strategic Leadership, London Business School

“*Leading Out Loud* will become an oft-turned-to handbook when stress is high and the outcome of particular communication is critical.”

—Mel Bergstein, founder and CEO, Diamond Cluster

“Terry Pearce reminds us of the engaging storyteller, or the favorite college teacher. But that’s just the point. He teaches us to discard the rhetoric of many public communications, replacing it with something far more powerful: the simple and genuine human voice. *Leading Out Loud*’s teachings will change its readers as well as those they lead.”

—John Hammergren, chairman and CEO,  
McKesson Corporation

“*Leading Out Loud* is clear, compelling, and comprehensive. Pearce eloquently demonstrates that authenticity is the fundamental success trait of both men and women leaders.”

—Judy B. Rosener, professor, Graduate School of Management,  
University of California, Irvine, and author, “Ways Women  
Lead” (*Harvard Business Review*)

“Drawing from a wealth of personal experience and the perspective of his unique skybox on leadership practices and effective leaders, Terry Pearce gives an authentic voice to the critical role of leaders in realizing change. This book is like a GPS system for leaders. It points the way, giving clear and practical advice on how to achieve results through clear and deep communication.”

—Jim Hornthal, founder, Preview Travel, Lester Fellow for  
Entrepreneurship, University of California, Berkeley

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*To*  
Jaymee McKenna Pearce  
Austin James Ehrlicher

*and to*  
Sarah Polster



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# Foreword

I met Terry Pearce in 1993, when he was working on the first edition of *Leading Out Loud*. I had just become president of Schwab. I wasn't really qualified, but my predecessor had a heart attack and I happened to be the best person available at the time. It was an enormous "field promotion."

I swiftly realized I was in over my head; all too soon that became a widely held perception. I thought I needed a speechwriter to help me communicate my leadership style and my vision for our future. By good fortune an acquaintance introduced me to Terry Pearce. I quickly learned that I didn't need a speechwriter. What I needed was a leadership coach, a mentor, and a confidant—and that's what I got. Terry and I began a ten-year journey of exploring and implementing a new and effective model of leadership communication. Within Schwab, and to me personally, the lessons of *Leading Out Loud* and the principle of authenticity in leadership communication that Terry teaches have made a world of difference. We have incorporated this model as part of our core competencies for leadership, and it has served us equally well in all the rapid and dramatic cycles of growth and contraction in the last decade.

Before this journey, I believed that the measurement of good leadership communication was the thunderous applause at the end of a speech, the smiles I could see in the front row, my jokes getting a

laugh rather than a groan, and hearing later that people enjoyed it. I now understand that great leadership communication includes everything—the first testing of an idea, the informal conversations, the e-mail and voice mail, the late-night sessions with a strategy team. All these are based on an intricate and personally crafted message platform and a willingness to engage with others, openly and fully.

What sets this edition of *Leading Out Loud* apart from the first edition and from all the other leadership communication books is that it starts at the true beginning. The issue is not just constructing a good speech. The first issue is deciding what you want to say, what you need to say, and why you want to say it. Before you can construct a message, you have to find your passion, your courage, and your authentic self; then you must be prepared to reveal them in the context of your organization, your strategy, and your circumstances.

The message platform includes more than facts and more than just good ideas. It includes the statement of the change that is needed, the values that will be better expressed when that change is implemented, the personal motivation of the leader, the leader's vision for the future, and more. Until that platform is built, good speeches are just that: good speeches. After the platform is built, a speech becomes only one element in communicating the need for change in a way that inspires everyone, including the leader.

The willingness and ability to engage with others makes all the difference to the leader of the new century. Until you have mastered the emotional strength to include others fully, communication is not complete. These are the lessons that Terry has tried to teach me over the years. They are the lessons he has taught other business leaders, executives, managers, graduate students, and political figures around the world.

In this edition, Terry addresses all forms of communication thoroughly and as the continuum they are. The person trying to be inspirational in a speech is the same leader who sends out forty e-mail notes a day and chairs five meetings. If they appear to be two different people, that just won't work. Entertaining people certainly helps get their attention, but it's the message and the leader's personal engage-

ment with the message that will inspire commitment and action. This lesson and how we raise our game to this level comprise the messages of *Leading Out Loud*.

None of this is easy. You cannot just read a book, hear a lecture, or pass a test to master the craft. Like most important skills, leadership communication demands work. If you want to take your leadership *impact* to new heights, you must undertake leadership communication with a good deal of personal introspection and with all your heart and soul.

It's hard work—and this new edition serves as the best guide you can get. It is a guide for everyone, not just those who sit in corner offices, to find and express the changes that they might want to champion. Terry presents two fundamental precepts. The first half is about what it takes to lead in this time of ubiquitous information and strong passions. Terry shows why leadership is now both more personal and more public than ever, and how an aspiring leader can deal with both aspects. The second half is a marvelous toolbox of practicalities. It provides a framework and all the questions anyone would need to really explore to construct their own message of change.

To me, this is an entirely new work. It will teach you about real leadership *and* about real leadership communication; how to look inside yourself to figure out what you are all about; how to find, follow, and employ the source of your passion; how to commit yourself to being a force for change, and ultimately how to inspire others to do the same. In this world of cynicism, the lessons Terry teaches are as timely as they are timeless.

If your field is business, you don't need to be the CEO to begin employing these lessons and principles. Department heads, divisional heads, and regional vice presidents can all put these principles to work. Moreover, staff members who are aspiring to these jobs and other roles in middle or senior management would do well to spend time with *Leading Out Loud* and begin to prepare. You never know when a "field promotion" might be in store for you. If you are in any other profession, or if you are only tentatively exploring your chance to make a difference in the world, the lessons are equally useful.

I have been really lucky over the past ten-plus years. I've been able to receive coaching and counsel directly from Terry Pearce. This book is the next best thing. For tomorrow's aspiring leaders (and today's leaders who want to raise their game), *Leading Out Loud* is worthy of your time and energy. Read it and then read it again and again. Then apply what you've learned. Believe me, you will be richly rewarded.

*February 2003*  
*San Francisco, California*

DAVID S. POTTRUCK

# Preface

In the first version of *Leading Out Loud*, I presented my understanding of what inspires people to act and offered a guide to writing and delivering an authentic and inspiring speech. I focused on how leaders could develop and deliver the first outward expression of a leadership message, and suggested that authenticity was at the core of leadership, fundamental to its practice and pivotal to success.

Shortly after the book's publication in 1995, the principles of *Leading Out Loud* were incorporated into an intensive executive course on authentic leadership communication. Participants in the course come to understand the personal nature of leadership and focus on the development of a message platform, not merely a speech. This requires introspection, courage, and persistence. It requires finding and building the courage to give voice to the change message and developing the skill of connecting with others in a way that will inspire them to engage with the ideas and passion of the leader.

This program has engaged thousands of leaders and potential leaders of all stripes in all parts of the world. Through the coursework, my classes at the Haas School of Business and the London Business School, and my work with individuals, I have seen leaders emerge, each from their own crucible of life, to find new ways of expressing themselves. I consider myself fortunate to have helped in that process.

My thinking, my presentations, and the material of the course have all been modified, enhanced, and enriched with examples from these experiences as well as from world affairs. This edition of *Leading Out Loud* reflects all of that work and change. The application of its principles has broadened from speeches to the wider range of leadership communication, extending beyond the “big speech” to daily communication and interactions, including e-mail, voice mail, meetings, interviews, question-and-answer sessions, and one-on-one conversations. I’ve learned that the fundamental principles of message development and communication apply in all forums and media, and that leaders must communicate change initiatives broadly and frequently. I’ve learned a great deal about how clarity and depth of communication interplay; I’ve learned that without depth, clarity is sterile and inadequate to inspire change. I’ve learned that the critical factors in the effectiveness of communication, other than the cogency of the content, are the leaders’ authenticity and their effectiveness in successfully deploying their Selves in a variety of ways. This edition puts a much broader scope on the development of a leadership message, using it not only in preparation for a speech but also as the platform for every communication that you, as a leader, might have about change.

Four questions were central to these broader applications:

- What elements make a message about change complete?
- How do we actually connect with one another?
- What principles can a leader apply to inspire others to action?
- How can we learn to communicate in the moment without moving to the natural defaults of defensiveness and manipulation or demands for compliance?

Pondering these questions revealed useful distinctions that can measure our effectiveness as leaders and these distinctions apply to

communication. Your ability to *manage* is measured by what you know and what you get done, but your ability to *lead* is measured not only by your competence but also by your ability to communicate who you are and what you stand for. With this kind of core distinction, we can more easily define what is central to leadership communication. We can see what distinguishes it from other forms of communication—and can expand and deepen our skills.

After the publication of *Leading Out Loud*, I was told by many friends and some casual readers that the book was too deeply personal; that it would not gain a following. I saw that as a risk—a risk that I accepted and wanted to take. After thirty years of experience, I believe that leadership is, at its core, a personal pursuit. It always manifests itself in communication, first in a declaration about a new order of things and then in the myriad of ways we connect with others and convey our personal strength of passion and conviction for the cause.

I can't go to Washington, D.C., without wending my way around the Tidal Basin to the Jefferson Memorial to reread his immortal words—"we hold these truths to be self-evident"—and to go on to the other quotations: "Institutions must advance also to keep pace with the times. We might as well require a man to wear still the coat which fitted him when a boy as civilized society to remain ever under the regimen of their barbarous ancestors." Jefferson was a child of the Enlightenment, and he knew that change was both difficult and necessary, and that it required a strength of communication equal to the import of the change to be brought about. His leadership created public possibilities that perhaps would not have been seen without him.

Jefferson's declarations came from his beliefs, his times, and his hopes for the future. They were deeply felt and very personal—and taken up personally by many others since. So yes, this is a personal book, as is the pursuit of change, as is the practice of leadership. It can be practiced by everyone with the awareness of their own place, a sense of their potential, and a conviction about changing the order of things, whatever the scale, whatever the venue.

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## What's New in This Edition?

In addition to expanding the scope of communication covered, this new edition also expands the principles that shift communication to a form that inspires. In the first edition, I suggested three such principles as primary: *discovering what matters*, *giving voice to values*, and *connecting with others*. In this edition, I expand on those ideas, adding an emphasis on discipline and suggesting a fourth principle: *deciding to lead*. The more I have worked with individual leaders and with groups at universities or in the Leading Out Loud™ executive program, the more I have come to appreciate that today's leadership environment requires a decision to develop the emotional intelligence to manage the Self and deploy it in very different ways. All two-year-olds and most teenagers are willing to tell you how they feel and what they think, but it isn't always inspirational. The work of Daniel Goleman has certainly informed some of this discussion and much of the practice of developing that intelligence and self-management, as has my work with clients, executives in the coursework, and graduate students who have taken it on themselves to grow in this way.

Because this edition focuses on the development of a message platform rather than a single speech, it has fewer examples from public figures than the first edition; it has more from clients and graduate students, many just emerging as leaders. This shift reflects the fact that now, with new communication tools, we have more individual power than ever. Change is not just being generated in boardrooms or in developed countries by people with economic power. The best organizations, the best leaders, are fostering new loci of power on every level, not just at the top. Self-expression thrives on information and a sense of one's ability to change things. The emergence of Internet cafés in nearly every country of the world makes it feasible for more and more people to see possibilities. Many people crave inspiring leadership to help make some of those possibilities real or, in some cases, to make sure that other, more negative possibilities don't see the light of reality.