



## LEADERSHIP STRATEGY

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# Up, Down and Sideways: How to Be a Better Leader in 2016



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*This article is part of our [Trends 2016](#) coverage.*

The light bulb went on for Jeff Greenfield, co-founder and COO of media analytics firm C3 Metrics, on a rare vacation. It was the first one he had taken unplugged, without his phone or computer; his major activity while in Camden, Maine, turned out to be sleeping. One day he conked out at 5 p.m.

This prompted his wife to suggest that he shed some entrepreneurial hats. In the crystallizing absence of digital distractions, he realized she was right. “It was time for me to step away,” says Greenfield, whose Portsmouth, N.H.-based company uses sophisticated software and algorithms to measure the effectiveness of advertising. “I told myself I’m not going to be reactive anymore.”

He removed himself from the help desk and from having a hand in every sales lead, and made a decision that terrified him: He hired a virtual assistant to manage his email. “I was so nervous about it because I was giving up control,” he says. “But I was spending all my time on the inbox and not on the growth of the company. It freed up time to think.”

In the month since he stepped back from being a micromanager and started focusing on longer-term and strategic thinking, he has uncovered opportunities that he estimates could double or triple C3's revenue, which now tops \$5 million.

Greenfield's shift is part of a natural cycle of entrepreneurship, in which the seat-of-the pants mode of leadership that worked in the startup phase begins to erode as the venture takes on more employees and customers than founders can physically handle. It's at this point, management experts say, that leaders should shift from the skills-based, reactive approach of "horizontal" leadership to big-picture strategies, known as "vertical" leadership. Vertical leaders step outside the operational fray to do the critical thinking needed for bigger goals and to navigate increasing complexity. It's a role associated with more traditional command-oriented structures.

Some argue that horizontally led companies are more flexible and collaborative in a fast-paced world. "Not only does horizontal leadership allow the company to scale and grow rapidly; it also fosters creativity, innovation and an environment where everyone feels they can create something and contribute," says Greg Schott, CEO of MuleSoft, a San Francisco software company valued at \$1.5 billion.

The horizontal approach is more egalitarian. It puts leaders on the front lines, builds autonomy, keeps management layers trim and offers feedback from all levels. The Asian style of collective management, for instance, is more horizontal, while Americans emphasize the vertical side and the individual superstar.

Vertical leaders are the visionaries who fire up the troops and guide the team to the promised land of growing horizons. Almost all the fabled entrepreneurial leaders are vertical types: Steve Jobs, Richard Branson, Steve Case. Horizontal leaders are so immersed in day-to-day operations that they seldom rise to public notoriety.

So which approach is better? It's no mystery to management scholars. "Unless you make the switch to vertical leadership, you can't grow the company into a major enterprise," says George Haley, director of the Center for International Industry Competitiveness at the University of New Haven.

"Very few entrepreneurs can scale the companies they've founded and cannot, therefore, transition to vertical leadership," says Stephen Andriole, Thomas G. Labrecque professor of business at Villanova University. "Many of the ones I've worked with mock org charts as old-school, even though their customers, investors, suppliers and channel partners cannot function without clean organization charts that make it crystal clear who's in charge,

accountable and responsible.”

The real goal, experts say, should be a mix of both styles of leadership among multiple people. “Skill-building in an ongoing way or creating an organization full of people who are continually learning is a necessity in the 24-hour global business climate. Looking up and out or thinking long term is also a necessity,” says Karissa Thacker, a psychologist and management consultant at Strategic Performance Solutions.

Nick Petrie, a consultant at the Center for Creative Leadership, agrees. “The most successful and fastest-growing entrepreneurs are the ones getting vertical and horizontal growth at the same time,” he says. “My experience is that entrepreneurs who choose one type of growth over the other go out of business.”

One way leaders can expand beyond horizontal thinking and begin to bring vertical perspective to the fore, Thacker says, is to build in two 15-minute deep-thinking sessions a day to plan and ask critical questions: What’s the most important thing the company needs to accomplish today? This week? What’s going on in our market and with our customers? Then: What should we be paying attention to internally?

Don’t think you don’t have time. Greenfield used to think he didn’t. Now, he says, “I’m

thinking like a real executive -- long term.”

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