Are You an Entrepreneurial, Enabling or Architecting Leader?

Finding your style can help you build a more agile company.

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There’s a reason why Amazon and Spotify consistently top the charts as two of the most innovative companies year after year. In today’s unpredictable and rapidly changing digital era, both businesses have managed to stay agile and avoid failure. Amazon adapted to cloud-based software, while Spotify redefined streaming services with data-backed personalized playlists.

To achieve this kind of innovative success, businesses need to do many things right, including correctly gauge macro trends, pick the right innovations, execute well and keep customers happy. But a company’s ability to achieve this dream ultimately boils down to its leadership. Unfortunately, many leadership structures today remain outdated, with top-down hierarchies that experts say lead to stifle innovation. If companies are to make sense of today’s digital landscape, leaders need to redefine the way they lead.

A company without an effective leader is like a car with no steering wheel. For companies facing uncertain futures — and really, who isn’t? — executive leadership style marks the difference between guiding the business in the right direction or veering off course. It’s the difference between stagnation

and innovation, between failure and marketplace dominance. And if today's most successful executives are any indication, there are three categories of leadership to aspire to.

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Entrepreneurial Leaders

Steve Jobs is probably one of the most well-known entrepreneurial leaders in the world. Before he became the CEO of Apple, Jobs's entrepreneurial vision led his design teams to create revolutionary products that kept consumers top-of-mind and focused on user-friendly simplicity and adaptability.

MIT researcher Deborah Ancona identifies entrepreneurial leaders like Jobs as the ones who "create the bubble up innovation" within agile companies. In these roles, they spearhead innovation by constantly creating new product ideas with new business models and streamlining organization. At the same time, they attract and foster teams that bring emerging ideas to the table.

Leaders who fit the entrepreneurial framework can encourage innovation by embracing their skills and passion for experimentation, risk-taking and team building. According to research from UPenn, entrepreneurial leaders can do this in two ways: Envisioning possible outcomes and motivating people to help the company get there.

The first step is to embrace responsibility for the final outcome. Whether they're successful or not, entrepreneurial leaders ensure that any experimental failure is their own, not the team's. In doing so, they foster an environment that most effectively supports and challenges employees as they deliver on the vision.

Of course, no team is going to do that without feeling bought-in to the goal and vision. One way leaders can build that

sense of commitment is through meaningful team building practices. Spotify, for example, offers lunchtime jam sessions to encourage employees to bond over the company's core theme: music. These small but meaningful gestures can help teams feel valued and connected and remind them that they are working toward a common goal.

Enabling Leaders

Arianna Huffington is perhaps one of the most recognizable enabling leaders. Building companies that focus on relationships and wellbeing, she promotes a company culture that celebrates everyone's contributions and builds collaborative relationships with resilience in mind.

Enabling leaders can complement entrepreneurial leaders in interesting ways. Their focus lies in mentoring employees to grow individually and helping departments navigate hardships. During moments of innovation and growth, enabling leaders are the ones that keep a company's culture intact and help the company stay grounded while they jump on new trends.

Enabling leadership is all about relationships – building them, nurturing them and connecting others. One way organizations stay agile is by cultivating company cultures that are committed to developing, respecting and empowering their teams during times of change.

The most effective enabling leaders openly encourage their employees to think and act on their natural instincts so they can build upon their strengths. Employees that can identify consequences and make decisions for themselves are far more valuable and efficient than ones that must always turn to their manager for approval or guidance. That being said, enabling leaders do offer feedback and use mistakes as opportunities for employees to learn. The key lies in how it is done; by coaching employees to develop better decision-making skills, enabling leaders can gradually provide less and

less feedback over time.

Fostering a culture of transparent feedback and strong bonds allows enabling leaders to help their companies navigate innovative periods with ease. As Arianna Huffington says, “Leaders need to find that place of wisdom, strength and real connection (with themselves and others) and they need to lead from that place.”

Architecting Leaders

Among the world’s architecting leaders, there is perhaps no one more adept than Jeff Bezos. He transformed Amazon from an e-commerce site that sold only books into the largest online retailer in the world. Doing so required incredible industry foresight, a brave investment in new technologies and deep partnerships with both consumers and retailers in all industries.

Architecting leaders are unique in their ability to focus on the big-picture goals that will get the business where it needs to be. They create the blueprints that allow other leaders to do their jobs and are the gatekeepers of their organization’s values, while shaping change to meet customer and company needs.

MIT researcher Kate Isaacs relates how C-level executives become effective architecting leaders. By staying updated on global and economic trends in various markets, including emerging technologies, these leaders can become curators of innovation to meet consumer needs. They understand market trends and competitor data and are therefore able to identify the most effective approach.

Leaders looking to enact change within their organizations also need to communicate with the community to understand why change is warranted. Architecting leaders do this by finding and creating active partnerships to increase both internal and

external company networks.

Former top Spotify executive and current company advisor Troy Carter showed his prowess in this area when he partnered with record labels and entertainment companies to spotlight artists through projects like Genius, RapCaviar Live and Rise. These partnerships made possible the listening suggestions Spotify is now known for, while also fostering exposure for emerging and underground artists.

As agile organizations grow, inspiring architectural leaders like Bezos and Carter help their companies identify which changes are necessary and map out how to implement them. Their ability to take a big vision and adapt it to fit the needs of the communities – and the resources of their companies – is what makes them so valuable.

Related: These 5 Styles of Leadership Don’t Work

Every leader shows a naturally affinity for one leadership style over another. Are you the entrepreneurial leader, spearheading innovation and building teams to bring those ideas to market? Or perhaps you’re the enabling leader, mentoring teams to greatness by building on their strengths during periods of change. Knowledge about your own leadership qualities is the first step; figuring out how to wield those qualities most effectively takes a lifetime to master.

As leaders, our ability to shape our own roles – and those of our teams – to align with our strengths plays a far greater role in our success than we may sometimes care to admit. In a sea of innovating companies, effective leadership is the underlying current that separates the industry leaders from the could-have-beens and market failures. I believe we have a responsibility to our businesses and to ourselves to take that power seriously and give it the attention it deserves.

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