

# Warning: Upgrade your personal operating model

**Effective leaders continually adapt their priorities, roles, time, and energy practices to stay ahead of new realities. Here's why you need to do the same.**

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**Update now or risk losing access** to your company's systems and services." Executives have likely seen this kind of message regularly sent to their company-issued mobile phone or computer. And when it pops up, they know exactly what it means and why: upgrading a device's operating system can help protect it against bugs or unlock new features for more effectiveness.

As a leader, updates to your own operating system can be just as critical—if not more so. Your operating system—what we call your personal operating model—defines the way you get work done and ultimately determines your impact. This system comprises the choices you make about your priorities, the roles you choose to play, how you spend your time, and how you sustain your energy.

There are many inflection points in your life when you will need to review and upgrade your personal operating model: at career milestones, such as starting a new role, moving to a different location, or beginning a second term as CEO; when facing new realities for your company, such as a major business transformation, a new strategy, a new organizational structure, a drop in employee engagement, or a new return-to-office policy; or when adjusting personal priorities in the face of issues such as health challenges, relationship changes, or urgent family needs.

But unlike push notifications from electronic devices, the signals to upgrade your personal operating model can be drowned out by daily noise. There is no mandate to change your operating model at various inflection points. For leaders, push notifications must be generated from within.

We have worked with a range of senior leaders across industries and geographies, providing one-on-one coaching during business transformations and in leadership development programs. These conversations reveal that in high-stakes settings, the leaders who are most effective at driving change are vigilant about adapting their personal operating model.

One technology CEO led a turnaround for his new company by taking up the mandate to foster a more performance-driven culture. A leader at a professional-services firm improved collaboration among newly acquired companies by making it his visible personal priority. An insurance CEO boosted engagement with his team by, counterintuitively, establishing clear boundaries around his time. Another leader in the insurance industry increased his energy and productivity by establishing new healthy habits.

Other leaders can reap similar benefits. In this article, we explore the four drivers of the personal operating model, critical questions associated with each, and best practices for building and maintaining such models at both the individual and organizational levels. Making space to regularly reflect on and adapt your personal operating model is a keystone habit for executives. Often, enlisting an accountability partner is critical to ensure that you step back and make the right changes. Leaders who continually upgrade their personal operating model report being more productive, working more consciously, and driving change more effectively.

## **The four drivers of the personal operating model**

The personal operating model consists of four drivers: priorities, roles, time, and energy. Depending on the professional and personal circumstances executives face, these can be either a drain on productivity or a source of personal resilience (see sidebar, “The four drivers of the personal operating model”). As new realities emerge, leaders need to continually question their approaches to managing each of these elements.

### **Assess your priorities**

Effective leadership begins with defining clear priorities—the work to be done, the highest-impact problems to be solved, and the biggest opportunities to be pursued. To help sharpen their priority setting, leaders can consider the following questions.

#### **Do you fully understand your mandates?**

Our work with leaders in high-stakes transformations has demonstrated that clear priorities must be grounded in a deep understanding of what your stakeholders expect from you and where you may be overshooting or underdelivering on those expectations, whether deliberately or not.

Start by identifying those stakeholders who can directly affect, or who are directly affected by, the actions and outcomes you envision. Internal stakeholders might

include the board of directors, senior leadership colleagues, and certain employee groups. External stakeholders may include shareholders, top customers, critical partners or suppliers, regulators, or activist nongovernmental organizations.

Second, reflect on how clearly you understand your stakeholders' implicit or explicit mandate. Try to understand their minimum and maximum expectations for the change you intend to make. In our experience, change leaders often don't set ambitious enough plans, because they worry that some stakeholders will oppose their ideas.

The third step is the most difficult: deciding which mandates you will fill and fail, and how to be clear about your plans. As Harvard University scholars Ronald Heifetz and Marty Linsky have noted, "Leadership can be understood, in part, as disappointing your own people at a rate they can absorb."<sup>1</sup>

For example, a new CEO took the helm at an Asian telecommunications company that was known for its harmonious culture. He thought the company needed to shift to a performance-driven approach to improve results, but he was hesitant to implement this change and be seen as the newcomer who "broke" the culture. However, his perspective shifted after conversations with the leadership team and employee representatives. They shared that a culture change was long overdue, and they expected the new CEO to make it happen. This clear mandate provided the backing he needed to propel culture shifts in the organization.

### **Are you ready for your most critical leadership conversations?**

Change doesn't happen through complex diagrams or complicated spreadsheets but through real conversations, linked together over time. These might be one-on-one performance meetings with leaders; small-group discussions such as a board meeting to ask for M&A approval or a top-team retreat to reset the company's pace; large-scale dialogue about company culture with senior leaders and managers; or even a televised interview or Senate hearing about your role in a societal challenge. In each setting, leaders must be ready to consistently engage people on their leadership narrative.

Start by identifying the five or ten most critical conversations in the coming months—"moments of truth" that can enable the change you envision. List them and be clear about what you want people to feel, know, and do after the meeting. How do you envision an A-plus outcome compared with a C-minus result—or an outright failure? How do these meetings link to one another optimally in time and messages? What is the "movie" you see unfolding?

At the start of a turnaround, a European retail CEO mapped out ten moments of truth coming up in the next three months. For each meeting, she and her top team defined the outcomes, key messages, possible failure modes, and links with other

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<sup>1</sup>Ronald A. Heifetz and Marty Linsky, "Leadership on the line: Staying alive through the dangers of leading," Harvard Business School, May 28, 2002.

# The four drivers of the personal operating model

## Driver 1: Priorities

- Do you fully understand your mandates?
- Are you ready for your most critical leadership conversations?
- What can you quit doing now?

## Driver 2: Role

- Are you focused on the work that only you can do?
- Are you creating positive leverage to get work done?
- Who has your back?

## Driver 3: Time

- Do your boundaries enable tight but loose schedules?
- What rhythm have you established to manage your time?
- How can you redesign meetings for maximum impact?

## Driver 4: Energy

- How do you protect your health in a demanding role?
- Who are your real friends?
- Why does this work matter to you?

meetings. Like a movie director, the team created their script, assigned roles to different executives, and strengthened the links between the different “scenes” to build momentum for the company’s turnaround.

## What can you quit doing now?

We are often told that the secret to success is hard work, determination, and hours of practice, but what if the crucial skill is knowing when to stick with something and when to walk away? To create impact, focus on a smaller set of priorities. Leaders often do too much, start too much, don’t finish enough, hesitate to quit low-priority activities, and refuse to kill their darling projects. Work piles up without clear outcomes, creating dissatisfaction and cynicism for leaders and their employees.

Instead, concentrate on doing fewer, bigger, bolder things. Freeing up your time and that of team members can help you concentrate on the highest priorities and increase your capacity to deal with incoming curveballs.

Take a hard look at your organization and ask yourself: What projects can you quit? Can you help your team by scaling back from ten must-win battles to five and prioritizing them in order of impact? Which of your own pet projects are creating work overload for your people? Look at your calendar and decide which committees, not-for-profit boards, speaking gigs, or even personal events you can quit.

The new CEO of a toy company inherited an organization that was focused on growth. Her predecessor had expanded the company’s product line and geographical footprint. Although the new CEO was known as a growth leader and enjoyed overseeing new ideas, she realized that her priority was to simplify the portfolio and regain healthy profits. She stopped attending standing meetings about innovation and ensured that projects beyond the agreed-upon priority list would not land on her calendar. Instead, she focused her and others’ attention on simplifying and finishing tasks rather than on new ideation. By quitting growth and ideation conversations for a year,

she freed up capacity on her team, set a clear focus, and led the company on a path to improve its bottom line.

## Understand your role

Once their priorities are set, effective leaders create a map of the tasks they will handle themselves and the work they will delegate to others. The following questions can help with this crucial step.

### **Are you focused on the work that only you can do?**

Previous McKinsey research with Egon Zehnder has found that leaders who use their distinctive strengths can make a measurable difference in their companies' financial performance.<sup>2</sup> As a leader, you can take this “rocks, not pebbles” approach to your work. Leaders with exceptional talent who apply their superpowers in a few high-priority areas can make a real impact on financial performance.

Which projects will you personally support end to end because they need your talent and drive, or your visible involvement to signal importance? In which instances will you need to be involved in the kickoff to frame the outcomes, be part of a steering committee or demonstrations, help make decisions, encourage stakeholder engagement, or take the lead on communication?

One CEO had grown his global professional-services firm by acquiring smaller firms but recognized the need to more tightly integrate them into a one-company culture. He chose to spearhead the project himself instead of asking a business leader or HR representative to lead the program. He sought and secured buy-in from other senior leaders and employees but left each individual business to adapt at its own pace and level. Because he was the face of the culture change, initiatives took hold and financial performance, organizational health, and talent retention improved substantially.

### **Are you creating positive leverage to get work done?**

You can't do everything. How you mobilize your team will determine your influence on your organization as well as the leadership bench you develop for the future.

What will create the most value in your organization, and how will you select and engage others to get this work done? Sometimes searching for the most valuable roles and matching them with change makers will lead you to positions beyond your direct reports. But once you have found them, your expectation-setting dialogue can make or break the leverage you will get. Any conversations about expectations must go beyond simply identifying KPIs; you need to engage your leaders on the outcomes, debate critical activities, clarify unique strengths they can mobilize to create change, explore what could go wrong and possible mitigations, and clarify the support they can expect from you.

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<sup>2</sup>Faridun Dotiwala and Naveen Unni, “Developing leadership capabilities,” McKinsey, November 1, 2013.

When the CEO of a family-owned industrial conglomerate took over the reins from her father, she knew she wanted to embark on a performance transformation. At the same time, she realized she needed to build a new leadership bench of her own generation, moving away from her father's confidantes. She identified the 25 roles that would make or break the transformation. After evaluating existing talent and the external talent market, she assigned people with the most appropriate "skill, will, and thrill" to those positions. She spent an hour with each new leader to set expectations, even if the leader's position was two layers below the CEO role. She was surprised to learn how easily the company's direction could be misconstrued in conversations throughout the organization, like a game of telephone. But by making these expectation-setting conversations part of her annual operating model, she established clarity about the company's direction and built a new network of next-generation leaders.

### **Who has your back?**

As leader, you will need a support staff that can help you focus on priority work while also covering your weak spots. Many leaders will build a team consisting of highly skilled executive assistants and sometimes a chief of staff to help propel the change agenda. The team must live at the center of your calendar, proactively identify priorities, anticipate your needs, and support your boundaries and energy.

As a leader, changing your assistants or staff can sometimes create unrest, but it might be necessary to get work done and to break patterns that are no longer useful for the work or for you personally.

A senior leader in the services industry changed assistants when assuming a new role so he could establish a significant change in his personal operating model. Working together, they mapped out his annual calendar and optimized the rhythm of his global customer and people visits. The assistant also made it part of her own priorities list to ensure that the executive completed two gym workouts a week to improve his energy level. The assistant also attended project kickoff meetings and training sessions to better understand the executive's work, and she built strong relationships with the people involved to understand and serve their operating models. This collaboration helped the executive work more productively and sustainably in a high-pressure environment.

## **Manage your time**

Once you have established your priorities and roles, you need to think about the most productive ways to manage your time. Top leaders focus on their most important work while allowing themselves the flexibility to handle emergencies, engage in strategic thinking, and create space for personal time. Consider these important questions.

### **Do your boundaries enable tight but loose schedules?**

High-performing leaders deliberately set boundaries and retain strategic control over their time, along the lines of what entrepreneur and investor Naval Ravikant once tweeted: "You should be too busy to 'do coffee,' while still keeping an uncluttered

calendar.”<sup>3</sup> Consider dimensions such as time, location, working mode, and access when setting your boundaries. How much time will you block off for personal health or family activities? When will you work in the office, at client sites, or remotely? When is it important to hold meetings face-to-face? Who will have permission to get in touch with you, and when?

The head of the Asia–Pacific division for a large insurance company shifted his operating model to establish his boundaries. “I wake up early, at about 5:00 a.m. After a quick workout, the most valuable part of my day is the couple of hours of uninterrupted time to focus on my work,” he says. He also sets aside time for special projects that require focused attention. “My teams know that I will engage in deep problem-solving on priority projects for three hours on Tuesday afternoons,” he says. When traveling, he blocks off three days to maximize his time with clients, investors, government officials, and other important contacts. He also prioritizes in-person meetings with his leadership team and mentees. Sometimes, he invites a junior colleague to join him on a walk for an informal chat. This deliberate approach to setting his boundaries has helped him focus and improve the quality of his engagement with his team.

### **What rhythm have you established to manage your time?**

High-performing leaders deliberately create a regular rhythm to help determine how to get their work done over the coming weeks, months, and year. To uphold your top priorities, identify the activities that can be done less often, more often, or perhaps at smarter times.

Start by taking a fresh look at your annual calendar. Too often, corporate calendars fill up with standard business unit or department meetings that may not be critical. Take back your calendar and create the best rhythm for your priority work. Many leaders redesign their corporate calendar by bringing together five tenets. First, they create space for both customer and business rhythms. For instance, they make sure not to schedule client conversations for the end of the year when things are likely to be at their busiest. Second, they map out governance meetings, such as board meetings, investor days, or quarterly results. Third, they weave in important business performance meetings and project deadlines. Fourth, they factor in people-focused events such as talent reviews, top-team meetings, and engagement surveys. Finally, they consider their location preferences and travel schedules, ensuring that their top teams set a meeting cadence, while honoring holidays across regions and religions.

A European tech CEO mapped her annual calendar and was surprised to find that basing it around four quarters created more havoc than flow. After reviewing national holiday schedules and her priorities, she found that organizing her work into a series of seven-week periods (staying clear of summer breaks and end-of-year project surges) made more sense. She reworked her annual calendar to focus on transformation milestones in these seven-week time frames to ensure that teams could start and finish work together.

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<sup>3</sup>Naval Ravikant (@naval), “You should be too busy to ‘do coffee,’ while still keeping an uncluttered calendar,” Twitter (now X), May 31, 2018.

Once you have established your annual rhythm, you can plan your monthly and weekly calendars, leveraging your travel and new hybrid work schedules.

### **How can you redesign meetings for maximum impact?**

In many companies, meetings are how work gets done and change happens. At their best, meetings can be great for aligning on objectives, enabling decision making, or learning about new developments. But as a McKinsey survey revealed, 61 percent of executives said that at least half of their decision-making time, much of it spent in meetings, was ineffective.<sup>4</sup> The time it takes for leaders and staffers to prepare materials for meetings adds to the problem. Lastly, many executives report that the number of meetings, as well as the participants in those meetings, went up starting with the COVID-19 pandemic and the rise of remote working. The challenge for leaders is to design meetings that are fit for purpose.

David Pearl, a creative consultant known as a “meeting doctor,” recommends that executives “review all your meetings as if they were a person, a patient. And attend to their health as you would care for living being. Are they healthy, ailing, diseased, or beyond rescue? Bring them to the meeting hospital and get them treated.”

Redesign your meetings by focusing on the purpose, participants, inputs, and desired outcomes. In a brainstorming session, for instance, make sure you go in with the right data and questions. If you want to elicit a decision, ensure that participants know that people should share materials ahead of time, and ask them to bring a clear proposal that incorporates different options and criteria.

The CEO of a professional-services firm with a very busy travel calendar redesigned his meetings for more effectiveness. He stopped doing one-on-one performance discussions. Instead, he opted for reviews of two or three functional teams together, which not only freed up the executive’s time but also sparked debate and creative ideas and helped the participants learn from one another—instead of the CEO becoming the bottleneck in sharing ideas across the company.

## **Optimize your energy**

Now that you have a handle on managing your time, you can focus on bringing the right energy to your work. This involves protecting your physical health, maintaining strong relationships, and making your work match your meaning. Explore the following questions as you think about supporting your energy.

### **How do you protect your health in a demanding role?**

Business leaders often don’t pay close enough attention to their bodies’ warning signs—increased heart rate, tension, impatience, to name a few—which can lead to

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<sup>4</sup> Aaron De Smet, Gregor Jost, and Leigh Weiss, “Want a better decision? Plan a better meeting,” *McKinsey Quarterly*, May 8, 2019.



chronic stress and long-term health complications. Dr. Jaime Lee, who works with business leaders on resilience in change programs, says making even small lifestyle changes, such as improving nutrition or sleep habits or creating exercise routines, can help executives recover from prolonged stress.

One CEO of a multiregional insurance organization struggled with stress when executing a demanding growth strategy. “I was compromising my effectiveness. Teams were calling for my full self, and not just my mind,” he says. With his wife acting as his accountability partner, he worked on improving his nutrition, exercise, and sleep habits and devoted more time to reflection and learning. After a year, he reported feeling healthier, less stressed, and more productive.

But energy is not just about building resilience for the job. Many successful leaders schedule free time early in the week to reflect and prepare for the second part of the week. Others work from a cottage before key meetings or schedule one or two solitary weeks annually to create space to think and write about long-term developments. Some leaders take time to read and to meet people outside their industries to avoid becoming myopic and to get energized by broader developments in the world.

### **Who are your real friends?**

Humans are relational beings, not independent automatons. The longitudinal Harvard Study of Adult Development, which began in 1938, has found that the quality and depth of relationships with family, friends, and spouses are the most important predictors of a long and happy life. Yet business life is very demanding, with high-octane jobs, international trips, and often global relocations. Nurturing real relationships with friends takes effort.

Leaders can identify those inside and outside the workplace with whom they can engage deeply on a range of issues—sometimes as an impartial sounding board for decisions, or to help balance work and life. The quality of their presence matters more than the quantity.

A former financial-services CEO said her career benefited greatly from her “kitchen cabinet” of advisers. This small group included her husband, her former boss, her longtime consulting partner, and two trusted friends. She used them as a sounding board, sometimes in one-on-one conversations or as a group. They offered differing perspectives, challenged her assumptions, and helped her think through critical decisions. She credits this board for her success in handling sensitive issues in her business transformation.

### **Why does this work matter to you?**

Feeling a strong sense of purpose and meaning is critical to increasing leaders’ motivation to fuel change. In short, to be able to put in the hours and face the resistance that might come with your mandate, your work needs to matter to you. In

the end, you choose what you want to do with your working years. Even as a leader, as management expert Peter Drucker observed, you are still a volunteer.

Reflecting and acting on your purpose can unlock great energy. Some executives have ensured that their companies played an innovative role in societal transitions through new products and thought leadership. Other leaders have ensured that new leadership appointments became a best practice in diversity and inclusion, reflecting their personal purpose to make a difference in this field while linking it to business outcomes. Others felt most energized by building the next generation of leaders, so they kept track of their mentees and always made time for new leadership onboarding.

Given the tectonic changes that many organizations are experiencing, taking a longer-term perspective can help you think about the legacy you might leave behind. Or, as we framed it in our leadership programs: What would your grandchildren's children thank you for learning today?

## **Scaling personal operating models**

How can you be just as rigorous about updating your personal operating model as your IT department is about urging you to upgrade the operating system on your devices? Some people notoriously have a hard time doing the right thing for themselves. Some studies show, for example, that people are better at ensuring that their pets get medication than they are at taking their own, even in life-threatening situations.

So while you need to be personally driven to maintain your personal operating model, you also likely will need some help. Find an accountability partner—for example, an executive assistant, a colleague, a trusted childhood friend, or a caring family member—who can help you stay on top of this priority. Teaming with someone who has your best interests in mind can help you reflect, make bold decisions, and follow up to upgrade your operating model.

As you become an expert in managing your personal operating model, you can also consider how to expand this concept across your organization. In our experience, if everyone in the organization knows how to manage priorities, roles, time, and energy, productivity gains are likely to follow.

One multinational insurance company anchored its leadership development program on the concept of personal operating models. In fireside chats, board members shared their own models, citing lessons and changes they made when they transitioned to new roles or when new challenges emerged across their careers. Sharing their personal stories helped humanize the corporate leaders and allowed them to demonstrate the impact of mindful, effective leadership for the next generation.

The company's chief HR officer said, "This was a game changer for us. It became the anchor model for our leaders. Moreover, it became my personal execution center and

allowed me to get on the balcony and see the full picture—the rituals to set and the trade-offs I needed to make. I could rebalance. My teams now understand the rules, my rhythm, and my priorities more clearly. I regularly take time to reset my personal operating model, and it has changed how I operate.”

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With the business world changing at warp speed, strategies and habits that worked in the past may need to be updated to address current challenges. But busy executives are bombarded with so much noise that they often have a hard time hearing the signals that their personal operating model needs to change. Leaders can become better equipped at recognizing these signals if they establish a process of self-reflection and stay aware of the need for upgrades at various inflection points in their careers. Updating their perspectives on their priorities, roles, time, and energy can help leaders encourage greater productivity and innovation in their organizations and adapt to the ever-changing needs of high-stakes transformations. With a strong personal operating model as the backbone, they are more likely to enjoy long-term leadership success. [Q](#)



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