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The First 3 Stages of Leadership Development

A practical guide to developing leaders from Junior IC to Team Lead

Based on training leaders at Coursera, Choco, Vinted, University of California, and other organizations.

Introduction

Leadership development doesn't have to be that difficult. By training leaders from unicorn startups and large organizations like Coursera, Choco, Vinted, University of California, we've observed 3 key challenges that a person needs to overcome in the early stages of becoming a leader:

1. **Can't solve problems themselves** - They follow instructions well but freeze when something unexpected happens.
2. **Can't own outcomes themselves** - They solve problems but can't prioritize which ones matter or drive results end-to-end.
3. **Can't coordinate collaborative effort** - They deliver individually but can't align a team around a shared goal.

This guide covers a leader's journey from the moment they're hired as a Junior IC to when they become a Team Lead managing a small team. It's written from the perspective of a manager or founder developing that person - each stage covers the tools they need to learn and how to help them adopt them.

Stage A: Can't Solve Problems Independently

JUNIOR IC

The Problem

Imagine - you've hired your first IC. They're great at following instructions. Then one day something unexpected happens - a process breaks, a client asks something unusual, a tool doesn't work the way it should. They walk over and say: "I did everything you told me, but I ran into this problem. I don't know what to do next."

This is the first challenge in leadership development. An aspiring leader needs to learn to solve problems independently. The more senior they get, the fewer people can help them with their problems. So the earlier someone learns to work through problems on their own, the better.

The Tool

The most effective mental tool is the scientific method. It not only helps address the world's most complex problems:

> 75% of the greatest scientific discoveries applied this exact method, and 94% used at least a part of it (Krauss, 2024).

But it also directly applies to business scenarios:

> Firms that learned the scientific method saw +51% more revenue than those that didn't (Camuffo et al., 2021; Coali et al., 2024).

This makes it a robust way to confidently find solutions through evidence-based iteration, even in ambiguous situations.

How It Works

The scientific method consists of 4 steps:

1. Spotting a **problem**. *"What exactly is the problem?"*
2. Making **observations** about it. *"What research or data have I observed or could observe that would help me address it?"*
3. **Hypothesizing** a solution. *"Based on what I've observed, what could be the answer?"*
4. Setting up an **experiment** to test it. *"What steps will I take to test this, and what results will validate or invalidate it?"*

Afterwards you analyze your findings:

- If the test failed, you repeat the steps with the new problem that occurred.
- Otherwise, the problem is solved.

The Transformation

This is how it sounds when someone adopts it:

> **BEFORE:** "The client asked for something we don't offer. I told them I'd check with you."

> **AFTER:** "The client asked for something we don't offer. I looked at what competitors do, checked our product roadmap, and I think we could handle it by combining two existing features. Here's a quick test I'd like to run with the client. What do you think?"

> **BEFORE:** "The report broke and I don't know why."

> **AFTER:** "The report broke. I traced it to a data source change last Tuesday, checked three similar cases in our logs, and I think the fix is updating the field mapping. I'll test it on a copy first. Sound good?"

> **BEFORE:** "I don't know how to prioritize these tickets."

> **AFTER:** "I wasn't sure how to prioritize these tickets, so I looked at past sprints to see how we've handled similar backlogs, grouped them by customer impact, and here's my proposed order. Let me know if I should adjust anything."

The Exercise

There are two ways to facilitate this skill:

Ad-hoc: When they come to you with a problem

Instead of giving them the answer, walk them through it:

1. *"What exactly is the problem?"*
2. *"What have you checked so far? Did you look at the docs, logs, past cases, or ask colleagues?"*
3. *"Based on what you found, what do you think the solution is?"*
4. *"How would you test that?"*

Recurring: As a coaching conversation for ongoing development

When you want to help them address a recurring challenge:

1. *"What's an area that you want to improve in?" → "What's the specific challenge you have in this area?"*
2. *"Describe 2-3 examples when you've struggled in this area. Be as detailed as possible." → "What do these examples have in common?"*
3. *"Based on what you've observed, what could be the solution here?"*
4. *"How will you test your solution?" → "When will you do this?" → "How will you know it's working?"*

The Example

Ad-hoc example

An employee walks up to you and says: "The client is asking why their monthly report looks different this month. I don't know what changed."

Q: ***"What exactly is the problem?"***

A: "The numbers in the summary section are lower than usual. The client thinks we made an error."

Q: ***"What have you checked so far? Did you look at the docs, logs, past cases, or ask colleagues?"***

A: "I haven't really looked into it yet, I wanted to ask you first."

Q: ***"Take 20 minutes. Compare this month's report to last month's. Check if any data sources changed. Then come back to me."***

They come back: "I compared the two reports. Turns out we changed the date filter logic last month and it's now excluding the last 3 days of the month. That's why the numbers are lower."

Q: ***"Based on what you found, what do you think the solution is?"***

A: "I think we should revert the date filter to include the full month, regenerate the report, and send the client an updated version with a short explanation."

Q: ***"How would you test that?"***

A: "I'll regenerate last month's report with the old filter and see if the numbers match what the client expects. If they do, I'll apply the fix and send the update."

Recurring example I

Problem

Q: ***"What's an area that you want to improve in?"***

A: "I want to improve my time management."

Q: ***"What's the specific challenge you have in this area?"***

A: "Unexpected tasks make it difficult to manage my time."

Observations

Q: ***"Describe 2-3 examples when you've struggled in this area. Be as detailed as possible."***

A: "This week I got an unexpected task, because my manager gave me a presentation to prepare for an upcoming conference. Last week, I had to prepare material for an upcoming event. The week before it was the same."

Q: ***"What do these examples have in common?"***

A: "It seems most of my unexpected tasks are related to upcoming conferences and events."

Hypothesis

Q: ***"Based on what you've observed, what could be the solution here?"***

A: "I should look at the event calendar with my manager to determine which of them are a priority. Then I could proactively prepare for them and eliminate the majority of my unexpected tasks."

Experiment

Q: ***"How will you test your solution?"***

A: "In my upcoming 1on1 with my manager I'll review the event calendar to prioritize the events."

Q: ***"When will you do this?"***

A: "The 1on1 is this Thursday."

Q: ***"How will you know it's working?"***

A: "In theory, if we prioritize the events, I shouldn't get any unexpected tasks in the next 3 weeks. So if that's true, then this solution is working."

Recurring example II

Problem

Q: ***"What's an area that you want to improve in?"***

A: "I want to be better at getting buy-in from my team."

Q: ***"What's the specific challenge you have in this area?"***

A: "Clearly explaining benefits and functionalities of the new initiatives."

Observations

Q: ***"Describe 2-3 examples when you've struggled in this area. Be as detailed as possible."***

A: "I only have 1 example. Almost nobody showed up to the training showing an overview of Jira and its benefits over the old system. Only 3 out of 15 people attended it. Those who did attend were very excited, though (e.g. about not having to export data into spreadsheets, having their own dashboards)."

Skipped: "What do these examples have in common?"

Hypothesis

Q: ***"Based on what you've observed, what could be the solution here?"***

A: "I could leverage positive feedback from training attendees, particularly through a champion who shares compelling, time-saving use cases via emails or demos. I should collaborate with them to craft communications that highlight three key Jira benefits and develop strategies to address three primary fears."

Experiment

Q: ***"How will you test your solution?"***

A: "I will have a meeting with the champion to set this up. And then I'll share the materials in the shared team Zoom chat."

Q: ***"When will you do this?"***

A: "Should be able to set up a meeting with them by the end of the week."

Q: ***"How will you know it's working?"***

A: "We have another training coming up in 2 weeks, so if the turn out is 3x more, then the solution worked."

Conclusion

If you teach this method, you now have an autonomous problem-solver who can work through unexpected situations without needing you. That means less time supervising and more time on your own priorities.

Stage B: Can't Own Outcomes Themselves

SENIOR IC

The Problem

Now they solve whatever you put in front of them - and you're relieved. But after a while, you notice something. You're still the one deciding what goes on their plate. They're not looking at the objective and figuring out which problems to tackle next - they wait for you to tell them.

What you actually want is for them to own an objective. Not just do tasks and solve problems you assign - but look at a key metric, figure out what's blocking it, and prioritize the work themselves.

The Tool

This stage requires a set of mental models that help you think at the systems level, prioritize what matters, and learn from action.

The first is **first principles thinking**. It breaks a problem down into its core building blocks. This makes it easier to grasp, and helps you think of new solutions from the ground up rather than just iterating on the current approach.

> First principles thinking is the key heuristic used by the world's top leaders such as Jensen Huang, Elon Musk and many others.

The second is **probabilistic thinking**. Instead of going with your gut, you weigh which actions have the highest chance of producing the outcome you want - so you put effort where it matters most.

> Replacing gut feelings with structured probability estimates consistently improves decision-making. Forecasters trained in probabilistic reasoning outperformed untrained ones across all accuracy metrics (Katsagounos et al., 2020). Entrepreneurs who replaced intuition with structured probability estimates and hypothesis testing saw ~110% higher revenue growth (Coali et al., 2022).

The third is **second-order thinking**. Before you act, you ask "and then what?" - considering the ripple effects of your decisions, so you avoid strategies that solve one problem but create two more.

> Firms that systematically anticipated downstream consequences of their decisions achieved 33% higher profitability and 200% higher market capitalization growth over 7 years (Rohrbeck & Kum, 2018).

The fourth is **reflection**. You look back at what happened and what worked - so you can reconsider all of the above and make your approach more correct over time.

> Workers who spent 15 minutes at the end of each day reflecting on lessons learned performed 23% better than those who just kept working (Di Stefano et al., 2014).

How It Works

Before jumping into solving a problem, the Senior IC needs to add a strategic layer. They use mental models to first identify the key levers and prioritize them by highest impact. Only then do they apply the scientific method from Stage A to the lever that matters most.

1. **Objective**. *"What do I want to improve? What exactly do I want to achieve?"*
2. **First Principles Thinking**. *"What are the key levers I need to improve to get there?"* Break it down into core building blocks.
3. **Probabilistic Thinking**. Prioritize. *"Which of these levers will have the highest impact?"* Assign rough weights instead of treating everything equally.
4. **Scientific Method** (from Stage A). For the highest-impact lever, run the full cycle: identify the problem, make observations, form a hypothesis, design an experiment.
5. **Reflection**. After the experiment: *"What did I learn? What assumptions did I make that I need to reconsider?"*
6. **Second-Order Thinking**. *"How does this change my strategy going forward? What ripple effects should I factor in?"* → *"How will I update my operating principles based on this?"*

Then loop back - sometimes to step 2 to re-weight priorities, sometimes all the way to step 1 if you discovered a lever you hadn't considered. Over time, the person gets better at picking the right levers - and their strategy becomes self-correcting.

The Transformation

This is how it sounds when someone adopts it:

> **BEFORE:** "I've been putting out fires all week. I fixed the onboarding bug, rewrote the FAQ page, and helped three people with their reports. But somehow we're still behind on our quarterly goal."

> **AFTER:** "I looked at our quarterly goal and broke it down into what actually moves the needle. The onboarding bug affects 80% of new users, so that's priority one. The FAQ and reports can wait - I'll delegate those. Here's my plan for the next two weeks."

> **BEFORE:** "I have 12 things on my plate and I'm working on all of them."

> **AFTER:** "I have 12 things on my plate. I ranked them by impact on our team's main objective. I'm going all in on the top 3 this week, and I've flagged the rest as lower priority with my reasoning. Does this make sense?"

> **BEFORE:** "I stayed late every night this week and I'm still behind."

> **AFTER:** "I realized half of what I was working on wasn't tied to any company objective. I cut those, focused on the two things that matter most, and I'm actually ahead now."

> **BEFORE:** "The campaign worked so I'm running it again next quarter."

> **AFTER:** "The campaign worked - but when I look at why, it was really just one channel driving 80% of the results. That changes my priorities. I'm doubling down on that channel and reallocating budget from the other two. I also didn't anticipate how much it would load up the support team - next time I'll staff for that."

The Exercise

Here are prompts that help facilitate strategic thinking on work objectives:

Objective

"What do you want to improve? What exactly do you want to achieve?"

First Principles Thinking

"What does it mean to do this well? What are the key elements?"

Probabilistic Thinking

"If you had to assign % weights to each element in terms of importance, what would they be?" → *"Which one do you want to focus on?"*

Scientific Method (from Stage A)

Identify the problem, make observations, form a hypothesis, design an experiment.

Reflection

"What did you learn from implementing these actions?" → *"What assumptions did you make that you need to reconsider?"*

Second-Order Thinking

"How does this change your strategy going forward? What ripple effects should you factor in?" → *"How will you update your operating principles based on this?"*

The Example

Objective

Q: ***"What do you want to improve? What exactly do you want to achieve?"***

A: "I want to improve my sales management. I want my team to perform better and with less supervision."

First Principles Thinking

Q: ***"What does it mean to do this well? What are the key elements here?"***

A: "I think great sales management involves building in-depth product knowledge resources, a polished sales funnel process, a CRM system and a well developed training system."

Probabilistic Thinking

Q: ***"Out of these, if improved, which would increase our chances of success the most?"***

A: "For us, it's the CRM, because it would help us track our progress more easily and transparently."

Scientific Method (from Stage A)

Q: ***"What are the specific examples of situations where you've struggled with this? Be as detailed as possible."***

A: "A lot of the old-timers don't fill out the system consistently and since I don't have to do it either, it's hard for me to understand the challenges related to it. There are some team members that do it really well and consistently."

Q: ***"Looking back at these situations, what do you think is the solution here?"***

A: "In the upcoming sales meeting the team members that consistently update their CRM could share best practices and show why it's useful to do it. Also, I could ask our consultant to help me start using the CRM system myself, so I could learn about it too."

Q: ***"How can we test if the solution will solve the problem?"***

A: "I can have our consultant set up a report that shows how many new leads are created or updated. If this number goes up, especially for the people that haven't been doing it, then the solution is effective. I'm having a meeting with him tomorrow, so I will ask him about it then."

Reflection

Q: ***"What are the lessons you learned from the test?"***

A: "The team was confused when and how to update the leads: some did it only with a new lead, some filled out each step, while the others had a more practical balance. So we aligned on these standards and the updating has become more consistent. I realized though that CRM setup might not be the key priority after all - I'm struggling with export managers doing their market entry analysis well."

Second-Order Thinking

Q: ***"What was something useful that you could implement or avoid in your future processes?"***

A: "Moving forward, whenever we make changes to the CRM, we need to clearly define how each step needs to be updated, so the team is aligned."

Q: ***"What are the challenges you ran into that you still need answers to?"***

A: "I think it's figuring out how to make each export manager do market entry analysis well."

This is where the loop restarts - from here you repeat the sequence, starting from First Principles Thinking:

Q: ***"Ok, what are the key elements of a great market entry analysis?"***

A: "It has to have a market structure analysis, top product category price and discount comparison and our pricing strategy calculation based on the analysis."

Conclusion

If you teach these mental models, you now have someone who doesn't just solve problems - they own outcomes. They pick the right things to work on, prioritize by impact, and adjust their strategy based on what they learn. That means you stop being the bottleneck for what goes on their plate.

Stage C: Can't Coordinate Collaborative Effort

TEAM LEAD

The Problem

Now they're fully self-sufficient - they own an objective, they move a metric on their own. So you hire two more people to accelerate their work.

This is where things break. Everything the person was able to do inside their own head now needs to be distributed across multiple minds.

When you work alone, you just decide what matters and do it. With a team, you need to learn to keep everyone focused on a shared goal. You need to establish a shared language - because others don't say or mean things the way you do. Instead of tackling problems one by one, you need to split work across the team, explain the purpose and rationale behind each task, and clearly establish who owns what. And throughout, you need to be constantly learning from each other by sharing advice and asking for input.

And while you might know how to keep your own morale high, in a team you also need to learn how to reframe setbacks for others and praise top behaviors to reinforce them.

This is the third challenge in leadership development. The person needs to learn to do collaboratively what they used to do alone.

The Tool

This stage requires a set of behaviors that help a team build a shared mental model and maintain energy.

Behaviors that build a shared mental model:

Alignment - making sure everyone understands each other's views

Goal setting - setting a shared goal to focus on together

Coordination - splitting work and responsibilities across the team

Asking for input - consulting teammates before committing (+rationale)

Sharing recommendations - proactively sharing advice when you spot gaps (+rationale, +evidence)

Intent communication - explaining what you'll do next and why (+rationale, +evidence)

Ownership - taking responsibility for your actions and mistakes

Leadership - directing the team's attention to what matters most

> Across 65 studies and nearly 4,000 teams, teams that built a shared understanding of the task and each other's roles consistently outperformed those that didn't (DeChurch & Mesmer-Magnus, 2010).

The actions marked with (+rationale, +evidence) get significantly more effective when you explain your reasoning and back it with proof.

> Providing rationale and evidence behind decisions dramatically improves team accuracy. In one study, teams that documented their reasoning made the correct decision 67% of the time vs 11% without (Falessi et al., 2006). Across 72 studies and nearly 5,000 teams, sharing unique reasoning and evidence was the strongest predictor of team performance - more predictive than just sharing more information (Mesmer-Magnus & DeChurch, 2009).

Behaviors that maintain energy:

Morale management - reframing setbacks to keep the team moving

Praise - acknowledging effort and reinforcing top behaviors

> Teams with a strong shared belief in their ability to succeed perform significantly better - and the effect grows stronger the more the team depends on each other (Gully et al., 2002).

How It Works

The strategic thinking from Stage B and the scientific method from Stage A don't change - they just happen out loud now. The process splits into three phases:

Before the work:

The team aligns on what to do and how to split it up.

1. *"What's the goal we want to achieve?"* (Objective, Stage B)
2. *"What are the key elements we need to maximize to achieve it?"* (First Principles Thinking, Stage B)
3. *"Based on the data we collected, what actions would give us the best chances?"* (Probabilistic Thinking, Stage B)
4. *"What's the best strategy to implement this, taking into account any risks?"* (Second-Order Thinking, Stage B)
5. *"Is everyone aligned on this? What are we not aligned on? What should we do to get aligned?"* (Alignment, New)
6. *"What are the questions we're not aligned on or confused about?"* (Problem Identification, Stage A)
7. *"What's our best guess to these questions based on the research or data observed?"* (Hypothesis, Stage A)
8. *"How can we test whether this is true?"* (Experiment, Stage A)

9. *"How can we split these tests amongst us?"* (Coordination, New)
10. *"Which test will I take ownership of?"* (Ownership, New)

During the work:

Each person communicates what they're doing and stays connected to the team.

1. *"What is my next step and the rationale behind it?"* (Intent Communication, New)
2. *"What do my teammates think about it?"* (Asking For Input, New)
3. *"What connections or differences can I spot in the information around me?"* (Research, Stage A)
4. *"What data am I collecting with every action I take?"* (Data Collection, Stage A)
5. *"What's the most important thing we should be focusing on right now, and is everyone focused on it?"* (Leadership, New)

After the work:

The team reflects, reinforces what worked, and prepares for the next cycle.

1. *"What is or was positive about this experience?"* (Morale Management, New)
2. *"What's something I appreciate about my teammate's efforts?"* (Praise, New)
3. *"Did we achieve our goal? If not, why? If yes, what's the new goal?"* (Goal Accountability, Stage B)
4. *"What's something I learned?"* (Reflection, Stage B)
5. *"Do I have any observations conflicting with what my teammates observed or my previous assumptions?"* (Assumption Evaluation, Stage B)
6. *"What's something useful I could recommend to the team?"* (Recommendation, New)

Then the loop restarts with a new or updated goal.

The Transformation

This is how it sounds when someone adopts it:

> **BEFORE:** "I explained the strategy to the team but everyone went off and did their own thing. Now we have three people working on the same problem and nobody's touching the most important one."

> **AFTER:** "I asked each person what they thought we should focus on, we aligned on the top priority together, split the work so everyone owns a clear piece, and we check in daily. Everyone knows what they're doing and why."

> **BEFORE:** "I told the team what I'm working on but I have no idea what anyone else is doing. We keep stepping on each other's toes."

> **AFTER:** "We now share our next actions and the reasoning behind them at the start of each day. No more duplicated work, and when someone's stuck, a teammate working on something related can jump in."

> **BEFORE:** "The team is burned out. We had a tough quarter and people are just going through the motions."

> **AFTER:** "After a tough sprint, I took a moment to highlight what went well and called out specific contributions from each person. The energy shifted - people started volunteering for the next challenge instead of waiting to be assigned."

> **BEFORE:** "I keep giving the team direction but nobody follows through the way I would. I end up redoing half the work."

> **AFTER:** "Instead of just assigning tasks, I now explain the goal, the rationale, and what success looks like. I ask if anyone sees it differently before we commit. The output is better than what I'd do alone because they bring perspectives I miss."

The Exercise

Your job is to teach the team lead these questions. Use the three phases from How It Works above - walk them through it, then let them run it with their team.

The Example

Here's what it looks like when they do - same sales management scenario from Stage B, but now the person has a team of three.

Before the work:

Team lead: ***"What's the goal we want to achieve?"***

Anna: "We need to improve our market entry analysis quality. They're inconsistent across export managers."

Tom: "Agreed - every analysis looks different depending on who wrote it."

Team lead: ***"What are the key elements of a great market entry analysis?"***

Anna: "Market structure analysis, competitor pricing comparison, and our pricing strategy calculation."

Tom: "I'd add distribution channel mapping - we keep missing that."

Team lead: ***"Good - four elements. If you had to assign importance, which one matters most?"***

Anna: "Pricing strategy - that's where we lose deals."

Tom: "Agreed - pricing is the priority."

Team lead: ***"OK, so how should we approach it? What's the first step?"***

Anna: "I think we should start by calling local distributors - they know the real pricing dynamics on the ground."

Tom: "I'd rather pull competitor pricing data online first. It's faster and we get hard numbers before talking to anyone."

Team lead: ***"So we're not aligned on the approach. What should we do to get aligned?"***

Anna: "We could try both on the same market and see which gives better insights."

Tom: "That works. Let's both do France - I'll pull the online data, Anna talks to distributors, and we compare."

Team lead: ***"How should we split the rest? Who wants what?"***

Tom: "After France, I can take Poland - I know that market well."

Anna: "I'll take Germany."

Team lead: ***"Good. Let's compare findings on Friday."***

During the work:

Anna: "Quick update - I'm digging into the French pricing data. I noticed our competitors are bundling products differently than we assumed. I think this changes our pricing model. Wanted to flag it before I go further."

Team lead: ***"Interesting. Tom, are you seeing something similar in Poland?"***

Tom: "Actually yes - they bundle here too. I'll collect the specific data on it so we can compare."

After the work:

Team lead: ***"Did we achieve our goal?"***

Anna: "Partially. We learned a lot but we're not done."

Team lead: ***"What went well?"***

Tom: "Splitting by market was smart - we covered three times the ground we would have alone."

Team lead: ***"What's something a teammate did that was really useful?"***

Anna: "Tom's idea to track bundling was key. That changed the whole pricing picture."

Team lead: ***"What did we learn?"***

Tom: "Market structure and pricing aren't separate - bundling connects them. We need to analyze them together, not in isolation."

Team lead: ***"Does this conflict with what we assumed going in?"***

Anna: "Yes - we thought pricing was a standalone element. It's actually dependent on how competitors structure their offers."

Team lead: ***"So what should we do differently going forward?"***

Tom: "Every market entry analysis should start with competitor offer structure before pricing."

Anna: "And we should always split markets across the team instead of one person doing everything - we got way more done this way."

Conclusion

If you teach your team lead these behaviors, they'll build a team that thinks, decides, and learns together - without needing you in the room. The team holds the full picture collectively, and the team lead's job shifts from doing the work to facilitating how the team works.

Need Support?

This guide gives you everything you need to start developing leaders at every stage. If you implement these tools and exercises consistently, that's all you need.

If you don't have the capacity to facilitate this yourself, we can train your team in these behaviors directly - through live simulations in low-stakes environments where participants can develop new habits without the pressure of real consequences.

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