

LEADING THROUGH DIFFERENCE (AND THE LADDER OF INFERENCE)

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By now, most people understand that we all have biases.

Not just the ones we've been trained to spot, like those based on race, gender, age, physical ability, or ethnicity. Bias runs deeper and covers far more ground than we tend to acknowledge. We carry mental shortcuts about who seems ready for leadership, who's good with numbers, who's too sensitive, or not strategic. Often, we are not even aware we're doing it. That is what makes bias so powerful and so quietly disruptive. But here is the critical point: bias is not a flaw in our character. It is a feature of how the human brain works. It is part of how we reason, how we interpret the world, and how we make sense of difference. Like gravity, bias is always present. And just like gravity, if we want to rise above it—or perhaps even use it as a force to propel us forward or tap into to find value—we need to understand how it operates. When we learn to spot bias without shame or judgment, we give ourselves the opportunity to lead with greater awareness, precision, and possibility.

Bias can play out in how we assess people: "He may have less experience, but he's such a go-getter—he's ready for the promotion." "Creatives aren't wired for operations." Sometimes, we're on the receiving end of bias, feeling unseen, underestimated, or misunderstood. Other times, despite our self-awareness, we're shocked to catch ourselves acting on assumptions we didn't even know we held. Bias is sneaky. It doesn't always shout. Often, it whispers. Then by the time it shows up in a decision or a reaction, there may already be a trail of damage.

That's why this matters: if you wholeheartedly want to lead through difference, you'll need to tune into your own thinking. And get curious. You'll need to practice self-reflection. Because what you don't see can't be managed. What isn't managed will quietly manage you. The goal shouldn't be to avoid difference, but to activate it—to transform the very real, often overlooked complexity that comes with human difference into a powerful source of value, growth, and long-term impact.

For some leaders, that difference shows up as tension—conflict simmering beneath the surface, miscommunications, or dynamics that don't feel quite right. For others, there may be little visible tension at all. Instead, there's an undercurrent of disengagement, silence in meetings, unspoken frustrations, or a cultural norm of avoiding tension and conflict altogether. Either way, whether it's felt as friction or disguised as calm, the result is the same: untapped value and a missed opportunity to unlock what your team is truly capable of.

But there is a practical, tested set of tools and mindsets to help you identify what's happening beneath the surface (whether it's visible strain or quiet avoidance) and lead through these challenges with intention. Not by bracing yourself or trying to control it all, but by leaning into difference with clarity and skill. Here's the shift in thinking that we begin with: What if that friction—or absence of it—isn't a sign that something's wrong? What if the friction actually points to something unfinished, unexplored, or underleveraged? What if those dynamic signals are green lights inviting you toward what's possible, not red flags of dysfunction making you want to run in the other direction? This is where the power of leading through difference comes into play. And one of the tools to tap into that power is the Ladder of Inference.

THE LADDER OF INFERENCE

The ladder of inference is one of the most useful and accessible tools for improving how leaders think and communicate, and one we believe to be key to building your “see the full story” muscle. It was developed by Chris Argyris, a pioneer in organizational learning and behavior. Argyris spent decades exploring why smart, well-intentioned people often talk past one another, make faulty decisions, repeat patterns that don’t serve them, get stuck in less than helpful and often dysfunctional dynamics, and leave potential value on the table. His research revealed that many of our biggest mistakes come not from a lack of logic, but from the invisible mental steps we take as we interpret the world around us.

The ladder of inference is his model for understanding how humans move from observing a situation to taking action, and how they then understand and react to the actions of others. Each rung on the ladder represents a step in our internal reasoning process. We start by observing data, which can include anything from an event to a smell to what someone is wearing or the tone of their voice. From there, we select certain pieces of that data to focus on. This means that even at the data level, we are already making choices that can skew our perspective. What data are we ignoring? Why are we drawn to some pieces and not others? How does our focus differ from what others notice?

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We then interpret the meaning of that data based on our experiences and beliefs. We make assumptions, draw conclusions, and take action. This all happens in seconds. Our brains are built to process billions of bits of data per second, so it is normal to use shortcuts. However, those shortcuts often rely on bias, incomplete experiences, and unconscious habits. The true skill comes from understanding how the ladder works and recognizing that it describes the human experience. We all move through the world making sense of what we encounter using our own ladders. We pick out certain data to focus on, add our own meaning, and make leaps from one rung to the next, often with little or no awareness that it is happening.

That's why empathy for others and humility to admit that we have a ladder that does not define truth are only part of the picture when we talk about seeing the full story. Empathy and humility help us stay open and remind us that we do not have a full view. But on their own, they are not enough. We also need curiosity and inquiry, which are skills we can develop. They help us slow down and stay lower on the ladder long enough to ask better questions and gather more facts before we decide what something means. In other words, empathy tells us there is more to the story. Curiosity helps us find those details. Together, they give us the mindset. But it is the ladder of inference that gives us the method, a tool for "knowing what we don't know," as Peter Church put it. The ladder of inference helps us reflect before reacting and communicate more clearly, especially across differences. So, how does it work?

Based on his direct experience, our author Stu explains the rungs of the ladder of inference, from the bottom up:

1. We observe reality and facts. This is the raw data—what was said, written, or observed. This includes tone, facial expressions, emails, texts, meeting notes—more or less the world around us, without interpretation.

2. We select data. We naturally notice some details and not others. This selection is shaped by our attention, habits, and past experiences. Note that right away we are at risk of bias; the data that we select to give attention to is likely different from the data that others pay attention to or, at best, is not fully the same.

3. We assign meaning to that data. We interpret what we saw or heard. For example, we might decide someone is upset based on their tone, or that a silence in a meeting means disagreement.

4. We make assumptions. Based on that meaning, we fill in gaps. We assume why someone said what they said or what they might do next.

5. We draw conclusions. These assumptions lead to beliefs. We may conclude that someone is unreliable, resistant, or disinterested, even if we have not verified that.

6. We take action based on those conclusions. This could mean avoiding someone, pushing back, or moving forward with a decision that others do not understand or agree with.

The higher up the ladder we go without checking our thinking, the more likely we are to act on incomplete or inaccurate stories. This tool reminds us to pause. Ask: *What do I know for sure? What might I be assuming? What else could explain what I'm seeing?*

Most importantly, *What questions can I ask to better understand both my and the other person's view?* In any workplace or relationship, when people are climbing their own ladders at the same time, misalignment happens fast. When we slow down, get curious, and share how we're interpreting the facts, however, we create space for understanding. The ladder of inference does more than help us see the story; it helps us coauthor better ones, together.

Over the years, both Stu and Susan have found this tool so valuable that they routinely integrate it into the projects they lead and the organizations they support. It becomes a standard framework for working together, providing everyone with a shared language and a common cue for collaboration. For example, if you walked into a workplace where Stu or Susan has introduced this tool, you might hear someone say, "I'm sorry, I don't understand your conclusion. Can you walk me down your ladder?" or "I think we see this situation differently. Let me share my ladder, and I would appreciate it if you could show me where I might be missing important data or adding interpretations you would not. Let's work toward a fuller picture together."

Importantly, the ladder of inference is not just for understanding others; it is equally powerful for understanding your own reasoning path, allowing you to share and test your thinking while working to fully understand the perspectives of others.

Effective management of difference strengthens everything that matters to a thriving organization

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Managing difference effectively isn't a nice-to-have; it is the lever that determines whether a team struggles to stay afloat or leads the way. Every time people hold back in a meeting, the team risks losing potential value. When employees don't feel safe sharing what they really think, that value slips away. And when someone has a critical insight about a market, a customer, or a new strategy but it is dismissed because of bias, assumptions, or another's certainty, the opportunity is lost before it is even heard. The real work of leadership is ensuring that this potential is not wasted, but instead converted into insight, innovation, and progress. When done well, it's transformative. In fact, managing difference may be the core leadership competency of our time. Why? Because the workforce is ever more filled with difference, with folks from different backgrounds, capabilities, ways of seeing the world, and predilections. That is only going to become more so over time. Managing all that difference is hard now and is only going to get harder. Thus, the opportunity for conflict, and for team suboptimization because of that, is only going to grow. When it's done right, however, effective management of difference strengthens everything that matters to a thriving organization:

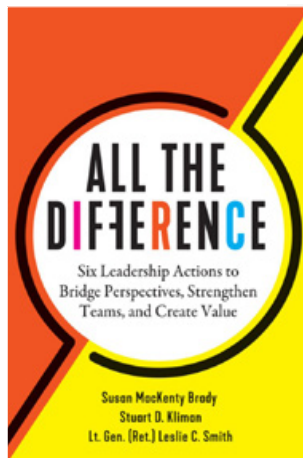
- Innovation and creativity
- Problem-solving
- Productivity and efficiency
- Decision-making
- Relationships and trust
- Culture and morale
- Adaptability in times of change
- Resilience in the face of conflict

These are the foundations of organizations that are built to win, the ingredients that drive faster execution, spark innovation in products and services, improve processes, open new markets, and strengthen resilience against unexpected competitors. **We have seen again and again that teams and organizations that know how to reliably and systematically leverage, tap into, and fully use the potential of difference are more successful.** 📖

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