# consulting

### building leaders for the future

Many of the organisations we work with are highly successful. If they do not hold the top position in their respective industries, or niche within it, they are not far off. They do not tend to be 'broken' in any obvious way and future business prospects generally look good.

Nevertheless, the senior executives of these companies are often troubled about the state of their organisations. For example, I recently asked a senior leader of a successful media company: "What is it that keeps people here?"

On the face of it, his reply was encouraging: "We are number one in the industry and no one else offers the opportunity to work with such cutting-edge technology."

He later added, "People who leave tend to come back because the opportunities to do the most interesting work in the industry are here. They certainly don't stay here because of the culture, they stay here despite it.

"We've always led this place with a carrot and a stick", he explained and expressed his hope that the appointment of the new CEO, a well-liked and inspiring man, would bring change.

The central issue here is nothing to do with the company's strategy, business model, or operational effectiveness – the usual focus of management attention. It is about leadership.

In this example, it is about the previous leader's inability to create an organisation in which people are motivated, inspired and hopeful. What's more, it is about the organisation's hope that the new CEO can turn things around. That is quite a responsibility to pass off to just one person.

This paper is about how to ignite and fan the flames of leadership potential in organisations.

But first, one more example of the case for focusing on leadership development.

Another client of ours is the U.K. start-up of a highly successful overseas retail bank.

Eight years ago, the new U.K. venture was able to attract the best in the industry and draw talent like a magnet to help start the company.

A great business model, aggressive marketing strategy, and sheer determination to get big quick were sufficient to provide an exciting environment where talent was prepared to stay.

Today, as a maturing business, the company is ranked as one of the best places to work in the U.K. and is part of a brand name that sits squarely amid the FT Global 500.

What's more, the business model is still solid, and customers continue to sign on the dotted line.

So what is the problem?

"I was taken aback at the value of spending time together as senior leaders to address leadership rather than purely hard business issues. We must continue to harness this."

#### The problem is this:

After an exciting early ride, many of the firm's most talented people are getting itchy feet. Some have already left while those who stay make it very clear through their feedback that they feel uninspired and unmotivated by the organisation's leaders – the once energetic band of hot-shots who built the U.K. company from the ground up. To cap it off, the CEO recently called it a day to move on to more exciting prospects.

Like the media company, there is nothing strikingly wrong with this company. Nevertheless, there is a sense of malaise. Many people are jaded. Others are marking time. But, then again, as one of our clients says, "Work is called work for a reason".

We certainly agree with that. But there is evidence to say that the way people feel about their work is an early warning of financial performance.

Work is work, but at its best, it is the feeling of motivation and fulfilment that comes from seeing meaning in what you do and being appreciated for your contribution. This is neither an esoteric nor a lofty goal. It is achievable more easily than many people would think.

#### There are two issues here:

Firstly, too few leaders in organisations realise how the choices they make directly shape the working environment. Leadership development is therefore seldom requested unless it is already on offer.

Secondly, the usual forms of leadership development fall short of influencing organisations to the extent that is needed.

choices that shape the working environment

A short story: during a session on leadership we facilitated at the retail bank, a senior marketing manager shared with peers that in six years of leading his team, he had never had lunch with them. A colleague in the session then asked him, "How do you feel about that?"

After a pause, the marketing manager replied, "Terrible."

He was quiet for the rest of the afternoon and appeared reflective. Immediately following the workshop the leader in question set about transforming his relationship with his team.

The point here is nothing to do with leaders being approachable, nice, or lunching with their teams. It is about recognising that we make choices everyday, consciously or otherwise, that help create the work environment in which we expect others to thrive.

To illustrate the point, think back over your day so far. Who was the first person you encountered? Did you speak? If so, what did you say? If not, what did you do instead? What was your mood or tone?

Now, place yourself in the other person's shoes. What do you imagine they were thinking and feeling following the encounter?

Whether you appreciated it or not at the time, you sent a clear signal about the way you want your organisation to be. Perhaps you sent a positive message, perhaps not. Perhaps you can not tell either way. Regardless, the point is this:

Organisations are shadows of their leaders – and this is both the good and the bad news.

We shall focus on the good news. The good news is that through leadership, organisations can transform their work environments, how people approach their work and, as a result, end performance.

"As managers our fundamental purpose is to build a department and organisation that we are proud of. Our unit in many ways becomes a living monument to our deepest beliefs in what is possible at work."

Peter Block, management writer

This is the focus of our efforts with clients like the media company and retail bank mentioned earlier.

These companies do not need an army of consultants to transform them. However, they must be prepared to think, and then to rethink, about what it means to lead.

#### rethinking leadership

## Our work with clients is based on a few, strongly-held beliefs about leadership and leadership development:

- Effective leadership is first and foremost a function of mindset.
- Effective leaders share with others a vision of what they want to achieve and live it out with full commitment.
- Effective leadership development flows from powerful learning experiences, not competency-based training.

These beliefs shape our approach to leadership development in a number of ways.

#### the leadership mindset

# Firstly, we do not make a distinction between 'leadership' and 'management'. Anyone who gets things done with and through people is a leader in our eyes.

Research supports the view that business education, at least in the industrial, Western world, has tended to promote a deficit-based view of the world: find a gap and close it; find a problem and fix it; find the cause and blame it – or, oftentimes, blame 'him' or blame 'her'.

There is nothing inherently wrong with an analytical, problem-based approach to business – the great leaps in productivity brought about by 'lean thinking' are based on it. However, as a dominant mindset, it can sap the workplace of energy, morale and motivation. In companies where this mindset dominates work is work and it certainly feels like it.

Leadership that motivates and inspires requires a more balanced mindset. One in which appreciation eclipses blame, and action is designed to promote mutual learning, and stronger relationships – not simply to win or get the task done at any cost.

We ask leaders to try the following experiment: Meet with someone from your team, or elsewhere in the organisation, and have a conversation based on a few appreciative and positively-framed questions.

#### Examples:

- "Can you tell me about a time when you felt really energised and excited about working here?"
- "What are the best things you and your team do?"
- "How could this be an even better place to work?"

In the hundreds of times we have run this experiment, the feedback is consistent: both parties feel energised, invigorated and optimistic. What's more, the leaders learn things about the organisation and its people they had never appreciated before. But mostly, the leaders themselves are seen in a new light – simply for taking the time to listen and hear from a different mindset.

For most leaders, the experiment is hugely empowering. It shows them that the ability to motivate and inspire others is in easy reach. They learn that you don't have to be Jack Welch to have a positive effect on others and great leadership presence.

"The small, often personal, things matter in leadership. To get people passionate about something you have to be passionate about it yourself, and to do that you need to share something of your own values and personal beliefs."

It was through a series of conversations like these that the marketing manager who never lunched began to transform his relationship with his team.

Another exercise we often run with leadership teams is to have them write-up an unsatisfactory, or difficult conversation – one in which they wish they had achieved a better outcome. On the right side of the page, they write the dialogue as it happened and on the left side they recall what they thought and felt but did not say at the time.

We have analysed hundreds of these cases and usually find a governing mindset in operation.

#### It looks like this:

- I am being reasonable and can clearly see what needs to happen here.
- They are being unreasonable and are only interested in protecting their own position.
- My task here is to remain professional and win them over to my point of view.

With a mindset like this, one's own views are asserted at the expense of inquiring into the views of others. The result: limited learning. What's more, the real conversation that needs to happen remains buried in the left-hand column, unaired. The result: the underlying issues go unaddressed.

Better conversations require a different mindset – a more productive 'reframe' of the situation.

#### For example:

- Mine is just one point of view; there may be other, equally valid, perspectives on the situation.
- They are not trying to be difficult for the sake of it, they see themselves as being reasonable. Our perspectives are conflicting so we need to understand each other's position better.
- Our task here is to understand why each of us sees things differently and, together, make a well informed decision on what to do next.

In workshops, we ask people to reframe their original conversation and then role-play it, taking the part of the other person.

The exercise often has a big impact. People experience the unintentional impact they can have on others, and how switching mindset, or 'reframing', can open doors to more effective ways of working with others.

For us, effective leadership begins with a win/win mindset, grounded in appreciation and respect for others.

From here, leaders are well positioned to explore the obligation of their position.

"Balancing advocacy with inquiry has been one of the biggest and most effective behavioural shifts I have ever made. I am more conscious of my impact on others and have received positive feedback from my team."

# sharing a vision for the future

a way that connects at an emotional, as well as at a logical, level.

You can tell that these people care about where they are headed and that they feel a sense of autonomy in deciding the destination. They are not reading from the company's vision statement or a list of published values. They have made the story

their own and feel able to commit to the plot because they wrote it.

We find that the most effective and engaging leaders are those who have a point of view on where they want to take the organisation, or their fractal

of it. What's more, they can easily share their point of view with others in

"I am now more comfortable with challenging my working relationship with my boss – it has led to a more productive dynamic between the two of us and a more fulfilling role for me and my team."

ReConsulting client

Sounds maverick and potentially anarchic? Not at all. Effective leaders understand that *power* is the ability to get what you want *given what is available in the environment*. In other words, they know the constraints they are under. By this definition, leaders do not have to rely on hierarchical position in order to be powerful or to step into authority.

We find that when leaders frame power in this way, they see more clearly what they can influence and begin to feel a sense of autonomy and freedom in creating the future. However, when we ask people to share their vision of the future (given what they can and can not influence) we are often surprised how difficult it is for them to do.

There are usually two reasons. Either, they have never really considered what their vision is (probably for reasons of dependency on higher-ups sharing their vision first), or they have an intuitive sense of what they want to create but can not easily express it in words.

At this point, we often run a short exercise. We ask them to recall something they have done or created for which they are really proud. Once they have reconnected with that feeling, we ask them to imagine being that proud of their part of the organisation. We then ask them to imagine what would have to be in the picture, say 18 months out, for them to feel that sense of pride, given the way things are today.

We then help them articulate their vision by guiding them through a virtual, or imaginary, tour of the future state of the organisation. Prompting questions help them put images, and then words, to what it is they really want for themselves and their teams. Following each prompt, participants scribble notes on the images that came to mind. And so the vision brightens, as if it was always there but, until now, only dimly lit and difficult to move towards.

Within 20 minutes, everyone in the room has articulated, in raw form, the essence of their vision. This vision comes from the gut, the heart and the head. It is based on an intuitive sense of what it will take to create something to be proud of. A vision like this requires sharing and, for sure, testing with others, but the raw material is there.

We finish the exercise by asking the group four more questions:

- 1. When you compare your vision to the current reality of today, what are the big *ideas* on which it is based?
- 2. What is it about the vision that *energises* you and why should others be energised by it?
- 3. How does this vision connect and align with your personal values and those of the organisation? To what principals will you hold true as you move forward?
- 4. And what is the sharp *edge* of this vision. What are some of the difficult consequences people will have to face in taking this path?

"Your session yesterday on our brand was brilliant. Very personal, engaging and brave. You came across as massively authentic which made your message hugely powerful. You've set the bar really high for folks like me, so well done and thanks."

Colleague of a ReConsulting client

Ideas, Energy, Values, Edge – according to Noel Tichy, director of the Global Leadership Program at the University of Michigan, these are the four components of a well balanced point of view on the future. It conveys a vision in a manner that is personal and energising but respectfully tempered in reality.

Leaders who communicate their vision of success in this way are automatically more motivating and inspiring that those (the unfortunate majority) who do not.

A vision born out of personal reflection becomes easier to live out in a fully committed way. It is developed from a position of autonomy and legitimate power that can be shared and evolved with others.

The brand manager of another client organisation recently complained about how difficult it was to communicate the importance of managing the brand as a strategic asset. After developing high-profile brands in the FMCG sector, he was now frustrated by product managers launching disconnected marketing campaigns that threatened the integrity of this financial-services company's brand message.

During a workshop with us, he developed his vision for brand management using the approach described above and worked with other participants on communicating his point of view effectively. Shortly after the workshop, he was called upon to talk about the brand at a senior-manager forum.

The next day, he received the following feedback from one of the marketing managers:

"Your session yesterday on our brand was brilliant. Very personal, engaging and brave. You came across as massively authentic which made your message hugely powerful. You've set the bar really high for folks like me, so well done and thanks."

You can imagine what this experience has done for the brand manager's self-confidence as a leader.

# experiential learning versus competency-based training

### At some point or other, most of us have been on a training course that begins with the promise:

"By the end this course, participants will be able to do X or know Y."

In many cases, the promise is well founded, but this is usually confined to disciplines of exacting skills or knowledge. Our brand of leadership development is something different. To us, leadership can neither be taught nor prescribed. It is not a skill or a set of actions that can be transferred and applied consistently by all.

We view leadership as a human *potential* that gets developed and released under the right conditions. This is a purposefully optimistic point of view because it means that everyone in organisations has the potential to lead. It is also realistic because it acknowledges that the conditions under which leadership blossoms are not always in place.

From this position, we busy ourselves more with designing powerful learning experiences than competency models of the perfect leadership skill-set. This can be unsettling to some clients at first. It comes back to the point we made earlier about the tendency towards a deficit mindset in which people ask: what are my skill gaps? What will we do to close them? And how will I know when I am done?

Remember also that we are talking about building leaders for the *future*. The current literature on leadership can hardly agree on what makes for effective leadership today, let alone tomorrow.

If there *is* a core skill required by leaders, it is probably the ability to integrate opposing forces, be they conflicting priorities, objectives, business plans, points of view, people, business units, stakeholder interests, cultures... the list goes on.

This is the hard work of leadership and it is nearly impossible to teach. We are therefore very wary of any approaches to leadership development that provide the comforting illusion of closing gaps in a competency model.

At the start of our programmes, we are more likely to say, "By the end of this programme, you may have more questions than answers. Some of you will gain huge insights and new skills very quickly. For others, these will come at some point in the future, unplanned and by accident". We certainly provide a structured approach to learning, and we can promise a shift in leadership capacity. But, ultimately, our role is to create the conditions under which participants take control of their own learning – learning that is grounded in a willingness to reflect upon and the mindsets, actions and outcomes of leadership practice.

The most powerful leadership programmes we conduct are those attended by peers from the same organisation. Whether they work directly together or not, the dynamic created between them on the programme speaks volumes about the way leadership works back in their organisation. When we draw peoples' attention to the unfolding dynamics in the room, the potential for learning about leadership effectiveness back at work is huge.

Our facilitation is challenging and respectful. On one recent programme, a senior lawyer complained about how 'safe' the discussion became when a member of the Executive Team joined the group for an hour. During the debrief, I asked: "In what ways did you contribute to it becoming a disappointing conversation?"

She talked about censoring herself to put up a good front in the presence of an authority figure. Taking this as a possible clue to leadership dynamics within the participant's own team, I followed-up by saying, "I wonder whether your team does this in front of you". What followed was an unplanned 'a-ha' moment, described by the lawyer as the first time she had ever considered the effect her authority might have on others. Earlier, the lawyer had claimed that her team was, "always open and honest" with her in team meetings. New awareness of her own behaviour in the face of authority now made her question the long-held and comforting assumptions she made about her relationship with her team.

"Overall, probably the single programme in my career that's had the biggest impact on what I actually do."

With self-awareness comes the power to change. This is a key objective of our approach to leadership-development.

Our programmes are hinged on the following assertion: as a leader, you have an obligation to motivate in a goal-oriented fashion and to live out your vision with full commitment.

We then support learning through the following kinds of activities:

- Experimenting with "Appreciative Inquiry" as an approach to building on what is already good in the organisation and rekindling the energy of past successes,
- Challenging ingrained mental models of relationships and developing conversation skills to promote learning in challenging situations,
- Reflecting on personal values and developing a 'vision' that people can get excited about,
- Learning how to translate that vision into a "Teachable Point of View" to be shared with others in an inspiring and motivating way,
- Providing opportunities for participants to coach each other and give supportive and developmental feedback,
- Facilitating group discussions that get to the heart of what it means to lead in today's organisations.

These activities quickly enhance skills in leadership because they are experiential and not theoretical. They generate discussion, reflection and shifts in thinking, rather than long lists of action items. When thinking changes, action follows suit. We are more inclined to ask, "What have you learned about the way you lead?", than, "What is your action plan for Monday morning?"

Most of us have experienced the dissipating effect that 'Monday morning back at work' can have on the energy mobilised in a well-run training programme or workshop. Even action plans crafted with the best intentions tend to crumple under the pressures of daily life back at work.

At the end of our programmes, participants divide into action-learning sets – groups of four to six individuals who self-select to support and challenge each other's leadership development back in the workplace. Once formed as a set, members first discuss the challenges each other is facing back in the workplace. They then coach each other on ways to apply what they have learned on the programme to these challenges. Finally, they make a mutual commitment to report back on progress and learning four to six weeks later.

Over time, Action Learning becomes a regular cycle of peer-based coaching, action, and reflection. In our experience, the supportive challenge of peers helps keep new-found leaders from blending back into the organisational wallpaper following the programme.

"The programme has given me tools and techniques to think and act differently. It has encouraged me to take more risks and to exhibit more 'autonomy' in challenging situations."

#### summary

Our experience is that leadership issues trouble even the best-performing organisations. Consciously or otherwise, we make choices everyday that signal the way we want our organisations to be.

If organisations are shadows of their leaders, the ripple effect of everything we do has huge consequences for the working cultures of organisations. However, the good news is that through leadership, organisations can transform themselves to the point where work feels more than just work. When people are motivated and inspired, performance usually follows.

The ability to motivate and inspire is easier than many would imagine, but it requires us to rethink what it means to lead. We believe that effective leadership is first and foremost a function of mindset and that appreciation of, and respect for, others can unlock energy at once. Leaders have an obligation to motivate and inspire others towards a vision they are fully committed to. Such a vision is grounded in personal reflection, awareness of one's own values and an accurate assessment of constraints in the environment.

The potential to lead in this way resides in all leaders and the challenge of leadership development is to create the conditions under which this potential is developed, explored and released. Leading in tomorrow's organisations will be fraught with even more dilemmas and opposites to integrate than today and this is the case for building tomorrow's leaders now. However, programmes that bring leaders together to explore leadership in an experiential way bring powerful results.

64 Knightsbridge London SW1X 7JF t +44 (0) 20 7590 3040 f +44 (0) 20 7590 3041 www.rethinkingconsulting.com