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inspiring people to better results



Learning to Lead

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Introduction

In our work we often meet people who do not view themselves as leaders and yet they are leaders, having perhaps unknowingly transitioned into a leadership role. People often have little choice as to whether they are regarded as a leader, the decision being largely out of their hands. Who makes the decision? Other people decide whether someone is a leader – colleagues, staff, clients and those who are influenced in some way by what the leader says and does. Most senior people in an organisation will be expected to act as a leader by those beneath them in the hierarchy, irrespective of the nature of the hierarchy.

However, becoming an effective leader – a great leader – is very much a conscious choice. The jury making that decision will still be other people (largely our direct reports), but with determination, humility and a desire to learn and improve oneself we believe most people can take the step up.

We hope that this paper is useful for aspiring leaders taking their first steps in their leadership journey, or for more seasoned leaders who wish to reflect on and fine-tune their leadership approach. If you have any questions or comments, please get in touch – contact details are given at the end.

Introduction

Our Research

Over the last few years we have undertaken our own research of what leadership looks like and means in the finance and professional services sectors (primarily those in the accountancy, actuarial & pensions consulting, legal and fund management sectors). Part of this research has included surveys of both leaders and those they influence involving a mix of quantitative and qualitative questions. The results of this research provided a foundation for further investigation by undertaking 1:1 interviews with around 20 established leaders in the sector.

In addition, we have hosted a number of webinars relating to the theme of leadership. A link to these is given in the References section at the back.

From our research we found in general that there were two main components of a leader's development over time:

- The 'building blocks', shown under the red line in Fig.1 below, that start with the emerging leader's innate characteristics and values, and, as their self-awareness broadens, they ultimately develop their own, unique leadership style.
- The various influencers, as shown above the red line, that help shape and inform the leader's development over time.

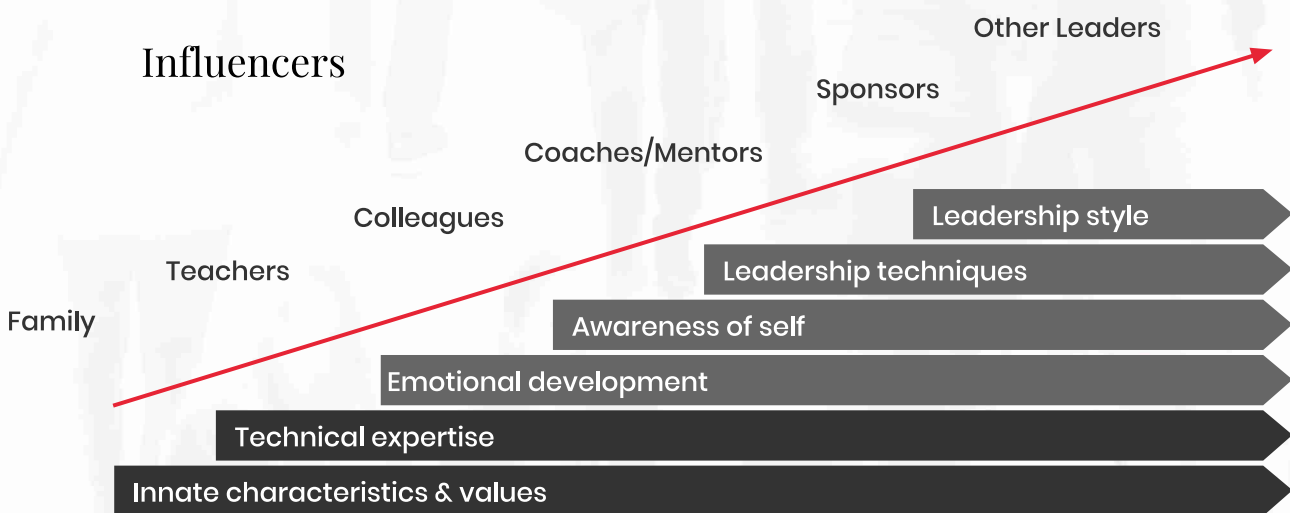


Fig.1

We explore these themes further in this paper, supplemented by external research on the general theme of leadership.

Introduction

What is Leadership?

Leadership is most frequently thought of in the context of leading other people. But attitudes to what that means has shifted enormously over the past 100 years or so. In the late 1880s and 1890s and into the early part of the 20th Century, the leader was seen as someone with superior understanding of the best way to produce goods whose job was to tell the workers what to do. One of the key exponents of this view of leadership was Taylor and he believed that extrinsic rewards (i.e., pay) were the way to encourage workers to do your bidding. Both these ideas – that leaders know best and that workers are motivated solely by extrinsic rewards – have since been challenged. However, the ‘command and control’ approach to leadership and the belief that employees are motivated solely by money continue to prevail, especially when organisations face crises.

After WWII, a more people-centred approach to leadership became fashionable. Maslow wrote about the higher order needs of ‘self-esteem and self-actualization’ and his ideas are reflected in more contemporary writing like that of Pink who has espoused that people are motivated by autonomy, mastery and purpose. Instead of the leader being all-knowing and handing out financial rewards, the new-style leader was someone who allowed individuals freedom to achieve their goals in the way they felt fit, were allowed personal growth in terms of achieving mastery and expertise and were motivated by having a strong personal sense of purpose in the work that they do. A key role for the leader is outlining the purpose of the enterprise in a way that allows individuals or followers to find personal alignment. The post-war thinking on leadership also focused on the required traits of a leader – often expressed in terms of relationship skills. The leader was still seen as being superhuman; someone with supernormal visionary powers and an individual rather than being part of a team.

More recent thinking has focused on the collaborative nature of leadership, seeing leadership as something that is dispersed throughout an organisation and that it is the bringing together of different viewpoints, skillsets and knowledge that generates the best outcomes for organisations and their stakeholders.

Interestingly, only half of those we have spoken to during our research indicated that there was a clear articulation of what good leadership looked like in their organisation, so there is still a significant amount of work to be done before there is a common understanding of effective leadership behaviours.

Introduction

The Significance of Emotions

In studying different leadership models, we see that they have one thing in common – leadership is about relationships, specifically the relationship between the leader and those they influence (and are influenced by). And relationships between people are significantly influenced by our emotions. A core aspect of leadership is therefore about how we influence the emotions of our team.

Over the past 20-30 years, a revolution has occurred in the way emotions are considered, with a growing number of psychologists and neuroscientists (Brown and Brown) arguing that emotions have a long evolutionary history and are hard wired in a central part of our brain, influencing our rational thinking and behaviours. When we ask people how effective leaders have made them feel, we consistently hear adjectives such as valued, motivated, empowered and important. These are anonymous quotes provided during our research in relation to the impact of effective leadership:

“Being empowered & provided with the headroom to make mistakes & learn from them without being castigated is hugely beneficial to my development and that of the business”

“It makes me feel valued, which is hugely motivating”

In contrast, poor leadership can undermine people’s confidence and motivation:

“It creates a sense of feeling alone which leads to disengagement”

“Poor leadership holds the team back and makes staff unhappy and less productive”

The Link to Organisational Performance

It is not surprising that positive emotions generated by good leadership can enhance productivity; after all, if you feel positive about your work colleagues you are more likely to go the extra mile to help them. Studies such as the one undertaken by Young and Kulesa of Willis Towers Watson of over 500 companies globally illustrate the significance of leadership:

“... foremost is leadership effectiveness — the #1 differentiator of high-performance companies, and the #1 global driver of sustainable engagement. Leaders in high-performing companies motivate and inspire employees with their vision of the future, act with integrity and display a genuine concern for employee wellbeing.”

Others finding a link between effective leadership and positive organisational outcomes include Roi who studied the performance of over 90 US based mid to large scale firms and van der Westhuizen & Garnett, who researched family businesses.

Introduction

Developing Your Leadership Style

Leadership is best, and perhaps easiest, if you act in a way that is genuine to who you are. People can sense if it is not sincere or 'real'. And for the leader, it takes energy to be someone they are not. This does not mean that leadership is effortless or that you may need to push yourself to do some things that are outside your comfort zone, just that it can be very draining to act as someone else for an extended period.

Being a leader and yet true to oneself can initially seem contradictory. Those who are more introverted may think they need to change their character and become supremely confident in public speaking to inspire and motivate others. But there are other ways to lead effectively; for example, expressing your confidence in someone during a one-to-one conversation can be hugely powerful. There are certain things a leader should do, but there is great flexibility in how they might be done, which allows ordinary people to become highly effective leaders.

If you want to remain true to yourself then you will need to think about how you apply your personal values at work. If you and other leaders share similar views on what matters most to you, it makes the whole experience more enjoyable and effective for the entire leadership team. However, when there are material divisions, relationships can become strained and much energy expended on resolving issues; such issues often arise from differences in values that ultimately impact the business ethos and direction. Common areas where personal values can be tested are in the treatment of staff and clients.

Remember that these relationships are not solely with people inside your organisation (although these are extremely important) but also extend externally to clients, other organisations and suppliers for example.

Introduction

The Kouzes & Posner Leadership Framework

A leadership framework which we use with our clients, and which considers leadership in its broadest context, is one developed by Jim Kouzes & Barry Posner, US academics who have been working together in the leadership development field for over thirty years. Their leadership framework has been used by corporate organisations, government bodies and education authorities with around 3 million users to date.

From their research Kouzes & Posner determined five complementary behaviours that were effective at defining good leadership practice (the Kouzes and Posner's Five Practices of Exemplary Leadership® model):

| | |
|-------------------------|--|
| Model the Way | <i>Clarify Values</i> <i>Set the Example</i> |
| Inspire a Shared Vision | <i>Envision the Future</i> <i>Enlist Others</i> |
| Challenge the Process | <i>Search for Opportunities</i> <i>Experiment and Take Risks</i> |
| Enable Others to Act | <i>Foster Collaboration</i> <i>Strengthen Others</i> |
| Encourage the Heart | <i>Recognise Contributions</i> <i>Celebrate the Value and Victories</i> |

The framework is intuitive and, over time, has proven to predict high performing leaders and moderate to low performing ones.

Kouzes & Posner's thesis is that their framework is a set of learnable behaviours and that all leaders can enhance their leadership capability by applying all 5 practices consistently.

We can see that almost all of the 5 practices should, if properly applied, have a positive impact upon the emotions of people around the leader. 'Encourage the Heart' is the most obvious, but people will also be motivated by leaders 'Inspiring a Shared Vision', being included as part of the team under 'Enabling Others' and be positively influenced by leaders who lead by example ('Model the Way'). Can people be motivated by leaders who 'Challenge the Process'? In many cases yes, provided the leader articulates the positive reasons for change.

Leaders can also ask colleagues and others to provide feedback on their leadership ability in a consistent manner to help leaders develop their leadership style over time. This is called the Leadership Practices Inventory ® 360 Feedback process (shortened to LPI 360). Further information on the LPI 360 is provided in Appendix 2.

We refer to the Kouzes & Posner Leadership framework in other sections of this paper.

Introduction

Key Takeaways

- Leadership is about the relationship between the leader and the people they influence and are influenced by
- Our emotions play a critical role in relationships
- Effective leaders paint an inspiring picture of the future and foster positive emotions within their team, increasing feelings of motivation, being valued, importance and empowerment
- Teams that are motivated tend to demonstrate higher levels of performance in achieving the collective goal
- Leadership is a set of learnable behaviours. With dedication, feedback and a mindset for development, we can all enhance our leadership capability



Leading Self

Leadership is a term that is very often used to describe how we lead others. But it's worth remembering that leadership starts with how we lead ourselves. This concept or notion of 'Leading Self' requires us to turn the spotlight on ourselves; to understand who we are, explore and acknowledge our strengths and weaknesses, and commit to the lifelong pursuit of being the best version of ourselves. Only then can we begin to imagine that others might follow us.

A leader's followers will ultimately decide whether he or she is remotely close to being the leader they might think or hope they are because it takes more than a title to be a leader. In our work we have come across many people who have no formal title but are quite obviously leaders. Conversely, we have met those in senior roles who hold office but lack the leadership capability to take people with them. They have employees rather than followers and rarely know the difference. Then there are those leaders who are so caring of others that they constantly find themselves at the foot of their own 'To-do' list. They put everyone else first and lose sight of their health and wellbeing, often burning themselves out along with the midnight oil.

The above examples are somewhat extreme and are often located at opposite ends of the leadership spectrum. Finding balance is therefore key but it demands ongoing introspection; self-examination and analysis of the kind that can be painful. No one likes to look in the mirror and be disappointed with what they see. And having identified that there might be flaws in the reflection, what then? Who might help us to see ourselves as others see us, and inspire or challenge us to lead ourselves more effectively?

Leading Self covers a kaleidoscope of factors that are too many to cover in such a short paper, and this section therefore aims to highlight just a few of the key themes that we've shared with many clients over several years. They are not solutions as such, but rather, concepts and ideas that will hopefully help you examine who you are and think about the kind of leader that you want to be. The areas that we cover are as follows:

- **Knowing Your Values**
- **Developing the Mindset for Success**
- **Broadening Awareness**
- **Building Resilience &**
- **Learning from Influencers**

Leading Self

Knowing Your Values

When leaders know what their values are, their actions match their words. Values enable leaders to know what they stand for, and what they don't or won't stand for. Leaders who don't know what their values are will find it difficult to be true to themselves. Values are the ready reckoner that make decision-making easier.

When we know what our values are, it helps us identify those people, situations and things that don't support our values and gives us a framework for what we are not prepared to tolerate. Knowing what our values are helps us identify what and whom we want in our life and work.

Values are also the foundation upon which we can set goals. Knowing what our values are means that we can stop trying to achieve goals that don't resonate with who we are. Our values allow us to be clear about the standards we set for ourselves. When we live and work in line with our values, we feel most like ourselves. There is a feeling of effortlessness.

If you would like to explore the relative importance of your values, please refer to the Values Exercise in Appendix 1.

“My personal values are honesty, integrity, fairness, caring, humility, hard-working, respected, transparency, stewardship, collegiate, inclusivity, equality, competitive”

Stephen Gibb, Partner and former Chief Executive, Shepherd and Wedderburn

“My values include honesty, treating others with respect and empathy and supporting those that need help and challenging those that are too comfortable”

Tim Stumpff, CEO, Europe, Principal Global Investors

“Honesty, authenticity and openness are some of my values”

Tim Giles, EMEA Managing Director, Aon Investments

“My focus on high professional standards, personal enthusiasm and passion for ‘democracy’ all shape my personal values and leadership style”

Bill Drysdale, Past Vice President, ICAS

“It's a privilege to lead an organisation that shares your values – about serving others”

Roger Urwin, Global Head of Investment Content, Willis Towers Watson

Leading Self

Developing the Mindset for Success

Through decades of research, world-renowned Stanford University Psychologist Carol Dweck has conceptualised the importance of nurturing a mindset for success. Dweck asserts that it's not intellect, ability or education that sets successful people apart but their mindset, or the way that they deal with the challenges that life and work inevitably throw at them. Dweck offers the distinction between a Growth and Fixed Mindset.

As can be seen from Fig. 2, a Growth Mindset leads to a desire to learn and therefore a willingness to demonstrate the behaviours listed on the right-hand side of the diagram. Dweck's research suggests that those with a Growth Mindset are more likely to reach ever-higher levels of achievement. Conversely a Fixed Mindset leads to a desire to look smart and therefore a predisposition to the behaviours on the left-hand side. As such, Dweck concludes that those with a Fixed Mindset rarely reach their full potential.

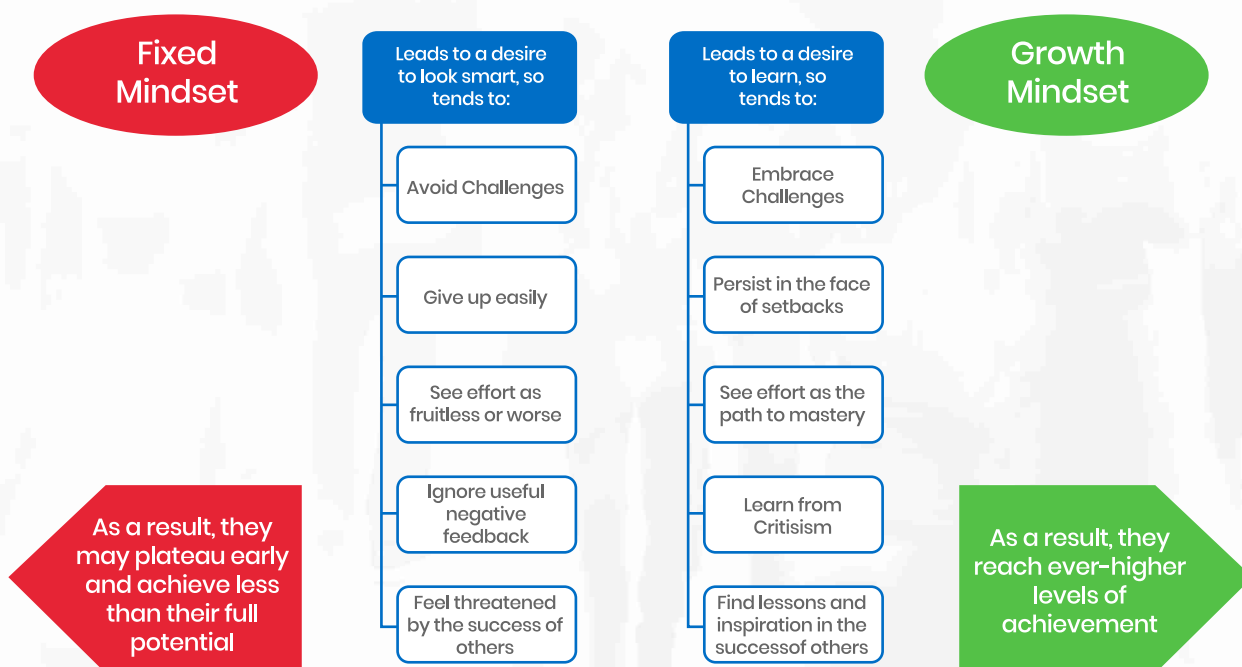


Fig. 2

Diagram based on research by Dr Carol Dweck, Professor of Psychology at Stanford University

Logic dictates that we are likely to have a Growth Mindset in some areas of our life and work, and a Fixed Mindset in others. Dweck offers the following ideas to help us switch from the latter to the former:

- Listen to your internal dialogue. Be mindful of the way that you talk to yourself, especially if you start to recognise yourself in the points captured on the left-hand side of the diagram.
- Look upon mistakes and criticism as learning opportunities.
- Challenge your Fixed Mindset with the thought that you can learn and practise how to do it better next time.
- Remember that you have choices and sometimes the only choice you might have is how you respond to the circumstances you find yourself in. There are often different ways to reach the same goal. Regroup and try again.
- Destabilise your Fixed Mindset with action. Action coupled with positive affirmation, dogged determination and perseverance will go a long way towards neutralising negative self-talk.

Leading Self

Developing the Mindset for Success

Leaders, like everyone, need to continue learning as they develop. Not only will that make them a better leader, but they can act as a role model encouraging a learning or growth mindset in others. However, when challenges arise, many people resort to short-cut solutions and rush to problem-solving mode. While this is appropriate for many situations, it can mean that an opportunity to learn is lost. Argyris calls this single-loop learning.

This rush to fix things can mean that the individual fails to reflect on whether the problem they are solving is part of a pattern. It can also mean that they fail to acknowledge their own role in the challenge or problem or to consider how they might do things differently going forward. By considering both their own role in the situation and thinking about alternative ways of avoiding the problem occurring going forward, the individual is participating in double-loop learning. And by role modelling this kind of behaviour, a leader can encourage everyone in the organisation to be more reflective and exhibit the kind of growth mindset outlined by Dweck. This requires some bravery as it inevitably involves exhibiting vulnerability.

So, what sorts of questions can a leader (or any team member) use to develop their learning ability? Here are some suggestions.

- Has this problem arisen before?
- What role might I have played in the problem arising?
- How might I have done things differently?
- Can I gain more insight by asking for feedback from others?
- Is there anything I can do to help this current situation or to bear in mind for the future?

“I love new challenges/new things/new people. I enjoy turning things around. I always want to get better – comes from an underdog mentality”

Mark McNulty, European Head of Clients, Delegated Solutions, Mercer

“I am not afraid of making mistakes. And I love a challenge – fixing things and having a sense of making a difference”

Baroness Helena Morrissey, Chair elect, A J Bell

“Keep trying and keep evolving”

Stephen Gibb, Partner and former Chief Executive, Shepherd and Wedderburn

“I can have a core of steel in terms of being a completer-finisher and dealing with difficult issues and/or people”

Elaine Motion, Chair and Litigation Partner, Balfour & Manson

Leading Self

Broadening Awareness

In the quest to lead ourselves more effectively there are various tools and techniques that we can employ and embrace to broaden our self-awareness, one of which is to seek feedback from others. Seeking feedback from others can seem daunting but the benefits often outweigh the fear of asking or the prospect of receiving constructive criticism.

Here are a few thoughts to consider:

- What are you trying to achieve by asking for feedback?
- Who might best help you to become more aware of your blind spots? Who will you listen to?
- Are you prepared to accept that your view of the world is only one of many valid perspectives?
- Consider asking: “What might I stop, start or continue doing to grow my leadership?”
- In reference to the Kouzes and Posner Leadership model that is explained in other sections of this paper, the question, “How do my behaviours affect your performance?” is one that, in our experience, many leaders should aim to ask more often.
- To what extent are you prepared to act on the feedback?

Feedback aside, we offer our clients a range of tools to help them broaden their self-awareness. These tools are outlined in Appendix 2 at the end of this paper.

“I love feedback – both positive and negative. I get it from my coach, from psychometric tests, from peers and from 360-degree appraisals”

Tim Giles, EMEA Managing Director, Aon Investments

“Asking difficult or challenging questions and learning from the responses is a great way to identify your blind spots”

Bill Drysdale, Past Vice President, ICAS

“I ask ‘what am I missing’ when making decisions. I seek challenge from others”

Tony Dalwood, CEO, Gresham House

Leading Self

Building Resilience

Leaders are often presented with challenges that they need to address and overcome on a near daily basis. It might be one overwhelming issue or a constant wave of smaller setbacks that undermine expectations, destroy confidence, and force leaders to question their competence or ability to prevail. Leaders therefore need to think about how they build resilience to deal with these setbacks.

A working definition of resilience is the process of adapting well in the face of, for example, change, adversity, stress, disappointment, broken relationships and stalled or unfulfilled objectives. The good news, however, is that resilience involves behaviours, thoughts, and actions that we can learn and develop.

Fig. 3 displays resilience strategies drawn from Hope Psychology, research from Roffey Park and MIND as well as our own experience.



Strategies drawn from Hope Psychology, research from Roffey Park, MIND and our own experiences.

Fig. 3

Starting with Awareness – are you aware of how you are feeling at any given moment? Are you aware when your energy is dipping? Do your shoulders cave in? Does your head go down? Are there times when you would you rather shut yourself off from others than interact. Or maybe you feel dizzy or derailed by everything that is going on in your head. In other words, are you aware of the indicators that let you know how you are feeling so that you can take restorative action if required?

Moving clockwise, are you looking after your Physical Health in terms of exercise, diet, and sleep? How do your habits and routines support your physical and mental wellbeing? Are you leading yourself effectively or letting yourself go?

Does your Lifestyle enhance your wellbeing? Are you engaged in meaningful work? Do you pursue interests beyond work such as hobbies and connecting with family and/or friends? How well do you manage the boundaries between your work and life?

Leading Self

Building Resilience

Who is in your Support Network? With whom do you share your thoughts and feelings when you've had a bad day? Who do you turn to when the going gets tough?

How do you maintain your Mindset? Are you good at putting things into perspective, recognising your sense of agency (or self-belief) and regaining control over your life and work? For more information on this subject please refer to Growth Mindset as discussed above.

“Protecting family time is important – having kids has helped”

Tim Stumpff, CEO, Europe, Principal Global Investors

“I keep a notebook on my bedside table to make notes so that I can switch off at night”

Tim Giles, EMEA Managing Director, Aon Investments

“I practice yoga, breathing exercises and mindfulness every day, eat a vegan diet, try not to keep looking at emails in the evening or at the weekend and use a journal to self-assess regularly”

Mitesh Sheth, CEO, Redington

“I exercise and control food and alcohol intake to maintain my fitness”

Mark McNulty, European Head of Clients, Delegated Solutions, Mercer

“I have a good support group of family, colleagues, church friends. My faith helps as well. And being outside – working with my hands or walking helps me manage my personal energy.”

James Entwisle, Non-Executive Director and former Managing Partner, Hymans Robertson

“I adhere to the 80/20 rule and not worrying about stuff you can't influence”

Richard Foley, Senior Partner, Pinsent Masons

Leading Self

Learning from Influencers

As you might expect, leaders grow and develop in line with the descriptors that are listed below the red arrow in Fig. 4. Their leadership evolves over time, starting with innate characteristics and values, then developing technical expertise and emotional intelligence along the way. As their self-awareness broadens, they learn leadership techniques and approaches from a variety of sources, ultimately developing their own, unique leadership style.

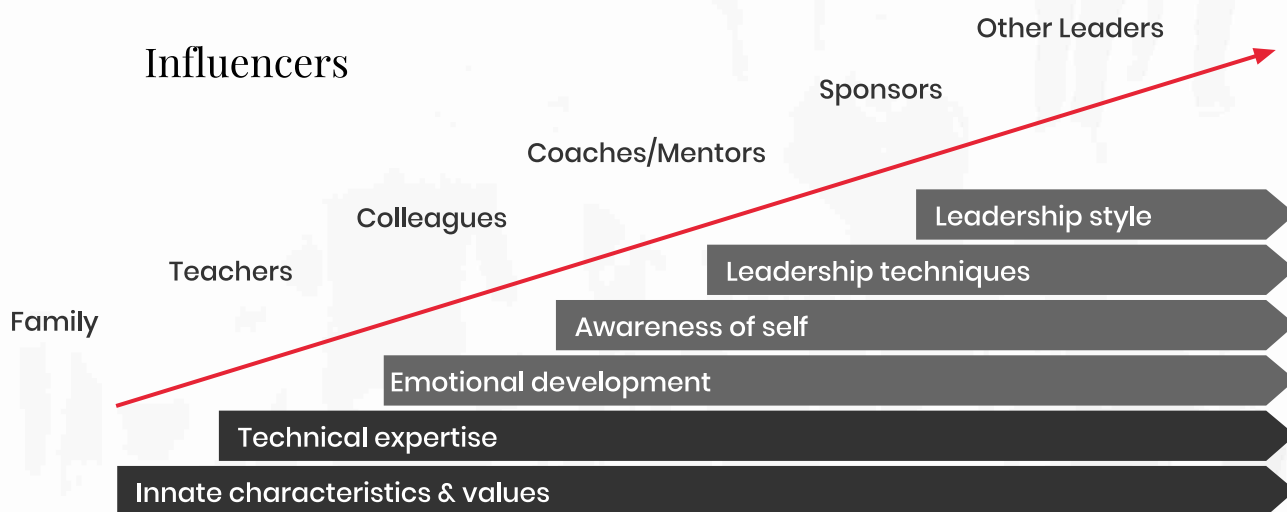


Fig. 4 Leading Figures' Leadership Research Project Findings

Interestingly what we found was that influencers play a key role in leadership development. Those listed above the red arrow in Fig. 4 are the people who shape leaders' lives; from family, teachers, and colleagues to coaches & mentors, sponsors, and other leaders.

Curiously, not all influencers were good role models. Indeed, many of the leaders we interviewed had learnt how to lead more effectively from those influencers whose behaviours or styles were questionable. In other words, poor leadership can still be illuminating.

In the context of Leading Self, our influencers can provide insight and guidance, albeit not always admirable, but nevertheless still valuable, in informing how we might lead ourselves more effectively. Think of your development areas and then identify suitable influencers; you may want to emulate their behaviours if you consider them to be good role models or observe them from a distance if you think otherwise. Ultimately you will be the judge of who you follow, and the architect of how you lead yourself.

Leading Self

Learning from Influencers

“I have picked up what works for me from observing others – both good and bad role models”

Tim Stumpff, CEO, Europe, Principal Global Investors

“I have had leaders who have really challenged me, with quite different styles to me, and I have learned do’s and don’ts from all of them about strategy execution and the importance of navigating organisations and organisational politics”

Mark McNulty, European Head of Clients, Delegated Solutions, Mercer

“I have had a coach for a long time; someone who is perceptive and empathetic and who can play things back in a helpful way”

Roger Urwin, Global Head of Investment Content, Willis Towers Watson

“I was heavily influenced in my early 20s by the passion and drive of a former leader who encouraged people to focus on the needs of the client”

Terri Lucas, Non-Executive Director and former UK Growth Leader, Mercer

Key takeaways

Leadership starts with how we lead ourselves, and we can lead ourselves more effectively by:

- Taking time to clarify our values so that we know what we stand for (and don’t stand for).
- Developing a growth mindset by nurturing our desire for life-long learning.
- Broadening our awareness by asking for feedback from others, either directly or through, for example, psychometric tools and/or 360-degree surveys.
- Building resilience by paying attention to the other key takeaway points as well as our physical health, lifestyle, and support network.
- Learning from those who influence us, regardless of whether they are good role models.



Leading Others

Leadership is most frequently thought of in the context of leading other people. As outlined in the Introduction, ideas on what good leadership looks like have changed radically over the years. We have moved on from seeing the leader as the hero leading from the front; all-knowing and all-powerful. Today's thinking on leadership focuses more on collaboration, supporting others, and sees leadership as more of a team or even organisation-wide activity.

So how can a leader, or leadership team, embrace this idea that leadership is a collective endeavour and what does that mean for how they behave on a day-to-day basis? There are some key actions that leaders can take:

- Empowering others
- Embracing diversity
- Creating a collective vision
- Modelling the desired behaviours

Leading Others

Empowering others

Kouzes and Posner's leadership framework includes an element entitled 'Enable others to act' and that concept is supported by Pink's work which suggests that individuals respond best when they can achieve autonomy, mastery and purpose. Therefore, leaders need to allow individuals or teams to determine how they are going to do their jobs and take timely decisions. But there is still a role for the leaders in creating the safe space for people to do their work; an environment where making mistakes is seen as a way of learning and growing rather than one in which mistakes are punished (also referred to as having a growth mindset (Dweck)).

Leaders can also play a role in helping others achieve their goals. The servant leader (Greenleaf) is someone who sees their role in supporting others to achieve their objectives – the leader as mentor and coach. The leader can also role model behaviours which influence the culture of the organisation i.e. how do we behave around here, what is acceptable behaviour and what is not.

Leaders can support individuals' personal development through active learning – or learning opportunities that link to the job people have. They can also support a flexible approach to working which allows individuals to decide where, when and how they do their work. Micromanagement and a culture of presenteeism are unlikely to create environments where individuals can do their best work.

“I support those that need help and challenge those that are comfortable”

Tim Stumpff, CEO, Europe, Principal Global Investors

“I used to start with a strong logical approach; I now focus on what others need”

Tim Giles, Europe Managing Director, Aon Investments

“I believe others see me as a supporter of them”

James Entwisle, Non-Executive Director and former Managing Partner, Hymans Robertson

“I don't like being told what to do so I won't do likewise to others”

Terri Lucas, Non-Executive Director and former UK Growth Leader, Mercer

“A key driver for me is wanting to see people thrive and the firm generating opportunities for everyone”

Stephen Gibb, Partner and former CEO, Shepherd and Wedderburn

Leading Others

Embracing Diversity, Creating an Inclusive Culture and Managing a High Performing Team

Syed outlines the power of diverse thinking for organisations and society at large. Study after study demonstrate how homogenous teams can miss key risks or opportunities, not because the members of the team aren't individually intelligent, but because they lack collective intelligence (Woolley et al). Therefore, ensuring that both the leadership team and any project or work groups are diverse is key to success in many situations.

So how can leaders think about building a diverse leadership team? It is easy to think about demographic diversity (for example, gender, ethnicity, age, sexual orientation or nationality) and having a demographically-diverse team should be helpful in terms of bringing different perspectives and networks. However, the leader will also want to think about the cognitive diversity of their team (for example people's thinking and problem-solving styles) and the different knowledge bases, networks or experiences that people bring.

But having a diverse team is only the start. To gain the benefits of that diversity, Modi argues that you need to create a safe space for the diverse viewpoints to emerge and be heard. He argues that leaders need to encourage candour and to create an environment of psychological safety (i.e. welcoming challenge and honesty within the group rather than punishing those who express divergent or unpopular views). Kouzes and Posner emphasise the importance of actively listening to diverse points of view. Lencioni outlines the common fear of conflict – the discomfort with 'unfiltered and passionate debate of ideas'. Yet that is exactly what is needed for creative and robust decision-making.

Encouraging constructive conflict can be challenging. Appointing someone to act as devil's advocate or asking 'what am I missing here' gives others permission to express contrary views. Turn-taking in meetings, for example, can be a very helpful way to elicit everyone's views rather than allowing the loudest or the majority view to prevail. Leaders can thank those who have disagreed for the important role they are playing and show empathy for the discomfort that they might be feeling in order to encourage and support the dissenting voices. Leaders mustn't feel it is their job to bring harmony even if that means that the discussions are messy.

Leaders also need to recognise that team members will often feel that the decision-making process is more difficult, uncomfortable and less effective as a result of the divergent views and disagreements that are expressed. Reminding team members of the value of collective intelligence and diversity is key.

A diverse team should exhibit different skills and strengths. A key role for a leader is to recognise and tap into those strengths. Tools like the VIA Character Strengths Survey (<https://www.viacharacter.org>) based on the work of Seligman and PROPHET (Predictive Role Profiling for High-Performing Executive Teams) can be used to understand both individual's strengths but also whether a team has all the skills it needs. Understanding each other's strengths (and blind-spots) can be very helpful in team-building and ensuring that the team members value each other's difference. Learning about each other and identifying what each team member brings to the table can be very helpful. Tools like MBTI and DiSC can help team members to understand each other's preferences and personality styles.

Leading Others

Embracing Diversity, Creating an Inclusive Culture and Managing a High Performing Team

Leaders need to ensure that they aren't trapped in an echo chamber, hearing only what they want to hear. It is very easy for individuals, as they rise through an organisational structure, to become detached from the 'shopfloor'. Finding ways to continue to hear back from the whole organisation, whether that is through pulse surveys, shadow boards or reverse mentoring can be incredibly powerful.

Cultural awareness is another increasingly important skill needed by leaders. This can be developed through engagement with, or sponsorship of, employee resource groups or networks. Being curious about the lived experience of different groups of employees will make a big difference to helping to create an inclusive organisation.

"I try to create a safe space for people to open up by not jumping in with my opinion, encouraging everyone to contribute and using self-effacing humour and humility"

Tim Stumpff, CEO, Europe, Principal Global Investors

"I learn a lot from my mentees"

Tim Giles, EMEA Managing Director, Aon Investments

"I want to embed vulnerability to encourage risk taking – it's ok to make mistakes"

Mitesh Sheth, CEO Redington

"I look to build a cohesive team through exhibiting authenticity, trust, transparency and patience"

Mark McNulty, European Head of Clients, Delegated Solutions, Mercer

"360-degree feedback revealed that people saw me as authentic, consistent, optimistic and relentlessly enthusiastic"

Richard Foley, Senior Partner, Pinsent Masons

Leading Others

Creating a Collective Vision

Past models of leadership have highlighted the importance of the leader in developing a vision that will inspire others. However, increasingly, vision is seen as something that is created by a collective. As Kouzes and Posner put it, a leader needs to ‘describe a compelling image of the future’ and ‘shows others how their interests can be realised’. By involving others in the development of the vision, diverse inputs can be sought but also more people will feel a sense of alignment with the vision. This doesn’t mean that everyone necessarily agrees with every aspect of the vision or that there is complete certainty about the right course of action.

Buy-in to a vision or decision doesn’t need consensus – people can achieve buy-in when they feel their views have been listened to and considered. Buy-in need not imply full certainty has been achieved but the recognition that, in many cases, any decision is better than none. Having everyone involved in a decision then communicating it to their teams is also helpful for ensuring that the leadership team is aligned with the pursuit of the agreed course of action.

“Inclusive leadership is about setting strategy by engaging with more people”

Roger Urwin, Global Head of Investment Content, Willis Towers Watson

“Winning as part of a team is a key driver of my leadership style”

Tony Dalwood, CEO, Gresham House

“I can’t be the expert and don’t want to be the expert. My role is to create the right environment for success”

Joanna Munro, CIO, HSBC Global Asset Management

“What drives me is seeing my team succeeding in building a business which is world leading”

Deb Clarke, Global Research Chair, Mercer

Leading Others

Modelling the Desired Behaviours

An organisation's culture is about 'how things work around here'. It is about the accepted norms of behaviour. Therefore, if an organisation wants to recommit to its espoused culture or to change it, everyone has to play their part. But inevitably the leaders in an organisation will be the most visible proponents of what behaviours are encouraged or tolerated. Therefore, the leaders must 'walk the talk'. Kouzes and Posner emphasise this in their framework when they talk about 'modelling the way' and setting an example of what's expected.

Many organisations have articulated values around integrity, respect and collaboration. But if the leaders are not exhibiting these behaviours, or calling out others who deviate from them, then these values are just words on a page and do not describe the organisation's true culture. Therefore, a leader's behaviours can have a powerful impact on the behaviour of others. Seeking feedback from others on the extent to which a leader is role modelling the espoused values, and the impact of their actions on others, is an important way of monitoring the reality. Many of the leaders we interviewed talked about the challenge of getting honest feedback from colleagues with many relying on family or coaches to help with this.

Similarly, if an organisation has agreed ways in which people are hired, promoted and rewarded, then it is critical that everyone in the organisation feels that these methods are fair and consistently applied (obsessive consistency). This is particularly important for helping minority groups to feel as though they belong.

Kouzes and Posner also focus on the importance of encouraging the heart. If giving or receiving constructive feedback is difficult, it seems that giving praise for a job well done is often just as difficult. Finding ways to show gratitude to others and celebrate successes is an important role for a leader. However, some individuals will find public displays of gratitude embarrassing while others will glory in the limelight. The leader needs to consider the best way to say thank you to different individuals.

"I call out poor behaviour"

Mitesh Sheth, CEO Redington

"People look up to me as a role model which is unexpected, insightful and makes me smile"

Elaine Motion, Chair and Litigation Partner, Balfour and Manson

"People trust me even if they don't like what has been decided"

Joanna Munro, CIO, HSBC Global Asset Management

"People want confidence and humility – it's a difficult balance. People want vulnerability and authenticity but sometimes you can exhibit too much"

Luba Nikulina, Head of Research, Willis Towers Watson

Leading Others

Key takeaways

Leaders play an important role in getting the best out of the people they work with. To do this they need to think about:

- Empowering others to be the best they can be
- Building a diverse team and then harnessing the benefits of diversity through an inclusive culture
- Encouraging challenge and seeing feedback – listening skills are key
- Role modelling inclusive behaviour and challenging any deviations from espoused values or agreed processes

Conclusion

Leadership starts with how we lead ourselves but is most often thought of in terms of how we lead others. Others may include colleagues, staff, and clients as well as everyone from the new student intern to suppliers and Board Members. Regardless of their role or authority, however, leadership is about treating all stakeholders with the same, fair-minded, inclusive approach.

Others will ultimately decide whether you are a leader regardless of your title, but rest assured, leadership is learnable, especially if you are prepared to apply a growth mindset. Effective leadership is within your reach, irrespective of whether you are an aspiring leader, wondering where to begin or an established leader with challenges that sometimes feel overwhelming.

During our research we learned that leaders tend to develop their own style over time, building on their innate characteristics and values, developing technical expertise and emotional intelligence along the way as they are influenced by everyone from family members and teachers to colleagues, mentors, and sponsors – not all of them necessarily being aspirational role models.

A wealth of leadership styles has emerged over the years from 'command and control' to people-centred leadership, servant leadership and inclusive leadership of the sort that fosters organisation-wide collaboration. These are different approaches with one common thread; leadership is about relationships and effective leaders take people with them by tapping into others' emotions. They make people feel valued, motivated, and empowered which can translate into greater loyalty, higher performance, and better results.

Learning to lead doesn't mean changing who you are. For example, you don't need to be an extrovert to be an effective leader. What you do need to do is clarify your personal values and put them to work. In dealing with others, leaders garner respect when they demonstrate consistency in what they stand for (and won't stand for).

If you want to develop your leadership without compromising who you are then you may wish to consider the Kouzes and Posner Framework; a practical yet robust model which offers 5 Key Practices as outlined and discussed in this paper. Many of our clients have embraced the 5 Key Practices as a means of growing their individual leadership and introducing as well as instilling a common leadership language across their organisation.

In the knowledge that leadership starts with how we lead ourselves it's worth investing time in your development. As discussed, clarifying your values, and nurturing your mindset for life-long learning are foundational. The theory of double-loop learning is also invaluable – an antidote to the fact that we are often complicit in creating the problems that we might initially blame either on others or circumstances beyond our control. Remember too that in growing as a leader you can broaden your awareness by seeking direct feedback from others as well as leveraging tools such as those outlined in Appendix 2.

Conclusion

To help you weather the inevitable storms, it makes sense to build resilience. Being able to adapt to changing circumstances and recover quickly in the face of adversity is key to life and leadership longevity. Drawing on the strategies highlighted in this paper should therefore be viewed as obligatory rather than optional, otherwise you may find yourself burning out at both ends of the candle.

In leading others, you no longer need to be the all-knowing superhero. What you do need is the ability to create the conditions for collaboration and psychological safety; a mutually supportive and inclusive culture where people thrive through constructive conflict and collective endeavour.

Mindful of the Kouzes and Posner Framework, creating these conditions means empowering and enabling people by allowing them to do their job whilst encouraging them to be the best version of themselves, especially in tough times. It also means embracing diversity in every sense of the word so that people feel that they belong. It calls for the ability to create a shared vision to which people feel inspired and aligned. In doing so your active listening skills will be crucial as will your role modelling of the values and behaviours that are espoused by your organisation.

In closing it is worth reiterating that leadership is learnable, and to become effective leaders we need to invest time and energy in the theories and practices outlined in this paper. Remember that leadership starts with how we lead ourselves. Get that right and others will surely follow you.

If you would like to discuss any of the themes covered in this paper, please contact us at info@leadingfigures.com

“I have an inner compass that guides me”

Baroness Helena Morrissey, Chair elect, A J Bell

Appendix 1

Values Exercise

| CORE VALUES | A | B | C | D | E | F | G |
|-------------|---|---|---|---|---|---|---|
| A | | | | | | | |
| B | | | | | | | |
| C | | | | | | | |
| D | | | | | | | |
| E | | | | | | | |
| F | | | | | | | |
| G | | | | | | | |

Think of seven personally relevant values and enter these in the column on the far left of the grid, under the heading 'Core Values'. The seven values should also be entered, in the same order, across the top row of the grid.

Look at the first intersecting pair of values – start with Value A in the top row and Value B in the left-hand column. Decide which of the values from that pair matters most to you. Record the appropriate letter in the relevant white square that sits at the intersection of the two values. Do the same for Value A (top row) and Value C (left hand column), then Value A (top row) and Value D (left column) etc until you have recorded a letter in each row in the second column.

Follow the same format starting with Value B (top row) and Value C (left column), then Value B (top row) with Value D (left column) and so on.

Continue in this way with all other pairs of letters on the grid – please leave the dotted squares empty.

The purpose of the exercise is to broaden awareness around the relative significance of some of the values in your life. It is not intended to provide a reliable hierarchy of personal values, as values are subject to change across time and often across context. You may have noticed yourself thinking that some of your values are more important in some circumstances than in others. You may also have found that some of your value pairs can occasionally come into conflict with one other.

Appendix 2

Awareness Broadening Tools offered by Leading Figures

Myers-Briggs Type Indicator (MBTI)

The Myers-Briggs Type Indicator (MBTI) is an introspective self-report questionnaire that indicates differing preferences in how people perceive the world and make decisions. The test attempts to assign four categories:

- Introversion or Extraversion
- Sensing or Intuition
- Thinking or Feeling
- Judging or Perceiving

One letter from each category or dichotomy is taken to produce a four-letter test result, like "INFJ" or "ENFP".

The purpose of the exercise is to help people understand themselves better. When we know what motivates and energizes us, it helps us to seek opportunities that most suit our personality. This insight also helps us improve our relationships with others. The more we recognise our own preferences, the better we can manage and monitor our behaviour around others. Moreover, when we understand the personality types of those around us, we can use that knowledge to improve the way we communicate and interact with them.

PROPHET (Predictive Role Profiling for High-Performing Executive Teams)

PROPHET helps leaders understand their business preferences and implications for working with others. The tool, which is a registered test with the British Psychological Society analyses:

- Business Motivations
- Decision-making Styles
- Inclinations towards critical business activities and
- Provides a Heat Map of Role preferences against a typical business cycle.

PROPHET is very much a business orientated tool that helps executives to understand the impact of their business preferences, how to maximise these and when to modify their approach to build better relationships with those who have different tendencies.

Appendix 2

Awareness Broadening Tools offered by Leading Figures

Leadership Practices Inventory® 360 Feedback (shortened to LPI 360)

The LPI 360 is an observer-based tool for leaders and managers at all levels in an organisation. The tool incorporates the LPI Self-assessment (completed by the Leader) and the LPI Observer (completed by others chosen by the Leader) so that the leader can compare their self-assessment against their Observers' feedback. The 360 focuses on leadership effectiveness as well as the level of commitment, engagement, and satisfaction of those who follow.

Applying the principles of Kouzes and Posner's Five Practices of Exemplary Leadership® model, the LPI 360 enables individuals and organizations to measure their leadership competencies and act on their discoveries. Leaders will gain deep insight into how they see themselves as leaders, how others view them, and what actions they can take to improve their effectiveness.

Typically, it takes an Observer approximately 30 minutes to complete the LPI 360; 10-15 minutes to score the 30 statements and a further 15 minutes to respond to the four open-ended questions. Leaders choose their own Observers which fall into four categories: Line Manager, Co-workers, Direct Reports and Others. Leading Figures recommends a minimum of 10 Observers and an optimum of 12 with at least 3 Co-workers, 3 Direct Reports and 3 Others (as well as one Line Manager).

The Line Manager's scores are identifiable, the rationale being that leaders should already be aware of their Line Manager's feedback and, if not, the feedback should be something they can easily speak to their Line Manager about.

Appendix 3

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