

Leadership Effectiveness in a Changing Business World

Given the multi-faceted challenge of leadership, and its transformational forces, how do you ever know where you are at and where you are going? The sense of disorientation can overwhelm and with that, the fundamental need to remain grounded.

There will always be ambiguity, the very reason we need leadership. Leaders are in the ambiguity business. This has of course come into sharp focus during the pandemic and will and should change the nature of business leadership for the better moving forward.

Table 1 below summarises the results of a recent study of several successful leaders, which suggests some lessons for leading during a crisis. **It highlights that instinctive responses will not always be what is needed in such uncertain times.**

Table 1 Overcoming instincts to lead effectively

Instinct when facing uncertainty	Needed in a crisis
Seek more information	Act with urgency
Be resolute and justify actions	Acknowledge and respond to mistakes
Stay the course	Adapt and update continuously
Talk down threats and withhold bad news	Communicate with transparency and clarity

Adapted from Kerrissey and Edmonson³

Do I Believe in My People and Do They Believe in Me?

There is no more important question. You will require a system to work it out, and you need to do the work. Set aside an hour or so every month, a fresh journal page and a pad of sticky-notes.

Start with you- the leader. At the top of the page, add the date, and then write down the simple question:

“What makes me – as a leader -believable?”

Then set about answering by taking a 360-degree view, from the perspective of all of those with whom you require their belief - Your Board, your boss, your fellow leaders, staff, and your customers and key stakeholders.

Leadership Questions

A checklist could include questions relating to your leadership: -

- *Do you always bring positive energy?*
- *Are you a teacher or a teller?*
- *Are you focused on getting it right, or being right?*
- *Are you consistent in your attitude and motivations?*
- *Do you do the right thing, even when it's hard?*
- *Have you established well-understood performance expectations and do you model these? After all, it is not what you promote, it is what you permit.*
- *Are your personal, team and organisational strategies aligned, compelling and makes the best use of scarce resources?*
- *Do you have the functional capability to be believable in your domain?*
- *Are you building a track-record to support your assertions?*

For each of the questions, ask yourself: -

- *What are two of my behaviours that support this value?*
- *What are two of my behaviours that are outside of this value?*
- *What is a leadership habit that will allow me to embed this value more consistently?*

Leadership with Common-Sense

Asking customers exactly what they want and then addressing their needs seems like a very common-sense approach to doing business. However, common sense has become an increasingly scarce commodity for many organisations.

Instead of creating a web of excuses to justify an increasingly complex system, it is recommended organisations adopt a common-sense management approach grounded in empathy.

The Three Pillars of Common-Sense Leadership

For leaders, common sense management has three main pillars: the ability to be vulnerable, the ability to create a strong sense of purpose and the ability to [create a collaborative environment](#).

Showing vulnerability is difficult for leaders but it is key to connecting with your team and showing them that you have weaknesses too - two things are happening. First, you're very clear about where you're good and where you're weak, and therefore you can focus on that.

The second pillar, creating a strong sense of purpose, is particularly important for younger employees. They want to be part of a tribe, or a movement, where there's a sense of purpose. And if there is no sense of purpose, they're out of there.

Thirdly, leaders need to create a collaborative environment for their teams, without the constraints of departmental KPIs and office politics. A good leader today is only present to break down those silos, through the collaboration aspect. Collaboration helps you see things from a common point of view, and this provides for an empathetic perspective being created. And empathy means that suddenly common sense is present.

Prioritise and Be Comfortable with Saying 'No'

Empower middle managers to adapt and innovate in the face of an increasingly fast-moving business world. It is recommended you adopt a three-pronged approach to building common sense into decision-making, including delegating effectively down the line.

First, managers need to exercise strategic prioritisation and control the pace and flow of their own work.

Second, leaders need to cultivate influence. The key toward managing effectively and exerting influence is about getting leaders to help their teams do more and achieve more - it's about helping their organisation to be better.

Finally, the fast pace of business means **middle managers must learn how to be strategic.**

Situational Response = Outcome: SH x R = O

Success as a leader is not determined by the situations we experience but our response to those situations. We do not control the events of our lives, but we have power over our response. It is a daily practice, a learned skill, checking in on what is happening inside you in response to what is happening around you.

Hence the formula for leaders: -
Situation Happens (SH) x Response (R) = Outcome (O)

Your **R** is most important when the **SH** is most challenging, and often it's when leadership gets personal when your behaviours are being questioned.

Leadership isn't what you preach; it is what you **practice**, and often underestimated, is what you **permit**. Yes, there may be some understanding, albeit fleeting, for what is happening **around you**. Perhaps there is some empathy for what is happening **inside you** by the few who may have this insight.

But as leaders, we are measured by how we **show up**.

Difficult situations can cause us to drift away from our proclaimed principles and beliefs. Noisy and weighty, we become distracted and tired. It is so easy to get caught up in blame, criticism and deflection, responses that may find friends easily - but offer no solution, no way forward.

Leaders must rise above this- **be conscious and thoughtful**. Make your "**R**" better than any "**O**" that is thrown at you and it starts with how you talk to yourself. Find your voice and all of its power to cut through the noise. It starts with pressing your personal pause button. Quiet the mind. Take out a pen and paper, write down the question:

"What does this situation expect of me?"

Then write three words underneath with some space in between- **Brave, Calm, Humble**.

Now write down a sentence next to each of these words related to the context and content of the "**SH**". For if nothing else, as a leader, the situation requires you to be calm, humble and brave. A high-performance culture requires high-performance behaviours, which are established via high-performance habits.

So, what mindset shifts do leaders need to make, for organisations to move from **crisis phase** to the **recovery and re-imagine phases**? Some suggestions are outlined in table 2 below.

Table 2 Mindset shifts

Dimension	Respond	Recover/reimagine
<i>Economic and social environment</i>	Volatile and unpredictable	"Next" normal
<i>Attitude</i>	Reacting	Innovating
<i>Dominant focus</i>	Internal	External and market making
<i>Planning</i>	Contingency planning	Scenario and strategic planning
<i>Management style</i>	Crisis management	Agile decision making and management

For more information on leadership, we suggest you read the following short guide – “Leading out of a Crisis – Some Perspectives from COVID-19” - Click on the link [HERE](#) to access the guide.

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