The Way Ahead Series: Practical Advice for Leaders, by Leaders

How to Strengthen Your Leaders' Performance

A new series of articles, written by many, and presented by Richard Moore, CEO of Mercuri Urval



FOREWORD

In our 'Way Ahead' series of articles, Richard Moore leans on the track record of Mercuri Urval's consulting team and insights from our global network to offer practical advice on important topics that CEOs and Boards face, through and beyond Covid-19. This article addresses an essential question Boards and CEOs face:



What improves leadership results in times of rapid change? How to strengthen your leaders' performance

Other articles in 'The Way Ahead' series address important associated challenges:

- What are the new conditions we face and what opportunities can we see? How to navigate the best course
- What changes do we need to make in our organisation?
 How to organise for success
- What leadership do you need? How to secure leaders that will succeed
- Read more about this and the additional advice and stories from leaders who already commented

Join in, please

I also invite you to continue to **add to the advice we present, as contributors.** With your active involvement we leaders can share more practical advice that makes for stronger organisations in the future. Please join in and send us your stories and advice, so we may include it in this series.

Richard

What improves leadership results in times of rapid change?

How to strengthen your leaders' performance

As the world searches to find its way through and beyond the impact of Covid-19, leaders are under the microscope as never before. In politics, in society and in business, leader's immediate, systemic and sustained impact is more important and transparent than ever. And the context in which leaders must perform has never been less stable. Whilst leaders wrestle with different operational challenges – liquidity issues, supply chain challenges or unpredictable spikes in demand – a successful strategy must nonetheless have leader improvement at its heart. The uncertainty we face only increases necessity and implies a fresh approach.

All organisations need different leader competencies now

Strong leaders ask themselves: In these changing times, how effective a leader am I? The self-insight they build, and the improvements they make as a result, will see their teams through to renewed success. Without intervention, other leaders will carry on as before, oblivious to the need to change. Sadly, many of the teams they lead will flounder. However successful a leader was before, in a new situation they will need to change and build new competencies to remain effective. Boards and CEOs must act quickly to ensure that leaders develop their impact now, so their teams may successfully adapt to new conditions.

You urgently need to accelerate the development of your leaders

As conditions and plans change quickly, the time for leaders to develop new or different expertise is shortened. There is no organisation that would benefit from delaying improving leader perfor-

mance in a period of rapid change. No teams whose success will increase if their leader stands still. The strongest know this and will think afresh now:

- Each leader's impact on their teams has never been so important. What must and can change?
- Every one of your leader's need new competencies to be effective. What should be developed?
- Accelerating your leader's development won't wait. How can each leader best improve?

How to strengthen your leaders' performance?

Your new business plan to take you through and beyond Covid-19 will have a focus, and a cost, for improving Board, CEO and leader performance. Like any cost, the return on efforts to improve leader performance need to justify themselves – this expenditure is not a long-term hope, but rather a sharp decision designed to improve results. To increase certainty about decisions on leader development, combine specific organisational goals with what is known about how adults learn, the psychological impact of change on people and wrap this into a good practice project management process that answers three key questions leaders face:

- 1. What in the Leadership must and can change? Analyse improvement needs by focussing on the fewest possible most important results and the leader's strategy to achieve them. Leaders can then be guided to correctly understand what performance will impact their team's achievement most and connect this to their own pre-existing capabilities and motivation. To develop, leaders need to understand the most important business requirements and how these connect to their personal opportunity to change.
- 2. What Leadership capabilities need to be developed? Leaders need a tailored action plan that focusses on activities which explicitly create development opportunities and have a large impact on strategy execution. Such a practical plan will improve leader results through step by step sprints focussed on action. Acting will enable behaviours to change. The sprints enable adaptation. Leaders don't learn more effective strategy execution as a stereotypic behaviour that suits every context, rather they develop few carefully selected and already existing capabilities through acting in real life.
- 3. How can each Leader best improve their performance? To develop, leaders need to form new habits that will ensure their teams succeed more. This requires exploring new behaviours based on current capabilities, strengthening their network, getting valuable feedback and focussed practice. Then development will happen in teams through co-action with others, one competence at a time. Leaders develop over time by building on personal experiences earned in current and previous leadership tasks.

By answering these three questions in turn, and applying expertise from fields of neuroscience, professional sport coaching, developmental psychology, pilot simulation training and best practice project management methods your leaders can improve performance and teams results now – for, during and beyond any uncertainty.

1. What in the leadership must and can change – how to analyse improvement needs?

"Progress is impossible without change" - George Bernard Shaw, playwright and political activist

Much is said right now about 'general changes' needed in leader capability and working style, in response Covid-19. We sourced views from around 50 board directors, CEOs and executives

around the world. We asked: What leader impact is most needed for your organisation's 'Way Ahead'?

CONTEXT ORGANISATIONS DESIGN LEADERSHIP MANY CORE INFORMAL WORKING ADAPTATION DIGITAL STAKEHOLDERS SUPPORT SMART IMPLEMENTATION HUMBLE CHANGE

HELP **NEW** KEY

SUPPLY DIFFICULT

COMPANY BOARD COMPETENCE

VITAL CHAIN

INTELLIGENCE

THINKING GROW COMPANIES **MINDSET EMPHASIS** NORMALITY **WEEKS IMPORTANT** COLLABORATION **MARKET CULTURE**

NEW NEED

MANAGEMENT ACTUALLY ADAPT SITUATION FUTURE CHALLENGES STRONG WORLD EXPERIENCE TRANSITION REALITY PURPOSE

Themes relating to people engagement were most raised - the most common words were 'leader', 'new need', 'team' and 'people'. Read what leaders had to say here. And a quick google search returns extensive Covid-19 based blogs about the need for leaders to improve in engagement, team working, compassion, communication and change management. It is fair to say, that through uncertainty, active and purposeful engagement to influence colleagues and teams seems essential to all leaders. However, what really matters, the science and our leaders feedback told us, is not these general leadership development concepts. Rather what matters most is how leaders can quickly apply updated expertise to be more ef-

fective in their own unique business context.

Increase self-awareness and situational insight

An individual SWOT is a sound tool for matching leadership development to the new needs of an organisation. Answering: What needs to change and what can?

Reflecting on yourself as a leader brings this to life. Firstly, remember what you must do well in order to pursue your organisations vision and ensure your strategy is executed. Consider your required:

- Decision making
- Interpersonal relations
- Operational management

Then complete an Individual SWOT to prioritise your most important personal improvement goals - those that have the biggest impact on success and match them to the opportunities that you have to develop. Think with effort, as a good SWOT makes what is hidden obvious:

- What relevant abilities and expertise do I have to do the needed things well?
 - Strengths to build on
 - Weaknesses to mitigate through others or personal change
- In my changing professional context, what opportunities to develop do I have - and what stands in my way?
 - Opportunities to improve my performance
 - Threats to derail my development intent

An effective SWOT will develop awareness of a leader's classic biases as a human being, avoiding their misunderstandings and misperceptions about their impact on others and on results. The more insightful the leaders SWOT - with the facilitation of a suitable leadership expert and/or, utilising multisource feedback – the better the leader's self-insight and goal setting is.

With the most vital development goals properly understood the hard to see is now clearly visible. Effective actions that connect impor-

tant business requirements with personal opportunity to change can now be developed.

Struggling with a leaders SWOT?

Have them think about how they changed before. Identify around 5 major influences that made a difference to the way the leader worked before. Formative experiences – what was the event, how did it create development?

- A powerful piece of feedback
- Very demanding tasks
- Other people (leader, peers, team members, network)

- Crisis and struggles
- Personal life experiences
- Change experience

What was the opportunity, how was the inertia that can stop development effort being realised overcome?

2. What should be developed? Set a dynamic and tailored action-based plan

"Have a bias towards action – let's see something happen now. You can break that big plan into small steps and take the first step right away"

Indira Gandhi, politician and stateswoman

With the leader's most important changes identified, the opportunity to develop now needs to be turned into effective action. In times of rapid change, speed and focus are critical. Executives don't learn by thinking their way into new actions, that is like swimming without water. Rather, experienced leaders develop in the context of their work situation by acting into new behaviours and they sustain these new behaviours by realising their impact on success:

- Individual improvement is incremental and builds over time. Sprints enable adaptation
- A practical and action-based plan will accelerate change. Deliberate action creates change
- Focus on improvement objectives should be phased. Adding capability one step at a time allows habits to form and sustains performance improvement.

Sprint

A cursory review of your organisation's IT development will most likely indicate that these days, your systems are developed more quickly and cost effectively than they were some years ago. It is not only the technology that has become more agile to make this happen of course, the way teams develop IT solutions, in sprints, has become more dynamic too.

Like everyday sprints, project management sprints are designed to reach concrete goals faster, by breaking down longer term changes into smaller actions that can be achieved and then moved on from. The IT environment has been fast changing for years, now, as leaders perform in a more volatile context, they need development plans to navigate in situations where they are not in control as before - perhaps not having fully understood the situation and all its implications. In this situation, shorter sprints with a singular focus are better at creating action and momentum - and are more adaptable to change. At the same time sprints are still a controlled process needed to measure advancement and adjust development focus as conditions change.

Act

The focus of leader development sprints are actions that will improve results and enable behaviours to change. Actions that also match a leader's sense of purpose and motivation to learn. A sound checklist for a leader development action is:

- V Result orientated: The leader must see the link between their effectiveness, the action and the business result. Goals need to show a return greater than the effort to pursue. Actions must be relevant to the leader and focused on their situation. Avoid excesses and distractions.
- Achievable, just: Actions should reasonable, realistic but stretching and agreed with others who can credibly give feedback. Incremental changes are more sustainable than revolutionary. Avoid easy.
- Single action focused: Planned achievements must be well defined and focused with an owner. Actions should be measurable to make objectives clear. A small action is better than no action. Avoid vague objectives and trying to pursue more than one action at once.
- Short-term: Actions need to have a deadline to secure urgency and monitor and be evaluated in an organised way to ensure they remain sound as conditions change. Avoid out of date goals and long-term dreams.

Leaders improve by developing few carefully selected and already existing capabilities in real life. Sprints speed up achievement and focussed action increases the probability a leader can make meaningful change by forming new habits, even through uncertain times. With a focussed and workable plan of actions clarified, your leader can now put in the effort to improve.

3. How can each leader best improve?

"Leaders are made, they are not born. They are made by hard effort, which is the price which all of us must pay to achieve any goal that is worthwhile"

Vince Lombardi, American football coach, and executive in the National Football League (NFL)

In times of rapid change accelerated development is required, or else the leader is always 'behind the curve'. Just because leaders develop over time by building on personal experiences, does not mean this time frame cannot be shortened. We know that leaders will adapt and grow fastest when they build on current capabilities, leverage their team, strengthen their network, pursue focussed practice and get valuable feedback. Development happens quickly and sustainably on the job through co-action with others, one competence at a time. But how in practice can a leader be helped to develop?

Be precise and follow up

Effective 'in context' leader development requires focus on the fewest possible most important result needs. An elite sports coach doesn't propose an athlete runs faster. Rather they analyse improvement needs by breaking down specific areas where building on strengths will improve technique and success. So, it is with leader development:

- Have a clear focus on the most important results that need to be achieved in the future
- Build on or adjust existing strengths to aid future development goals being realised sustainably
- Development areas must relate to specific changes that can be measured, are valuable to the individual and are realisable in the needed timeframe.

Realise that leadership is developed not learned

Knowledge from training experienced surgeons and fighter pilots tells us that leaders should com-

plete very demanding and relevant development tasks if they are to improve 'real world' capability. Setting leaders intense development projects overcomes emotional inertia that restricts effort to develop. And reduces time to competence. Because expert leaders don't just know more than those with less competency. Their knowledge is organised differently, in structures that enable them to make better use of their knowledge, faster and 'on the job'. Variety of work experience over time is crucial to leader development because it is the only way to expose leaders to the many aspects of leadership required to lead effectively in complex organisations through rapid change. Effective leaders have developed experienced-based knowledge that increases understanding of what important information is in a given situation - therefore their ability to determine what action to take in response to that information is enhanced. Efforts to aid and accelerate your leader's development should focus on how they use information from current or prior experience to improve problem solving in a new situation.

Work on the leader's whole team

As Leaders do not work in a vacuum, they should not develop in a vacuum. Leader development, if effective, does not only make the leader more successful but it improves the performance of their followers at the same time. And takes advantage of the teams' common goals and dynamic to increase the speed and sustainability of leader growth. The heightened level of commitment in the team means new knowledge, insights, and perspectives can be tried and tested with reduced restrictions from the fear of failure. And increased digitalisation that most companies have been

forced into recently, opens the possibility of new teams forming faster. When the leader role models their own development a further accelerant on performance improvement is created. Openness about the desire and need to improve builds trust between follower and leader – allowing for better feedback and encouraging others in the team to improve their performance as well. Leaders should grow through practice and measurement of progress, not in isolation, but with the with active help of others as a catalyst. And the leader's team can be much more than they think – larger and more diverse. The leader's total network is their true development team.

Increase network strength

Imagine that your leader understands that their 'team' is all the people close to them, at work and outside - their whole network. In the past it was often said that developing a leader was about the individual leader's leader competencies - their own skills and abilities. But the full impact a leader has relates as much to the network power they can bring to bear on problems and opportunities. Leader development must focus on strengthening their network - not only developing what is inside the leaders own head. Leader strength can be improved fastest when development focuses on adding the right capabilities to the leader's network. After all our capability to perform is represented not by our own expertise alone - rather the skills, knowledge and competence we can access. The new colleagues we can readily employ who have the needed expertise, the alternate suppliers, partners, and a selection of advisers we can trust and reach out to right away. A strong, close and diverse network creates a huge ability for leaders to adapt and react as conditions change - much faster than anyone can develop, a leader can bring in an expert who knows what to do already. Building networks of relationships among individuals enhances growth and closes

knowledge gaps instantly. Leader development includes strengthening leader network, so the leader is well equipped to reach out for quality help at the drop of a hat.

Practice and feedback

To anchor new behaviours leaders need to practice. Skills are acquired and expertise is built through repeated practice and experience. If 10,000 hours is a basis for competence, then a lot of practice all the time is an essential accelerator of competence. And as in IT development, stress test your leaders. If a skill can be practiced under extreme pressure, normal demand will make it a natural winning behaviour.

And as they practice, leaders need feedback to focus and steer development actions. Especially when conditions around them change. The most powerful feedback that drives development is succinct and impactful, and not always what the leader wants to hear. The strength of the leader's learning orientation and the leader's access to feedback play a major role in them successfully changing behaviour.

Leaders develop through specific actions, leveraging teams, strengthening their network, extensive practice and continual effective feedback. They develop fastest 'on the job' by building on personal experience that was earned in current or previous leadership tasks.

In times of rapid change, it is vital that leaders can and do develop. Standing still is not an option.

Here is a summary of the key points to ensure your leaders improve their impact on results.

Checklist for strengthening leaders' performance:

- ✓ Define the strategic result you will impact
- Increase the leader's self-awareness and situational insight
- Select the most vital few development opportunities
- Plan short term action-based sprints to act into new behaviours
- Focus on developing existing strengths and expertise
- Work on and with the team and the network at the same time
- Secure hard practice and effective feedback
- ✓ Follow up outcomes and sprint again

And this insight from leaders completes our 'Way Ahead' series:

- What are the new conditions we face and what opportunities can we see? How to navigate the best course
- What changes do we need to make in our organisation? How to organise for success
- What leadership do we need? How to secure leaders that will succeed
- What will improve leadership results in our organisation? How to strengthen leader performance

Much of the content in our 'Way Ahead' articles came from fellow leaders in our network. As they did, please send your ideas, additions, questions and challenges to me, and we'll develop our advice with your input included. And if you need expert assistance to develop the leaders that will pave your Way Ahead to success, our team is ready to help – online, face to face, wherever you are and wherever you need us.

Richard

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About Richard

Richard is Mercuri Urval's Chief Executive Officer. Richard leads the Mercuri Urval team worldwide, working closely with colleagues and clients in all sectors across Europe, Asia-Pacific and the Americas. Prior to this he has more than 15 years' experience in advising organisations in Leadership Acquisition and Business Transformation. Richard has a Masters in Psychology and is also a Board Member and Partner at Mercuri Urval.

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