

Adaptive leadership

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Today

- Insight into what adaptive leadership means and what leaders do in these complex times
- Reflect formally and informally on your leadership challenges
- Practical but based on theory and experience
- Leadership in action : yourself and stories

The world : uncertainty

- **“if you are not confused you do not know what is going on”**

Fortune 500 CEO

- **“our world is dominated by the extreme, the unknown and the very improbable while we spend our time focusing on the known and the repeatable”**

Taleb N. The Black Swan: The Impact of the Highly Improbable (2007)

- **“world will never be the same as before anymore”**
many, many, many people

VUCA world

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complexity

Characteristics: The situation has many interconnected parts and variables. Some information is available or can be predicted, but the volume or nature of it can be overwhelming to process.

Example: You are doing business in many countries, all with unique regulatory environments, tariffs, and cultural values.

Approach: Restructure, bring on or develop specialists, and build up resources adequate to address the complexity.

volatility

Characteristics: The challenge is unexpected or unstable and may be of unknown duration, but it's not necessarily hard to understand; knowledge about it is often available.

Example: Prices fluctuate after a natural disaster takes a supplier off-line.

Approach: Build in slack and devote resources to preparedness—for instance, stockpile inventory or overbuy talent. These steps are typically expensive; your investment should match the risk.

HOW WELL CAN YOU PREDICT THE RESULTS OF YOUR ACTIONS?

ambiguity

Characteristics: Causal relationships are completely unclear. No precedents exist; you face “unknown unknowns.”

Example: You decide to move into immature or emerging markets or to launch products outside your core competencies.

Approach: Experiment. Understanding cause and effect requires generating hypotheses and testing them. Design your experiments so that lessons learned can be broadly applied.

uncertainty

Characteristics: Despite a lack of other information, the event's basic cause and effect are known. Change is possible but not a given.

Example: A competitor's pending product launch muddies the future of the business and the market.

Approach: Invest in information—collect, interpret, and share it. This works best in conjunction with structural changes, such as adding information analysis networks, that can reduce ongoing uncertainty.

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HOW MUCH DO YOU KNOW ABOUT THE SITUATION?

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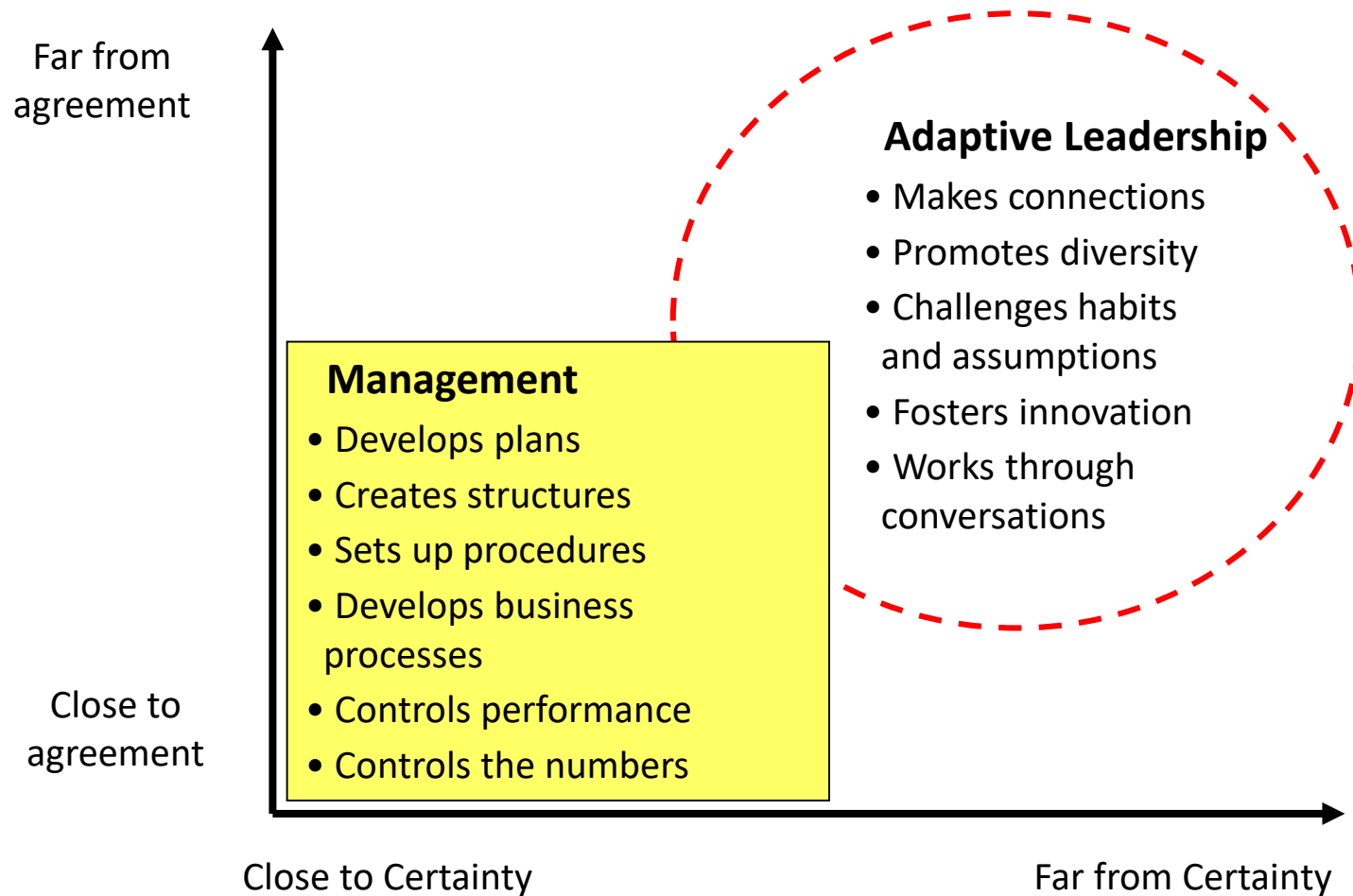
“If things seem under control, you’re just not going fast enough.”

Mario Andretti

Levels of Thinking

Puzzles	... VS ...	Problems
<ul style="list-style-type: none">• Certainty• Predictability• Right answers• Black and white• Simplify complexity• Gather data and apply the appropriate procedure or methodology• Make decisions		<ul style="list-style-type: none">• Uncertainty• Ambiguity• No 'right' answers• Shades of grey• Stick with complexity• No clear methodology or procedure, never have all the data• Exercise judgement

Leading in The Face of Uncertainty



Management

And

Leadership

- ↗ organising, planning
- ↗ budgeting
- ↗ defining detailed steps
- ↗ allocating resources
- ↗ staffing
- ↗ structuring, delegating
- ↗ making policies & procedures
- ↗ creating methods & systems
- ↗ controlling
- ↗ problem-solving

- ↗ setting direction
- ↗ developing a vision
- ↗ create strategies for change
- ↗ aligning people
- ↗ communicating personally
- ↗ motivating
- ↗ inspiring
- ↗ energising
- ↗ managing a problem-solving process

Predictability, order, short term results

Potential for major change, flexibility, fast response

“Management is efficiency in climbing the ladder of success; leadership determines whether the ladder is leaning against the right wall.”

Stephen Covey

When Noah heard the weather forecast he ordered the building of the ark.

--- that was Leadership

**Then he looked around and said,
"Make sure the elephants don't see what the rabbits are up to."**

--- that was Management

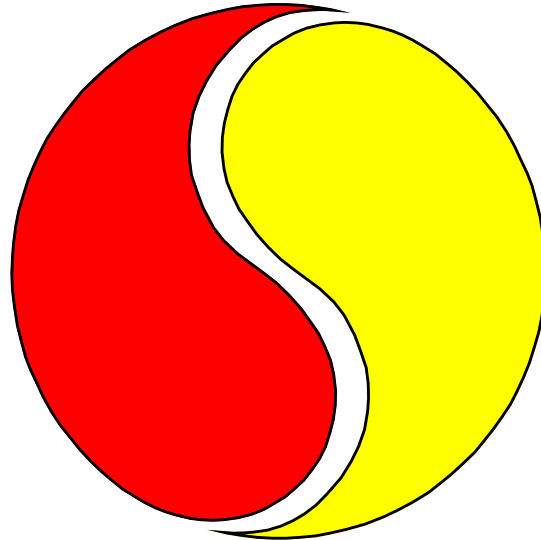
Reflect with your neighbor

- Where do you spend most of your time : management or leadership ?
- What could you do to get better balance ?

REMEMBER...

“To lead, one must follow.”

— Lao Tzu



Adaptive Leadership Challenges

“challenges for which there are no simple, painless solutions- problems that require us to learn new ways..., new competitors, disrupters in the business, poverty, poor public education, environmental hazards...”

Leadership Without Easy Answers, Ronald Heifetz, p. 2

Reflect with your neighbor

- What is your biggest leadership challenge you are dealing with ?

Leadership On the Line : Pain of Change

“The dangers of exercising leadership derive from the nature of the problems for which leadership is necessary. Adaptive change stimulates resistance- it challenges people’s habits, beliefs, and values. It asks them to take a loss, experience uncertainty, and even express disloyalty to people and cultures... loss, disloyalty, feeling incompetent... No wonder people resist.”

Surviving as a leader

- Get on the balcony
- Think Politically
- Cook the conflict
- Give the work back
- Manage your hungers
- Anchor yourself

“Getting on the Balcony”

- Gain a holistic perspective
- Systems thinking
- Technical vs. Adaptive Work
- Simultaneously on the dance floor and above it on the balcony
- Observe patterns and people
- Personal reflection

“Thinking Politically”

- Dance the relationship dance
- Encourage supporters
- Stay close to opponents
- Court the undecided
- Acknowledge the loss- uncertainty, disloyalty, and incompetence- change brings
- Allow time for transition but leave behind those that cannot make the change

“Orchestrating the Process, Particularly Conflict”

- Establish safe, stress-full holding environment, like a pressure cooker
- Moderate temperature to pace work progress
- Let issues ripen when needed
- Balance pain of loss with positive possibility of change for their future
- Give the work back to the people
- Make interventions short and simple
- Don't take personal attacks personally

“Manage Your Hungers”

- Be aware of your need for power, control, affirmation and importance
- Your need for intimacy and ‘being liked ‘ needs must be met appropriately
- Manage your “grandiosity” remembering people see you more in your role than as a human person
- Use transitional rituals to demarcate your roles

“Anchor Yourself”

- Don't confuse one's self with one's professional role
- Identify a truly trustworthy confidant who can really tell you what you need to hear
- Find a place for retreat, rejuvenation, and personal reflection
- Put yourself on the line in leading again!

Reflect with your neighbor

- What practice of adaptive leadership do you do best ?
- Which one do you need to improve most ?

It is easier to behave your way into a
new way of thinking than it is to
think your way into a new way of
behaving

Richard Pascale

“Maintaining a busy life is a great way to
avoid changing it”

