

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

+ 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.

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.

HOW WELL CAN YOU PREDICT THE RESULTS OF YOUR ACTIONS?

HOW MUCH DO YOU KNOW ABOUT THE SITUATION?

+

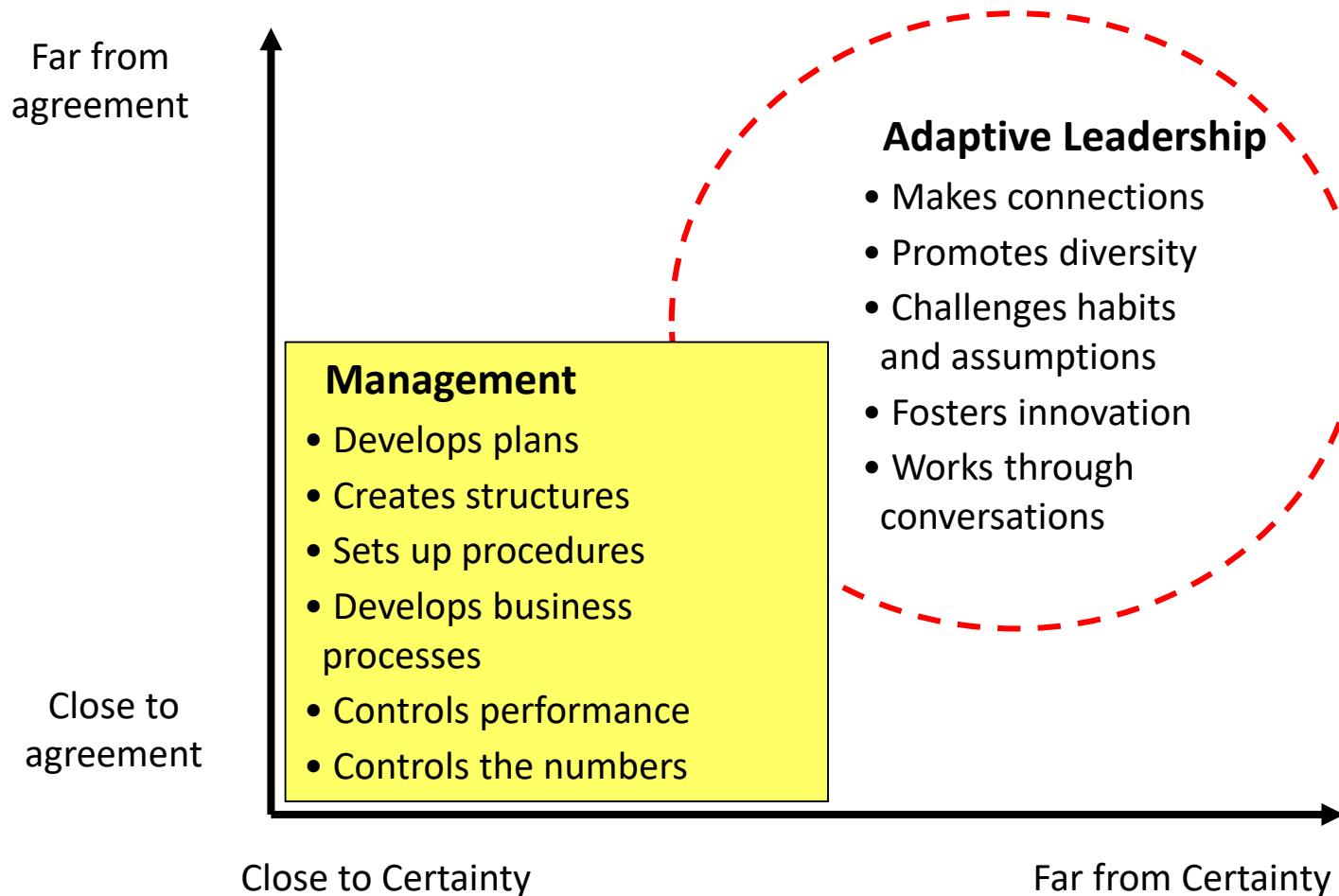
“If things seem under control, you’re just not going fast enough.”

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



Adapted from Stacey

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

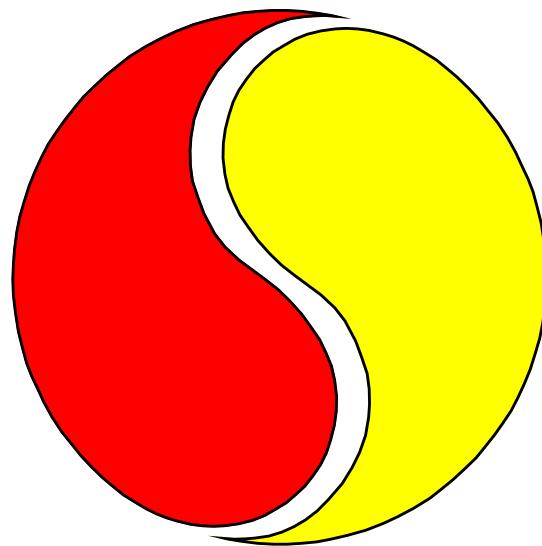
Reflect with your neighbor

- 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”

