Reinventing leadership development

To be a great leader in the 21st century requires the leader to think differently. Traditional leadership development programs still focus on skills and competence, whereas the new paradigm recognises the need to focus on the way that leaders make sense of the world. We need to focus on the way leaders think. How they *think* determines what they do.

Some writers distinguish between horizontal and vertical development. Developing horizontally is about learning new skills; developing vertically is about accessing new ways of thinking.

New agenda

Make accessible new ways of thinking. Trust the leader to develop their own 'practical judgment'.

Current capacity

Traditional agenda

Focus on leadership skills without addressing how the leader makes sense of the world.
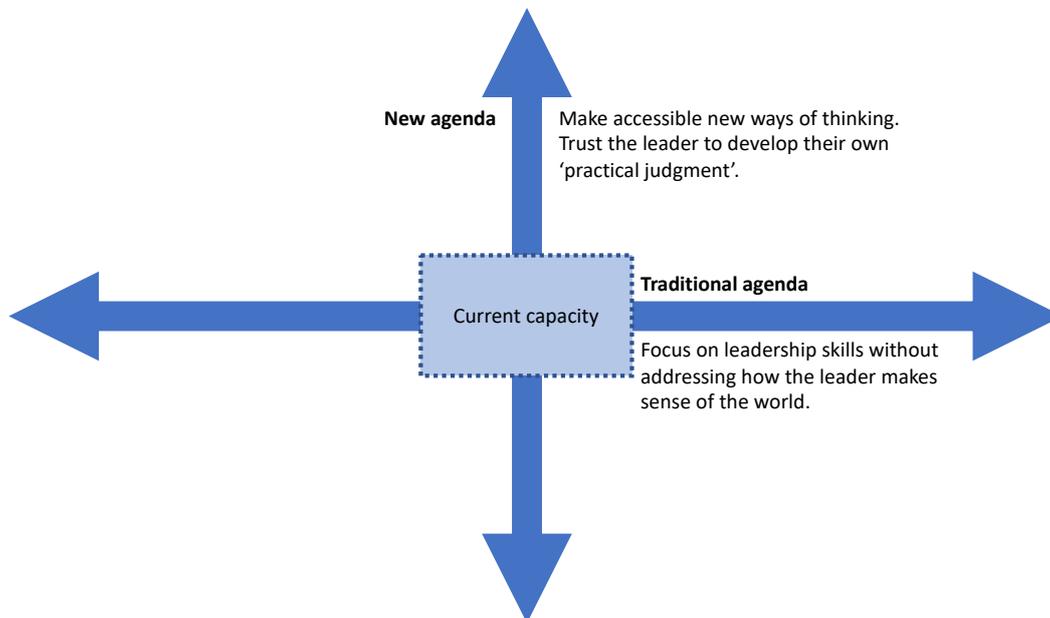
Figure 1: Two leadership development agendas

The traditional agenda supposes that we can break down the behaviours of a successful leader into a 'toolbox' of skills that the leader can call upon to address any challenge they face. The organisation creates a standard set of leadership competencies tailored to the organisation's specific needs. Leadership development programs are prescriptive, course designers and facilitators effectively asking leaders to trust them to know how best they should lead.

The new agenda recognises that leadership is too complex to approach in such a formulaic fashion. Leaders are continually required to address scenarios for which there exist no standard playbooks; no proven formulae. Leaders must come up with their own solutions that resonate for both leader and context, based on the leader's experience and values. Ralph Stacey calls this 'practical judgment' and it is acquired through experience and reflection upon that experience. The new agenda doesn't seek to teach the leader how to lead; rather it aims to provide the leader with access to different ways of thinking; for it is the way a leader thinks that determines the leader's approach.

The leadership development community has recognised the need for leaders to think differently, a narrative couched in terms of thinking more 'systemically'. There are two problems with this agenda as it currently stands:

1. The capacity of the leader to work with systems is still framed as a skill rather than a mindset.
2. What it means to think 'systemically' is not specifically defined other than in terms of thinking more holistically, but there are hundreds of theories about how systems work.

Five ways of thinking about systems

Consider this politician's perspective on climate change:

Climate change itself is probably doing good; or at least more good than harm. There's the evidence that higher concentrations of carbon dioxide – which is a plant food after all – are actually greening the planet and helping to lift agricultural yields. In most countries, far more people die in cold snaps than in heatwaves, so a gradual lift in global temperatures, especially if it's accompanied by more prosperity and more capacity to adapt to change, might even be beneficial.

It doesn't really matter how good this leader is at data analysis, or engaging with people, or getting things done. Faced with complexity, whatever this leader decides to do is unlikely to be very effective, because he is looking at the world through an unhelpful lens. The quote above is logical and rational, which is about as far as we generally get in evaluating a leader's capacity to think. It is a systemic perspective, in that the speaker refers to the relationship between CO_2 emissions, the functioning of plants, the impact of weather on mortality rates etc … But this purely logical, rational way of thinking systemically is often insufficient. The 'Five Ways' model enables us to compare the way this leader is thinking to other ways of thinking, other ways more likely to be useful when tackling complexity.
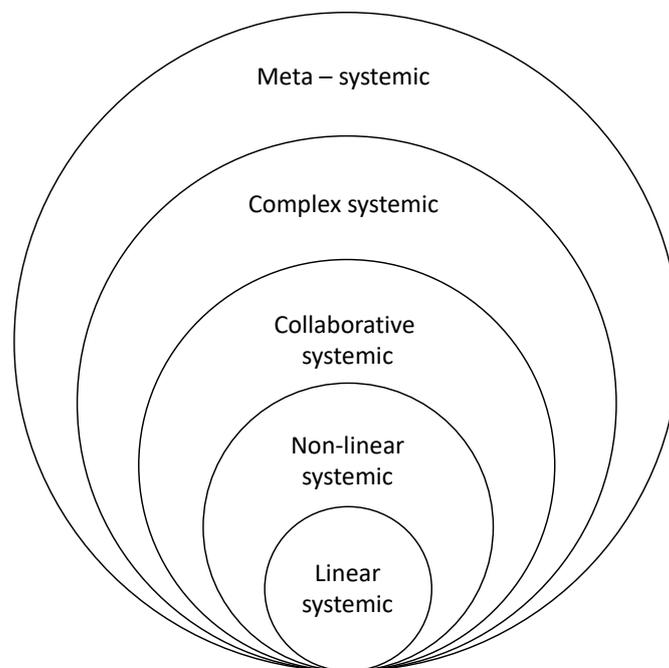

Figure 2: Five ways of thinking about systems

Linear systemic

This political leader suggests that higher concentration levels of CO_2 lead to the proliferation of plant life, and higher levels of food production. And that higher temperatures mean lower mortality rates. There is nothing wrong with his logic insofar as it goes. Notice though how linear is this way of thinking – A + B leads to C. We have seen this way of thinking show up in the way some leaders have talked about COVID. For example, a quote from a global leader in July 2020:

We're now seeing a warning light on the dashboard ... Our assessment is that we should now squeeze that brake pedal in order to keep the virus under control.

This statement implies a simple, linear relationship between the causes of COVID and rates of transmission. Identify what those causes are, and you can take steps to control the spread of the

virus. We call this a *linear systemic* perspective and we heard it from many leaders, especially in the early stages of the pandemic. This way of thinking, faced with the first few cases of COVID, assumed that the worst case scenario was a slow linear increase in infections. A few simple interventions would disrupt that spread and the leader believed he was in control of the virus.

A corporate leader, looking through a linear systemic lens, sees the organisation as a machine, good only as the quality of its parts. The 'parts' are, of course, people. If the machine isn't working properly, then the leader must identify which parts need to be changed. Signs of this philosophy include a strong belief in individual accountability; a propensity for issuing instruction, and getting frustrated when those instructions are not carried out; a dual mindset, that frames 'hard skills' (identifying tasks that need to be completed) with 'soft skills' (motivating others to complete those tasks); an expectation that senior leaders should sort out high-level issues - in line with their pay grade; and an evident dislike of 'office politics', a time-wasting consequence of senior leaders not making tough decisions.

In most organisations we train our leaders through a linear-systemic lens. Ralph Stacey describes most leadership development programmes as 'institutionalized techniques of discipline'. Programmes are structured around lists of competencies approved by senior management, and participants are expected to learn these competencies and put them into action. In some organisations we encounter the 'authenticity paradox'. This is where the leader is encouraged to be authentic and/or autonomous, while at the same time being asked to comply with the expectations of the organisation. Leaders are being asked to set a personal vision for their team, which may sound as if the leader has freedom to define a new future. In reality, senior leaders in the organisation have already established a direction. The leader is in fact being asked to come up with a message that motivates people to align to that pre-existing vision.

Non-linear systemic
A non-linear systemic perspective recognises the existence of positive feedback loops, reinforcing relationships between variables that lead to exponential change. The relationship between variables is not linear. This perspective is what Peter Senge and colleagues called 'systems thinking' back in the 1990s. During COVID we have witnessed this way of thinking in those leaders who quickly recognised that 10 cases of COVID could quickly become 10,000 cases of COVID; indeed that 10 recognised cases of COVID might mean that 10,000 people were already infected. These leaders didn't advocate for simple solutions. They spoke publicly about the need to better understand how the virus worked and called on subject-matter experts to advise them what to do. The emphasis was still on control, but these leaders recognised that the virus could only be controlled if the situation was seen to be complicated, and if the temptation to come up with quick, albeit logical, conclusions was resisted.

A corporate leader thinking through a non-linear systemic lens is more resilient. This leader is used to working in situations where there is no obvious solution and is relatively relaxed in that scenario. She can tell you stories, examples from her life, where she and others made quick decisions that turned out to be wrong. She is more inclined to put the brakes on, call a timeout and spend time determining what exactly is going on. This is a leader who values intelligence. This leader remains an advocate of clear objectives, KPIs and job descriptions. This leader still believes in positional power and still expects senior leaders to have the capacity to work things out. She may get frustrated with senior leaders who make hasty decisions without stopping to pull apart complicated issues. The leader spends lots of time mulling over problems and working out solutions.

The basic philosophy of this approach to leadership development is no different to before. The organisation is still working from the perspective that great leadership is about skills, competencies- and intelligence. This is still a philosophy that says that great leaders get great outcomes as they become more skilled at pulling the right levers. Those levers may be related to task or to people. Motivating people is still regarded as a skill to be learned to ensure people do what they are

supposed to do while staying happy and engaged. The programme may feature a section on 'systems thinking', where systems thinking is the logical, rational analysis of the organisation and its environment as a real system. This capacity to think systemically (as defined) may become a required leadership skill, part of the competency framework, at least for senior leaders. Leaders are probably subjected to standard intelligence tests before being appointed.

Collaborative systemic

A collaborative systemic perspective recognises that many situations are too complex and fast-moving to pick apart and diagnose. This is a way of thinking that recognises its own limitations. The leader knows that none of us are capable of witnessing events objectively – that we see everything through a lens, a lens that directs us to pay attention to some aspects of a situation and not others. The leader thinking in this way genuinely seeks to understand the perspectives of others, not only the perspectives of subject-matter experts, but pretty much anyone. We all have a subjective perspective, and the more subjective perspectives we incorporate into our picture of events, the more likely that picture is to be 'true'.

This leader openly admitted to not understanding how COVID works. This leader sought out the views of others, including people living in countries where COVID struck earlier, or countries such as Canada and some Asian countries where SARS was most devastating. These leaders seek as many informed perspectives as possible in their efforts to construct the best hypothesis they can. This leader will not be impressed by people who claim to have the answer. They will be more interested in statements like:

> *Studies that came out of the Middle East around MERS-CoV, the last coronavirus epidemic, found that it did prefer colder temperatures and lower humidity. With the SARS one, it tended to follow that as well. But it did not go away because of warmer weather, but rather because of the political choices that were put into place to control that epidemic, such as social distancing and isolating cases and quarantining their contacts. And that was the major reason we saw the SARS epidemic go away; SARS did not go away because of the warmer temperature effect. So, with the new virus, the SARS-CoV-2, which causes COVID-19, although we could expect it to behave like other coronaviruses, at this point in time, we just don't know. And we don't have enough data because it's so new, so for entire economies or countries to make policy decisions based on the behaviour of other similar viruses would not be prudent or advisable.*

This single perspective provides wisdom and insight, clues as to how COVID-19 might function, *and* it warns against making simple assumptions. The emphasis here is on building a wise hypothesis, taking action, reflecting on the results, and learning by doing. To learn by doing requires letting go of certainty and advocating to others the need to be open minded and experimental. This is hard to do in those contexts where leaders are expected to state with certainty the answer to a problem. To experiment is to be uncertain, and to change a policy is to make a U-turn.

A leader looking at the world through this lens still expects others to achieve specific outcomes within specific timeframes. She may still demonstrate a commitment to ensuring all staff have clear objectives, KPIs and a job description. She may still hold strong views based on individual accountability and hold high expectations of more senior leaders to sort out issues according to their pay grade. At the same time, this leader recognises that things often don't go to plan. This is only to be expected given the inherent complexity of organisations. This leader shows up as unusually curious as to what others are thinking and why. She may make more time in her meetings for people to reflect together. She may willingly and carefully engage in 'office politics', spending time getting out and about to understand others' points of view. We hear these leaders talk about the importance of control, personal accountability and responsibility, *and* we hear the importance of collaboration and respect for others.

The purpose of programmes designed through a collaborative systemic lens remains to remind the leader of their responsibilities and to provide them with tools and frameworks to discharge those responsibilities most effectively. There are some differences though. Programme designers recognise that different leaders think differently and that there is validity in those differences, within parameters. Programme designers recognise that the organisation is complex and that the leader must exercise judgement in diagnosing a scenario and choosing how to respond. As a consequence, there is likely to be more emphasis on reflection. Programme facilitators are less likely to play the role of subject-matter experts and are more likely to engage people in working out their own answers. Budgets permitting, participants are likely to be afforded a coach, to help them think through issues. Senior leaders may make an appearance. They are less likely to give rousing speeches about how to be a great leader, and more likely to engage in dialogue, recognising that the individual leader, ultimately, needs to work out for himself how to have the greatest impact. We are still in a world where the purpose of leadership development is to teach employees how to exercise disciplinary power, but it is recognised that different approaches are required to manage different scenarios.

Complex systemic

The complex systemic way of thinking recognises that leaders cannot control outcomes. Many leaders cannot contemplate this way of thinking, because they need to feel in control. For many leaders - leadership is *all about* control. This leader recognises that change emerges from all the different social interactions taking place across an organisation. But she knows she can *influence* outcomes, by engaging effectively with others in the system. This leader is deeply curious to understand what sense people are making of events and is constantly wondering where she is best advised to invest her energies in conversation and discussion.

When this political leader was faced with people flocking to the beach on a COVID summer's day, she didn't focus *exclusively* on enforcing existing measures. This leader also wanted to understand the perspectives of those people who were clearly not aligned with government policy. She went out and engaged and asked questions. And she could only be truly curious in asking those questions if she was genuinely open to the possibility that those people might have something useful to offer.

This leader places less emphasis on the capacity of individuals to deliver on their objectives. She still does, of course, talk about the performance of individuals, but always in the context of the functioning of the wider system. The leader seems to have an uncanny intuition for what is happening where. It is evident that she gets out and about and talks to people. In any given scenario she has her eye on one or two groups of people, one or two functions, where she feels she needs to get more involved and engage in conversation. This leader is by no means stress-free because she knows that she can neither control nor reliably predict what will happen next, and some potential outcomes are not the outcomes she is looking for. But she is alert, attentive to what is happening both without and within the organisation.

Though more leadership programs these days, refer to complexity principles, few are designed in a way that reflects those principles. Programmes based on complexity principles recognise that there is no standard set of skills and competencies that constitute outstanding leadership. Effective leaders have the capacity to assess what is needed in the moment and behave accordingly. Ralph Stacey talks about 'practical judgment', knowing how to respond in any given scenario by referring to the experience of having faced it before. The task of the leadership developer is therefore to support participants in facing new dilemmas and reflecting on their response to those dilemmas. In a busy world, making the time to reflect is key.

You cannot train people to think this way. You can describe it, but to understand these principles conceptually is not the same thing as working from those principles in practice. We access new ways of thinking when old ways of thinking don't work. So, we need to create programmes framed around the work that leaders actually do. We need to walk next to leaders as they tackle complex scenarios

and provide an opportunity to regularly reflect on those experiences with fellow leaders, and coaches who resist the temptation to talk about these scenarios in terms of skills and competence.

Considering leadership development through this lens, we see another paradox. When times get tough, organisations often cancel leadership training. Cost-cutting measures are applied everywhere as measures are taken to prop up profitability. These measures usually don't meet much resistance because this is how we always respond to shortfalls in revenue. Leaders get on with doing things, whatever things they can think of, to generate revenue. Thinking about traditional leadership development programmes, these cuts are quite logical. Traditional leadership programmes are concerned with doing things. At times of crisis leaders have enough to do, and so it may make sense to defer programmes that are designed to educate them to do things differently until they have time to experiment with new behaviours. But programmes designed to enable the leader to access new ways of thinking, thinking *especially* required when events are particularly unpredictable, volatile and complex, should be saved for when leaders most need them. If leaders seek new ways of thinking when old ways of thinking don't work, then we should be offering these programmes at times of crisis. And providing coaches to help leaders reflect, not on materials presented in the classroom, but on events in the real world.

Meta-systemic
So far, all of these perspectives may be said to be systemic. The meta-systemic approach challenges the idea that we can usefully compare the functioning of organisations with systems at all. People don't behave like the cogs in a machine – they are conscious and choiceful and ultimately unpredictable.. The meta-systemic leader recognises the limitations of the systems metaphor, including:

- The idea that people behave logically and predictably
- The idea that there exist real boundaries that define teams, functions and organisations
- It may therefore cause us to underestimate the role people outside the organisation have in determining events

This idea of boundaries is important. Most systems theories talk about the boundaries between people in a team and people not in a team or people in an organisation and not in an organisation. But these boundaries are imaginary. Team dynamics are not defined only by the behaviours of people in a 'team'. What happens inside an organisation is not determined only by the conversations that take place between people inside that organisation.

During COVID this leader recognised the significance of national boundaries in the opportunities they offer to restrict the movement of COVID. This leader also recognised that these boundaries are not physical impermeable structures. Boundaries are areas of physical space policed by people and people behave unpredictably. We saw this play itself out in some countries whose initial efforts to isolate the virus through hotel quarantine were unsuccessful, based on simplistic assumptions about how people would behave. Early on during the pandemic, in Sydney, we saw an ocean-liner full of infected people allowed out into the community. The political leader thinking in this way knows that no country is an island. The emergence of COVID variants in one country, for example, inevitably has an impact on the spread of COVID elsewhere. Vaccination strategies must be coordinated if the global economy is to recover as quickly as it can. This leader is determined to consult, engage and listen, but those energies are directed as much outside the 'system' as they inside the 'system'. This leader sees the necessity of a coordinated global response.

An organisational leader looking at life through a meta-systemic lens may appear similar to the leader considering things through a complexity perspective. She has her finger on the pulse of what's happening across the organisation and how things are connected. She has a wide network of relationships and spends time with people outside her immediate area of focus. The difference may be that she spends more time outside the organisation than others. She evidently takes the idea of boundaries with a pinch of salt. The notion that the organisation is operating in silos may appear

simplistic and even limiting. Whilst some people never quite get around to networking outside the organisation, this leader seems to be operating to different principles in terms of who they make time to talk to. She connects deeply with people, recognising that it is only ever through relationships that she succeeds in her role as leader. She pays attention to power dynamics, recognising other people's strengths and weaknesses through a power lens. One of her primary sources of power is relationship power. When it comes to any scenario or issue, she seems to know everyone she needs to know. If she doesn't, then she invests time in building that relationship. Faced with conflict or challenge, she doesn't respond defensively. She is curious and seeks to understand better the person issuing the challenge.

A meta-systemic leadership development programme would again place an emphasis on practical experience and the opportunity to reflect on that experience with others. It would focus on how people think and provide experiences in which the leader would have to seek out a different way of thinking. It would help the leader to appreciate the value of attuning into the functioning of social networks. If it introduces the leader to the idea of systems thinking, it simultaneously encourages the leader to hold such ideas as metaphor. The programme would focus on relationship and an awareness of power. The programme would be practical and pragmatic above all else, helping leaders to critique and review their way of looking at the world and to do so in the company of others.

The new leadership development agenda
Just as we require leaders to think differently if they are going to successfully navigate complexity, so we need the custodians of leadership development to think differently. To consider leadership development through a complex systemic or meta systemic lens is to view leadership development differently. Through any of the other lenses, the leadership development custodian is unlikely to question how leadership development actually occurs. New content may be introduced within the existing paradigm, a change unlikely to make much difference to the development of leaders within the organisation.

The latter two perspectives encourage leadership development custodians to regard themselves as agents in a social network, with influence but without control. The existing paradigm is co-created by multiple agents within and without the organisation. The leadership development custodian is unlikely to succeed if she plays the role of subject-matter-expert, seeking to impose a new process upon others. Nor is she likely to succeed by fulfilling existing expectations. She must think like the leader who she is trying to help. She must:

- Seek to understand how the current approach to leadership development arose and how it is maintained. What conversations took place, and what conversations are taking place, that sustain the current approach?
- With whom therefore, does she need to engage? Whose perspectives does she need to understand? What conversations might she usefully be a part of?
- Think in terms if a program that emerges, is dynamic, and will usefully continue to evolve and change.
- Be constantly aware as to the impact of the program on the broader organisational system, or (if she doesn't like the systemic metaphor) on the dynamics of the wider social network that constitutes the organisation and its stakeholders.
- Understand what purposes exist for the program. Different stakeholders will have different purposes. How are the multiple purposes most usefully distilled into a single public intent, and how will that intent evolve over time?
- Begin with an intervention, that constitutes a hypothesis as to what will be most effective, and constantly review and adapt that intervention.

The leadership development custodian will likely spend most of their time in conversation with people in the broader social network, listening, responding, and seeking to influence. Someone else

is likely to be holding the design of the program, if that is an appropriate label for the intervention. Whilst it is impossible to know what that intervention will look like in detail it is likely to include:

- The inclusion of new perspectives, with the intention of challenging mindsets
- Ample opportunity for people to discuss and make sense of new perspectives, to challenge those perspectives and make sense of them for themselves
- An emphasis on doing. Not through working on specially designed projects, but through working on people's day to day work challenges.
- The opportunity to reflect on that doing, alone, with a coach and with peers through structured group coaching.
- A challenge to leaders to define for themselves what they are learning and how this translates into personal and collective approaches to leadership.
- An emphasis on feedback. Feedback from the broader organisation as to the impact of the intervention, and feedback from specific stakeholders as to the impact of participant's actions and behaviours. Feedback is regarded as 'business as usual' rather than an overly structured periodic discipline.

Such an intervention is inevitably longitudinal, if we accept the principle that we learn through doing and reflecting on that doing. Indeed, if we accept leadership development is an ongoing process with no beginning and end, we may regard 'programs' as means by which the leadership development custodian facilitates a process through which leaders think about how they are thinking on an ongoing basis. The leadership custodian can visualise the day when this process becomes the norm for leaders in this network, when someone says one day 'what is a leadership development program?' and 'what is a leadership custodian?'