

Reinventing leadership

To be a great leader in the 21st century requires us to think differently. Traditional approaches to leadership still focus on skills and competence, whereas the new paradigm recognises the need for leaders to think about how they 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.

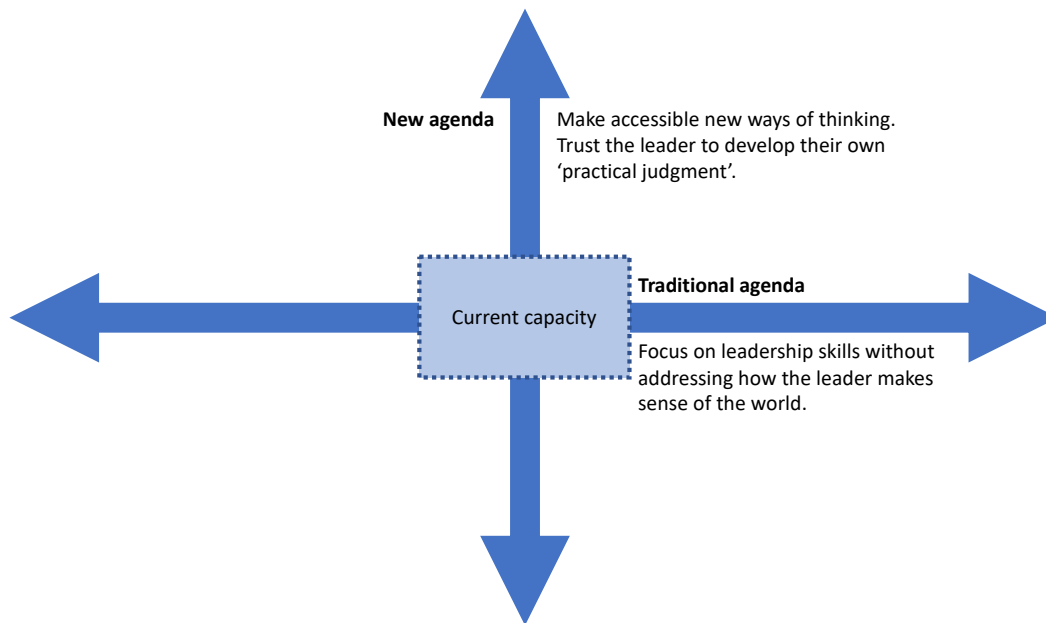


Figure 1: Two leadership development agendas

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. 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 CO₂ 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.

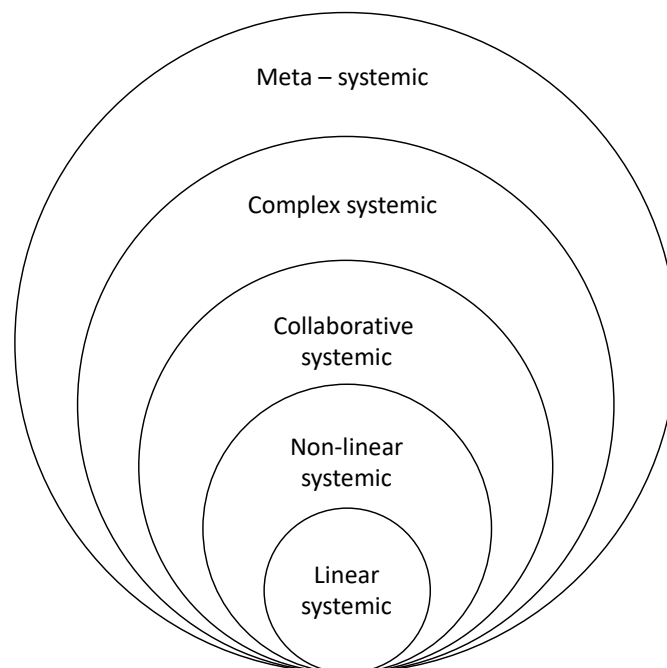


Figure 2: Five ways of thinking about systems

Linear systemic

This political leader suggests that higher concentration levels of CO₂ 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.

Many leaders think this way. They are trained to think this way by organisations who structure their programs around pre-defined competency frameworks. They are supported in their thinking by coaches who encourage them to move quickly to forming goals and hold them to account to actioning plans to achieve those goals. They are part of a system in which decisiveness is highly valued and leadership is framed solely in terms of individual attributes. This is a fast way to lead, for it requires little interaction with others, and speed seems important in a world in which leaders are being asked to do more and more with less and less.

When do you think this way? We don't seek to devalue the importance of simple logic. If I have a thorn in my finger and I remove it, then my finger stops hurting. If one of my direct reports is feeling disengaged they may well feel better if I spend more time listening to what they have to say. If it looks like a duck and it quacks like a duck – it might be a duck. The question for us all is when is this way of thinking likely to be useful? And when do I choose to think this way?

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.

Some leaders do think this way. These are the leaders who warn against jumping to conclusions. We may find more of these leaders working in industries where leaders are asked to make big multi-million dollar decisions, or decisions that have a big impact on society as a whole. But we don't always see leaders switch to this way of thinking when perhaps they ought to. There are at least two barriers to this way of thinking. One is time. To stop and reflect more deeply on an apparently straightforward issue may feel like a waste of time. A second barrier is a lack of value attached to intellect. Some leaders do take too long to make decisions. Sometimes we attribute that to an overly conceptual approach. We may compare a focus on ideas to a focus on getting things done, demonising time spent on the impractical.

When do you think this way? To what extent are you conscious and deliberate about the amount of time you spend thinking about a problem or issue? If you are conscious and deliberate, what criteria do you use? Or do you not think your job demands it? Do you prefer ticking as many items off your to-do list as you can, safe in the belief that this is always the best approach to your role? And looking ahead to other ways of thinking, is this the only other way of thinking you have access to?

Collaborative systemic

A collaborative systemic way of thinking 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.

Fewer leaders seem to think this way. This is a way of thinking that is happy to acknowledge 'I don't know'. This is a more collective way of thinking about leadership, in a world that still encourages us all to be the 'great man' or 'great woman', that values autonomy and rewards individualism. Think about your own organisation and ask yourself the extent to which this form of collaborative mindset is valued or otherwise. The main barriers to this way of thinking are, again, time, but also an individualistic culture that expects its leaders to be capable of working things out. A culture that speaks with derision about the amount of time people spend in meetings indulging in talk-fests.

When do you think this way? To what extent are you conscious and deliberate about the amount of time you spend seeking out the perspectives of others? Not just subject-matter-experts, but also the views of people who just see things differently to you? To what extent do you seek out conflict? Not personal conflict, but conflicts in opinion, beneath which sit different experiences of an organisation and its environment. How much time do you spend collaborating with others because you genuinely want to? When you think the time spent is essential in coming up with a best way forward?

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.

Many leaders are afraid to think this way. This way of thinking says you are never in control. You can seek to understand, you can be curious, you can ask questions, all in service of coming up with a compelling vision for the future. But you don't get to achieve that outcome necessarily, through brilliant words or financial incentives. What happens next is uncertain. Is that prospect frightening or energising or both? A belief in personal authority, a belief in the infallibility of logic, a fear of not being in control – all of these are barriers to this way of thinking. What would it feel like to appear in

front of your senior executive team, or your board, and be asked questions about the future performance of the organisation, knowing in your heart and bones that you will never be able to guarantee to yourself or to others that your organisation will achieve the targets it has set for itself?

When do you think this way? To what extent are you able to embrace the idea that change is emergent and unpredictable? To what extent - and when - are you able to let go of your own certainties about needs to happen next? When do you choose to go out into the organisation with a genuinely open mind without an agenda – determined only to understand what others are thinking and feeling? Do you have a view on who in the organisation possesses which forms of power – positional power, resource power, relational power, power through knowledge etc ...? How does this understanding of power determine who you talk to, what you ask, and what you say?

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.

The biggest barrier to this way of thinking is an over-attachment to simple ways of thinking about the world. This is not to criticise a tendency to reduce complexity to something more simple. As George E.P. Box (British statistician) once said – “*All models are wrong, but some are useful.*” We must simplify in order to make decisions and move ahead. Most leaders would acknowledge the limitations of the kind of models we use in strategy formation; SWOT, Five-Forces, all those two-by-two matrices etc ... These models are useful, and by design simplistic – that is their purpose. But most leaders are also unaware of some of the models they live to.

Working in teams, for example. We often talk about teams as if they are real; that there are people in my team, and everyone else is not in my team. That a team is defined by having a common purpose. That teams have discrete cultures. All of these ideas are useful. The people with whom I work may work more effectively if they are encouraged to focus on their relationships with certain other people; if people are encouraged to talk about what objectives they have in common; if they feel empowered to define rules of engagement. The idea of a 'team' may be a useful one. Sometimes the idea of a team may be less useful. For example:

- If the people who report to me are working to multiple purposes, such that we need to constantly review who needs to be in the room at any one time
- If my 'team dynamic' is heavily influenced by people who are not in my 'team'
- If our rules of engagement are determined largely by the words and actions of others

Through a meta-systemic lens the leader is able to think in terms of a simple model or concept, whilst at the same time constantly challenging the value of that construct in the moment.

When do you think this way? How much time do you spend reflecting on the prevailing narrative in which you work? To what extent do you find yourself challenging what to most people appears to be evidently 'true'? To what extent do you think about the relationships you need to build, without being overly influenced by others propensity to prioritise 'internal' relationships? In your role, how important is it to be able to take a meta-perspective? How much time do you put aside for that reflection – and who do you reflect with?

How do I access new ways of thinking?

If some of these 'five ways' sound familiar and others less so, you may be asking yourself – how do I access some of the other ways?

First, we would discourage you from being overly attached to this particular model. There are hundreds of theories about systems, many of them complicated and hard to relate to the work of a leader. Our model is an attempt to simplify that vast literature, and all models are wrong, though some are useful. Our model may or may not be useful for you.

Second – build your own model. Decide for yourself what it means to think systemically and review your definition on a regular basis. Give it the opportunity to grow. Decide how your version of thinking systemically will show up in the way you behave.

Third, we would encourage you to construct 'do-reflect-learn-do' cycles for yourself. Carry on being a leader. Be purposeful about your approach to the work that you do. Make time to reflect on the outcomes of the work you do and commit to learning.

Fourth, find reflective partners. Reflecting by yourself is useful. Reflecting with others is more useful. Find colleagues who are interested in meeting regularly to support each other's learnings. Hire a group coach to structure that process for you. Find an individual coach with whom you can spend all of your time talking about you.

How do I decide when to think through which lens?

There are at least a couple of models that seek to answer that question. The best known is perhaps the Cynefin model (figure 3). We won't describe the model here – you can find lots of materials about the model on the internet. Through both the complexity and meta-systemic lenses we will however repeat our health warning – all models are wrong, but some are useful.



Figure 3: Cynefin Model (Snowden)

The Cynefin Model invites us to review our environment and decide if we think it is simple, complicated, complex or chaotic; categories that can be mapped to the five ways of thinking about systems. From a linear or non-linear systemic way of thinking this makes sense – we can determine logically in what kind of environment we are operating. It makes less sense from a collaborative or complexity perspective, in which we recognise that our description of the system is subjective. We are not capable of objectively determining what is happening on the system. From a complexity perspective our diagnosis is co-created with others in the system. If, for example, everyone really wants to believe they are working in a simple or complicated system, because it means that an analytical approach is recommended, then we may all tell ourselves our system is simple or complicated. From a meta-systemic perspective it is, of course, a perfectly valid approach to take, so long as we recognise that our approach is essentially flawed. If it is useful *and* flawed, then who cares? But we do need to pay attention to the way we are thinking.

In short the answer to this question is that you need to come up with your own model, one that makes sense to you with your own personal experience and beliefs. Then see if it works.