

Leadership Excellence



Turning Leadership On Its Head (And Heart)

| 5 critical competencies for leading in the new world

By **Caren Kenney**

In a world that was already changing at an unsustainable pace, the events over the past 16+ months have challenged and tested even the most seasoned and competent leaders in the world's most successful companies. A new level of uncertainty and complexity combined with the recognition that this is only the beginning of a more unpredictable and volatile world has impacted the confidence and effectiveness of today's leaders. Some question their own abilities and even desire to stay in their roles, while others drive harder to accelerate strategy but are susceptible to burnout, anxiety, and even lapses in judgment due to the mental and emotional strain imposed by the new world.

The alarming rise of leadership failure and dismissals, lack of

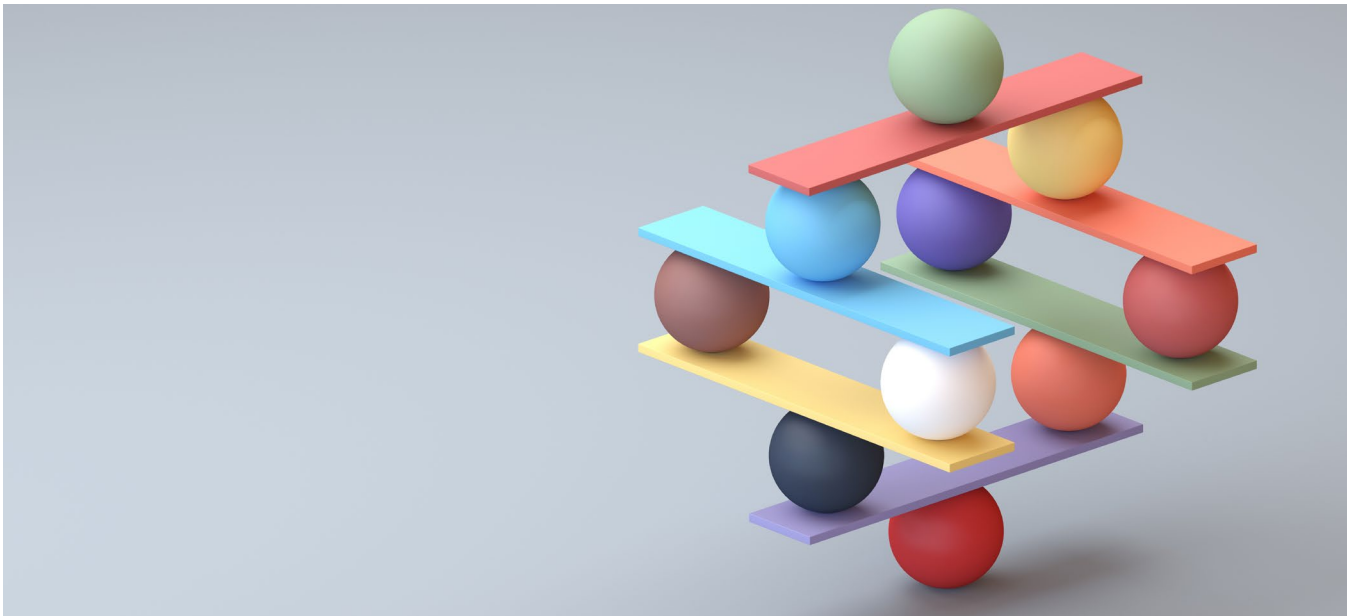
talent and preparation in the succession pipeline, and mass exodus of millennials departing their jobs jeopardize the viability and future of today's companies. Leaders need an expanded set of competencies to help them thrive in their roles and inspire, empower, and retain top talent. While these are not taught in traditional leadership development programs, leaders who intentionally invest in the following areas will not only be better able to navigate the ongoing storms, complexity, and uncertainty but serve as catalysts and role models for what sustainable and successful leadership looks like moving forward.

Personal Embodiment of Purpose and Values

Employees today want to work for a leader and organization

with a clearly defined and meaningful purpose and set of values, however, it is no longer enough to post a credo or mission statement on the company wall or website. For example, stating employee wellbeing is a top priority and then expecting employees to maintain an unsustainable 24/7 pace will just lead to burnout, disengagement, and loss of talent. Leaders must authentically and consistently embody and role model the values in their decisions and behavior – in and outside of the workplace. This requires intentional training which can be achieved in the following ways:

Clearly articulate company values and define which types of daily behaviors align with those values (and which do not). Ensure ongoing visibility in all company communications.



Solicit feedback from all stakeholders – peers, direct reports, line associates and even family – to assess how leaders are showing up and to what extent their actions are principle-based.

Incorporate leadership values and behaviors as a mandatory component of performance reviews. This is done especially well at Johnson & Johnson, where all employees are rated and rewarded on two sets of criteria: the results (“what” outcomes you achieved) and leadership behaviors (“how” you achieved them, including specific examples of living into the company values and principles). Role model and acknowledge values-based behaviors on a regular basis (in team meetings, town halls, company communications, social media platforms, etc.)

“Flexibility” and Agility

The pandemic and other events over the past year – along with

the complexity associated with defining and executing the next phase of how, when, and where work will be done – require that leaders not only be more flexible in their approaches to leadership and ways of working but also be able to continuously adapt and flux in a constantly changing environment. This requires:

A Growth Mindset

- A commitment to continuous learning and soliciting input and feedback from individuals at all levels of the organization.
- Comfort with uncertainty, and the ability to quickly pivot without having all the information.

These attributes are not part of traditional leadership training nor are they innate personality characteristics but rather “muscles” that can be trained through exercises that build awareness,

encourage risk taking, and strengthen executive judgement and decision making. One example is an assessment from AJIL® Analytics that we use with some of our clients to help them identify underlying mental and emotional strengths and vulnerabilities that drive their decisions and actions.

Higher Levels of Empathy and Vulnerability

While leaders must exhibit strength, steadiness, and calm during a storm, communicating their vulnerabilities is also important. This builds trust, stronger relationships, and a human connection that is now needed more than ever. Employees need to know that whatever they are feeling – especially during these turbulent times – is normal, okay, and not unique to them as individuals.

Leaders were previously selected and rewarded for what



Dr. Jim Loehr, my colleague and co-founder of the Human Performance Institute, refers to as performance character traits such as courage, confidence, and decisiveness. While these are still critical competencies, they must be equally balanced with ethical performance character traits, such as empathy, humility, and kindness.

These traits can be strengthened in the following ways:

- Conduct character assessments, which help leaders understand strengths and areas of vulnerability that could surface during times of intense pressure and fatigue.
- Identify situations and triggers when you may struggle (e.g., difficult conversations with a particular colleague, pressure from the board, dealing with customer

service representatives, when sleep deprived, etc.).

- Establish new rituals, behaviors, and a “toolkit” to mitigate these situations, better regulate your emotions, and create more positive and meaningful engagements and outcomes.

Examples include:

- Visualization and mental preparation
- Taking an alternative view
- Practicing daily gratitude
- Meditation and deep breathing
- Challenging and coaching your inner voice
- Journaling either freestyle or through a guided set of questions such as in the Leading with Character Personal Credo journal

Genuine Inclusivity

While there is a rush to fill roles and meet quotas to address the glaring gap that has been further exposed with the recent focus on racial injustice and inequity, many leaders are checking the box to satisfy demands from consumers, boards, and other stakeholders. It is important for leaders (and boards) to:

- Truly understand the value of diverse thinking and cultures. A recent McKinsey report showed that companies identified as more diverse and inclusive are 35% more likely to outperform their competitors¹, and a BCG study showed that increasing the diversity of leadership teams leads to more and better innovation and improved financial performance with 19% higher revenue².
- Recognize and address their own biases that



hold them back from truly embracing and engaging diversity. This can be achieved through leadership team education and unconscious bias training at all levels of the organization.

- Ensure candidate slates are truly diverse (and be careful about going too far where others may not be included in the mix).

Evolved Stress Mindset and Approach to Resilience

There is no question that complexity, uncertainty, and volatility are here to stay and leaders who want to sustain and thrive in their roles need to change their relationship to stress and mindset about it being a bad thing. As noted by Dr. Jack Groppe, Professor at Judson University and Co-founder of the Human Performance Institute, stress is a necessary component of life and a catalyst for growth. Resilience must go beyond our ability to manage or adapt to stress to our ability to grow from stress and expand our capacity to take on more. This requires intentional training and a focus on strategic recovery, which can be achieved in the following ways:

- **Gain clarity on your personal purpose** – what matters most – and be intentional about regularly investing your energy in activities that align with your purpose and establishing boundaries

around activities, demands, and people that detract you from it.

- **Grow your resilience muscle** by seeking new opportunities or roles or learning something new.
- **Take strategic microbreaks throughout the day.** A good strategy is to end the meeting 5 minutes early and walk or stretch, eat a healthy snack, or call or send a text to a loved one. This provides recovery in the mental, emotional, and physical dimensions, clears your head, and resets your energy for the next meeting, engagement, or project.
- **Don't neglect your physical wellbeing.** Quality sleep, nutrition, exercise/movement, and hydration are critical to sustained high performance.
- **Ensure the intensity of recovery equals the intensity of the stress.** Recovery techniques for completing a four-mile run would be different than running a marathon in the same way recovery from a stressful meeting or conversation would be different than leading a company through an acquisition or pandemic.

Leaders must train and consistently role model these behaviors to create a high-performing and thriving culture that

can survive the storms of work and life and adapt, recover, and grow in this ever-changing world.

Notes

¹<https://www.mckinsey.com/business-functions/organization/our-insights/why-diversity-matters>

²<https://www.bcg.com/en-us/publications/2018/how-diverse-leadership-teams-boost-innovation>



Caren Kenney, MS, PCC is Co-author of *Leading with Character* and Founder and CEO of Evolve Leadership, which delivers whole person, whole-life C-suite executive development and wellbeing programs. Before that, she spent 12 years at Johnson & Johnson, most recently as part of the Human Performance Institute leadership team and executive director of its Premier Executive Leadership™ program. She previously co-founded a health tech start-up that created the world's first D-to-C behavioral health digital coaching programs, which were ultimately acquired by J&J.



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