

South East Leadership Academy Newsletter

September 2008

Inside This Issue

1. **Editorial**
2. **The Open University Workshop, 8th October**
3. **A Message from Socrates**
4. **Efficiency or Effectiveness?**
5. **The Creative Gorilla**
6. **A Question of Questions...**
7. **Is Coaching Enough?**
8. **Creative Industries in the Digital Economy: Challenges, Agility and New Business Models**
9. **Getting into Tune with Leadership**
10. **Playing to Strengths Results in Engaged Employees and Better Performance**
11. **Leading in Challenging Times**
12. **Insights Programme – The Market Intelligence and Research Building Blocks**

1. Editorial

By the time you read this, the financial markets of the world will have fully recovered, economic growth will have resumed, bankers and financiers will be universally loved, financial regulators will be respected as for their foresight, and western governments will be esteemed for their pro-activity. Or perhaps not. As we all know, it is hard to find a universal definition or agreement on what leadership actually is. However, it is not hard to notice when leadership is disastrously lacking. In rising markets, when many financiers are making (vast amounts of) money, where were the voices of caution? There were some, of course, but they were drowned out by the consensus of collective greed.

Now we are in a mess. Never was leadership (at all levels, social, economic and political) more essential. Over the next few months, no doubt partners and participants in the Leadership Academy will be addressing some of these issues in our workshops, conferences and, hopefully, within this Newsletter. We need to develop an understanding of Leadership in Difficult Times.

David Gray (Prof)
Director, Leadership Academy

2. The Open University Workshop: 'Leadership, Innovation and Communities of Practice'

- ❖ **Virtual Workshop – 1st to 15th October 2008**
- ❖ **'Real' Workshop – 8th October 2008**

The sixth Leadership Academy Workshop is hosted by The Centre for Practice Base Professional Learning at the Open University on Wednesday 8th October 2008. Guest speakers Etienne Wenger, Nigel Paine and Sarah Robinson have been hand-picked to give their unique perspectives and experiences in Leadership, Innovation and Communities of Practice.

An online forum running from the 1st October until the 15th October will provide materials on communities of practice and how they may be used to underpin innovation in business. Discussions from the workshop will be posted on the forum for those who are unable to attend and should also engender further stimulus to the discussions.

For more information please visit: <http://www.open.ac.uk/licop08> or contact Michelle Henty at M.Henty@surrey.ac.uk.

3. A Message from Socrates

Fran Smith, Senior Lecturer - Economics and Strategy, Oxford Brookes

*Leadership, Innovation
and Communities of
Practice – visit
<http://www.open.ac.uk/lico>
p08 for more information*

In Plato's descriptions of Socrates' 'conversations' emphasis is as a process and not product – how we come to know rather than what we know. This journey from ignorance to Epiphany takes place along the road of Socratic dialogue. The Socratic dialogue is based on a two way conversation in the form of a dialectic. (Anyone who has spent any time with a small child will have engaged in a form of Socratic method – the interminable why question!). This is frequently described as a conversation, a cross examination or even an interrogation, with the aim of forcing a conversant 'into a corner' where they contradict themselves. The aim is to clarify and elucidate a concept, usually a moral or ethical one (justice and wisdom come to mind), but the methodology is salient for any dialogue that aims to expose the presuppositions of the interrogated and to reveal to her why she thinks the way she does – how far preconceptions underpin her mindset.

It usually comprises four steps - the first asks the initial question; the second involves seeking out counterfactuals that stand in opposition to the initial answer; the original question is then refined and subject to the examination process all over again until a 'watertight' answer is produced - or the interrogated party admits defeat.



In leadership, the emphasis should be on revealing not telling; leading not driving. The aim is not to win the argument, but to follow it. Indeed the advantage of the Socratic dialogue is that it can reverse pre-existing power relations since the interlocutor can be in a position of ignorance (Socrates always claims to be ignorant). The role is to question not to impart knowledge. A good leader in this context is looking to uncover the partiality of knowledge of the questioned. The aim is then that the questioner is the one who identified the 'missing' and looks for ways to complete the picture. The skill of the leader in leading the conversation lies in their abilities as an interlocutor – their leadership is enabling and facilitating – the 'led' move from a position of generalised and unspecific knowledge to one of specific and 'deep' understanding. What they can claim to know may well have been reduced but it will have been replaced by a much more profound self knowledge founded on a thorough and comprehensive understanding of the genesis and essence of an idea, a belief or an opinion.

A note of caution should be sounded. In its destructive form, a Socratic dialogue can demoralise and de-motivate. Within the framework of leadership it needs to be founded on the basis of trust and mutual respect since the 'stripping' it involves can make its participant feel vulnerable and wary. Indeed it requires exile -at least temporarily- from the 'comfort zone' and can thus be deeply uncomfortable or even threatening. A fruitful, but less threatening, Socratic dialogue might be conducted - at least initially- on those areas that are less important to the participant to establish the emotional trustworthiness of the interlocutor and the potential for the interrogated to identify and initiate appropriate changes.

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The method has been employed across a range of contexts - including American law faculties, primary school maths classes and in Cognitive Behaviour Therapy (CBT). Perhaps it's main addition to leadership is that it naturally gives rise to alternative notions or courses of action which 'flow' inevitably from the dialectical process.

Hence the Socratic method can result in a modification or process of change that is engendered by the participant's own discovery of challenges and remedies. In organisations that are seeking change this does not mean simply that the change is participatory, but that it is engendered by those within the organisation who have identified the limitations, quantified the challenges, devised the solutions and have a vested interest in a successful outcome. It embodies respect and integrity, as well as responsibility and ultimately influence. Nothing is imposed since from the outset the process is about introspection and evolution of the familiar rather than externally imposed (and unpopular) dislocation.

Socrates was eventually found guilty of corrupting the minds of the youth of Athens and died of hemlock poisoning. Adoption of his methodology and pedagogy in today's leadership might be a fitting epitaph to the father of philosophy.



Efficiency is about doing things right. Effectiveness, on the other hand, means doing the right thing.

4. Efficiency or Effectiveness?

Geoff Ribbens MA, BSc, FCIPD, Oxford Innovation

We are going to start off with a brief discussion about the difference between people being efficient and people being effective. This is actually very important because it is fundamental to employee selection and appraisal. The theme of this article is that there is a difference between being efficient and being effective and that not all efficient employees are necessarily effective! Dr Ted Johns, Chairman of the Institute of Customer Service, suggests that each employee has four important parts of his or her job:

- ❖ They have to carry out their duties.
- ❖ They have to anticipate events.
- ❖ They have to improve what they do.
- ❖ They should also be involved in change.

He describes the four parts of everyone's job as follows:

Maintenance.

Maintenance is fulfilling one's duties, following the job description and delivering what is required for the role. Needless to say, if employees did not carry out their duties as described in their job description, it is very likely that they would be disciplined or even dismissed. We should be aware that, when it comes to job descriptions, there is always an element of 'drift'. The reason for this is two-fold. Firstly, technology and jobs change and job descriptions often become out of date. Secondly, all employees, over time, tend to redefine their role so they do more of the things they like and less of the things they don't like. In general terms, if people are fulfilling their duties they are seen as efficient.

Crisis Prevention.

There is more to a job than just fulfilling one's duties (maintenance). In addition, we expect employees to anticipate events, identify things that could go wrong and do some 'fire fighting'. We expect employees to learn from mistakes and think ahead. So 'crisis prevention' is an essential part of everyone's job and it is again linked to being efficient. Employees who are efficient are involved in 'maintenance' and 'crisis prevention'. These employees keep their jobs but they are not effective.



In management terms, efficiency is about doing things right, following the rules, doing one's duty, anticipating events, and so on. Effectiveness, on the other hand, means doing the right thing. Effectiveness is nearly always about getting results and improving things - not just doing what has always been done.

Effectiveness is involved in the next two aspects of an employee's role, improving things and changing things; to be effective means that an employee is 'adding value'. As a manager or employer, you employ someone to carry out the 'maintenance' and the 'crisis prevention' but you hope they do more than this, you hope they improve things and change things for the better. Lets us look at the next two elements of an employee's role, the ones that lead to effectiveness and 'add value'.

Continuous Improvement.

Continuous Improvement is a process where an employee adds value by improving their job. That is, improving quality, reducing costs, reducing errors, doing things more quickly and improving the service that is offered to both internal as well as external customers. All jobs can be improved, even if it is just doing things quicker, smarter and cheaper. Many processes soon become out of date so there is usually plenty of ways people can add value in their own job by better ways of working.



The Management of Change.

Although continuous improvement is about change, it is not radical change; it is more about improving some aspect of the job. The management of change is about coming up with change ideas and implementing them. You can often identify change because it often challenges current assumptions. Generally speaking, people resist change, they are happy in their comfort zone of experience. It is often easy to identify change ideas but difficult to implement them. But change means adding value, it is another way to be truly effective.

To sum up:

Many employees are efficient but not effective. The fundamental reason is that many people are happy to be efficient, keeping their jobs, but reluctant to be effective and add value. There are several reasons for this sad state of affairs:

- ❖ We tend to select people on the basis of 'can they do the job?' not on 'can they improve the job?'
- ❖ Poor time management often means that employees find very little time to improve things; they are too busy with 'maintenance' and 'crisis prevention'.
- ❖ We appraise people on the job itself and not how they have changed or improved the job.
- ❖ Employees are not motivated to improve things, they would rather just complain.
- ❖ All change involves risk. Many people do not like taking risks, however small, there is the fear of failure.
- ❖ Those involved in change and risk fear criticism. People do not like change so they are happy to criticise those who try to improve things.
- ❖ There might be a blame culture in the organisation; it is safer not to try to improve things than to stick your neck out.
- ❖ People find it difficult to think of new ways of doing things, in management terms this is called 'thinking outside the box'.
- ❖ Challenging current assumptions is always difficult because they are 'current assumptions'.

Many people are happy to be efficient, keeping their jobs, but reluctant to be effective and add value.

Many innovations and inventions take a long time to be adopted. Dyson invented a new form of vacuum cleaner but no manufacturer was interested. They were more concerned about not selling their vacuum cleaner bags than thinking about the possibility that at some future date they might not be able to sell their vacuum cleaners!

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So what should the managers do?

- ❖ Incorporate continuous improvement and the management of change in all job descriptions. Use words that incorporate improvement and change, not words like 'to do' or 'carry out' but phrases like; 'to enhance', 'to improve', 'To add value' and 'change'.
- ❖ Select and appraise employees on being effective as well as being efficient. What have they done to improve their previous job over the last year? What plans do they have to improve their present job in the future?
- ❖ Praise employees for being innovative - even if the new idea or improvement does not work. Celebrate changes and improvement.
- ❖ Tell employees that if the new idea does not cost money, consume too much time and is of low risk then 'just do it!'
- ❖ Visit other companies to see new ideas at work.
- ❖ Go to conferences to share new ideas.
- ❖ Constantly ask employees about 'how their job can be improved?' What wastes their time? What gets in the way of customer/patient satisfaction?

What are the bottlenecks that prevent improvement and change? How can quality be improved and how can costs be reduced?

- ❖ Explore new ways of purchasing.
- ❖ Look at all the systems and processes. Are they out of date? Do they slow things down? Are they necessary?
- ❖ Remember, the manager can add value through how they motivate and manage the Practice Team.

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Geoff lectured in Organisational Behaviour at postgraduate level for 20 years and has wide experience as a management consultant and trainer. He currently works at the Oxford Centre for Innovation as a Leadership Development Adviser'.

He also runs regular management workshops for University of Reading as well as managing his own consultancy. Geoff Ribbens is a joint author with Greg Whitear of "Body Language" part of "Instant Manager Series" coming out this autumn published by Hodder Arnold.

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5. The Creative Gorilla

John Brooker, Innovation Architect

Sometimes, we can focus so much on one threat, we don't notice another slipping in from a different angle.



Look Different Ways...

"If you look at life one way, there is always cause for alarm." Elizabeth Bowen, Novelist

Are you looking the right way? Read on...

Last week, I helped run the meeting of the youngest group in our local Scout Troop, the Beavers. This event was very noisy, sometimes challenging and always fun. We played a popular game called "Rattlesnake" in which the children run the length of the hall as the two leaders throw soft foam balls at their legs. If the ball hits their legs, the child is out of the game.

It's easiest to catch them when they are running as they leap in the air, stop and dodge to avoid the balls. It's great!

We were down to the last four children in the game and as I waited to throw, one of them stopped mid run. I threw the first ball and he dodged it. Next, I pretended to throw the ball at him and he kept leaping in the air. We went on like this for thirty seconds until the other leader walked up behind him and hit his legs with the ball! He was so focused on me that he had forgotten the threat from the other leader.

So

It struck me that this is a great analogy for companies. It's easy in a market to focus on the "established" competition, unaware that someone else can creep up on the outside and "hit your legs".

I think a good example is Apple's iTunes which has "smacked the legs" of the Compact Disc market or indeed their iPod, which has put a major dent in the sales of other formats. This is a good result for a company that had no experience in either industry.

One way you might spot a threat earlier is to move up a level ("chunk up" as some say) and consider the "concept" of your industry. In the iTunes case, music companies appear to have focused on a method of music distribution rather than on music distribution itself.



Apple appears to have questioned the concept further and asked, "Why are people distributing music on CDs?" which might lead to the answer (concept) "To listen to music." If you chunk down from this concept and ask "How to," it can lead you to both, the hard disk player and downloads. This technique is often called "laddering" when used for idea generation. In this case, I'd like to call it "Strategic Laddering" when used to conceptualise our business.

If you would like a synopsis on the Laddering Technique, please contact me on hi@yesand.co.uk.

Action

Think about the business you are in. What is the concept? Have you ever considered how others might take advantage of this concept in a different way to you?

It's easy in a market to focus on the "established" competition, unaware that someone else can creep up on the outside and "hit your legs".

To Close

The "Beaver" that won the game had a long pony tail and I shouted to the others, "OK everyone; give her a big round of applause!" After the applause, the Beaver came up to me and piped "I'm a boy! You told them to applaud "her"!" I had a red face after that, made my apology and concluded the concept was "embarrassment"!

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6. A Question of Questions...

Richard Derwent-Cooke – Founder, I-Change

*"I have six honest serving men
They taught me all I knew
I call them What and Where and When
And How and Why and Who"*

So wrote Rudyard Kipling.

We are taught that questions are useful, that they can be divided into two types, 'open' and 'closed', both have their uses.

However, I would suggest that we neither value nor encourage questions enough. How often have you heard the phrase "Are you questioning me?!" It is usually spoken aggressively and said to quell what is thought to be rebellion in the ranks. If this phrase isn't spoken out loud quite as often these days, I would suggest that it is a frequent internal response.

I think that there are two fundamentally different sorts of questions:-

- ❖ 'Type A': those that potentially challenge the status quo, such as Why? And What?
- ❖ 'Type B': those that seek to conform to the status quo and implement it, such as How? And When?

'Type A' questions are usually asked by a peer, a superior or a maverick who is throwing things open. These questions relate to fundamentals such as strategy and direction. 'Type A' questions are intrinsically challenging on both the intellectual and emotional levels. They can make us feel aggressive as they take us into unsafe territory; the unknown.

'Type B' questions are more often asked by someone seeking to enact a decision already made. We are much more tolerant of these.

Leaders, or alpha males/ females, tend to have risen to their place in the system not only by virtue of their capability and hard work but also by a certain tendency to fight off competition. I would suggest that this makes them intrinsically intolerant of 'Type A' questioning.

Whatever the job people are motivated if their work and effort is recognised by others; those that challenge the status quo and those that conform to the status quo.

Companies that value innovation tend to have a culture where this type of thinking is not only tolerated but rewarded.

However, 'Type A' questions are essential to bring about any significant change. Companies that value innovation tend to have a culture where this type of thinking is not only tolerated but rewarded.

Maybe it is time to take an honest look in the mirror and ask yourself how well you respond to 'Type A' questions and who you have around you that will ask them. Every leader needs someone who can challenge their thinking and this kind of open, fundamental questioning is a very powerful tool.

A good non-executive will do this, as will a good consultant or facilitator, but this way of thinking is something that is deeply rooted in a person's personality, at least as much as a learned skill.

In days of old, when knights were bold, kings kept jesters in their court so that there was someone who felt safe to challenge their absolute power. It took a brave man to question the person who could utter the words "Off with his head!" I know that modern companies are different from feudal courts but bosses still wield great power over the rewards, security and prospects of those under them.

If no one around you is questioning you then they are probably afraid to do so. Also, compliance is so much easier; it is not only safer career-wise but also we avoid the other *bete noir* 'being wrong'!

Do you have a jester in your court? It is time to seek out and reward this kind of input to help ensure that the right kind of changes are happening in your business.



Richard Derwent Cooke is a Facilitator, Coach & Change Agent and the founder of I-Change. He has been working in the fields of personal and business change for over 25 years, working with international blue chip companies and individuals. He is trained as a chartered accountant and in various alternative disciplines.

See www.i-change.biz for more details, read Richard's blog on www.i-change.biz/blog/ or email info@i-change.biz

7. Is Coaching Enough?

John Knights, Chairman, LeaderShape Limited

I was first trained as an executive coach in 1998 when coaching was still in its formative days. Since then, I have coach / mentored a large number of diverse senior leaders. Having been a business leader myself for many years (unfortunately, without the benefit of coaching), I am passionate about the value of coaching and continue to be its strong advocate.

But...I am concerned that coaching is becoming a panacea for all development and particularly leadership development. We hear of many large organisations implementing large coaching programmes for their management teams. The ones I know about have been launched with great fanfare but there has been much less published about the outcomes and benefits. All the ones where my colleagues or I have received anecdotal feedback, the results have been very mixed.

Bosses still wield great power over the rewards, security and prospects of those under them.



Some of the reasons for this can reasonably be claimed to be down to the method of implementation and procedure rather than because of the coaching intervention itself, such as:

- ❖ No consistency in the quality of coaches.
- ❖ Unclear objectives.
- ❖ Lack of rigorous procedures to ensure objectives are being met.
- ❖ Coaching managers that are not ready to be coached.
- ❖ Lack of support from top management.

Presumably, in the light of experience and learning, some of the more recently launched programmes will overcome these weaknesses. However, it is important that the focus is on the desired outcome (the solution) rather than just the correct delivery of a product (coaching).

But still I ask, is coaching enough? The reality is that coaching is a very expensive intervention (though I am not doubting its value) and in many situations a balanced approach of group facilitation (including knowledge transfer and action learning) combined with coaching and other interventions such as reflection, meditation, experiential learning, 360° assessments etc., can be much more effective within a certain budget.

Coaching programmes have been launched with great fanfare but there has been much less published about the outcomes and benefits.

One-to-one coaching is at its best in helping people work through specific sensitive individual issues in a very safe environment. It is not at its best when there is a need for knowledge transfer or where the input of peers or team members is valuable. A large part of development is the awareness of and relationship with others. This is usually best developed and tested in a group environment.

Our experience over ten years of running peer groups for non-competing CEOs and in-house leadership programmes is that people also need to learn new stuff. A highly competent leader needs to develop a high level of emotional intelligence, to be authentic and to develop beyond the ego. Information from research, surveys, theories and science (including neuroscience) can all help to enable each leader to have the insights that help them to progress. This knowledge can be obtained in various ways but we find that participative discussions in small groups are by far the most effective.



And finally, there is a current trend that a coaching culture within an organisation is another panacea. So I now ask, is a coaching culture enough? I don't think so. I was responsible for implementing a programme 6 – 7 years ago where every manager (including factory supervisors) in the organisation learned to coach - and it was very successful. But it has to be put into context. As the research of Goleman, Boyatzis & McKee in their work on emotional intelligence and leadership demonstrates (Primal Leadership, 2002), the coaching leadership style has the 2nd greatest impact on an organisation and is the least observed, beaten only by the visionary style. And yes, a coaching leadership style can be used as the default style very effectively. But, if leaders have not developed the competencies to use the Visionary, Affiliative, Democratic, Pace-Setting and Commanding leadership styles when the circumstances and context requires it, then all the benefits of the coaching style in the world will come to nought.

Part of the problem is that coaching has become so popular as a second or third career. As a result, there are now a plethora of coach/ mentors and coaching organisations that are in danger of having a vested interest in the success of coaching as “the” major development intervention. So let's continue to promote the unquestionable value of coaching but let's also try to be honest enough to put the value of coaching in its true perspective.

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My recommendation would be twofold:

- ❖ Organisations take a much more holistic approach in the development of their talent to identify where coaching can best integrate with other interventions to achieve the best outcome and value for money.
- ❖ Coaches (executive coaches in particular) learn other related interventions so that they are able to provide a solution, not just a service.

This will provide organisations with a superior return on their investment in development and training.

8. Creative Industries in the Digital Economy: Challenges, Agility and New Business Models

Dr Lorraine Warren, School of Management, University of Southampton and Professor Ted Fuller, Lincoln Business School, University of Lincoln.

The UK is renowned for its creative industries in areas as diverse as music, animation, design, gaming and the visual and creative arts. The creative industries are estimated to account for 7.3% of the UK economy, parallel in size to the financial services industry (DCMS, 2007). The livelihood of a growing proportion of UK citizens therefore depends upon the sector maintaining its growth trajectory, particularly in the South East. Together with London and parts of the East of England and South West, the South East region forms a "mega region" of world class significance in relation to the creative economy.



The Powell report (2002) suggests that the creative industries employ more than half a million people in the South East. Creative and cultural industries represent around 30 per cent of its GDP, making it our region's fastest growing sector. As well as opportunities however, the sector presents challenges for practising managers and leaders. These include:

- ❖ A diverse range of increasingly cross-linked industries (e.g. arts, culture, heritage, gaming, performance, sports).
- ❖ The potential for many inter-related (aesthetic) artefacts and services.
- ❖ Digital technology can establish new resonances between social practices and the techno-creative milieu.
- ❖ The need for continually (re)-organising entrepreneurial & innovative team collaborations around new projects.
- ❖ Novel, sometimes unorthodox, combinations of people and technologies for which there may be no precedent.
- ❖ Values issues regarding interchange of artistic, cultural, social capitals (particularly where creative output is critical or challenging of powerful groupings).

Better understanding of how new value-creating systems emerge in such landscapes can give us a better insight into how such processes can be managed and supported, thereby contributing, in a small way, to the sustainability of the creative industries overall.

The creative industries are estimated to account for 7.3% of the UK economy, parallel in size to the financial services industry

This is part of the remit of Creator, www.creatorproject.org, a research cluster funded by EPSRC (EP/G002088/1) as part of the "Connecting Communities for the Digital Economy" initiative. The Creator cluster is located at the Mixed Reality lab at the University of Nottingham and includes partners from the region, such as the Universities of Southampton, Reading, Sussex and Chichester, and from London, Birkbeck and Queen Mary. It brings together practitioners from the creative industries with researchers from varied traditions that span ICT, the arts and humanities and the social sciences, with the aim, *inter alia*, to explore new forms of knowledge transfer and innovative business models that reflect the highly dynamic and distributed nature of the creative industries within the UK.

As management researchers, we want to know how managers maintain agility, the ability to see ahead, to strategise in an innovative manner, to act at the right time, to repeatedly achieve and maintain competitive edge in such uncertain and unpredictable environments. Our research (Fuller and Warren, 2006; Fuller et al, 2007) has shown that entrepreneurial managers who are successful over long periods of time are continually organising and reorganising in anticipation of new products, new services, new business models, and new value creating systems not only reflecting, but shaping new patterns of consumer behaviour that may be some way ahead in the future. To achieve sustainability over time, they are practising anticipatory behaviours that can be learned or developed in others; they don't have mysterious prescience that reveals the future in ways not available to the rest of us. Instead, they have developed embedded patterns of behaviour that are unique to the context of their particular firm and industry network. A key part of that behaviour is that they are engaged in a pattern of continuous experimentation that repeatedly generates new strategic options, some of which in time become 'the firm', when the time to act is right.



We have identified four key, highly interrelated processes, which result in the emergence of novelty over time in entrepreneurial firms:

- ❖ Experiments: small scale models testing for fitness in the landscape
- ❖ Reflexivity: the continuous reshaping of the meaning of what the owner and the business 'are' in relation to others
- ❖ Organising domains: the breaking and reforming of everyday patterns of doing business
- ❖ Sensitivity to conditions: the detection and evaluation of environmental change and the motivation to respond

These processes are not planned or formalised, they do not have a session in the diary at 2pm on a Friday afternoon. Rather, they are a 'way of being', the essence of agility and foresight for the entrepreneurs we have worked with. We are currently using the complexity theory as an organising metaphor to try and understand these processes in more detail, asking questions such as: Why do some experiments become part of the firm and others do not; What environmental signals and critical points trigger a response, and why.

In the South East, creative and cultural industries represent around 30 per cent of its GDP, making it our region's fastest growing sector.

We will need new visions of innovative management for the opportunities presented by the creative industries in the Digital Economy of 21st century. In providing better understanding of the dynamics of fast-moving industries, our work will aid entrepreneurs to take advantage of and develop opportunity in new areas where little guidance currently exists.

9. Getting into Tune with Leadership

Judy Apps, Voice of Influence

What are the characteristics of a good leader?

“Not again!” someone sighs. We have been bombarded with lists of top leadership attributes. Then we compare our own personal attributes with those on the list and wonder if there is actually anything we can do about it. It's one thing to have a list, it's quite another to know *how* to acquire the desirable characteristics.

Leadership grows in each from his individual way of coping with the hand he's been dealt.

Does their acquisition actually turn you into a brilliant leader? The jury is out. Look to the great leaders of history and there is no fixed leadership mould. Churchill is the 'bull-dog', strong in time of war; Gandhi offers a soft-voiced call for non-violent resistance; Luther King inspires a great wave of energy with impassioned speeches; Mandela spends 27 years in prison (what sort of preparation for leadership is *that*?) and emerges the fully-fledged international leader.

Leadership grows in each leader from his individual way of coping with the hand he's been dealt. Churchill built strong resilience through tough times as an under-achiever at school and considerable opposition as a young MP. Gandhi had to overcome many fears as a timid young lawyer, through which he found the quiet centre which carried him through the hard years to achievement of Indian independence. Luther King, through discrimination, became fired up with the passion for equality which swept all before him. Nelson Mandela used his experience as a convict to practise leadership: “On Robben Island we honed our debating skills while we chipped away at limestone.”

Does this mean that you have to endure adversity to become a good leader? Not necessarily. But it does require the rich understanding that these role models acquired through personal experience. It is not sufficient to be intelligent, master of cause and effect. I am sure you can think of at least one highly intelligent person who would clearly make the most terrible leader.



Leadership is like a tuning fork which needs both prongs to ring true. One prong represents IQ, the conventional intelligence of reasoning and judgement. The other represents EQ -Emotional Intelligence, in David Goleman's borrowed phrase - the ability to know and manage emotions and relationships. Many business leaders have built up the IQ prong at the expense of the EQ prong, resulting in fatally unbalanced leadership.

If IQ and EQ are the two prongs of successful leadership, what is the shaft that holds the prongs together? There's a third quotient, sometimes called SQ, or spiritual intelligence. When IQ and EQ come together something greater than either emerges and effectiveness is vastly increased – such as when an athlete is 'in the zone', or an artist 'in flow', or someone in the face of danger functions at their peak. Csikszentmihalyi describes many such instances in his excellent book, “Flow”. At these times, you have a sense of being entirely yourself, present in the here and now, deeply authentic.

Successful leadership comes from this act of *being*. In your authenticity you are solid and grounded. You lead naturally, as appropriate, in whatever circumstances you find yourself. And you do that by being entirely present in the here and now, able to relate, make decisions and perform in the moment. Fixed ideas, self-image, status and expectations do not dictate a particular way of operating.

Leadership is like a tuning fork which needs both prongs to ring true. One prong represents IQ, the other represents EQ - Emotional Intelligence.

If you believe your authority comes from your office, you show traces of artificiality which reveals itself in your body, voice and language. There is a great sense of freedom in being authentic. When someone acts 'in the zone', they are not confined to acts that they believe possible. Extraordinary performances can result. The small sense of self has a fixed self image and confined range of responses. Anything outside the self-image feels foreign or difficult. People sometimes say of a new response, "It just wasn't me."

The deep sense of self, on the other hand, connects to something much more powerful. It allows you flexibility. "This is me. And this also is me." Cybernetics propounds that in any system the part with the greatest flexibility controls the system. In a small boat the moving part – the rudder - controls the boat's direction. In a company, the person with the greatest flexibility has the power.

Greg Dyke as Director General of the BBC was an example of flexibility in action. When appointed, he launched an initiative called 'Making it Happen'. Employees suspected a traditional 'fake' consultation exercise. This turned out to be different. He invited employees to come up with ideas for their departments and the BBC as a whole. When the ideas came up - in their thousands - he went with many of them, and began to give employees the confidence to influence their own organisation. His flexible approach paid enormous dividends. He completely revolutionised the culture and performance of the BBC and carried his people with him. When he announced his resignation in the aftermath of the Iraq dossier scandal, he was mobbed by staff shouting, "We want Greg" and deluged by e-mails urging him to stay. People said of him that he was utterly authentic.

When you are at ease in your own skin, you become motivational to others and create community through attraction, rather than control. This is true of all the great leaders. Mother Theresa's values, ethics and style infused her organisation's activities. Richard Branson's originality, non-conformism and energy are echoed in Virgin enterprises. When you compare the environment of the BBC in the era of Greg Dyke and afterwards, you capture the vital difference that a leader makes to a whole culture and energy of an organisation.

A list of attributes operates at the level of competence. An authentic leader operates at a higher level, the level of being, which is much more influential. Gandhi caught this most succinctly in his famous phrase, "You must be the change you want to see in the world."



10. Playing to Strengths Results in Engaged Employees and Better Performance

Gail MacIndoe, Vi International

Companies, CEOs, managers and individuals are being pressurised to do more, with less. How can companies get more out of their employees? Likewise, how as an employee, do you become more engaged and deliver your own best performance? Research by Gallup and others show that when people play to their strengths at work they are more likely to be engaged. Over the past decade Gallup surveyed 10 million people worldwide about employee engagement. Only one third strongly agreed with the statement, 'At work I have the opportunity to do what I do best every day.'

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But the epidemic of active disengagement we see in workplaces everyday could be a “curable disease,” writes Tom Rath in Strengths Finder 2.0, “if we can help the people around us develop their strengths.”

When I was at Aviva we wanted to introduce a new focus to leadership development that would inspire and produce tangible benefits for the organisation. Through strengths coaching one director realised she had focused on fixing what was ‘wrong’, resulting in her losing confidence, rather than playing to strengths she had been hired for. She introduced the approach to her team who found they could be more effective and motivated by reallocating staff to different tasks. Another found that after many years spent focusing on his development needs on weaknesses, it felt much more natural to focus on the things at which he was good at. “Becoming mindful of the activities that inspire or drain me has helped me plan my time so that I can be more effective,” said Craig McKinlay, head of channel and sales development at RAC.” Tangible business benefits were achieved by the strengths coaching programme, including one individual making cost savings of £100,000, another creating £250,000 in additional potential revenue.

What is a Strength?

A strength is an activity that energises us - something for which we have a natural talent, not necessarily what we are good at. Real strengths leave you wanting to do more. They provide a sense of being in the flow. We often find ourselves drawn to doing them and can do them repeatedly, happily and successfully. By developing those natural strengths rather than focusing on weaknesses the greatest benefits can be achieved. Enjoyment is the key. An example is Warren Buffet who in 2007 was listed among Time's one hundred most influential people in the world. Whilst speaking at the University of Nebraska, he said the only difference between the students and himself was that every day he gets a chance to do what he loves - and if they wanted to learn anything from him that was the best advice he could give them.

Buffet is different from most people. Firstly, he became aware of the need to enjoy his work when most wouldn't know how to take the first step, deliberately playing to his strengths. Significantly, he chose not to focus on rectifying his weaknesses.

It is human nature to strive to improve ourselves, and commonly thought that the greatest area for development is in fixing our weaknesses. Research has shown there is more headroom for development in areas where people possess natural strength. True weakness remains so - no matter how much effort is put into development it will never become strength. This is not to say we ignore weaknesses, we manage them and focus on people's natural talents.

Take golfer Tiger Woods. He knew his bunker play needed attention so worked on it just enough so as not to undermine his strengths but to minimise the impact of weakness. Then having reached an acceptable standard he and his coach turned to refining and perfecting his most dominant strength – his swing.

Self-discovery is key if an individual is to capitalise on how they work with others and find ways to carve their role to play to their strengths, thereby making the greatest contribution. People learn quickly and excel at a strength. However most do not recognise their natural strengths, if they do, talk in general terms: 'I like to work with people'. But what type of people? At what level? In what industry sector or department? Doing what exactly?



A big part of our coaching is helping people discover, develop and leverage their strengths. As strengths come naturally to us, it is assumed that it is the same for everyone else.

Clients often feel there might not be enough 'stretch' in developing a strength so we help them think creatively on how to raise the bar, spending more time playing to their strengths.

An employee may be a good project manager but be totally bored by the role. To break away from this weakness spiral and to replace it with a strength revolution, changes need to be made. "As managers, we have a responsibility to work with our employees to identify and develop their strengths and steer them towards roles where there is more opportunity to do more of what they do best and so have the greatest chance of success", says Katrina Roberts, Vice President – International Payment Technologies, Strategy & Solution Definition, American Express.

Peter F Drucker sums up the rationale for playing to your strengths: "It takes far more energy to work to improve from incompetence to mediocrity, than it takes to improve from first rate performance to excellence."

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Gail MacIndoe is an associate executive coach and learning and development consultant with Vi International. Gail was previously internal coach and learning & development manager at both Aviva and Kellogg Brown & Root (KBR). She has designed and delivered numerous leadership and cross-cultural development programmes and is a regular speaker at leadership and talent management conferences. In September 2008, she was short-listed for Mentor of the Year in the Women of the Future Awards 2008 for the successful mentoring programmes she has created and the mentoring she has provided to rising female talent over the years.

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11. Leading in Challenging Times

**Scott Blanchard, Executive Vice President, Client Solutions,
The Ken Blanchard Companies**

Even if the credit crunch hasn't yet hit your bottom line, your people will be worried. They know the going is likely to get tough and they will be concerned about their job security, their financial liquidity and the knock-on effects on their personal life.

It takes a skilled manager to deal with this kind of anxiety, and basic managerial skills become even more important. The key roles of ensuring your people have the information and support they need to do a good job, of giving them regular feedback, praise or redirection, become even more vital.

Then there are three further points a good manager needs to bear in mind in challenging times:-

*It takes far more energy to
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1. The need to keep people informed

Many managers try to avoid having challenging conversations. But avoiding sticky situations means they only get stickier and more complex. People want facts about what's happening, so keep them in the loop and tell them what you know. 9/11 hit us bad at Blanchard, so we opened our books, showed our people the reality of our situation, and found they were willing to take pay cuts or accept a freeze on pension contributions.

2. The need to ask people for suggestions and advice

It's amazing how, when you ask, people have ideas for cost-cutting measures those further up the hierarchy haven't even thought of, because they haven't picked up on an area of waste. Collaborate with your people; it's good for their morale, fuels a sense of trust, and always pays dividends.

3. The need to invest in your people

Move people past their personal concerns by saying: "we're going to hang with you because you are part of the group that got us to where we are today. If we have to re-deploy you, we'll give you the training you need to contribute to the bottom line more effectively." Re-training your people during tough times will help neutralise their personal concerns. Otherwise, their motivation and engagement falters, their commitment to the organisation weakens, they fail to get the results management expects, the bottom line suffers and a self-fulfilling prophecy is created.

The organisations that are going to be successful during these tough times are those which are willing to keep investing in their people, keep focused on business development and look forward. Make these challenging times special. Redefine the bottom line in your organisation by valuing those who brought you to 'the dance.' After all, you're only as good as your people and right now you need them more than ever.



Scott will be speaking on Leading In Challenging Times at the Mandalay Hotel and Conference Centre in Guildford on the morning of 25th November. Cost £75 + VAT including breakfast and leadership research reports. For more information call 01483 456300 or email uk@kenblanchard.com.

12. Insights Programme – The Market Intelligence and Research Building Blocks

Janet Robbins, Business Link

The South East Business Links regularly commissions market research to ensure that its business support services meet the current and future needs of its clients. The Insights Programme is one of these market intelligence and research building blocks which includes 3 key regular research activities that are commissioned by the South East Business Links and is available to its strategic partners.

1. Hot Topic Spotlights

Results of a quarterly telephone survey of business owners and senior managers, across the South East region. 1,800 people are interviewed in each wave, and the sample is weighted to reflect the composition of the South East business population.

The questionnaire consists of fixed core questions - tracking trends in business concerns and levels of optimism - and hot topic questions rotated in each wave - exploring topical issues.

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Insights outputs for strategic partners

The Hot Topic Spotlights is a series of short papers, published quarterly. Each one summarises insights from the survey on a specific hot topic. It is freely available and circulated to South East Business Links, SEEDA, SBS, GOSE and partner organisations. Source of data: South East Business Monitor Survey.

2. Regional Insights Reports

These reflect profiles of Business Link customers and non-customers, for pre-starts, start-ups and established businesses, based upon data drawn from the South East Business Links' Customer Relationship Management systems.

Insights outputs for strategic partners

The Regional Insights Reports analyse Business Link's customer base, comparing it with the structure of the region's business population. Source of data: Business Link customers.

3. The South East Business Monitor Survey

Provides business, economic and labour market intelligence, published by other organisations from the public and private sectors.

Insights outputs for strategic partners

The Regional Insights Reports and Hot Topic Spotlights draw upon information from other sources, to expand upon or validate the findings and insights from Business Link's own research. Source of data: External studies.



Heads of Business Schools in the South East Universities who wish to be included in the mailing list for the reports and papers below, please contact Janet Robbins, SE Regional Manager, Leadership and Management, Business Link at janet.robbins@businesslinkberkshire.co.uk or phone on mobile: 07760 168554

13. What do you want?

Please feel free to respond to any articles you see here. We would like to see some discussion and debate within these pages. You are invited to disagree with anything you read - or to agree, but adding a new twist or perspective. We would appreciate feedback on the Newsletter. Are we publishing on the right subjects or are we missing vital ones? Are the articles in sufficient depth? Are they too long or too short? You are welcome to contact us directly with your views, please email M.Henty@surrey.ac.uk

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