

Leading in the Age of Disruption: Five Critical Skills

Professional development expert Herminia Ibarra discusses the five skills required for leaders to thrive in the post-pandemic world.

Interview by Sarah Green Carmichael

You have said today's organizations share some common goals and challenges. Please explain.

Herminia Ibarra: Pre-pandemic, we were having lots of conversations about innovation and digital transformation, but existential challenges over the past two years have forced that conversation to become much broader. Responding to a global pandemic, an environmental crisis and the quest for racial equity demands what **Microsoft** CEO **Satya Nadella** calls shifting from being 'know-it-all's' to being 'learn-it-all's'.

At this point in time, most organizations are striving to be six things: agile, customer-centric, innovative, tech-savvy, inclusive and disruption-proof. As we think about leadership skills for the post-pandemic era, I am most interested in what it takes to instill these characteristics in teams and organizations.

What leadership skills will be most valuable going forward?

Five skills come to mind, and I call them the 5Cs. The first is *cross-cutting*, which entails developing networks that extend beyond your organization so you can connect new ideas and insights and take them back to your team. The problem is, we are notoriously bad at building diverse networks. We are biased to like people who are similar to us; but invariably, innovation comes from the outside — and so do threats and dangers.

The second skill is *collaboration*. In particular, I've become fixated on the aspect of collaboration that depends upon fostering psychological safety. Many readers know about Harvard Professor **Amy Edmondson**'s research about the importance of feeling that you can speak up without any fear of consequences. This state is particularly important in times of crisis. The question for leaders is, if your employees see something unexpected, will they say something or not? The whole point of having teams is so that people can share different points of view. As teams are becoming more diverse — and now, more virtual — it is more important than ever to pay attention to collaborating in an environment of psychological safety.

The third skill is *coaching*. The role of managers has shifted from monitoring, controlling and inspecting to a focus on bringing out the best in people and facilitating their development. Interestingly, I am finding that the further along an organization is on its digital transformation journey, the more it is focused on instilling coaching as a leadership style.

The fourth skill is *culture shaping*, which is really about destroying all of the outdated aspects of your culture. One thing I've learned from studying transformation efforts is that you can tick all the boxes in terms of doing things right, but invariably, progress will come to a halt at some point. And in most cases, it's



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because you come up against practices that are part of the 'old order' — things people take for granted about 'how things are done around here'. Being able to dramatically transform these elements is critical to successful change.

The fifth element is *connecting*, and this has to do with answering the following question: Why should anyone be led by you? Earning a positive answer entails continuous growth in terms of empathy and authentic leadership. These are hard times, and people want their leaders to be real.

Many of us have become aware that our networks aren't sufficiently diverse. How can we address this?

A good place to start is recognizing that it's part of human nature: We gravitate to people who are like us in terms of gender, race, political inclination and age. The first step for reversing this is to understand that it limits the way we think. Because of the pandemic, we're not doing most of the usual activities that allow us to broaden our networks, so we have to be quite intentional about it. My advice is to find people who are different from you but who share your professional interests, and reach out to them. Make it part of your job to grow a list of new contacts. Chances are that you have fewer people in your network who are younger than you, so maybe start there.

Google recently looked at what makes for effective managers and teams, and one thing they found is that those with the most diverse networks were among their best performers. These people did simple things, like intentionally eating lunch with different people rather than the usual suspects. If you start proactively reaching out to the periphery of your network, that will take you further out.

What is the best way to improve psychological safety at a time that doesn't feel very psychologically safe?

The problem is, when people are afraid of losing their jobs, they tend to 'manage their boss' by telling them what they want to hear. So, unless the leader proactively seeks honest input, there could be dramatic consequences.

One of my colleagues studied Nokia during its decline after the introduction of the smartphone. He spent quite a bit of time there, and he found that part of what was happening was that the job market was extremely limited in Finland at the time. People were scared of becoming unemployed, so they didn't say what they really thought. And we all know what happened.

In terms of what to do about this, the research shows that there are two main correlates of psychological safety. The first is inclusivity. If participation and 'air time' are shared more or less equally on a team, you're more likely to have psychological safety — as opposed to teams where two or three people always dominate. So, monitoring things to ensure equal participation is important — and that's something we can do online, too.

The second element is a bit trickier because it has to do with social sensitivity and empathy. How are people on your team feeling? Are they covering up their true emotions? Are they eager to speak up, but choosing not to? Trying to get at this via the equal participation concept is a great place to start.

One disturbing element of virtual work is that some managers are monitoring their employees more closely than ever — even using software to track what they're typing or taking screen shots. How do you react to that?

The jury is still out on the pros and cons of working from home, but I do think people are converging on the idea that a hybrid model is probably best. The monitoring you mention is happening on two levels. One is in terms of outcomes — what an employee is producing, and whether they are meeting targets. The second type of monitoring is in terms of process: How many hours is an employee glued to her computer? Personally, I would say that monitoring in terms of outcomes is the best route. And of course, managers need to be very clear about the expected deliverables.

Looking ahead, we're going to have to get a lot more sophisticated about how we define a 'job'. We're going to have to get better at defining what exactly we want people to deliver — and that definitely isn't about the number of hours spent in front of a computer.

One organization I've worked with a lot is Microsoft, which has had a very interesting transformation under Satya Nadella. They have experimented with their new digital tools on themselves and used all kinds of analytics. For one thing, every employee now has a tool that shows them how they're spending their time — how much time they are in meetings, how much time is 'focus time', which is the blank-slate state where you can just let your mind wander; and how much time are they spending on e-mails? The tool also tracks how much time the employee is spending working outside of working hours. The goal is to help people get better at managing their time. It also tracks them in

terms of how much time they spend with key people in their network, including customers. Already, they've been able to show that the more time salespeople spend with customers, the more Microsoft products and services those customers use.

In terms of coaching, what are some of the best practices?

Coaching is a development process that is very much led by questions. Trying to figure out the right questions to ask is where the magic lies. People who excel at this actually 'collect' questions, writing down and keeping the ones that have provoked insight. Basic questions that are open-ended tend to enable learning. I find simple questions are usually best, like, What are you trying to accomplish? What is helping you? What barriers have you faced? What options have you tried? You know, very open-ended, with a problem-solving undertone.

This is a whole new skill set for most leaders. The old coaching paradigm was similar to a little-league coaching approach: 'I am going to teach you what I know so you can do it exactly like me.' The new paradigm is about asking questions that allow the coachee to learn for themselves, in their own way. And the coach also learns about what the employee has to offer, so both parties benefit.

As you said earlier, culture shaping is largely about banishing outdated practices. What is the best approach?

As I indicated, any culture-change effort will only get so far because old systems, processes and procedures are reinforcing the old culture. At Microsoft, they shifted to a very customer-centric approach and embraced a leadership style that was focused on a growth mindset — attempting to pull out what people could learn rather than what they could deliver perfectly at that moment. But they still did their quarterly business reviews in the same old way — the approach that **Jack Welch** pioneered at GE, where people spend months preparing decks of PowerPoints, leading up to what some have called 'success theatre', where a presentation can make or break your career.

They realized two things. First, that putting on that kind of show was undermining their efforts to be learn-it-all rather than know-it-all. There was no talk about whether mistakes were made along the way that people could learn from. And people were spending months on these presentations — time that could have been spent in front of customers, with real bottom-line effects. So, they literally undid it.

You really have to examine where exactly your culture is playing out, and whether a given practice is helping to solidify your intended message or working against it. Other ways to shape a culture include role-modelling it: Know what you aspire to, and personify that. Select people who exhibit those qualities and reward them for it. And communicate about these values all the time.

How can a leader ensure that diverse people are involved in coaching?

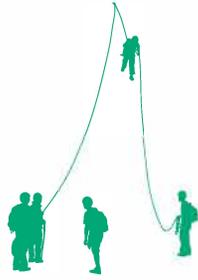
When you're underrepresented in an organization, your group tends to have less power, opportunity and legitimacy. What tends to happen with people from the majority groups is, they coach people as if everybody wants to be just like them. Of course that is not true for people from under-represented groups, whether they be women or racial minorities. Guess what? They don't want to be just like you!

One of the great values of this new approach to coaching is that you're pulling out of the person what they want to accomplish, and gaining insight as to what they might be able to do in the future. You work with their situation as opposed to imposing your point of view on them. All of the five Cs — cross-cutting, collaboration, coaching, culture shaping and connecting — are things that will help you attract a bigger talent pool and a broader set of voices.

Let's talk a bit about empathy and authenticity. What is your current thinking on these qualities?

The headline is, Authenticity is Great! I'm not going to argue against it. However, I do worry that some people use the idea as an excuse to not get out of their comfort zone. I call this the 'authenticity paradox': You feel a pull towards a definition of yourself that is historical and that represents the more conservative and cautious you — as opposed to the more experimental, future-facing you. I've done a lot of warning against confusing what it means to be authentic with what it means to be rigid, and how to be both authentic and adaptable.

It's important to think about authenticity in more nuanced ways so you don't condemn yourself to being the same as you have always been. In the psychological literature, they look at authenticity almost as a notion of 'self-authoring' — of being the author of who you want to become. A foundation of that is reflecting on your experiences in order to learn and grow from



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them. If you do that, your ability to communicate those things to other people as the underpinning of your leadership philosophy will be even stronger.

Authenticity is a huge element of our ability to connect with people and inspire them. There's an old saying that 'Everybody wants to change the world, but nobody wants to change themselves'. This newer definition of authenticity paradoxically means that you are willing to change. You're willing to examine yourself and learn and grow towards becoming even more authentic.

Companies that are further along on their digital journey have automated things like forecasts and they have a lot of smart analytics in place. This has eliminated some of the day-to-day things managers used to do, so what should managers do with this time? They should help people get better. In one company I worked with, they had completely automated forecasting, and one senior executive was having the worst time because people were still spending lots of time in forecasting meetings. So, he started taking the coaching approach, asking question like, What are you trying to accomplish? What he learned was that it was a political thing: People felt like they had to be in those meetings to please their boss. I was able to coach a particular executive to say No to things that were not a good use of her time. A real shift happens when people are very clear about what they're expected to accomplish and can maximize their time towards achieving that.

Another challenge is learning how to be coached in this manner. Any advice on this front?

It's a lot harder than it seems, especially if the coachee has grown up in a know-it-all culture, where there is always a right answer and people want to be told what to do. When you tell them you don't have the answer, they may think you're trying to manipulate them. This is about developing people in such a way that they are open to finding answers on their own. But they may have become complacent about expecting their boss to direct them, so this approach often requires an adjustment on both sides.

What are some of your greatest lessons learned about expanding one's professional network?

My colleagues [Rotman Professor] **Tiziana Casciaro** and [Harvard Professor] **Francesca Gino** did a wonderful study where they showed how 'instrumental networking' makes many of us feel dirty, so we avoid it. But they also found that when people believe they have as much to give as to get from networking, they

no longer view it as 'sleazy' and are more likely to embrace it.

We all have three different kinds of networks, in essence: our operational network, which we use to get things done (and without which we can't do our job); our personal network, which is completely discretionary (friends and people we have chosen to stay in touch with over the years); and our strategic network, which is the network we use to bring ourself and our organization into the future. Strategic networks are, by far, the most under-utilized and under-developed networks for most people. It's really about leveraging the different parts of your network to do things to move you forward. Not just in your day-to-day routine, but to figure out what's next, both for your career and your organization. This is where you have to be the most intentional, because it's not part of your day-to-day routine and it's not necessarily driven by social ties.

Of course, COVID-19 has made all of this more complicated. It's been a period of time when we have all had to upskill very quickly, adjust to brand new habits and focus on our health and that of our loved ones. When I talk to people, many tell me they are itching to get back to meeting people at group events. I can't say exactly how that aspect of networking will change over the long term, but I do believe it will be just as critical to professional success as it has always been. **RM**



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