# LEADERSHIP
## DEVELOPMENT

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# Leader development or Leadership Development?

One of the major challenges organizations face today is creating a steady pipeline of "ready-now" leaders to move up into positions of greater scope and responsibility – and fast growing organizations feel this challenge even more than others.

Another critical challenge faced by organizations is the need to align the leadership development initiatives to their business context so that leaders are able to solve organizational challenges and support growth and transformation.

Is your current leadership development initiative delivering business result?

How can you address the above-mentioned challenges and create leaders and change agents in an accelerated way? How can organizations provide their leaders the mindsets, values and skills needed to take on bigger roles and contribute to building purposeful and successful organizations?

## The challenge with the current leadership development approach

- Most leadership development uses a third person perspective to teach leadership so no lasting shift at a being level.

- Most leadership development initiatives focus on Transactional Learning rather than transformational learning.

- Leadership Development interventions are not contextualized to the organization

- Leadership Development interventions either focuses too much on self or too much on traits or skills without addressing the Knowing, Being, Doing and Systemic conditions (systems thinking and system dynamics) holistically

- Many leadership development interventions are not backed by a solid conceptual and theoretical framework and become the flavor of the season.
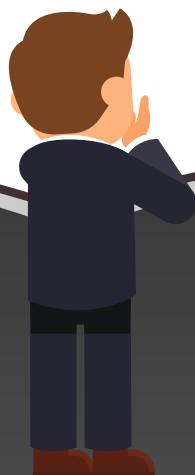
Most leadership theories looked at organizations as closed, isolated systems and placed primary focus on individual leader traits – or the relationship between leader and his constituents and these theories place marginal focus on how to account for the inter connectedness of the context and content, and the mental models of leaders and the organizations they lead. By paying attention mostly to the individual visible traits, rather than the context in which they operate, leaders are "disabled" from being successful when they operate in new settings – the list of managers and leaders who have failed in new environments is large – and ever-growing.

You would also notice that most leadership theories and approaches use an Epistemological approach, a third party approach to teach leadership. Because of this, participants learn leadership concepts and theories but do not experience how these theories show up for them when they naturally express leadership.

There also seems to be confusion between leader and manager as concepts because a lot of traits that organisations inculcate in a leadership workshop after doing a training need analysis are essentially managerial skills.

## We belive that

- The organisation is an open system, which interacts with the environment and is continually adapting and improving

- All parts of the organisation are interconnected and interdependent; if one part of the system is affected, all parts are

- Leadership development should address Knowing, Being and Doing of an individual in relation to the external and internal context.

- Leadership is everyone's business and when we use the word leader, we are not referring to positional leadership.

# ODA's Approach to Leadership Development

Traditional approaches to leadership development often fail to deliver on their promise in this fast-changing and increasingly interconnected world. So we need to have a theoretical framework that is not just a flavor of the month but deeply rooted in concepts that could create a shift in Self and communities we lead.

## A phenomenological approach

The natural sciences deal with a material world of objects, abstracted from human concerns, while the social sciences deal with a world of conscious agents, disconnected from material things. Management theory will have an affinity towards the objective, third person perspective to teach leadership. Using the external third-person perspective of the natural sciences to study leadership might help us intellectually understand what leadership as a concept means and we could also memorize that. But that does not address the subjective and unique experiences each person goes through and meanings we create around what is happening.

Leadership, however, is not computational, linear, or formulaic. In contrast to the natural sciences, leadership is best studied using a first-person "as-lived" phenomenological inquiry to investigate how people experience what they experience and the meaning of that experience. . A phenomenological inquiry into leadership does not study the properties and attributes of leaders, but rather the fundamental structures of human "being" that make it possible to be a leader in the first place. This way of teaching leadership helps participants to reflect and observe, their being and how they create the results they are creating now and what they need to do to create different results.

At OD Alternatives (ODA), we with our two decades of research and experience in leadership development have evolved our Leadership Model that have helped organizations develop real Leadership Capacity and enabled them to advance ambitious strategic agendas. And we do this by using a subjective, phenomenological approach and the triple loop learning methodology we developed.

We believe that to evolve a leadership development philosophy, our understanding of what constitute leadership need to expand. Without this new understanding and perspective we would be still training our leaders on "tried and tested" leadership behaviors.

## Leadership and Management
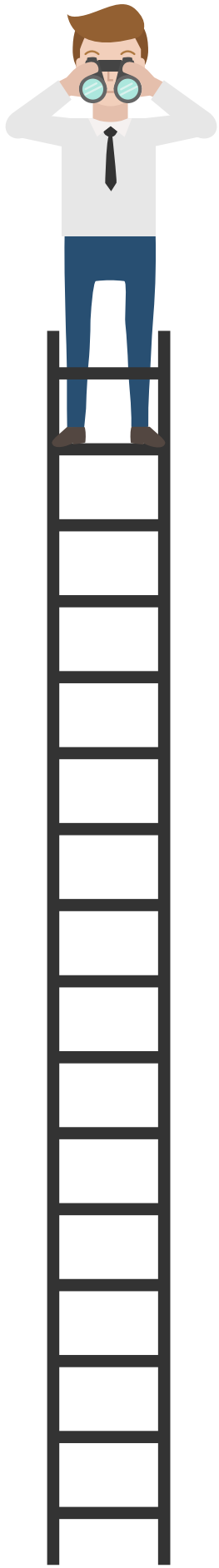
John Kotter, Harvard professor writes that "Management is a set of well-known processes, like planning, budgeting, structuring jobs, staffing jobs, measuring performance and problem-solving, which help an organization to predictably do what it knows how to do well. Management helps you to produce products and services as you have promised, of consistent quality, on budget, day after day, week after week. So, management is crucial — but it's not leadership."

"Leadership is entirely different. It is associated with taking an organization into the future, finding opportunities that are coming at it faster and faster and successfully exploiting those opportunities. Leadership is about vision, about people buy in, about empowerment and, most of all, about producing useful change.. And in an ever-faster-moving world, leadership is increasingly needed from more and more people, no matter where they are in a hierarchy. The notion that a few extraordinary people at the top can provide all the leadership needed today is ridiculous, and it's a recipe for failure."

> We believe that leadership is about creating new possibilities that are not just mere extension of our pasts.

Leader development is only one aspect of leadership development. It focuses on developing an individual's knowledge, skills, and abilities (also referred to as Human capital). This practice is driven by the achievement of personal goals and, when successful, yields individual progress, outcomes and results.

Teaching people about leadership is different from creating leaders. Teaching leadership today mostly uses a third-person approach to impart someone else's knowledge, which grants learners limited direct access to the being and actions of effective leaders. In contrast, creating leaders entails a first- person phenomenological methodology, which provides direct access to what it means to be a leader and what it means to exercise good leadership in real time, with real results.

# Therefore we focus on:

Building Real Leadership Capacity by focusing on the Being of the leader, the possibilities he/she would like to create and the Human Capital (skills, traits) required to create that possibility. At the same time we focus on building networked relationships (Social Capital) as well as strengthening engagement and shaping the culture (Cultural Capital).

## The Triple loop learning

Our Triple Loop methodology helps participants individually and collectively examines their assumptions and identity this creating a deeper level of shift both in the being and doing of the individual and system.
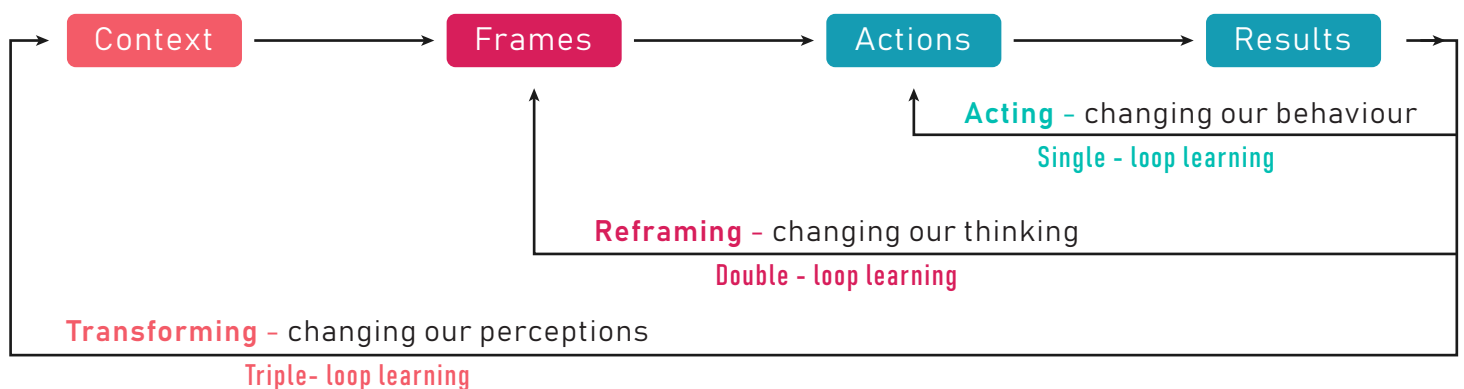


Chris Argyris pointed out the limiting power of hidden mindsets in organizations and advocated double-loop learning as a way to avoid such covert traps (1977). Double-loop learning asks people to examine the assumptions they take for granted that may guide their current ways of thinking and to consider adopting new beliefs that would allow different possibilities to occur.

We at ODA, found that a still deeper exploration into one's own self-concept and identity that attracts certain assumptions we take for granted would create both personal transformation and organizational transformation. So we use a Triple Loop approach while helping our clients through change and transformation initiatives.

### Incremental improvement (single-loop learning):

Continuously improving my current practices and improving my skills so that I can achieve my goals more efficiently. This is adaptation at the level of behaviour or tactics – ie, if what I'm doing doesn't work, I explore other behaviours or tactics. If this doesn't deliver the results I want, then I may need to move to double-loop learning.

### Thinking differently (double-loop learning):

Fundamentally reshaping my patterns of thinking by changing my goals and/or strategies so as to break through impasses, become more effective, and learn to do different things. This is adaptation at the level of thinking or strategy, and involves my examining my assumptions about the situation. By exploring different ways of thinking about the problem or situation, a whole new set of possible behaviours can emerge. If this helps me to solve the problem I'm facing, fine. If not I look for other assumptions I could change which might give me fresh ways of thinking about the problem. If I'm still not successful, then I may need to move to triple-loop learning

### Transforming who I am (triple-loop learning)

Creating a shift in my context, identity or point of view about myself. This is adaptation at the level of my way of being and of seeing the world, and myself in it. The question I ask myself is "How can I shift myself to a different way of being in this situation to create new options, and to help the wider system shift?". This shift in being or seeing can then lead to a shift in thinking, goals and strategies, which in turns opens up new possibilities for behaving.

## Transactional learning or Transformational learning?

Most leadership development initiatives while using an epistemological, third person perspective creates transactional learning, not transformational learning.

Broadly, there are two types of learning in a Leadership development context; transactional and transformational. Transactional learning operates from the view that skills or information are things to be transferred from the knower to the learner. While transactional learning can undoubtedly teach us invaluable skills that allow us to complete tasks efficiently, it does not usually generate long-lasting or profound shifts in people's behavior or attitude when it comes to leadership development.

Transactional learning has tremendous value to us when we want to learn technical or analytical skills. These skills are predominantly learned by the neo-cortex, the so-called 'thinking' part of the brain. Transactional learning activates this part of the brain, and the neo-cortex processes new analytical or technical information with extraordinary rapidity; thus, transactional approaches are extremely efficient when we want to learn such information. Transactional learning often feels very satisfying because the 'results' are the new bits of conceptual information or knowledge that we leave a training event with.

The sense of dissatisfaction arises because there is little or no significant or long-lasting behavior change. For such conditions, transformational learning is often the best. Transformation refers to a non-reversible shift in a person's meaning perspective towards greater inclusiveness, discrimination, openness or permeability (to other ideas), flexibility, reflexiveness and autonomy. This is because such changes require the involvement of both the 'thinking' brain and the limbic brain; the part of the brain that governs feelings and how we manage relationships.

Transformational learning processes can often be frustrating for some people because the 'results' are not evident in lots of notes, handouts, facts or 'step 1, step 2' processes. The results most often do not appear until we are in the situation in which we need to apply the newly learned skills. This is compounded by the fact that the limbic brain learns more slowly and requires more practice and rehearsal than the 'thinking' brain, especially when the challenge is to shift deeply ingrained attitudes, behaviors and habits.

Personal transformation is about creating access to a broader range of ways of being, thinking, and acting in order to be more effective in dealing with those challenges for which conventional strategies are inadequate. New ways of being and acting can only be disclosed using a phenomenological approach to leadership.

Context is a critical component of our Leadership Model. By context we are referring to the Business Context, the Customer context and the Socio-Economic context in which the organisation operates as **we believe organisations are an "Open System" and highly adaptable. Healthy open systems continuously exchange feedback with their environments, analyze that feedback, adjust internal systems as needed to achieve the system's goals, and then transmit necessary information back out to the environment.**

While senior leadership might be aware of the contextual influence on their organisation, this is not often communicated or no system wide processes are created to help everyone understand and adjust with the context. To have the contextual awareness senior leadership should be actively involved as sponsors for any leadership development programs. This is the reason **our leadership development initiatives are closely linked to the culture, strategy and the business context and is aimed at creating organisation wide capability and transformation.**

# ODA's Leadership Development Model
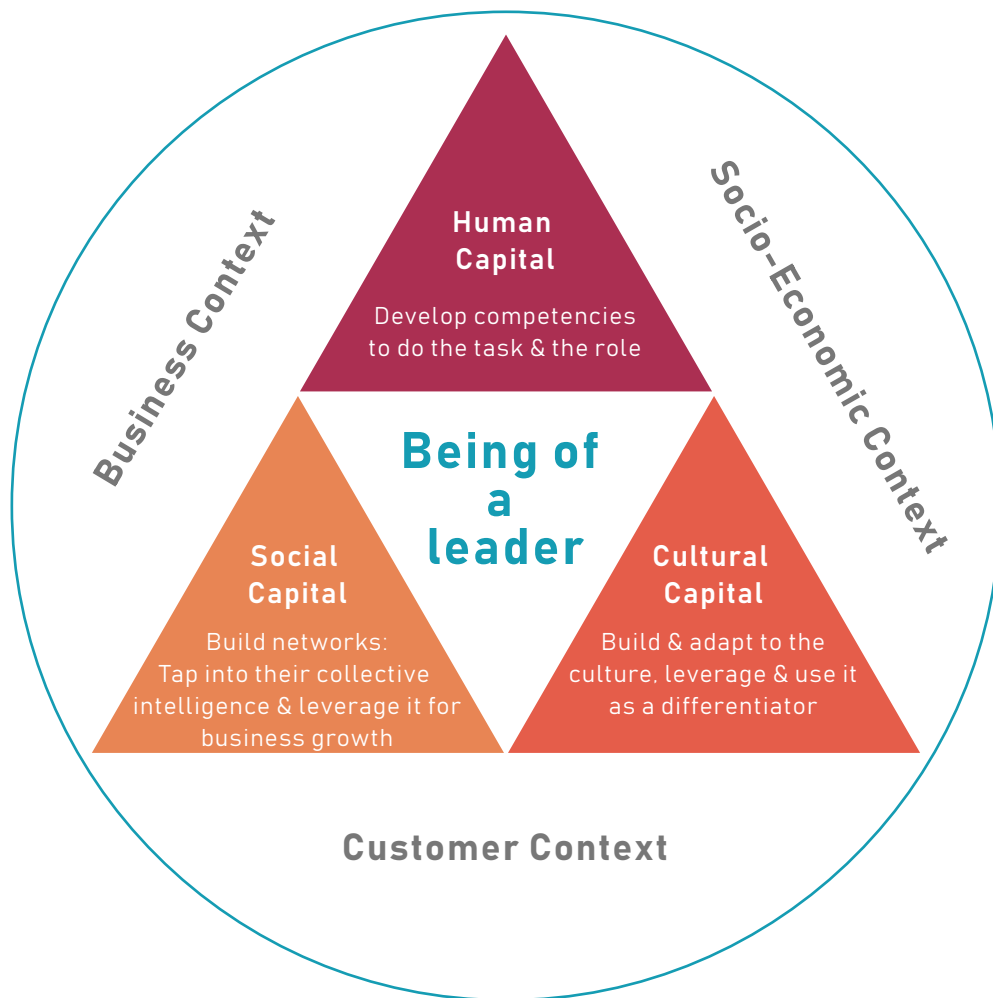


Now let us take a look at four aspects we focus on while implementing a leadership development intervention

## Being of the Leader

Your being is the deep-rooted self-identity, worldviews and assumptions, values and beliefs that operates at a physical, emotional and mental level at any given point of time. Most of us have a **default way of being** in the world and when we examine and create more choices of being we create more possibilities and a **created way of being**. From this understanding when we do what we do as leaders, there is congruence and integrity. When our actions are not aligned with who we are, we experience dissatisfaction and lack congruence and integrity.

**So we focus on helping leaders examine their identify, self-concept, world views, assumptions and beliefs and reflect on how they are serving him or her in their current context.**

## Human Capital Development

Human Capital as a concept is an extension of Adam Smith's (the founder of modern Economics) explanation of how investments, in the form of effort, time, and finance, in education and personal mastery undertaken by individuals or a group of workers creates in the labour-force a skill-base that is indispensable for a competitive advantage.

Although there are many interpretations of the theory, the core model assumes that an individual's stock of knowledge is directly related to systemic productivity; the greater the input into the knowledge stock the greater the output in the form of an individual's ability to adapt to changes and shocks in the environment

**We use an Appreciative and Strength based approach to build human capital focusing on Humanistic psychology and Transpersonal psychology.** One on one coaching is also an effective tool that we have used in many of our leadership development initiatives to build human capital.

## Cultural Capital

Cultural capital defines how people engage each other and their resources. Whether the culture of an organisation is good or bad – cultural capital is created when values, traditions, beliefs and language become the currency to leverage other types of capital. Organisations that focus on incorporating their cultural values into their everyday functioning are exercising values–driven leadership and in doing so they are building their cultural capital to successfully meet the demands for higher performance, enhanced adaptability and the attraction and retention of talented staff. Cultural capital is defined as: "The value attached to the collective mental programming (values, beliefs and behaviour) of the organisation that supports its relationships with its employees, customers and society."

We help leaders across organisations to understand, appreciate and demonstrate the cultural values and help leaders role model those values so that whoever they are in touch with get influenced with those values. Creating a framework for mentoring by senior, more experienced leaders also help build the cultural capital in others. **Looking at the Vision and values of the organisation, we help our participants inculcate the values, demonstrate them and use them to create cultural advantage that would become a competitive advantage.** As we work extensively with our clients in the area of culture change and organisation values, we understand the impact of cultural capital in creating shared leadership.

## Social Capital

Social capital is the trusted networks that an individual is part of and the learnings that he or she could leverage from the network. Social capital is the power of your network. We all know that work most of the time does not get done through formal structures but through informal networks.

Formal structures and leaders remain an integral part of organisations. We, however, must also develop the ability to look beyond the organisational chart to see, understand, and engage the informal, invisible structure supporting the organisation. When we do that we can see multiple networks in action.

One could be a network that gets the day-to-day work done, another would be the social network within an organisation comprising of people who interact and meet socially. There could be another trusted network where one would go to get advice on career advancements and solutions for career issues.

At a leadership level, it becomes more difficult to compete just on individual competency when everyone is highly skilled and experienced. While the content or the knowledge is important the 'context' or how internal and external content is interpreted and integrated to convert them into new insights becomes very critical.

Creating competitive context is the ability to find, utilise and combine the skills, knowledge and experience of others, inside and outside of the organization-through employee networks or the social capital of the organisation. Are you an isolated island with lots of knowledge or are you someone who is effectively using the knowledge embedded in the network? There is a growing recognition of what makes employees successful at work. It is their personal expertise combined with their networks of professionals inside and outside the organisation. Hierarchies promote evolutionary change, while networks spark revolutionary innovation.

Our Leadership Development approach focuses on focuing on Being and then building Human Capital, Cultural Capital and Social Capital connected to the Business, Customer and Socio-Economic context of an organisation. Our focus is not just on the individual leader but a process that builds shared leadership, foster networks and collaboration and make cultural value come alive.

**ODA has partnered with organisations such as Aditya Birla, Abbott, Mercedes Benz, RBS, Schneider Electric, Pepsi, Novartis, MSD, Ranbaxy, IDFC, Vodafone for Leadership Development.**