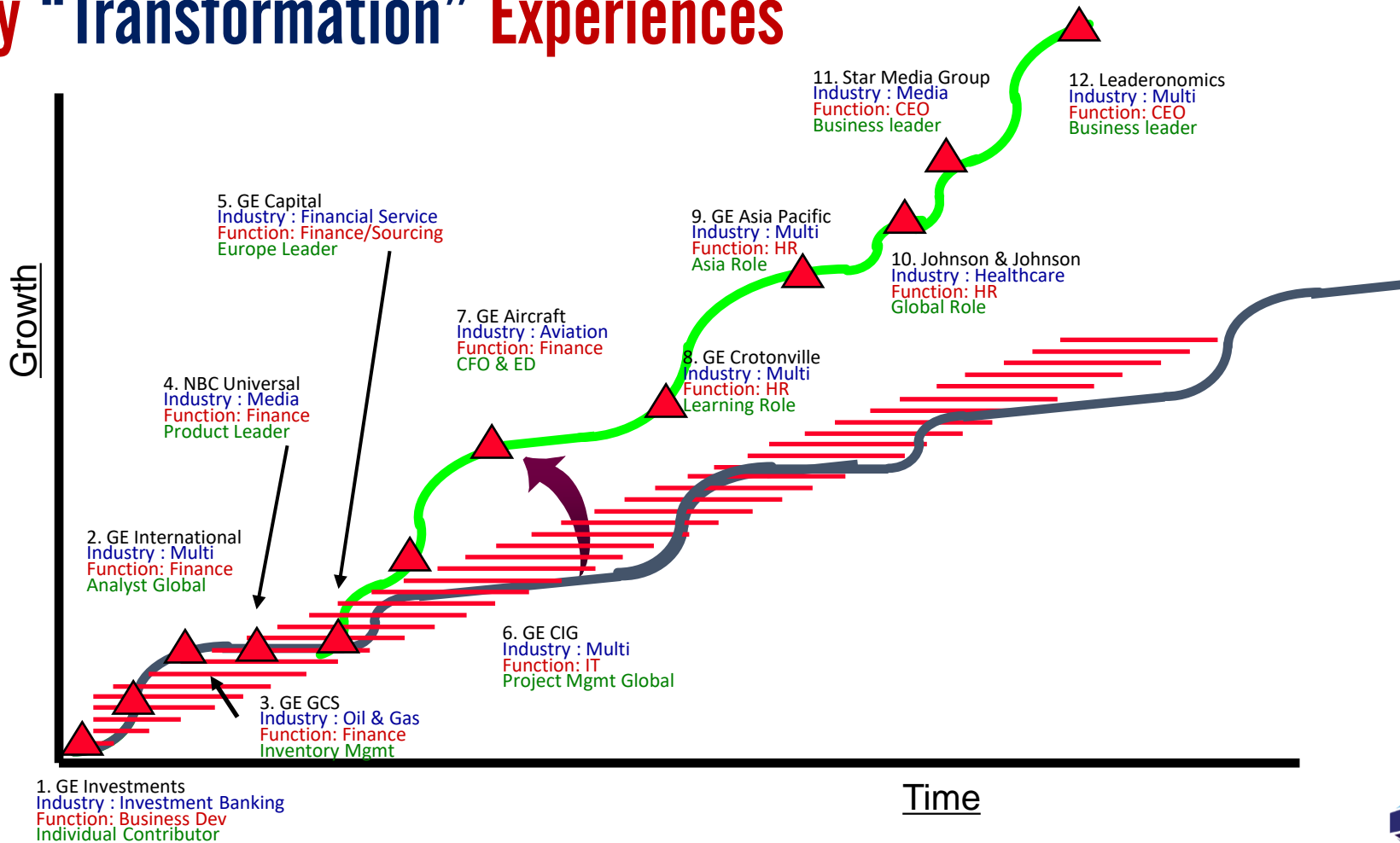![Leaderonomics: The Science of Building Leaders]

Leadership & Governance – Creating A Flourishing Organisation

A Special Session for MAICSA

Roshan Thiran
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fb.com/roshanthiran.leaderonomics
linkedin.com/in/roshanthiran

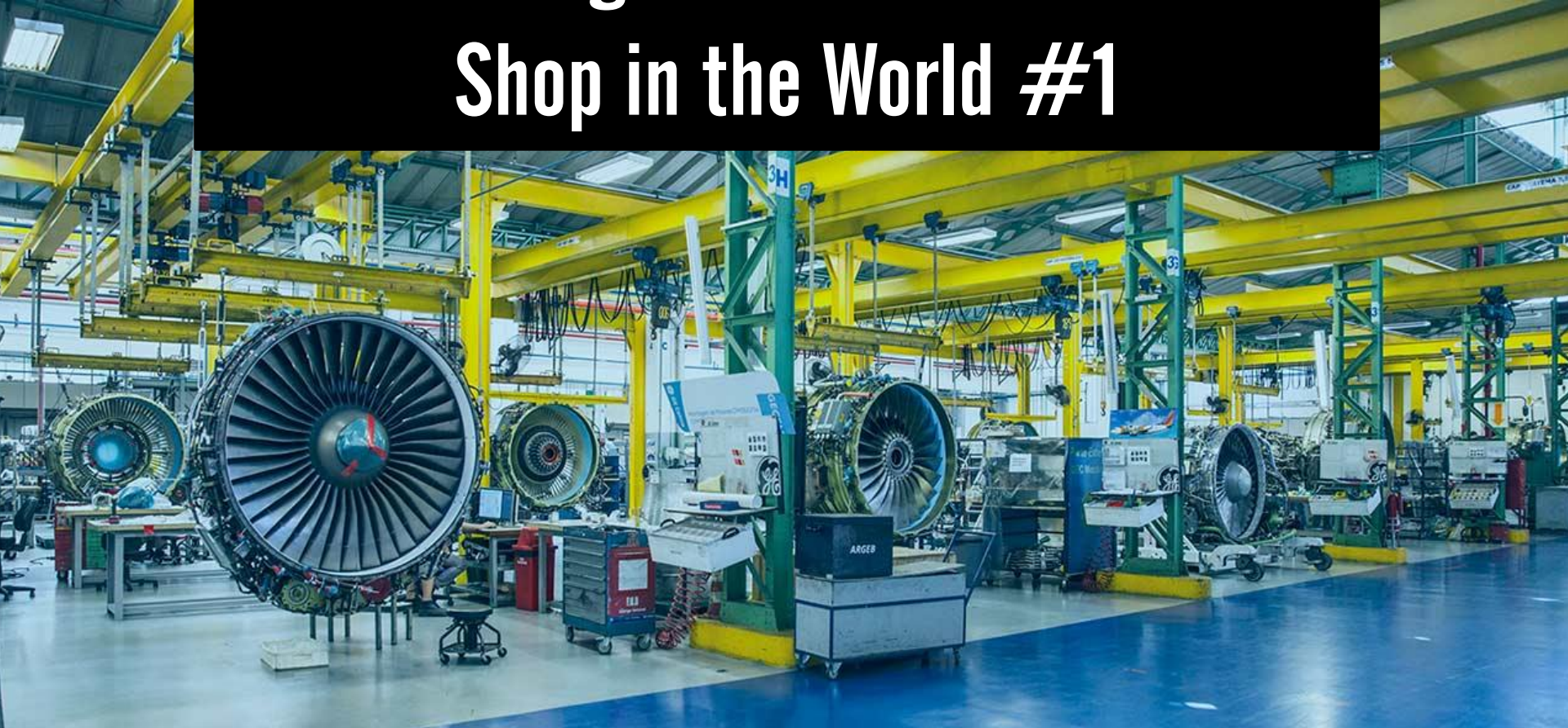# My "Transformation" Experiences

11. Star Media Group
Industry : Media
Function: CEO
Business leader

12. Leaderonomics
Industry : Multi
Function: CEO
Business leader

5. GE Capital
Industry : Financial Service
Function: Finance/Sourcing
Europe Leader

9. GE Asia Pacific
Industry : Multi
Function: HR
Asia Role

10. Johnson & Johnson
Industry : Healthcare
Function: HR
Global Role

7. GE Aircraft
Industry : Aviation
Function: Finance
CFO & ED

4. NBC Universal
Industry : Media
Function: Finance
Product Leader

8. GE Crotonville
Industry : Multi
Function: HR
Learning Role

2. GE International
Industry : Multi
Function: Finance
Analyst Global

6. GE CIG
Industry : Multi
Function: IT
Project Mgmt Global

3. GE GCS
Industry : Oil & Gas
Function: Finance
Inventory Mgmt

Growth

Time

1. GE Investments
Industry : Investment Banking
Function: Business Dev
Individual Contributor

From the worst in the world

To becoming . . . The Best Overhaul Shop in the World #1

The Science of Transforming Organisations (SOTO)

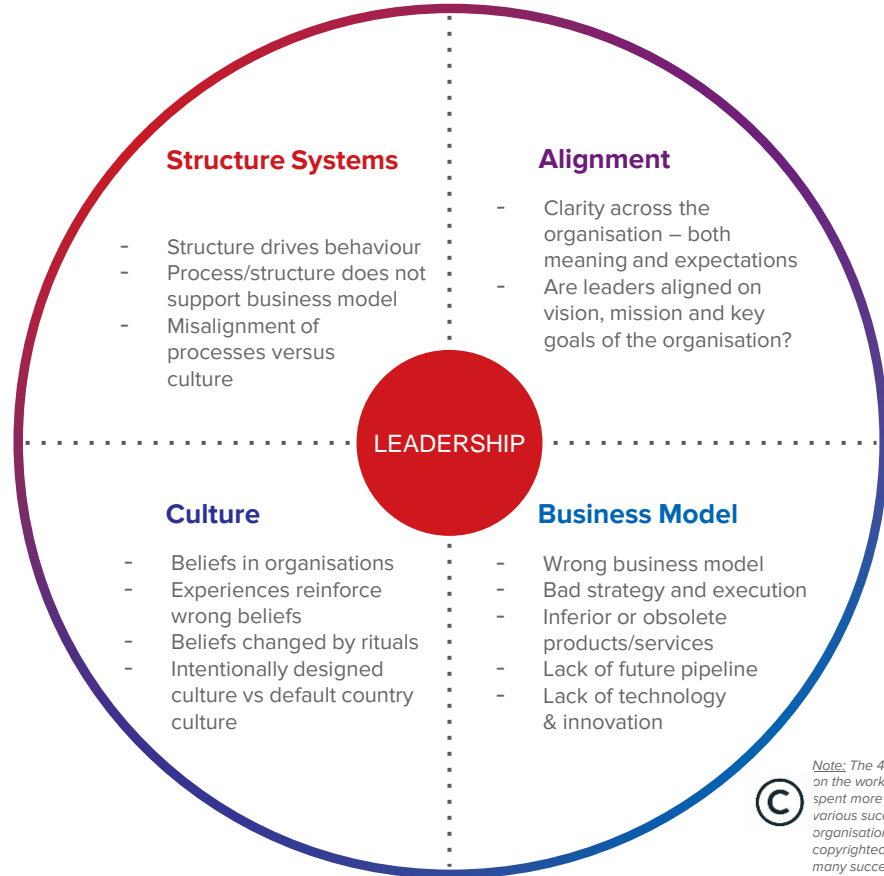*Resolving Organisational Constraints*

BUSINESS MODEL

STRUCTURE

ALIGNMENT

CULTURE

Structure Systems

- Structure drives behaviour
- Process/structure does not support business model
- Misalignment of processes versus culture

Alignment

- Clarity across the organisation – both meaning and expectations
- Are leaders aligned on vision, mission and key goals of the organisation?

LEADERSHIP

Culture

- Beliefs in organisations
- Experiences reinforce wrong beliefs
- Beliefs changed by rituals
- Intentionally designed culture vs default country culture

Business Model

- Wrong business model
- Bad strategy and execution
- Inferior or obsolete products/services
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Before we get to Leadership:

Quick **Understanding of The** <u>**Context**</u> **of Today . . .**

WELCOME TO A NEW WORLD

Transitionary Times

NEW LIFE

OLD LIFE

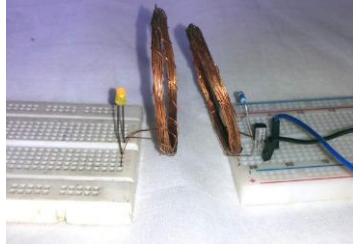A World With No Standards

1890-1920s... **An Era of**

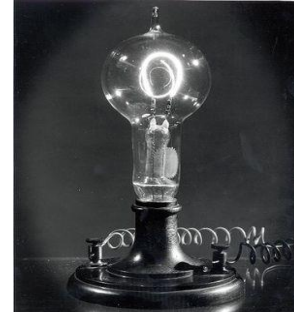## Hyper-Growth, Innovation & Incredible Achievements

Electricity

Airplanes

Wireless & Radio

Light-bulb

Telephone

Cars

Mass Manufacturing, Banking etc
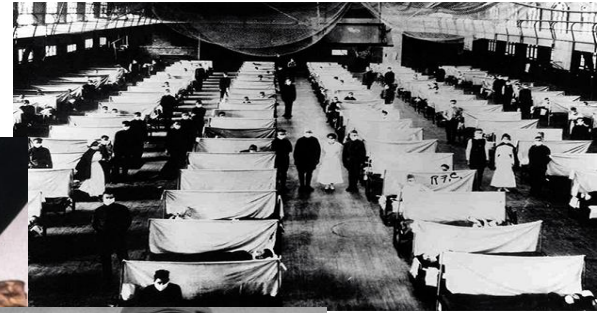
1890-1920s... **But**

World War 1

World War 2

Spanish Flu

PLEASE GIVE MY DAD A JOB

The Great Depression

It Was:
- A time of great <u>displacement</u> and confusion – people confused about jobs, roles and environment due to numerous changes
- A time of <u>destruction</u> and <u>reconstruction</u> – cities reconstructed from horse lanes to cars, new highways, new cables for telco etc

What is the Context of this Age?

The Fourth Industrial Revolution

Physical
Autonomous vehicles, robotics,
3D printing, new materials

Biological
Genomic diagnostics,
treatment, engineering

Digital
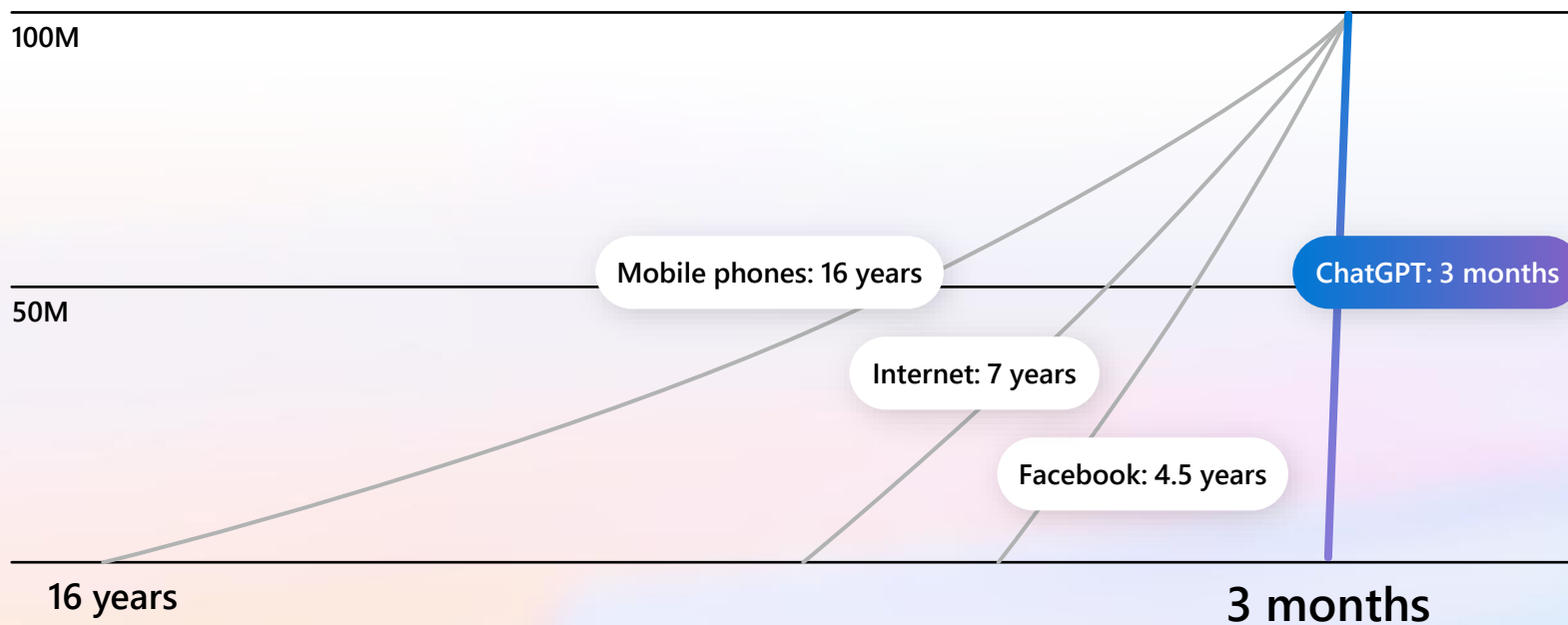IoT, Blockchain,
disruptive business models
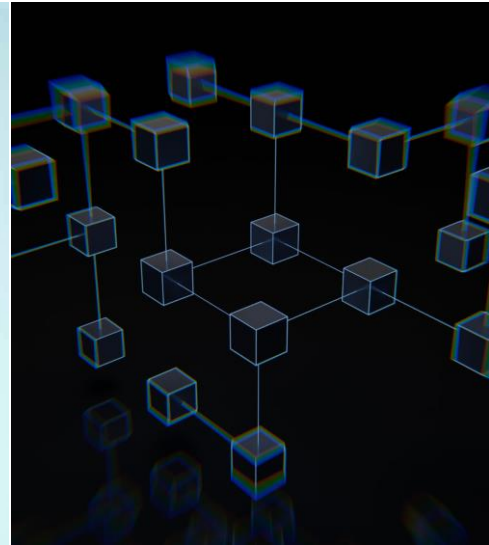
Convergence of Tech is Leading Us to a Future Beyond Our Imagination!

Generative AI technology is here
Time to reach 100M users

100M

Mobile phones: 16 years

50M

Internet: 7 years

Facebook: 4.5 years

ChatGPT: 3 months

16 years

3 months

Source: Microsoft Research

And now a **COVID Accelerated Digital World**

ENGAGING CUSTOMERS
Buy, sell, manage, acquire & engaging digitally

EMPOWERING EMPLOYEES
Reinvent productivity and enable a digital driven culture

OPTIMIZING OPERATIONS
WFH, technology to accomplish all work and operations

TRANSFORMING PRODUCTS
Innovate products and business models

Security

The <u>VUCA</u> Workplace **Evolution**

VUCA

VOLATILITY · UNCERTAINTY · COMPLEXITY · AMBIGUITY

ORDERED		UNORDERED	
SIMPLE	**COMPLICATED**	**COMPLEX**	**CHAOTIC**
• Known knowns • Facts • 1 right answer • Domain of best practices & rules *"Change a wheel on a car"*	• Known unknowns • Facts • More than 1 right answer • Domain of experts *"Build a car"*	• Unknown unknowns • Patterns (not facts) • Many competing ideas • Domain of emergence *"Design a new car"*	• Unknowables • High turbulence • No right answer • Domain of rapid response *"Deal with a multiple car crash on the highway"*

Rapid rate of change

Unclear about the present

Existence of unknowns or unknowables

Multiple key decision factors

1 We Cannot Be Lead With Purpose and Trust **Unless We Connect the Dots to What is Happening Around Us**

LEADERSHIP LESSONS IN A START-UP WORLD

CONNECTING THE DOTS

with Diane Brady

JOHN CHAMBERS
CHAIRMAN EMERITUS, CISCO
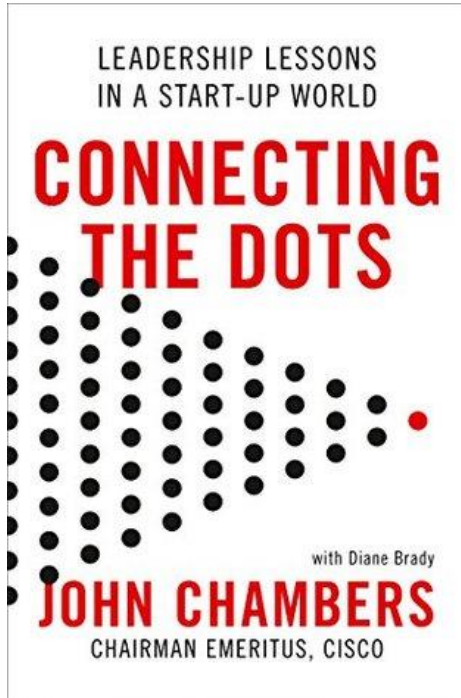
No. 1 reason Why People & companies Cannot Succeed

They Cannot Connect The Dots

"*While each company had its own unique circumstances, they all failed to catch one thing: a market transition. Some were so focused on winning the game they were playing they didn't notice a new game was starting on the next field... they did the right thing for too long*"

"Every person, organization, and even society reaches a point at which they owe it to themselves to hit refresh—to reenergize, renew, reframe, and rethink their purpose.

If only it were as easy as punching that little refresh button on your browser. "

Satya Nadella, *Hit Refresh*
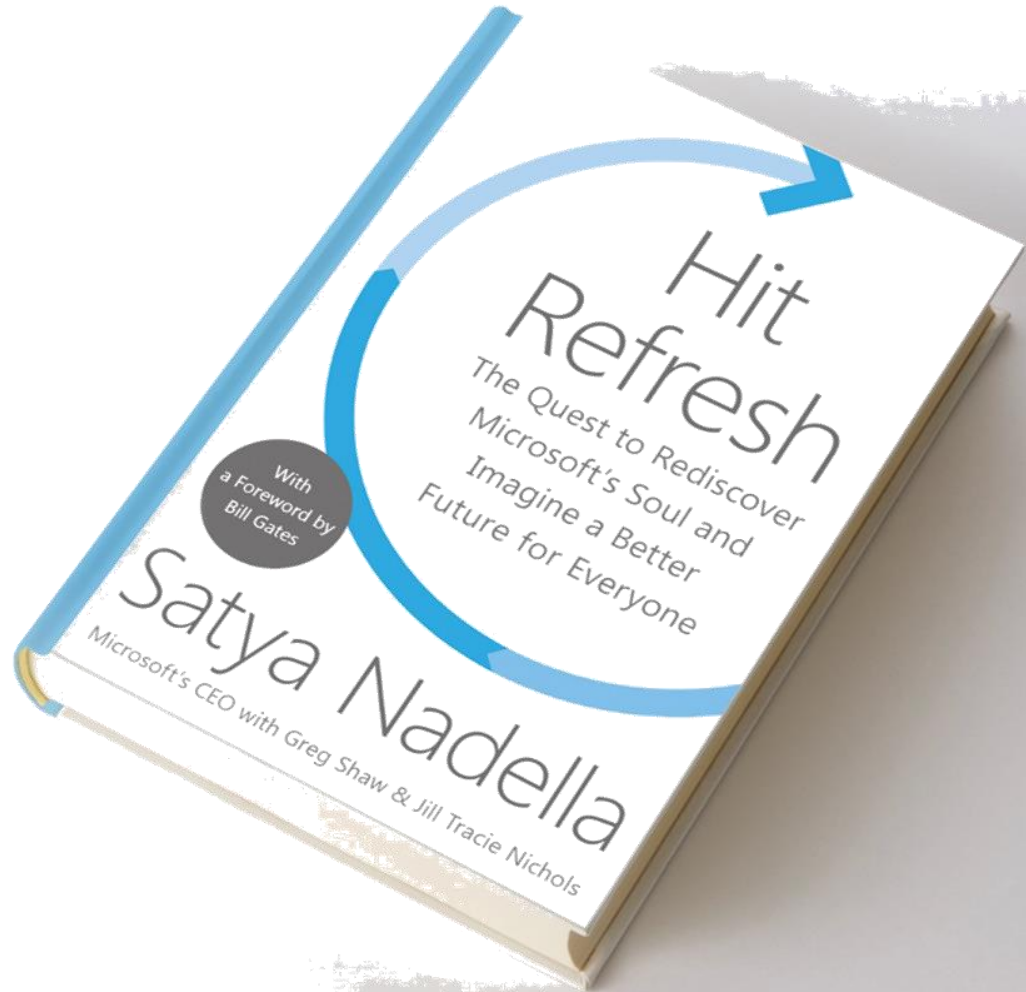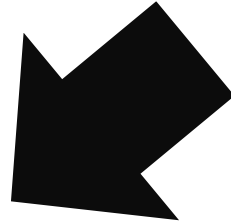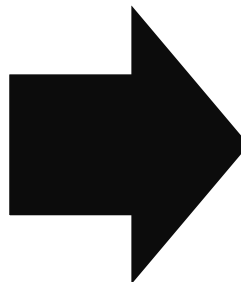
QUESTION:

What leadership is required in this new context?

Paradoxical People Management Challenges

Standardization vs. Personalization: Leaders must create policies and procedures that apply to all employees, ensuring fairness and consistency yet recognize and accommodate individual differences and needs, which may require flexibility and personalization.

Employee Advocacy vs. Business Needs: HR & leaders often serve as advocates for employees, addressing their concerns and promoting their interests. However, they also need to consider the needs of the business, which may sometimes conflict with the interests of employees.

Strategic vs. Operational Focus: Leaders are expected to contribute to the strategic direction of the organization, aligning HR initiatives with business goals. At the same time, they are responsible for managing day-to-day operational tasks, such as payroll, benefits administration, and compliance.

Paradoxical People Management Challenges

Change Management vs. Stability: Leaders often play a key role in managing change, whether it's implementing new policies, introducing new technology, or guiding the organization through a merger or restructuring. However, they also need to maintain stability and continuity, helping employees navigate change without disrupting their work or morale.

Transparency vs. Confidentiality: Leaders are often called upon to promote transparency, sharing information about the organization's strategies, policies, and decisions. However, they also have a responsibility to maintain confidentiality, particularly when dealing with sensitive employee information or difficult situations.

Paradoxical People Management Challenges

Global vs. Local: In multinational organizations, leaders need to develop global strategies that align with the organization's overall goals. However, they also need to consider local cultures, laws, and practices, which may require different approaches.

Performance Improvement vs. Employee Well-being: Leaders need to drive performance improvement initiatives to ensure the organization's competitiveness. However, they also need to consider the well-being of employees, balancing the demands of work with the need for rest, work-life balance, and mental health.

Contextual &   Paradoxical   Leadership

Contextual &	Leadership
100% Humble	100% Confident/Assertive
100% Visionary/Big Picture	100% Detail-Oriented/Execution
100% Using Influence	100% Using Authority
100% Street Smart	100% Academic Knowledge
100% Time for Self	100% Time for Community
100% Deeply Personal	100% Inherently Collective
100% Discipline & Process	100% Creativity
100% Task-Oriented	100% People-Oriented
100% Leveraging Strengths	100% Developing Weaknesses
100% Showing Love	100% Using Fear
100% Using Intuition	100% Data-Based Decisions
100% Visible	100% Invisible
100% Ensuring Perfection	100% Ensuring Speed
100% Listening	100% Talking
100% Telling Stories	100% Using Data
100% Quitting	100% Persevering/Keep Going
100% Teaching Others	100% Learning from Others
100% Doing It Yourself	100% Delegating to Others
100% Break Rules & Experiment	100% Adhering to Policy
100% Stubborn	100% Open Minded
100% Graciously Forgives	100% Upholds Accountability

2 **21st Century Leaders Understand That
"Leadership is contextual and paradoxical"**

21ST CENTURY LEADERS ALWAYS DRIVE CHANGE — which is needed in these transitionary times

However, most people dislike change !

Quote

The only person who likes change is a wet baby.

Attributed to Mark Twain

What is RESET?

2 BIG FUNDAMENTAL CHANGE CONSTRAINTS / OBSTACLES
Blocks that Are Ingrained in Individuals and in our organisation

Individual Constraints

✅ Solved by **Science Of Building Leaders (SOBL)**

Organisational Constraints

✅ Solved by **Science Of Transforming Organisations (SOTO)**

The Science of Transforming Organisations (SOTO)

Resolving Organisational Constraints

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Note: The 4 constraints model is based on the work of Roshan Thiran who spent more than 20 years studying various successful and failed organisations. The model is copyrighted and has been used in many successful organisational growth, transformation and scaling projects

Making sense of this (SOTO).

Resolving Organisational Constraints

Structure
Systems

- Structure drives behaviour
- Process/structure does not support business model
- Misalignment of processes versus culture

One of the biggest mistakes organisations make is to focus on people. Yes, you read that right! The key to successfully getting employees to achieve high performance is to focus on "process." An organisation can still care and love them, but the emphasis must be on building institutional processes.

Structures and processes drive the behaviours and performance of your employees. You want to change their behaviour, change the structure.

The Science of Culture

Leaders Need to Understand the Science Behind Culture

1 **CULTURE IS A RESULT OF BELIEFS IN AN ORGANISATION**

BELIEFS/MINDSETS Are Driven by

EXPERIENCES & RITUALS

New York city in 90s . . .

The Broken Window Theory

What drives Results?

New Results Are Constrained by Culture!

R^1
A^1
B^1
E^1
C^1 Current Culture

R^2
A^2
B^2
E^2
C^2 Desired / Needed Culture
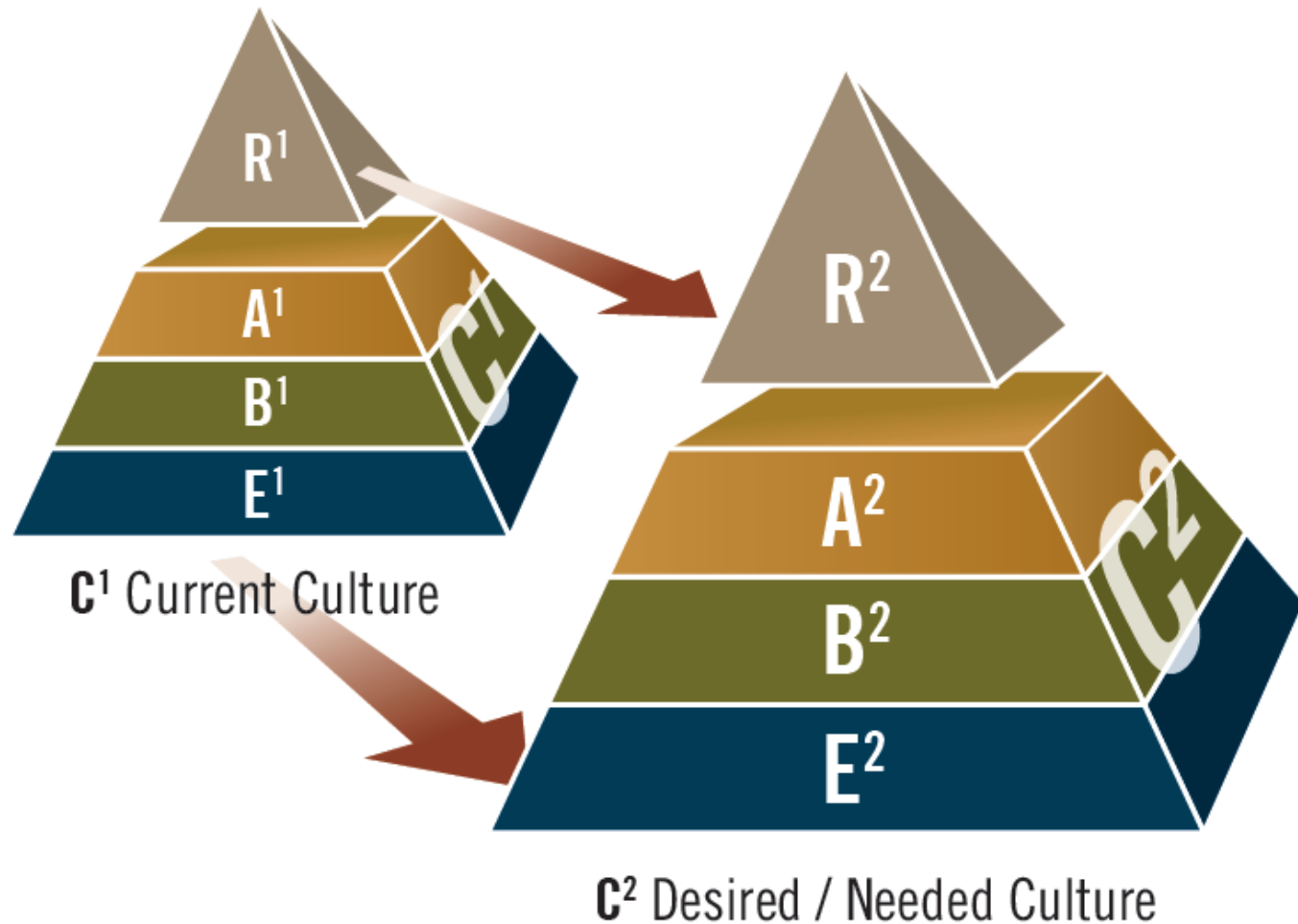
The Science of Culture
Leaders Need to Understand the Science Behind Culture

2 CULTURE = RITUALS/INTERVENTIONS THAT PRODUCE CHEMICALS

Good Culture

A Culture that has a good blend of:
1. **Endorphin:** the pain-masking chemical
2. **Dopamine:** the goal achieving chemical
3. **Serotonin:** the leadership chemical
4. **Oxytocin:** the chemical of love

Bad Culture

A Culture that is driven by:
1. **Endorphin:** the pain-masking chemical
2. **Dopamine:** the goal achieving chemical
3. **Cortisol :** the stress, anxiety and fear chemical

STRESS IS **THE 3RD** MOST COMMON CAUSE OF WORKER ABSENCE

THE STRESS HORMONE

But the one hormone that must be avoided at all costs is...

CORTISOL

Is released by stress, anxiety or fear, which **LOWER** workplace performance

EFFECTS

Suppresses immune system

Damages short-term memory

Lengthens recovery time

Impairs cognition

Causes accumulation of abdominal fat

Happily Drives Intervention

Good Leaders Drives Great Rituals that enables the right chemicals to create a great culture

Personalized AI-Coaching for managing Feedback and driving interventions with employees

Police Academy Story

Don't Give Up

We need Leaders that will **NOT** take their uniform off and "blend" with the crowd

A small body of determined spirits fired by an unquenchable faith in their mission can alter the course of history.

- Mohandas Gandhi