

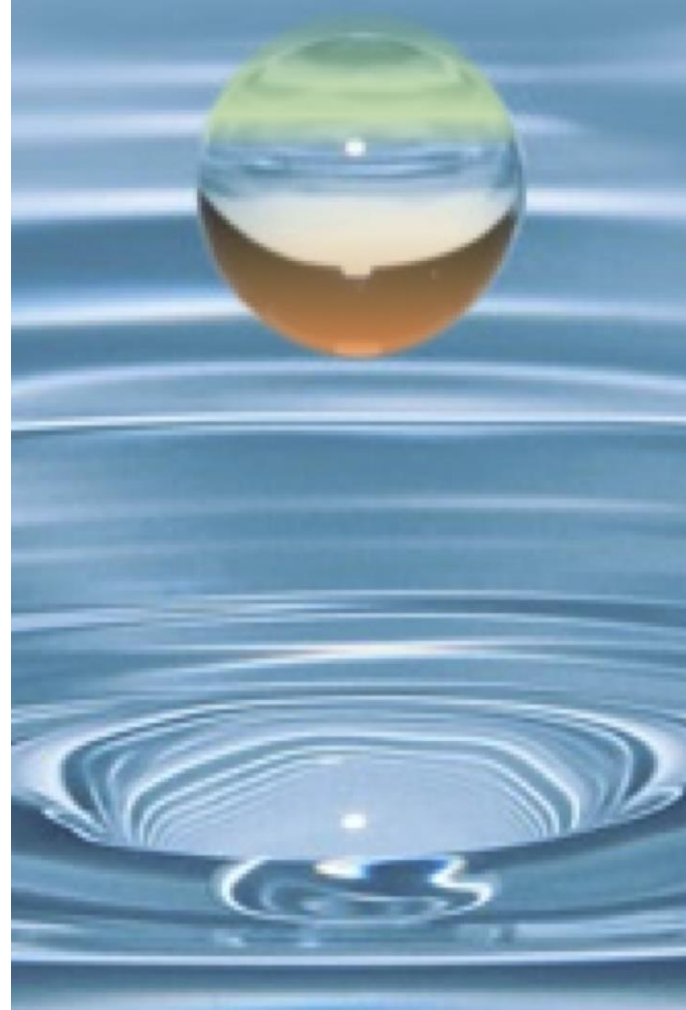


How can
leaders build
resilient,
responsible and
sustainable
organisations?

Professor Sharon Turnbull
Organisational Development Advisor

CAPLOR HORIZONS RIPPLE PAPERS

...creating ripples of change



Learning differently

Thinking differently

Acting differently

How can leaders build resilient, responsible and sustainable organisations?

Introduction

One of the most common preoccupations of leaders today is the long-term sustainability of their organisations. Unexpected events can rock the stability of even the most solid organisations, and the need to build resilience in today's world is becoming ever more vital and yet increasingly challenging for leaders to accomplish.

Unforeseen changes in the external landscape can hit even the most vigilant organization, and lead to cover ups or less than transparent behaviour. This can eventually be fatal for organisations. Financial irregularities can be overlooked for a while but they will eventually come to light.

So how can leaders avoid a deep dive of the magnitude experienced by organisations such as Tesco, or even by the many banks whose practices were found to be flawed during the economic crisis that led to the demise of so many previously respected leaders?

In this short paper, I will examine a number of common traps that can leaders can fall into. I will then suggest some tips for how leaders can avoid these traps.

The Common Traps

1. The myth of *Heroic Leadership* often leads to hubris

One of the biggest leadership traps of our time has been the myth of the heroic leader. This fantasy has led many otherwise reflective leaders to lose their sense of balance and to over-stretch their own ambitions. Encouraged by the adoration of their followers, such self-anointed heroic leaders rarely hear counter viewpoints expressed within their own organisation. They do not seek to be challenged, and often surrounded themselves with 'yes' men and women who reinforce their own beliefs. Such an organizational climate can be highly dangerous and lead to over-ambitious actions and risky decisions that can go unchecked by the voice of caution. Bad organizational practices can take root in such a climate and quickly become an accepted part of the culture.

2. Losing touch with stakeholders

A second common trap is to place too much emphasis on a single dominant stakeholder. In business, this might be the shareholder's voice. In charities, it might be the voice of the funding organisations and donors. Excessive tunnel vision of this kind can blind leaders to the needs of wider society, and also to the needs of their employees, as well as their clients, customers and beneficiaries. Balancing the needs of all organisational stakeholders is a key to longevity and resilience, whilst neglecting key stakeholders can lead to a breakdown of trust, engagement and important business relationships.

3. Micro-managing to extinction

Micromanaging can be a temptation in times of organisational change. This behavior can be triggered when leaders are faced with low organizational morale, apathy, poor performance, and internal conflict, all common symptoms of a culture in confusion or transition. When such behaviours start to occur, it is tempting for leaders to be drawn into arguments triggered by their own insecurity and uncertainty. However, a micromanaging response is likely to make the situation much worse. Stepping back and taking an overview of the situation before providing clear direction and communication is much more likely to foster resilience in the organization.

4. Believing that responsible leadership can wait

The belief that paying attention to sustainability and social responsibility are luxuries that leaders should only attend to once the organisation is high performing, stable and successful is commonly held by leaders under pressure. But this dream of stability be a continually moving goal, and achieving long-term success will arguably continue to be elusive if an organization neglects to pay attention to the relationship between the organization, society and the planet.

This is a fundamental part of leadership. To postpone focusing on your sustainability agenda is therefore akin to waiting for the elusive 'rainy day'. Leaders need to seize the sustainability agenda at the same time as they seize their financial and people agendas. Such actions will enable the triple bottom line to remain healthy and balanced. Sustainability can only be driven through the people in the organization, and in order for them to engage with the agenda, people need to understand the compelling argument for changing their behaviours. When this happens, creativity will start to flow.

Tips for avoiding these leadership traps

1. You cannot create a successful and sustainable organisation single-handedly

Heroic leadership mythology can be countered with humility. Humble leadership does not equate to weak leadership. Humble leaders who acknowledge that they are not the only source of good ideas in the organization by sharing responsibility and empowering others will command loyalty and trust. Communicating a clear vision will enable your people to follow your lead, but more importantly it will enable you to build a collective leadership capacity across the organization, where ideas can be shared and harnessed across teams. In this way, all employees can contribute to the collective goal.

2. Resilience is not built by surrounding oneself with barricades

Resilience is built by looking to the horizon, anticipating the challenges ahead, engaging *all* stakeholders in your vision and then leading humbly, encouraging leadership to emerge at all levels of the organization to lead your organisation into the future.

3. Your stakeholders will be your key allies if you build their trust

Conducting a stakeholder analysis and understanding the contribution that all your stakeholders can make to the sustainability of your organization can be vital. By fostering loyal customers, clients, suppliers, donors, partners and employees you will be equipped to survive in even the most turbulent strategic

context. Trust and loyalty are rarely privileged enough in organisational life, and yet they are the cornerstone of most successful organisations.

4. Organisations that are clear about their values and principles tend to be more successful over the long term

Short term fixes are rarely sustainable. Setting out the standards you expect to be upheld in your organization, and the values that you want to embed in the organization is a leadership imperative. Values printed on a card to be kept in the wallets of your employees is not what is required. Your people need to see that you, as leader, live the values you aspire to and act consistently to exemplify the standards you have set.

5. Responsible leadership makes business sense

Don't wait for that rainy day. Consider how your organization can contribute to society and to the sustainability of the planet's resources. Then share this with others in the organisation and allow the ideas to flow. Responsibility is a shared agenda and can rarely be successful if vested in a single individual.

It is never too soon to make a start

Building resilience, responsibility and sustainability is not easy for leaders in today's world. But it is never too soon to make a start, there will never be a 'right' time. When employees and customers are feeling buffeted by change, a leader's response needs to help to counter those feelings of uncertainty by providing a clear vision, a realistic assessment of the situation and challenges ahead, a clear evaluation of the role that each person can play in working towards the solution, and a sense of hope and involvement.

A transparent vision, values that are role modeled by the leader, and a sense of responsibility and connectedness in the world will build the trust of all your stakeholders, and they in turn will want to take care of you when times get hard. In this way resilience, responsibility and sustainability will become mutually reinforcing and connected by a sense of shared leadership.

Caplor Horizons – Background

Established in 2014, Caplor Horizons is an independent charity. We work with other charities and responsible businesses and now have over 50 Advisors. These are outstanding people that bring specialist knowledge and experience. They contribute their time on a voluntary basis, or at reduced rates, so that Caplor Horizons can provide high quality and distinctive services at an accessible cost.

Working locally, nationally and internationally, we help other organisations think differently about themselves and the new horizons that they face. We support them in strengthening their leadership, renewing their strategy and improving their influence.

We want to encourage and assist a new generation of organisations that are committed to making a positive and lasting impact. We believe that if we are to achieve real, sustainable change, we need to inspire and enable people to learn differently, think differently and act differently.

Our vision is: *A world where leaders deliver a sustainable future for all*

Our purpose is: *To be courageous, compassionate and creative in facilitating transformational change*

Our values are:

- **Courage** – We are courageous change makers committed to challenging assumptions, taking risks and having difficult conversations
- **Compassion** – We are open, understanding and heartfelt, encouraging the nourishment of our whole selves and others
- **Creativity** – We learn, think and act differently, and are innovative and resilient in an ever-changing world

Our beliefs are:

- Through diversity we ignite dynamic innovation
- Collaboration helps achieve greater impact
- Everyone matters
- We are all leaders in our individual and collective ways – we are all change makers!
- Learning is more effective if it is fun, engaging and creative
- Building on people's strengths creates greater resilience

Our strategic goals:

- Goal 1: Transforming Leadership
- Goal 2: Strengthening Resilience
- Goal 3: Increasing Collaboration

Learning differently
Thinking differently
Acting differently

