



Future of Leadership



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BEYOND KNOWLEDGE*



With its international culture, the Cegos Group has always been both a keen observer and a dedicated player in the world of work and business.

As a European and global leader in Learning and Development, the group continually innovates to guide and support companies as they evolve, and stimulate learners' personal and professional development.

By contributing to its clients' individual and collective performance, Cegos leads them «Beyond knowledge».



Turnkey professional training



Tailor-made learning solutions and change support



Business & skills strategy & learning organisation



Training Outsourcing



Digital and blended learning

+250,000

people trained each year

€200

million in revenue

50

countries covered worldwide

20,000

corporate customers

1,100

employees

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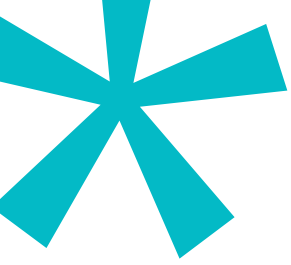


The digital revolution and its underlying technology disruptions are sparking far-reaching changes in workers' skills, whether technical, behavioural or line-of-business related.

The Cegos Group is here to guide and support you through this deep-seated change, which extends beyond the business world to impact our societies at large.

- Receiving the appropriate training and acquiring the necessary agility in the workplace is a crucial challenge for workers around the world. Ongoing skills development, particularly those that will prove indispensable tomorrow, is a crucial factor for future employability.
- Learning & Development is a strategic investment for businesses, since employees' ability to keep up with the latest developments is a major factor in a company's attractiveness and competitiveness.

The Cegos Group addresses these challenges by rolling out solutions designed to give learners a unique, tailored experience with lasting benefits that will feed into the company's performance.”



Making the concept of leadership meaningful

In his book *Leadership: a very short introduction* (2010), Warwick University professor Keith Grint reminds us that leadership has been a talking point since early history. What better proof that the issues related to this profoundly human notion are ancient and timeless. However, it was only in the early twentieth century that “leadership” as we know it in our organisations today truly came to the fore, as the science of psychology consolidated its foundations, especially in the United States.

Nearly 50 years ago, Ralph Stogdill, who pioneered the theory of leadership traits, noted that there are almost as many different definitions of leadership as there are people who have tried to define the concept.

Indeed, the latter has been constantly evolving since the 1970s, in step with the social, economic and political changes sweeping through the world of work. Organisations are moving from a vertical model - marked by top-down authority, linear career paths and low mobility - to the multidimensional model of the 2000s brought in with non-linear career paths, increased mobility and a greater role for cooperation and influence.

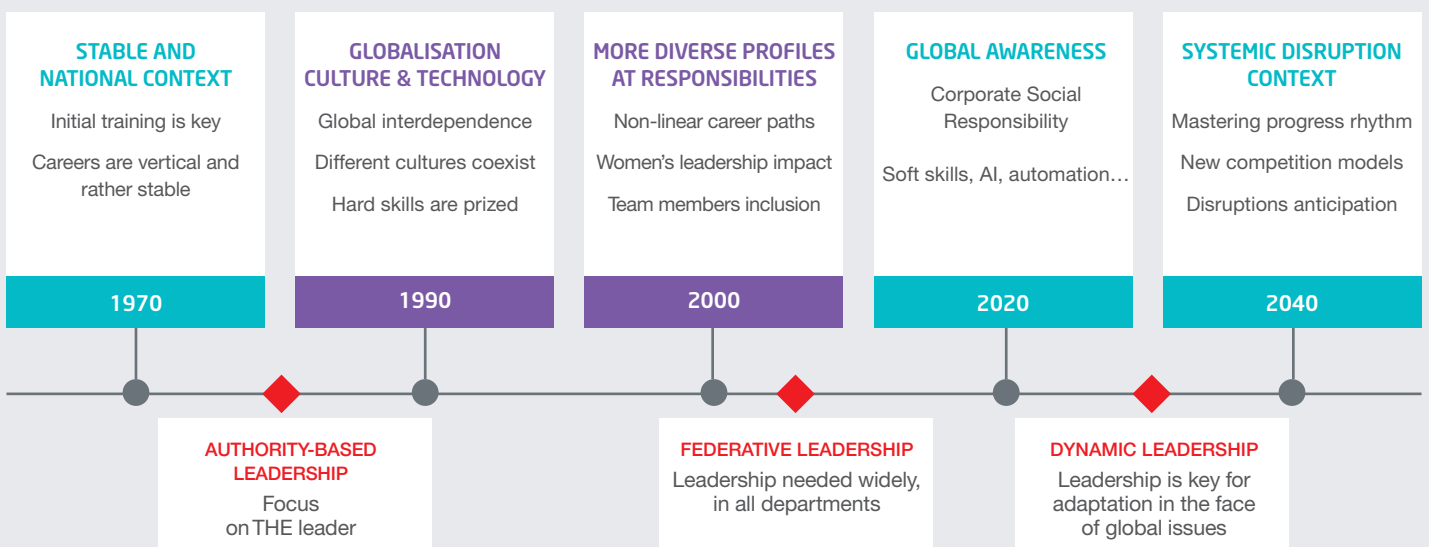
Through our involvement in organisations’ skills development in over 50 countries worldwide, Cegos has seen first-hand how important the question of leadership is today, and how it has become a core concern at every level of a company (executives, managers and entire teams).

This is mainly because of the times we live in: there is a strong mistrust of those “who lead” and, at the same time, unprecedented prospects for advances in technology. These question and challenge the way leaders motivate swiftly, persuade, onboard and spur people into action, individually and collectively.

Another reason is that most organisations, regardless of their size or degree of economic maturity, realise that a leadership model doesn’t just happen: it takes specific skills, which need to be developed in the “empowering” environment of a learning organisation.

Lastly, because, in the light of the far-reaching changes under way in jobs and employment, the broader issue of skills and abilities - leadership included - is key to an organisation’s competitiveness and subsequently its long-term survival.

EVOLUTION OF THE CONCEPT OF LEADERSHIP





Defining leadership today

At Cegos, we define leadership as the ability to guide, harness and influence individual and collective behaviours and actions, and take all the necessary steps to accomplish the leader's mission and that of the other team members.

→ Leadership includes influence, authority, judgement and team management

→ It can be exercised with or without line-management responsibility, at every level of a company.

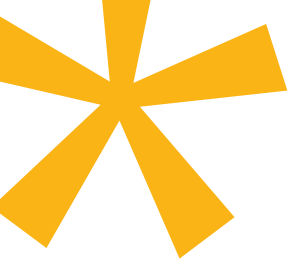
→ It concerns all relationships, with all stakeholders, including team members, line management, customers, partners and the public.

However, once we have understood this definition, we should bear in mind that leadership can take a variety of forms:

→ First, depending on each leader's specific traits. It is a behavioural skill that draws on the individual's interpersonal skills, contextual skills and emotional intelligence.

→ Then, depending on the amount of latitude granted to leaders by the organisation. Today, we have reached the stage of virtually universal leadership that is no longer the preserve of managers but can be assumed by anyone who leads a project or team. Organisations expect their staff to be able to make important decisions in phase with the company's strategy and corporate culture.

Finally, we need to remember a truth that is often overlooked: a company is a human venture whose success depends, first and foremost, on the success of its teams and the individuals who compose them. In this way, leadership establishes that the leader is there to build solutions, not manage problems.



Today change is undermining leadership

The global economy has now entered the fourth industrial revolution, characterised by the fast pace of innovation, increasingly frequent technology disruptions, a dramatic change in the way people and organisations buy and sell, and unlimited access to knowledge.

These sweeping changes are directly impacting jobs and professions, as well as skills requirements. More than ever, skills represent a strategic intangible capital for companies.

Leaders especially, must be capable of acting swiftly against this backdrop of constant change within and around the company. They must, therefore, be able to instill meaning into the work, stimulate people's commitment and foster a sense of trust in their team members.

→ Trust is a product of the leader's personal approach and relationships: their individual behaviour must embody the company's ecosystem. Leaders need to reconcile the business requirements, a long-term outlook and societal issues - diversity, the environmental emergency and social accountability - which are more pressing than ever.

→ A company's values, as embodied in its operations, are one of the most important criteria for those entering the job market today.

These newcomers want to work in an environment that is aligned with their values, which usually carry more weight than status or expertise.

In a fast-changing VUCA environment (i.e. volatile, uncertain, complex and ambiguous), companies are duty-bound to develop new skills in their teams:

→ Leadership is no longer the preserve of managers and executives: it should be effective at every level of a business. However, historically developed for top management, leadership has not "trickled down" to every level. This often creates a paradoxical situation, in that many talents in organisations have never had the opportunity to develop their leadership. As those who embrace traditional forms of leadership begin to leave the workforce, we will see the full importance of this issue.

→ Leadership development models are no longer in step with current contexts: the notion of "vision" had always been considered a must for leadership. But in an uncertain environment, this notion no longer refers to the same reality. Leadership models need to evolve accordingly.

→ Team members are working in an increasingly complex environment and are having to cope with an ever-growing mass of information. Leaders must be able to use judgement and learning to decipher the environment, stay the course, and thus be able to make and explain more comprehensive and informed decisions.

→ **Digital transformation is forcing companies to rapidly rethink their models and solutions.**

This approach, grounded in constant, fast-paced change, cannot exist without broad-based cooperation among people working in different environments and professions. Leaders must therefore be able to draw people together in a creative dynamic environment to address a common goal. In addition, organisations have to develop a remote leadership model, which will be more and more crucial in a context of digital transformation.

→ As early as 2005, Roland Berger had shown, through a study of 1,700 large companies, that **trust is a growth driver**: organisations with trust-based management are better-equipped than those whose culture and structure are control-oriented. **This trust enables leaders to “let go” and encourage their teams to take risks in a test and learn spirit**, where mistakes are not associated with the idea of disapproval or failure, but with the notion of progress.





Leadership is a major change driver for organisations

Flat organisational structures typically display steady growth in teamworking. The goal is simple: develop more responsible teams with a sense of initiative and greater ability to self-manage their relations with their contacts (customers, partners, colleagues, etc.).

This is one of the main challenges facing Industry 4.0.

However, the pace of change in organisations leaves little time for establishing a modern leadership culture and, under the pressure of the everyday grind, organisations often retain a traditional, top-down mindset.

In their book *Living companies: together, they can change the world* (2016) Manfred Mack and Christine Koehler point out the difficulty of changing organisations' main operating modes. Before new principles can be brought into the company, it is important to understand their ecosystem. The authors mention two types of change driver in particular: providing solutions to the main problems facing the planet and contributing to new ways of thinking and operating that will help to see the world differently.

Unlike an outdated but still influential mindset in which a visionary, omniscient leader operates alone on a higher plane, today's leader is a leader of leaders, in search of opportunities.

This involves two requirements:

→ **Watching and interpreting:** leaders must be able to detect "weak signals", anticipate the arrival of new trends, understand what they mean for their company, and ultimately put the teams in a position to seize these opportunities.

→ **Embracing challenges as opportunities:** leaders must understand that societal and environmental challenges are also opportunities, not constraints. That way, they can authentically present them as such to the teams with whom they work.



For everyone: leadership as a factor in efficiency, collaboration and quality of life at work

Whatever their position or status, leaders are always encouraged to take a stance on social and societal issues.

In the age of business purpose and corporate social responsibility, an organisation's bottom line is no longer the only indicator of its success. Many company heads, whether they manage large groups or start-ups, have understood this: they are now judged on their organisation's impact on its entire ecosystem, be it the physical environment, their customers, their partners or the people that work for and with them.

Today's leader is more than a guide: they know how to point others in the right direction to help them make the right choices.

By giving teams more latitude to self-manage, leaders can foster a work environment that is less scientific and more creative.

In 2019, MIT's Sloan School of Management published the findings of a study designed to understand the key mindsets a leader can adopt to be successful in the digital economy.

FOUR PROFILES WERE IDENTIFIED:

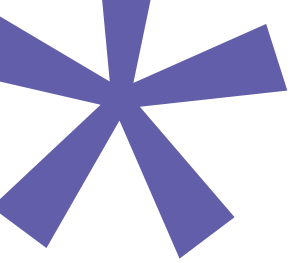
→ Producers: they are focused on generating added value for their customers. They leverage their analytical capability to speed up innovation, while factoring in changes in customer preferences. The purpose? To improve customer and user experiences.

→ Investors: they are committed to sustainable growth. They care about the communities in which they operate, and their employees' well-being and continued development.

→ Connectors: their driving force is to be able to create and energize a sense of community and belonging, which is essential today in a world where it is easy to lose human contact.

→ Explorers: they like nothing more than the unknown. These risk-takers continually embark on new experiences and learn from a variety of voices.

Accordingly, any organisation keen to succeed in this fourth industrial revolution should embrace, support and encourage its teams to reveal their potential as producers, investors, connectors and explorers.



The 7 key skills of tomorrow's leader

As technology advances, the purely human aspects of work and the skills associated with it will gain in importance. More specifically, every employee required to lead a project team, business unit or community, for instance, will need to hone their leadership skills.

Providing, of course, that the organisation gives its people the necessary latitude to build their skills. McKinsey, for example, grounds its training policy on the *Make Your Own McKinsey* concept, which basically consists in ensuring that each employee can, in fact, take control of their own professional development and subsequently make a real contribution to the organisation's development.

In other words, the leader can only succeed by drawing the best out of their teams and each individual team member. The investment in terms of human resources and training is crucial for both the teams and the leader.

THE 7 KEY SKILLS FOR TOMORROW'S LEADER

1. Develop strategy against a backdrop of uncertainty

This means picking up weak signals and guiding teams in a direction that will keep them ahead of the pack. In a fast-changing competitive ecosystem, leaders must be willing to constantly adjust their strategy and work to shorter-term objectives.

2. Be true to oneself and open

Soft skills and know-how are now of equal importance. As artificial intelligence becomes increasingly prevalent in the workplace, strictly human characteristics (such as responsibility, openness, honesty) will come into their own. Genuine, open leaders will have to strike the right balance between their thoughts, emotions and behaviours.

3. Understand people through neuroleadership

Gaining a better understanding of the behaviours and actions of the people with whom the leader works will help them build cooperation within the company and understand where each person's unique value lies.

As James Teboul and Philippe Damier point out in their book *Neuroleadership – The brain facing decision and change* (2017):

“When faced with decision making or change, our brains often react by making mistakes or producing cognitive biases that curb our freedom of action. (...) Just as elite athletes need to acquire a good knowledge of their bodies to become more efficient, managers and leaders need to know the potential and limits of the human brain if they want to better anticipate some of the ways it works, make better decisions or lead change in optimal conditions.”



4. Converge, but stay flexible

Because each employee is unique, leaders need to be flexible enough to draw on their strengths and bring as much diversity as possible into their teams. But at the same time, leaders need to ease convergence towards a shared goal and a common, company philosophy.

5. Strike a better match between man and machine

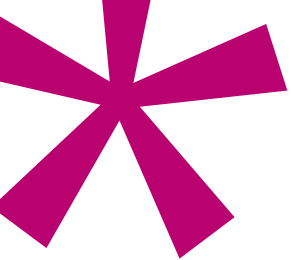
The most effective leaders will understand how to find the best division of labour between people and machines to maximise the capacities of each. They should not focus solely on incorporating artificial intelligence into the company: they should also use it to tweak and optimise processes.

6. Be humble enough to develop others' talents

When leaders recognise that they can benefit from the expertise of those further down the organisation, they manage to create a genuine learning culture in the company. In his book *Alive at Work* (Harvard Business Review Press, 2018), Daniel M. Cable explains that a resource leader who is humble with his or her subordinates provides *"tangible emotional support as they progressively experiment and grow"*.

7. Foster innovation

Leaders should foster ownership, autonomy and accountability in their followers. In other words, they should encourage them to think for themselves and try out new ideas. Then, it lies with the leaders to be thoroughly familiar with their market so that they can make informed decisions and ensure that innovations are translated into results and generate performance.



Building leadership skills: what we believe, and tips to make it happen

As we have seen, leadership draws on a wide range of skills, beliefs and abilities, including self-knowledge, an ability to decipher the ecosystem and the possibilities it holds, confidence in the teams' potential and each person's value, a willingness to embrace and leverage diversity and encourage innovation.

Even now, when the crucial importance of leadership is universally acknowledged, the organisations that use our services continue to ask us these deceptively simple questions: How do you learn to be a leader? Can we really train for leadership? Do leaders develop their leadership skills in the same way as managers?

Accordingly, we think it is important to pass on a few of the key lessons we have learnt from experience over the years.

→ Leadership is, first and foremost, a matter of personal development

Because leadership is an attitude, it is the result of personal choices based on the leader's identity and personality. Developing your leadership skills amounts to working on your own personal development and your relationships with others. The most important leadership tool is yourself. In the light of this, the psychologist Daniel Goleman established from 1998 the importance of emotional intelligence (self-awareness, self-regulation, empathy for others, social skills), presented as the sine qua non of business leadership: *"Without it, a person can have the best training in the world, an incisive, analytical mind, and an endless supply of smart ideas, but he still won't make a great leader."*

→ Leadership is acquired through cooperation

To meet the challenge of transforming organisations, the two essential development paths are leadership and cooperation, which are mutually enriching. Leaders must begin by understanding themselves to acquire the behaviours that foster trust and support: connecting; influencing; inspiring trust; gathering the stakeholders; building teams; fully cooperating; imagining; deciding together; building a vision together; listening; speaking sincerely and engaging in a dialogue.



→ **Leadership is learned with others**

A number of academics have underlined the importance of “networked intelligence”. The principle is simple: very often, the best learning opportunity for a leader is a conversation with a peer, who brings an outside perspective to the company and shares their own experience.

→ **Leadership is acquired through diversity**

In order to better understand the different profiles within the company, in the spirit of neuroleadership, team leaders should represent a blend of skills, age, gender and culture in their governance. When corporate management and top managers are themselves diverse, it will more readily grasp and leverage the full diversity of their team members. Whatever their profile and distinctive features, each employee will then feel better integrated, valued and respected.

→ **Leadership is acquired through openness**

Innovation and creativity can emerge at all company levels. A corporate culture based on openness to different ideas and viewpoints is thus necessary. In a constantly changing environment, new needs can emerge at any time, so leaders must be open and ready to change established habits.

Leadership skills can only be effectively acquired if the learning process itself is appropriate for the business 4.0 environment:

Make sure that the training pathway can be customised: this helps lock in the training outcomes

It must be based on stronger human interaction in the digital age

Finally, it must be contextualised, i.e. based on real work situations.

These three beliefs underpin our model for the development of performance skills.

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