

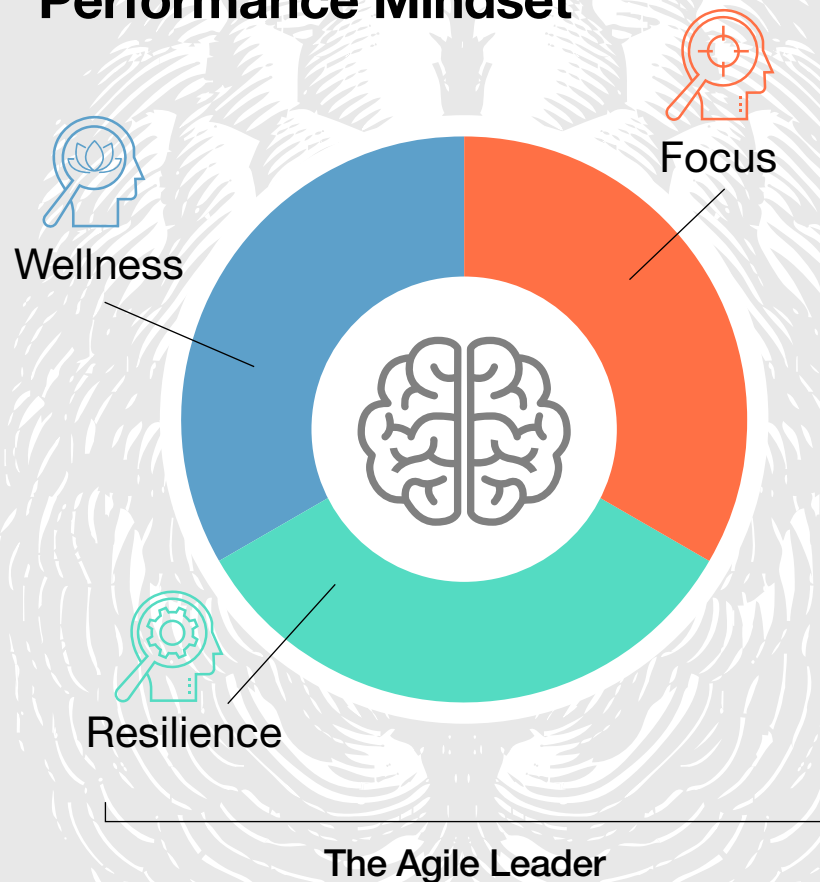
THE MIND OF A LEADER

Unlocking the Performance Mindset

THE MIND OF A LEADER

INTRODUCTION: The Mind of a Leader

Performance Mindset



As the business environment becomes ever more competitive, disruptive and complex, future-fit leaders are required to be agile in how they think about problems, and how they deliver solutions. To achieve this requires a holistic development approach that links the leaders mindset to performance – it requires a ‘Performance Mindset’.

We define ‘performance mindset’ as ‘performing sustainably at pace’. It points towards the ideal mindset of a future-fit leader and their organisation in an uncertain environment.

By developing their agility, resilience and focus, leaders can successfully adapt to the pace of internal and external changes. When leaders develop these characteristics, their teams and organisation will too.

Building a culture of performance will create an environment not overly reliant on individuals, allowing the organisation to perform at pace over long time periods, remaining agile and innovative.

In this month’s IMI Insights we’re going to explore how to develop the performance mindset on a personal level, but always with the focus of applying it organisation-wide.

THE MIND OF A LEADER



Focus

- Laser-Like Focus on Performance
- Eliminates Noise and Personal Bias
- Fosters Engagement and Creates Clear Lines of Communication
- Navigates Complexity
- Shares Clear, Simple Visions for Others to Follow



Resilience

- Is Physically and Mentally Prepared for Stress
- Consistent and Sustainable Level of Performance
- Fosters Collaborative Relationships and Builds Organisational Trust
- Clear Purpose Aligned to Personal Values



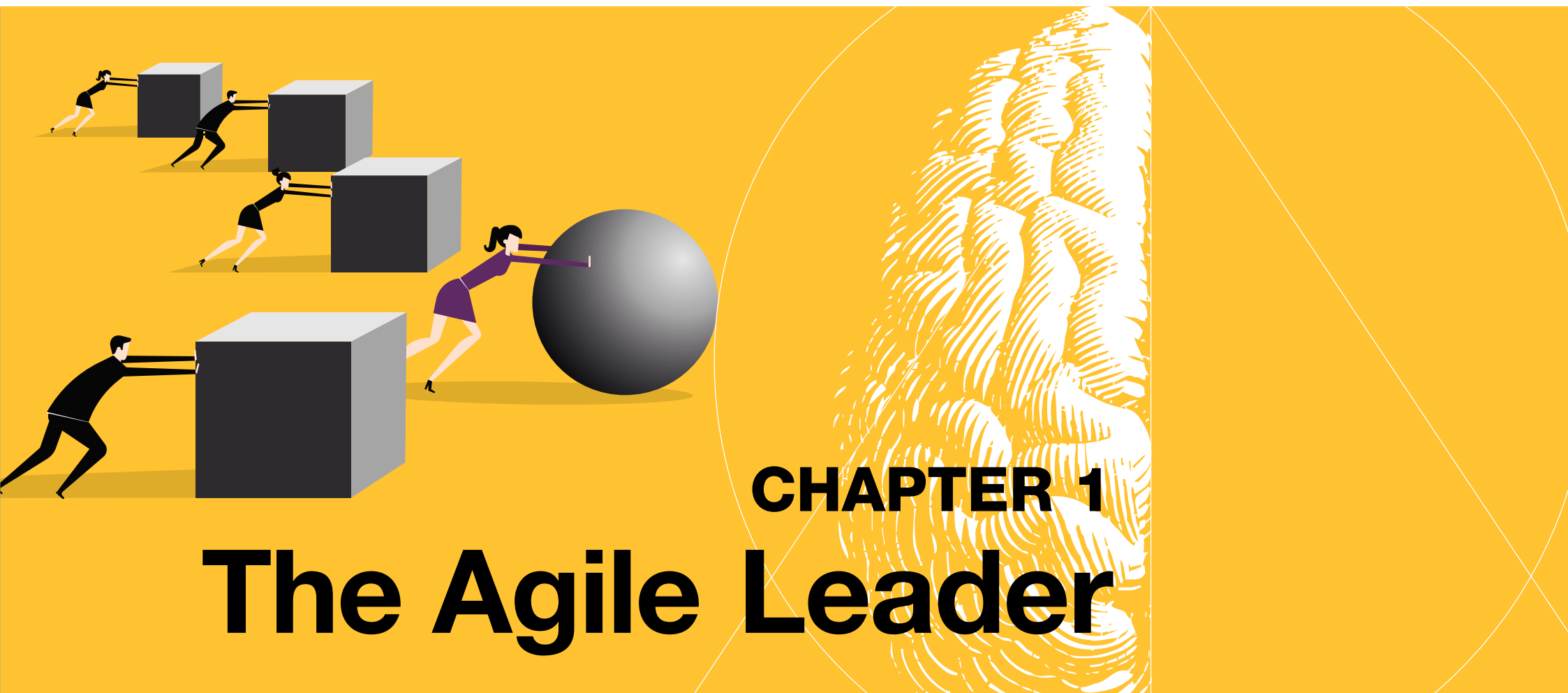
Wellness

- Responsive Under Pressure
- Motivates and Mobilises the Organisation
- Frames the Future and Shapes Reality
- Clarifies, Engages, Responds and Adapts
- Embraces Uncertainty as a Competitive Advantage

Only 10% of managers have mastered the level of agility needed for consistently effective leadership

Bill Joiner, co-author, Leadership Agility

The Characteristics of a Performance Mindset



CHAPTER 1

The Agile Leader

CHAPTER 1: The Agile Leader

The Agile Leader

To perform in the context of today's constantly changing business world, it is almost a given that leaders must become more flexible and agile – they need to become comfortable with discomfort.

At an obvious level, digital technologies have been continual disrupters for the last two decades. The needs of employees have shifted from wage packets to purpose, meaning that leaders have a more complicated role in managing their workforce.

Gartner (previously CEB Global) reported in 2018 that the average organisation has undergone five enterprise-wide changes in the past three years, and 73% expect change to accelerate.

If a leader does not naturally have an agile mindset to navigate these challenges, it can be trained, leading to an increase in the organisation's overall agility. Indeed, a five-year study by ChangeWise found that the central factor for increasing an organisation's agility is the level of agility exhibited by a company's own leaders and leadership culture.



Speed, agility
and responsiveness
are the keys to
future success.

Anita Roddick,
Founder of The Body Shop

CHAPTER 1: The Agile Leader

What's Your Level of Leadership Agility?

Bill Joiner, co-author of Leadership Agility, proposed that there are three main levels of leadership agility: **Expert, Achiever and Catalyst.**

Level of Agility	View of Leadership	Agility in Pivotal Conversations	Agility in Leading Organisational Change
Expert (45%)	Tactical, problem-solving orientation.	Varying style of either asserting opinions or holding back. Tends to avoid giving feedback.	Focused primarily on incremental improvements inside existing boundaries.
Achiever (35%)	Strategic, outcome orientation.	Assertive or accommodative with some ability to compensate for deficiencies in each style. Will initiate feedback.	Organisation initiatives that includes external environment analysis. To gain buy-in from stakeholders, one-way communication to soliciting input is used.
Catalyst (10%)	Visionary, facilitative orientation.	Adept at balancing assertive and accommodative styles for each situation. Questions underlying assumptions, interested in diverse viewpoints, proactive in seeking and utilising feedback.	Organisation initiatives often include developing a culture that promotes teamwork, participation and empowerment. Pro-active engagement with diverse stakeholders.

In his research of over 700 executives, only about 10% of leaders will ever reach the Catalyst level, although there is a possibility for movement up the ladder. How could a leader move towards becoming a Catalyst leader of change?

CHAPTER 1: The Agile Leader

How to Build an Agile Leader

Developing agility can't be done the same way you'd learn how to ride a bike...

...except that it can.

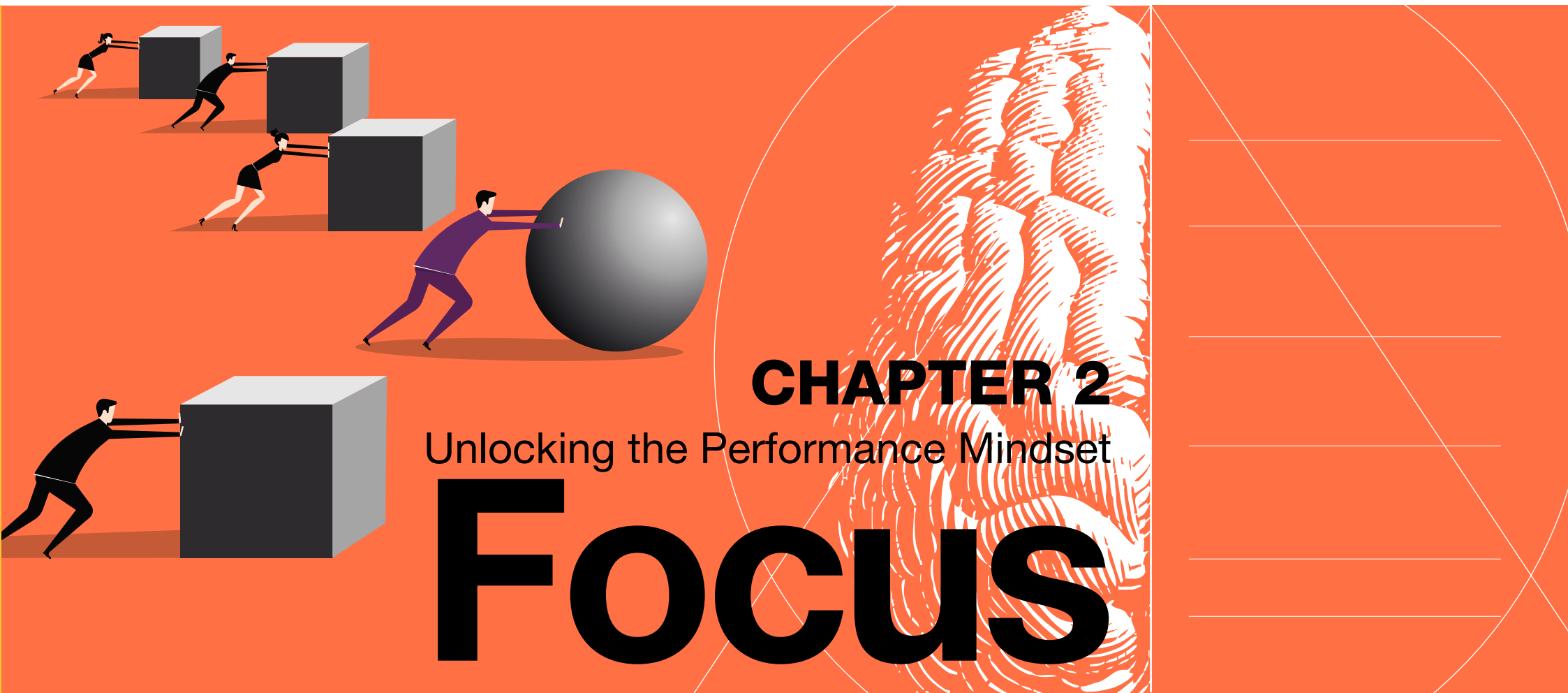
While it doesn't have defined parameters like wheels, gears and brakes, developing agility requires the same amount of experimentation (and setbacks) as it does for that five-year-old taking off the training wheels for the first time. It requires leaders to challenge and experiment with their own behaviours, refining the skill all the time.

To achieve true leadership agility an individual needs to take a holistic approach. While specific agility development can be delivered through coaching, mentoring, action learning programmes and workshops, developing an agile mindset linked to performance can be developed through three key areas; Focus, Personal Wellbeing and Resilience.

Government agencies defined as 'agile' resulted in:



Global Study by AT Kearney and LSE.



CHAPTER 2

Unlocking the Performance Mindset

Focus

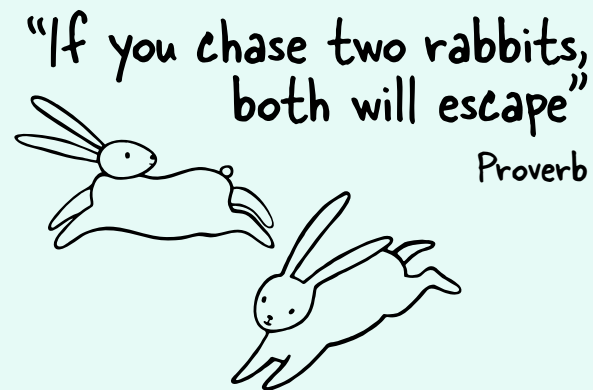
CHAPTER 2: Unlocking the Performance Mindset: Focus

Focusing on focus

The challenge with agility in the modern business environment is that it could lead to over-experimentation and a loss of focus. As Chris Zook of Bain & Company said, “Growth creates complexity, complexity stunts growth”.

As the environment itself becomes more complex, it's more important than ever that leaders retain their focus on what matters. What's more, our own individual environment is becoming more and more distracting – with inboxes and phones pinging every couple of minutes, demanding our attention.

We'll now explore how to spot the warning signs of an unfocused organisation, how a leader decides where they should focus, and how to direct your organisation in a focussed way.



CHAPTER 2: Unlocking the Performance Mindset: **Focus**

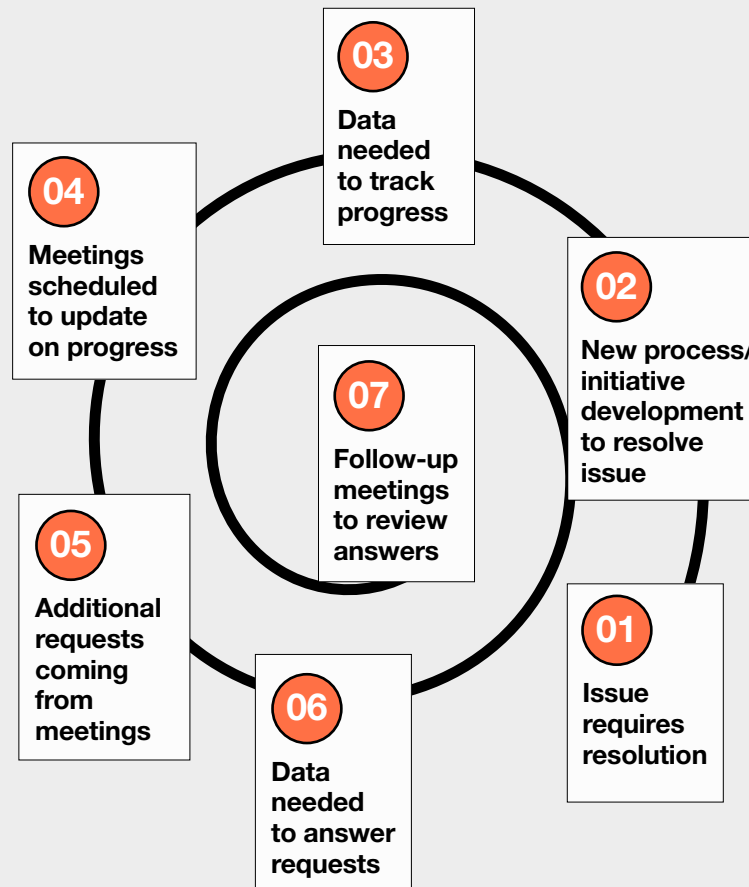
The unfocused company

How does this lack of focus occur and what does it look like?

Again, it's complexity. This complexity produces a phenomenon that Bain & Co. have defined as 'swirl': a place where every new issue or innovation generates additional work simply by existing, and where no results are produced.

'Swirl' is just one element for leaders to examine whether their organisation has lost focus. 'Nodes' – the number of points within an organisation that you need to interact with to get something done will become higher as focus is lost; 'Hierarchy' – where bureaucracy generates its own work, and 'Unclear Decision Roles' – where decision rights around critical choices are poorly defined.

It is up to the leader then to first define the problem and then tackle it.



CHAPTER 2: Unlocking the Performance Mindset: Focus

Is your organisation focussed on the right things?

It's a simple question – is your organisation focussed on the right things? – that's difficult to answer. A set of questions, developed by Bain & Co. attempts to get to the core truth:

Do you strive to invest enough to win in all of your product markets, all the regions you compete in and every division of the company?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Does your product portfolio offer enough options to appeal to all types of customers?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Is your organisation designed to provide support for all of your company's processes and functions?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Do you expect every function in the company to redesign its processes to maximise internal efficiency?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Are your IT systems and applications built to enable all of your existing business processes?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

All the questions seem to hint at legitimate targets, and often whole teams of executives would nod sagely and answer 'yes' to each question. However, if you are reading this and answered 'yes' to any of these questions, it's likely your organisation has too much complexity, resulting in a loss of focus.

CHAPTER 2: Unlocking the Performance Mindset: **Focus**

The pathway to a focused organisation

The signs of an unfocussed organisation may be easily spotted by an experienced leader, but how can they refocus their organisation and put everything back on track?

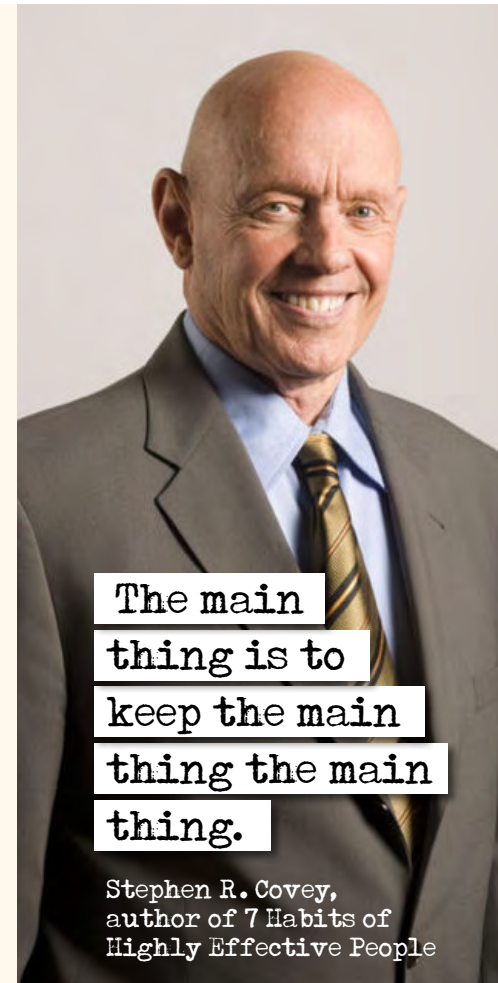
Here are several recommendations on doing just that:

For Leaders

1) Focus on decisions that move the needle

This is more than just saying 'don't micromanage'. Senior leaders must be focused on the fundamental drivers behind their business, not the latest sales report that showed a slight dip compared to last quarter.

Any incremental improvements, changes and decisions is the purview of the mid-level manager – leaders should be focused on the strategy behind the decisions being made.



2) The Big Arrow

Peter Bregman, author of *Leading with Emotional Courage*, describes a company as one big arrow that contains lots of little arrows – projects, businesses, clients, business deals etc. The big arrow is the company's culture, strategic direction, core competencies and core values.

Of course, many of the little arrows won't point in the same direction and it's incumbent on the leader to break through the noise and reorientate the pieces so they are all pointing in one direction, particularly when executing strategy.

For more on executing strategy with a clear, strategic focus, go to www.imi.ie/insights and download 'The Leader's Role in Strategy Execution'.

3) Undiscussables

Tensions within an organisation is often where performance can be improved. Do two senior leaders regularly fail to collaborate? Does the marketing division consistently fail to produce enough leads for the sales teams?

These are the difficult discussions often glossed over or explained away by external factors. A genuine leader will home in on these areas, find the tension, resolve it, and get the focus back on the 'Big Arrow'.



CHAPTER 2: Unlocking the Performance Mindset: **Focus**

For Organisations

1) Decide where the work is done

Seems self-evident but often, particularly in large multi-nationals with several locations, incorrectly directing where the work is done can cause great complexity. For example, should each region have their own accountancy department, or should it all be done at business level?

In this example, you'd typically need local experts to match up with local regulations, with a business team at the top to keep reporting and best practice consistent. Everything else is superfluous.

Research consistently shows that bureaucracy creates bureaucracy and can easily be left unmanaged to spiral out of control; it's up to the leader to recognise when this is happening.



CHAPTER 2: Unlocking the Performance Mindset: Focus

2) Delaying of legacy bureaucracies

In institutions that have failed to adapt to change, and continue to do so, an initial role of a new CEO might be to delay those layers of hierarchy, particularly those roles that either are no longer impactful due to a changed market or have been created to deal with the unnecessary bureaucracy.

This delaying can be tricky and should be done with caution. Certain functions may demand greater supports than others, so each action should be taken on a case-by-case basis rather than a general policy around defined criterion.

3) Assign roles for critical decisions

Being able to evaluate decisions (from the strategic to the everyday decisions that add up over time), then assign decision rights to the appropriate employee can be a powerful tool in improving performance.

For a full explanation on how to organise decision-making within your organisation, please read 'It's Rarely Either/Or: The Grey World of Decision-Making' at www.imi.ie/insights.

4) Define and reinforce behaviours

Complexity is often created by the senior leadership. For example, despite telling their mid-level manager that they are empowered to make decisions and drive a project, they consistently over-rule them during the process.

Or maybe they constantly ask for more data as a project is ongoing, delaying the actual work towards the original goal. Plus, they are often held unaccountable for the costs these interventions produce, so they keep spending more money on unnecessary initiatives.

If senior leadership doesn't follow and reinforce the behaviours they themselves have implemented, complexity and lack of focus is inevitable.



Source: Bain & Company, Four Paths to a Focused Organisation, Gottfredson and Mankins, 2013



CHAPTER 3

Unlocking the Performance Mindset

Wellness

CHAPTER 3: Unlocking the Performance Mindset: **Wellness**

The busyness addiction: Wellness is not a fad, it's a skill

The Silicon Valley start-up CEO going on a week-long meditation retreat, the yoga mats in the corner office – these are the kind of fads that spring to mind when it comes to wellness.

However, this perception of wellness is akin to equating astrology with astronomy.

Social psychologists have found that mindfulness predicts judgement accuracy and insight-related problem solving, and neuroscientists have found that mindfulness enhances cognitive flexibility.

For a future-fit leader, being able to create a sustainable mindset that mitigates against burnout whilst remaining open to new innovations is imperative if you want to see the same reflected throughout the organisation.

In a survey of 2,000 employees, Bain & Company found that among 33 leadership traits, the ability to be mindfully present is the most essential of all.



CHAPTER 3: Unlocking the Performance Mindset: **Wellness**

Wellness and Organisational Performance

On an organisational level, even simple online mindfulness programmes have shown to be a practical and effective way to reduce employee stress, which in turn will improve performance.

For example, research shows that workplace stress leads to an increase of almost 50% in voluntary turnover. So, if an organisation wants to keep its star talent, an authentic mindfulness programme can help mitigate against the danger of them leaving

So, meditation retreats apart, what can a leader do to improve their mindfulness and what effect will that process have? Listen to the podcast in the [link on this page](#) to find practical tips and techniques for the future-fit leader.

Whatever someone's knowledge, skills and experience, they know that none of this counts for much when they find themselves short of energy and struggling for inspiration.

Dr. John Briffa (from his book, A Great Day at the Office)



For more on **Mindfulness** and how it can increase productivity, as well as some helpful tips, [listen to the IMI Talking Leadership Podcast with Rasmus Hougaard](#), founder of the Potential Project and mindfulness expert.



CHAPTER 4

Unlocking the Performance Mindset

Resilience

CHAPTER 4: Unlocking the Performance Mindset: Resilience

Building Personal and Organisational Resilience

For leaders to perform in the future, they have to be prepared for it. This is the same at organisational level and if an organisation is to thrive, then its leaders must be resilient to setbacks, change and continued stress.

Failure is a consequence of trying and, in a landscape where almost constant innovation is required, also inevitable. What is not inevitable is how a leader shapes their own, and their organisation's, reaction to failure.

There are a number of techniques and ways of thinking leaders can use to build their own and their organisation's resilience to reduce stress, improve resilience and improve performance.

In a survey of 835 employees in Britain, only 10% said they got resilience from their organisation



CHAPTER 4: Unlocking the Performance Mindset: Resilience

Treat failure and success the same

Giving your employees a psychological safety net is a winning strategy when it comes to building a sustainable culture of performance.

A philosophy of accepting, even rewarding 'good' failure, will result in three things:

Honesty – employees will feed accurate information up the hierarchy, allowing for the correct decisions to be made.

Innovation – employees see the value in trying and working collaboratively on projects they are excited by, not motivated by fear to engage with.

Less stress – employees that feel like they can try and fail are more likely to try again, and not feel demotivated and stressed when a project they have worked on doesn't succeed.

The difficulty for the leader is, of course, what is 'good' failure? How can failure be quantified? Should the salesperson who worked hard on creating a whole new market segment but failed, be rewarded over the salesperson that just worked through their leads and hit their target?

In reality, it is up to the leader to engender a culture of innovation and acceptance of failure through their actions and behaviours.

CHAPTER 4: Unlocking the Performance Mindset: Resilience

Treat failure and success the same

Train like the army

Martin E.P. Seligman, sometimes known as the ‘father of positive psychology’, worked with the US army to develop resilience training for their soldiers and used techniques that can, and have, been replicated in the business world. Asked to create a programme for soldiers with PTSD, Martin devised an initiative that included a ‘Mental Resilience Training’ module that had three constituent parts.

Building Mental Toughness	Building Signature Strengths	Building Strong Relationships
This part of the programme is, in essence, about perspective. It focuses on things like ‘thinking traps’, such as over-generalising or judging a person’s worth or ability on the basis of a single action. They also discuss ‘icebergs’ (deeply held beliefs) and question whether they are overpowering rational thought. They also challenge ‘catastrophic thinking’ and encourage multiple scenario planning, not just the worst case.	Focussing on building strengths can give people powerful tools to react against adversity. In the MRT programme, evaluations are used to discover participants’ personal strengths, and then use a group setting to apply those strengths to a specific challenge through narrative storytelling.	Once the individual has become more aware of their own strengths and weaknesses, the programme develops their ability to bring this out in others. Teaching techniques like assertive communication and how to be authentic and constructive in your feedback and advice leads to stronger and more resilient relationships within the team.

CONCLUSION

A leader's mind is viral

When nature creates armour, it does not do so with a single plank, it does so with thousands of interlocking pieces. To create a true performance mindset – to perform sustainably at pace – a leader needs to think in the same way, starting from within.

A leader that develops their agility, focus and resilience can begin to instil a performance mindset in all their employees too. A leader that does this will develop an organisational culture that will sustain performance over time.

If senior leaders don't develop their mindset to deal with the real world as it will be tomorrow, their employees won't either and the overall organisation will drift into swirls of complexity.

To succeed in the volatile corporate world doesn't require just skill, it requires a mindset geared towards sustainably performing at pace – it requires a performance mindset.



IMI EXECUTIVE SUITE

PROGRAMMES FOR THE FUTURE-FIT LEADER

From the external macro environment to the internal machinations of a modern organisation, leaders must navigate a sea of complexity at every turn.

IMI Executive Series, out this Autumn, will equip leaders to deal with the storm of uncertainty surrounding their organisations. The Executive Series consists of three new programmes:

- Mastering the Performance Mindset
- Navigating Complex Decisions
- Leading Strategy Execution



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