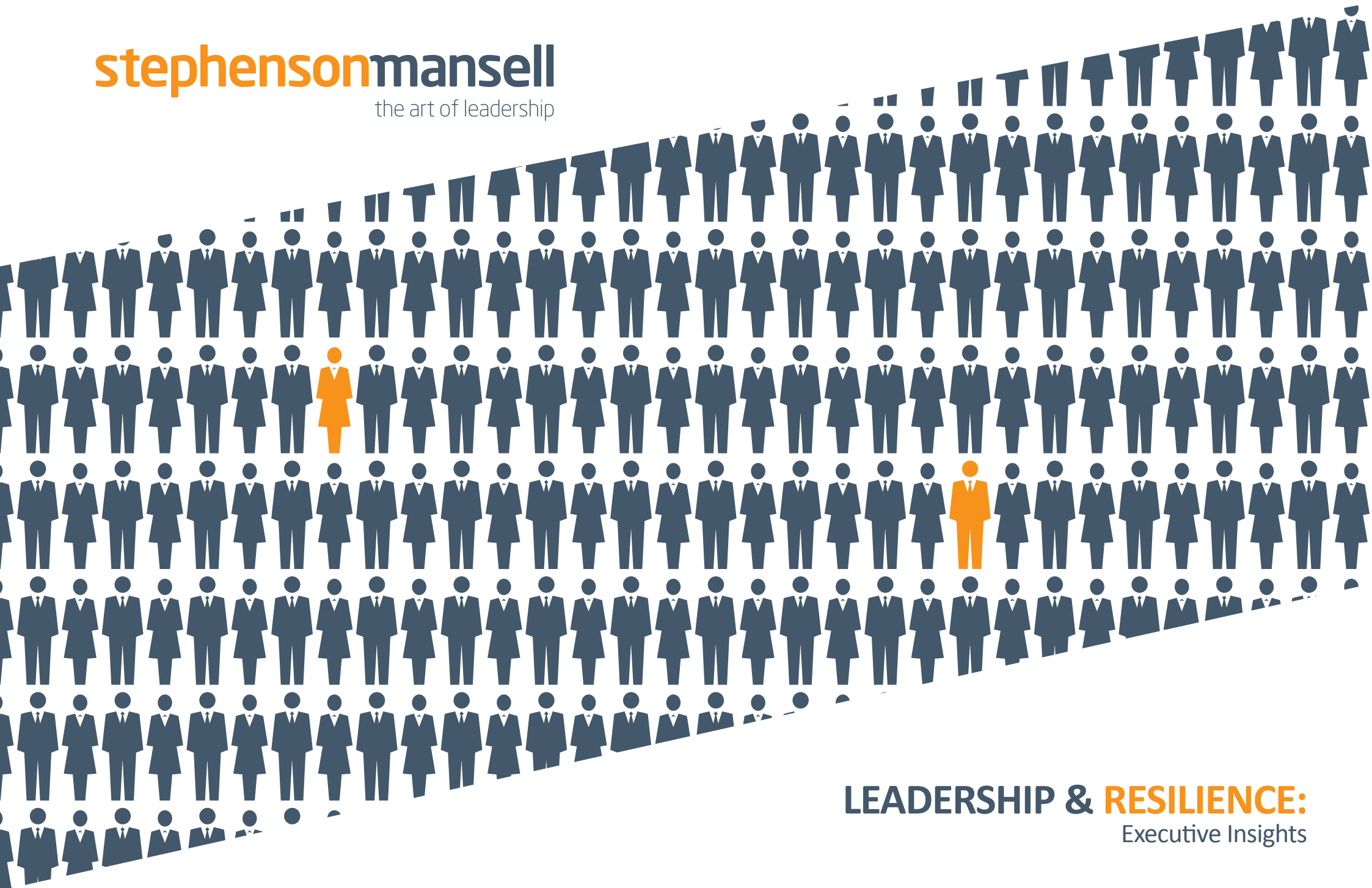


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LEADERSHIP & RESILIENCE:
Executive Insights

RESEARCH OBJECTIVES & METHOD



Our 2014-15 research project examined the macroeconomic conditions facing Australian businesses and how the leadership dimension of resilience is present. We are defining resilience as the ability to overcome or bounce back from adversity, which may be experienced in a myriad of ways.

The objectives of this study were to investigate three key facets:



The macroeconomic conditions facing senior executives, leaders & businesses



Test the hypothesis that resilience is an emerging critical requirement for leadership in the current environment



The most effective methods used to develop leaders and resilience specifically

We conducted an online and telephone survey of more than 130 senior executives from medium to large companies and collected more than 4000 individual responses. Feedback was analysed into both leadership constructs and themes. The percentages reflect that executives could select more than one response in their answers.

MACROECONOMIC ENVIRONMENT



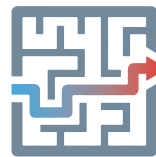
“There is a huge nemesis in the environment with a massive pace of change, the level of complexity is enormous and everything is going faster in unpredictable ways.”

C Suite Executive, Financial Services

Steady state business conditions remain elusive according to our respondents. Business Uncertainty was the most cited challenge in macroeconomic conditions in last year's research, much like this year. Short-Term Thinking has significantly increased as a contributor to the uncertain market conditions. In addition, new challenges such as Customer Centricity and Digital Readiness point to changes in the way business must adapt to remain competitive and engage in new markets. Given the added complexity these continuing and emerging challenges provide, it is vital to understand the critical leadership requirements needed for success.



88%
Productivity Pressures



83%
Business Uncertainty



74%
Increased Short-Term Thinking



65%
Increased Customer Centricity



48%
Digital Readiness



44%
Increased Global Economy

V.U.C.A.

VUCA is an acronym used to describe or reflect on the generalised business conditions typically facing many large scale enterprises in today's economy.



Our respondents readily described the macroeconomic conditions in ways consistent with the **VUCA archetype** (volatile, uncertain, complex, and ambiguous). The VUCA framework was introduced by the U.S. Army War College to account for the changing world context following the conclusion of the Cold War. More recently, the term VUCA was adopted after the terrorist attacks of September 11, 2001 as a way to describe the disordered, tumultuous, and rapidly changing business environment that has begun to define the typical macroeconomic business conditions facing enterprises and as identified by respondents to our survey.

LEADERSHIP DERAILERS

“Your greatest strength can become your Achilles Heel” is a metaphor for a weakness in spite of an overall strength. Your Achilles Heel may be the overuse of your greatest strength. A leader who can act with speed and in a direct manner may be apt to impatience and frustration. Leadership development methods that build self-awareness are the key to identifying those weaknesses, without diminishing performance.

Leadership derailers identified in our research continue to point to the need for leaders to act, decide and focus in the face of incomplete, ambiguous and often changing market conditions. Those leaders who cannot, or focus on short-term business issues, are clearly identified as leaders with limitations requiring further development and growth.



CRITICAL LEADERSHIP REQUIREMENTS

“Leaders need to take buffering from media, shareholders and the Board. They need to stick to their guns – for the longer term.”

C Suite Executive, Energy Industry

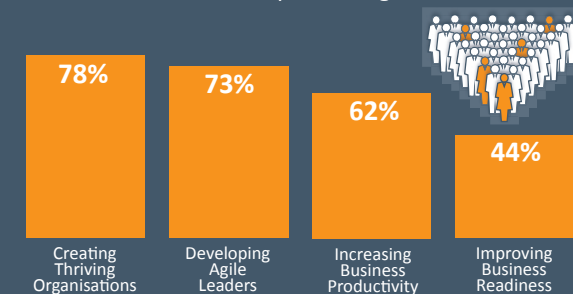
The most significant leadership characteristics observed in our research point to the need for **leaders to be agile, resilient and aware** of the unpredictable market conditions being faced. Leaders need to apply **strategic thinking and a strong vision** as a means of providing clarity and certainty to their people and business stakeholders across the board. **Resilience has clearly emerged as the most important leadership requirement.**



CRITICAL ORGANISATIONAL ATTRIBUTES

“It is vital to have a team that can demonstrate vigor in the current climate and then foster that in the senior leadership ranks.”

C Suite Executive, Transport & Logistics

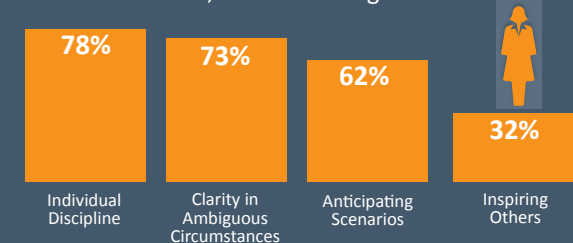


Organisations that respond to the macroeconomic challenges identified in this research additionally identify the need to build progressive, flourishing organisations. There is also a strong connection between the need of organisations to develop agile leaders and the importance of building self-awareness and resilience as cornerstones to effective leadership.

CRITICAL PERSONAL ATTRIBUTES

“We are driving people to be competitive and agile. However, this needs to be done in a thoughtful and disciplined way.”

C Suite Executive, Manufacturing



Personal attributes consistent with the themes of self-awareness, authenticity and the ability to deal with with ambiguity were considered critical to leadership effectiveness. These personal attributes serve to provide clarity, predictability and a roadmap to traverse the challenging macroeconomic conditions (see VUCA sidebar on Page 1).

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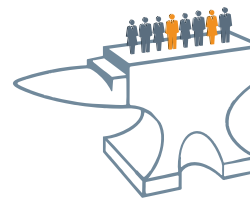
Do we need a new definition of resilience?

The term resilience stems from Latin (*resiliens*) and was originally used to refer to the pliant or elastic quality of a substance. Webster's Dictionary of English Language defines resilience as *"the ability to bounce or spring back after being stretched or constrained."*

Scholarly articles do not refer to any time-bound nature of resilience, only that it is the capacity to adapt to stress or adversity. Our research demonstrates that leaders today are continually being challenged to display resilience **over the long-term** – a key component of agile and effective leadership.



METHODS TO DEVELOP RESILIENCE



"It is particularly important to develop resilience for the long-term in our leaders. Coaching & Feedback is one of the best sources for developing that."

C Suite Executive, Energy Industry

Respondents reported that a blend of methods were most effective at developing resilience in leaders. These **all involve some form of independent Advisor, Mentor, Facilitator or Coach** often blended with leadership development programs and career enhancing assignments.



86%

Leadership Development Programs



84%

Executive Coaching



79%

360 Degree Feedback



78%

Career Enhancing Assignments



73%

Executive Mentoring

MOST EFFECTIVE LEADERSHIP DEVELOPMENT METHODS

"You can no longer afford to have a one-size-fits-all approach. There needs to be true exploration of what the individual or team requires."

C Suite Executive, Telecommunications

Our investigation illustrates that the most effective methods for leadership development are **customised for individuals and integrated within the business context**.

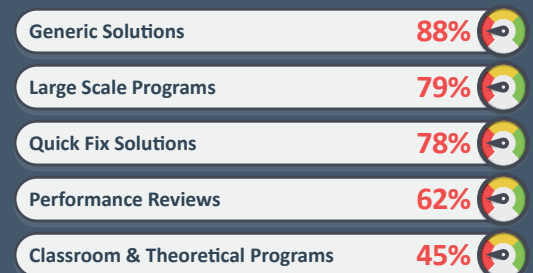


LEAST EFFECTIVE LEADERSHIP DEVELOPMENT METHODS

"Generic leadership development is a waste of time. It misses the mark of the business context and rhythm."

C Suite Executive, Professional Services

Ineffective development programs are dominated by generic solutions that sit alongside an organisation's context and not within, nor are tailored to meet the unique needs of its leaders.



CONCLUSION

*Ambiguity, uncertainty and short-term thinking dominate the macroeconomic environment. Productivity pressures and business uncertainty have driven the **emergence of resilience as a key leadership requirement to effectively navigate these conditions. Executives are wanting effective leadership resilience over increasingly longer periods of time, otherwise described as sustainability for the long term.***

The requirements of executives to display resilience is a key indicator of leadership success in dealing with the business challenges in today's macroeconomic environment. In order to develop this leadership dimension, bespoke, personalised leadership development methods, centred on feedback and learning loops to the individual are believed to be most effective.

Central to this idea is evidence that the development of resilience and leadership abilities in general are based on three tenets:



**TAILORED &
PERSONALISED**



**SET IN THE FLUID
BUSINESS CONTEXT**



**DEVELOPED FOR
THE LONG-TERM**

In this uncertain business climate, resilience has emerged as the most critical leadership requirement for success. To develop resilience the most effective programs are tailored, set in the fluid business context and long-term orientated. Working with an independent professional such as a mentor or coach, with deep behavioural and business experience will maximise the impact of leadership development to achieve sustainable behavioural change and business outcomes.

STEPHENSON MANSELL GROUP DIFFERENCE:

Experience and market awareness to deliver customised and blended leadership solutions

The distinctiveness of our offering, approach and delivery is based on the following attributes:



Experience, reputation & longevity in the Australian market

- We are among Australia's leading executive coaching, mentoring and leadership development firms with 15 years in the market.



Relationships & market awareness

- Our strategic alliances provide global insights on best practice in executive development and culture change.



Professional services excellence

- We operate to the highest industry standards, underpinned by a commitment to professional development, quality control, case management and assigned program directors.



Experienced team

- Our coaches, mentors and facilitators all have extensive experience and qualifications in leadership development.
- We bring a level of objective empathy combined with commercial acumen.



Customised and blended approach

- Our work is based on the ability of our professionals to move fluidly between coaching, mentoring and facilitation as determined by client needs.
- The use of blended engagements (coaching with customised workshops) provides high-impact learning to embed sustained behavioural and organisational change.



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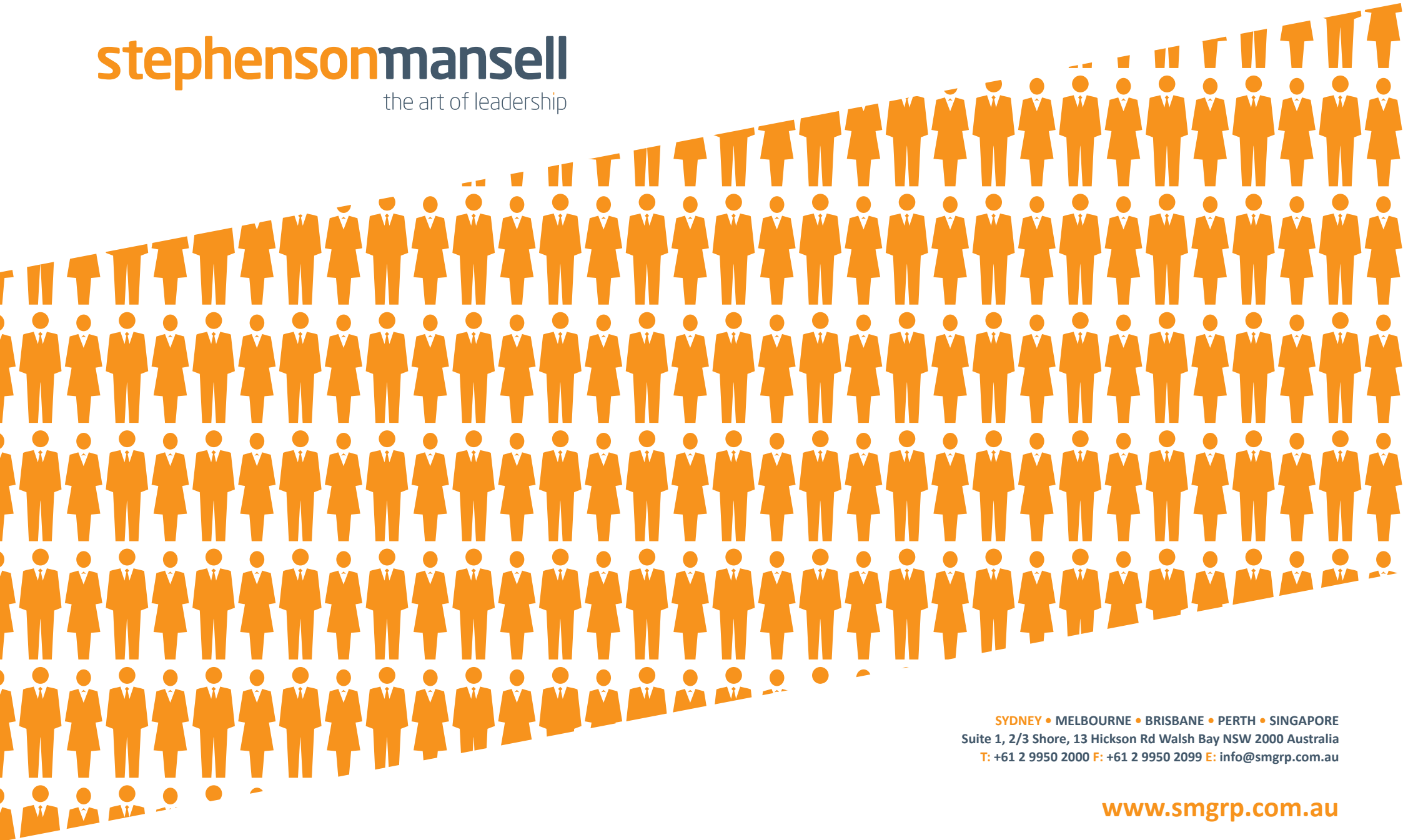


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