

## Leading during turbulent times – collaboration or cheerleader-in-chief

**There has always been a compelling argument that we are living in times of unprecedented turbulence. When did you last hear that the rate of change is declining, things are not moving as fast as last year, dramatic events in the world events are not what they used to be? We are told to expect the unexpected, and beware of the known unknowns. What is clear, in times of turbulence when an unexpected event can have a dramatic longer term effect, effective leadership is critical in order to create a way forward that offers confidence in the future.**

### Bring on the cheer-leader?

But what does this leadership look like? Is it about having a strong charismatic cheer leader in chief who people look up to and seek reassurance from that individual that everything will be alright? Alternatively, is it a form of leadership that is more collaborative and collective that is focussed more on a group or groups of people at different levels than on the traditional individual who is remembered for saving the day? Events in the financial sector continue to reverberate across every continent creating one of the biggest global leadership challenges in recent times. Has a single individual emerged who will be remembered in the same way as Churchill was as a wartime Prime Minister or Rudolf Giuliani was in the aftermath of 9/11? Who will be remembered for leading us out of the crisis or has the leadership challenge been met with more of a collaborative approach?

### Turbulence is just intense change

So how do we react to turbulence and what sort of leadership do we expect or seek? One of the significant factors is that what is going on around us is happening now and we can only draw comparisons from either our own personal experiences, what we have read, what we have been told, or what we see and hear through the media. Thus, depending on how we see the world we respond differently to turbulence in our lives. But is not turbulence in our lives effectively the same as dealing with any form of change but in a more intense manner. Perhaps we could learn from how organisations deal with

change in order to take us forward – after all, the financial sector comprises organisations albeit not as many as this time last year!

### Change is emotional

Many of the principles that hold firm in dealing with change are the same whether we are dealing with change linked with a global crises or change in our own lives. The former may seem more important in the wider sense, but change is often a catalyst for strong emotions and we look for direction in the same way as our political leaders seek advice in a crisis – after all they are just individuals themselves, the difference being that their leadership is under public scrutiny all the time.

### Turbulence and transformation

In driving organisational change the work of John Kotter remains influential and there are lessons to be gained in the current crisis from his work on transforming organisations. Kotter offers 'Eight Steps to Transform Your Organization' through establishing a sense of urgency, forming a powerful guiding coalition, creating and communicating a vision, empowering others to act, planning and creating short-term wins, consolidating change and institutionalising new approaches. Circumstances often create a sense of urgency through necessity and a real crisis can force leaders down a route where there is no room for personal interest and the pathway for change is driven by the nature of the crisis itself – in essence it is the situation that is driving the leadership response. In extreme turbulence the sense of urgency is driven by the prevailing circumstances that include dealing with the complacency and miss-management that caused the problem in the first place and ensuring it doesn't happen again.

### Uniting the competition

The requirement for a guiding coalition is interesting. No single individual has emerged from the crisis as national leaders balance resolving the global issues and how they effect their individual economies, with their



own political challenges and popularity at home. The crisis has created a common global challenge that has transcended individual national agendas and has created unprecedented coalitions across the globe. Examples include alliances of traditional competitors such as Korea, China and Japan and US car manufacturers, and greater financial unity within Europe. But have they provided the confidence and vision required for recovery or is there still a role for the individual? Individuals often inspire through charisma - groups or coalitions seldom if ever inspire – when did you last hear of a charismatic collaboration?

### Defining a vision can be messy and ambiguous

If these global coalitions are to be effective then creating a clear vision for recovery is crucial if there is to be sufficient confidence generated to ensure long-term recovery. Leading by example is essential to communicating a vision. However, leading by example becomes far more challenging as the number of people in the decision making process increases and consistency of the message can become blurred. But how do you actually build a vision? Because it relates to the future, people assume that vision building should resemble the long-term planning process: design, organise, implement. But does it work that way? Defining a vision of the future does not happen according to a timetable or flowchart. It is more emotional than rational. It demands a tolerance for messiness, ambiguity, and setbacks, an acceptance of the half-step back that usually accompanies every step forward. This sort of vision does not lend itself easily to a coalition that needs to move fast. Circumstances have forced individuals to let go and empower others to act by getting rid of obstacles to change, changing old systems or structures that seriously undermine the vision and encouraging risk taking and non-traditional ideas, activities, and actions. Linked with providing market confidence is planning for and creating short-term wins, planning for visible performance improvements, creating those improvements and recognising those involved in the improvements.

Develop leaders not managers.

It has yet to be seen what the long-term impact of the current crisis will have but

there is no doubt that improvements and change will emerge and new approaches adopted. So what lessons are to be learned? Producing change is about 80 percent leadership -- establishing direction, aligning, motivating, and inspiring people -- and about 20 percent management -- planning, budgeting, organizing, and problem solving. Unfortunately, in most of the change efforts those percentages are reversed and it has taken a crisis to create the situation for genuine collaborative leadership to emerge.

### Passion, inspiration, vision and courage

So is it leadership vested in the individual during turbulent times or is more collaborative leadership required? As turbulence is seen as intense change then the leadership qualities required to drive change are needed in equal measures in times of crises. There are two ways of approaching a crisis: you either carry on in a state of denial, or hope the worst won't happen; or you take the proactive route, accepting there will be some pain, but making sure there's a positive return on the experience. Difficult times provide a wonderful opportunity to implement changes, to make decisions that have perhaps been on hold for rather too long. Passion, inspiration, vision and courage are required to create the confidence and atmosphere required to deliver the change required – these are more often found in the individual rather than the group. Our business schools and work organisations continue to produce great managers; we need to do as well at developing great leaders. On balance, during turbulent times, bring on the 'cheer leader in chief'.

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