

LEADERSHIP 4.0

**NEW LEADERSHIP
FOR DISRUPTIVE TIMES**



NEW

LEADERSHIP

FOR

DISRUPTIVE

TIMES



Foreword by Mok O'Keeffe Founder of The Innovation Beehive

At The Innovation Beehive, we have the privilege of working with some of the most successful organisations in the world. We have spent time up close with their Leaders and observed what they are doing to succeed in disruptive times. We have codified their behaviours as the Five Key Practices of Leadership 4.0, which are outlined in this White Paper.

I want to thank those Leaders who agreed to be interviewed and who supported us as we developed this White Paper, and also a huge thank you to those clients who are taking the Five Key Practices and building their Leadership Development Programmes around them.

If you would like to understand how you can develop the Five Key Practices of Leadership 4.0 or build them into your organisation's Leadership Development Programme, get in touch. We would love to share our experience with you.

Mok O'Keeffe, March 2020



INTRODUCTION

We have entered the fourth industrial revolution where we are experiencing the rapid and continuous development of new technologies: AI, machine learning, bioscience and the blurring of physical and virtual reality, unpredictable material costs, changing social expectations, fluctuating currencies and tariffs, the urgency of responding to climate change, the increase in the working poor, and divisions between generations and political turbulence. We stand on the brink of a technological revolution that will fundamentally alter the way we live, work, and relate to one another¹. Society and businesses are being impacted by digital transformation, and news – real or fake – travels fast. Alongside this, the UK has ageing infrastructure, a relatively high cost base and falling productivity².

A coder in Budapest or an undergrad in a Stanford bedroom can disrupt your market, giving you a crisis or an opportunity, depending on whether you're ready, or not, to pounce. Getting the right product at the right price at the right time to the right customer is becoming ever more challenging. This sits alongside the ongoing issue of attracting and motivating employees in an economy with UK unemployment at 3.9% (its lowest rate since 1975³) and significant changes in how and what people expect to get from work.

It's volatile. To say the least.

There are changes happening that we can't predict and changes completely outside of our control. As Leaders, we don't know how long they will last or what else will come along while we're still dealing with the last challenge. Even when we can clearly see a change coming, it's hard to calculate the likely impact or know whether the consequences are merely temporary or longer lasting.

We turn to data to help us make sense of what's happening, but the sheer volume of information can feel overwhelming. It's harder than ever for Leaders to make forecasts or predict how one event or decision may impact all the elements they manage – compounded by the different countries they operate in and the different product offerings in the company portfolio. The interconnectivity of decision-making, resulting from globalisation, will become a growing challenge for Leaders.

In a trading environment, where precedents and history can only teach us so much, there are new opportunities, new markets, new products and new consumers emerging all the time. Organisations

can struggle to adapt and re-position their current products and services in a changing marketplace, or they can lack clarity on how to launch new products in completely untested waters. This has led to an increased focus on innovation, with over 70% of CEOs reporting that innovation is one of the top three priorities on their Leadership agenda⁴. Innovation enables experimentation and the development of new or more relevant products, services and experiences. Leaders must become adept at learning fast and cheaply, because the competition (some of whom they won't even be aware of) are out there experimenting too, and their experiments could be about to disrupt the marketplace before more traditional Leaders have even got sign off on their response⁵.

This volatility, where few of the old rules apply anymore, is Industry 4.0. The final piece of Leadership 4.0 is Making History. This is the balance between short term gain and long-term impact. It is the end game, to which all the other practices and enablers of Leadership are pointing to.

¹ <https://www.weforum.org/agenda/2016/01/the-fourth-industrial-revolution-what-it-means-and-how-to-respond/>

² <https://www.ons.gov.uk/economy/economicoutputandproductivity/productivitymeasures>

³ <https://tradingeconomics.com/united-kingdom/unemployment-rate>

⁴ <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/leadership-and-innovation>

⁵ For more information on how Leaders can be more agile, move at pace and have an experimental mindset, see our White Paper, 'From Fragile to Agile', at <https://www.innovationbeehive.co.uk/from-fragile-to-agile-white-paper-download/>



The key question Leaders need to hold is not, *"Where will the next big idea come from?"* but,

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HOW CAN I BE

READY FOR IT

WHEN IT COMES?

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THE LEADERSHIP

CHALLENGE

Change has always been a constant on the Leadership agenda. However, in the 4.0 Economy, the pace of change is exponential, and many Leaders struggle to adapt their behaviours and work with more agility. It is increasingly difficult to 'manage change', as it now rarely has a start and an end point or can be captured neatly on a Gantt chart.

In the 20th century, the Leader's role was to manage and motivate within known structures, hierarchies or command chains; it would start at monthly board meetings, information gradually trickling down and decisions made only by the most senior managers. Those Leaders that have adapted for Industry 4.0 have done so by working cross-functionally and in flatter structures. As work becomes more fluid, they are having to find answers as they go.

41% of Leaders say they feel equipped to cope with the challenges that the 21st century will bring⁶. Whilst this is worryingly low, what is it that they do?





4.0 LEADERS NEED ANSWERS

TO QUESTIONS LIKE:

How can we ensure long-established processes like budgeting or performance management match the requirement to be **more agile**?

Who is **responsible** for that decision?

How can we be more **transparent** when we allocate resources to maximise an opportunity?

How can we continue to **deliver** more with ever less certainty?

How can Leaders, who have previously equated power with the size of their team or budget, be **open**, **collaborative** and **adept** at letting go?

What can we **contribute** to the wider world?

⁶<https://www2.deloitte.com/us/en/insights/focus/human-capital-trends/2019/21st-century-leadership-challenges-and-development.html>



LEADERSHIP 4.0

We have spent the last 18 months talking to Leaders across our network, to understand how they are navigating the VUCA⁷ world of Industry 4.0.

We have discovered that those Leaders who thrive in disruption are the ones who embrace volatility, uncertainty and ambiguity and use it as the catalyst for examining and changing behaviours, in order to create a culture of intelligent innovation.

Based on our research with successful Leaders, we have identified the Five Key Practices that distinguish these exceptional Leaders.

We call it **LEADERSHIP 4.0**.



HEAD

Leading in Head is about business management and strategic thought. 4.0 Leaders look outside the organisation for learning and have a relentless focus on the client/end user behaviours. They anticipate the impact of mega trends and are positive toward technological advances. They understand how their market makes money and where untapped value lies. They are Leaders within their industry or specialism, as well as in their organisations. They play the long game and focus on what needs to be planned now for success next year, in five years and in 20 years.

HEART

This is focused on connection with Purpose, Values and the ability to motivate and take people with you. Leading in Heart requires an understanding of the personal impact a Leader wants to make on the world, challenging behaviours that don't fit with their value set or the organisation's culture, and a consciousness that everything they say and do has impact.

HEALTH

Leading in Health is about the emotional and physical resilience of self and others. The many challenges of Industry 4.0 require physical & mental energy, positive thinking, emotional intelligence and resilience – for Leaders and their teams.

HABIT

Habit is the core of Leadership 4.0. It is a Leader's outward appearance to the world and the manifestation of their best Leadership self. 4.0 Leaders' actions match their Values and they are consistently role-modelling and encouraging the organisation's desired cultural norms and behaviours. Leading in Habit requires an ability to review and adapt personal behaviour to either anticipate or respond to new challenges or opportunities. It requires personal courage, self-reflection and self-knowledge.

HISTORY

The final piece of Leadership 4.0 is Making History. This is the balance between short-term gain and long-term impact. It is the end game, to which all the other practices and enablers of Leadership are pointing towards.

⁷ <https://www.forbes.com/sites/jeroenkraaijenbrink/2018/12/19/what-does-vuca-really-mean/>

LEADING IN HEAD

Leaders still need to do a lot of what they've always done: develop strategy, analyse data, make decisions and communicate to their people.



LEADING IN HEAD



The 4.0 Leader finds definition and fuel in volatility and uncertainty. They spend time ensuring they are solving the right problem, developing the right ideas while failing fast and constantly learning⁸.

They have an agile mindset, continuously evolving their thinking by talking to and listening to others within and outside their organisation. They have their finger on the right pulse. Their clarity enables others to cut through ambiguity.

There was a time when people would nod wisely at the phrase, "Knowledge is Power". In Industry 4.0, knowledge and how you use it is still important, but what's becoming an increasingly key differentiator is **how you think**. The 4.0 Leader knows they need to adapt and develop a new way of thinking. 66% of Leaders believe that this new world requires different competencies⁹, and "what got you here won't get you there"¹⁰, yet less than two thirds of Leaders say that they are "confident" or "highly confident" in their ability to rise to the challenge of VUCA¹¹.

The 4.0 Leader, when leading in Head, leads with critical thinking and couples this with the ability to think creatively. This allows them to be more expansive in their approach, learn more quickly and more intentionally. A core trait of today's exceptional Leader is their insatiable curiosity. They are always seeking out new ideas, wondering how things could be better, listening to others' thoughts and building upon what they see and hear. They practice what Clayton Christensen called, "connected thinking"¹². It is less about finding the solution for themselves and more about creating the conditions that enable solutions to emerge and using their Leadership position to take the solution to scale. To do this, they use data-driven experimentation, to figure out quickly where a new idea/product/approach can add value (or not).

4.0 Leaders are outward-looking. This means far more than evaluating their supply chains and their competitors. They look outside their industries, not only at their competitors but at related and seemingly



⁸ <https://www.innovationbeehive.com>

⁹ <https://www2.deloitte.com/us/en/insights/focus/human-capital-trends/2019/21st-century-leadership-challenges-and-development.html>

¹⁰ Marshall Goldsmith, "What Got You Here, Won't Get You There", Profile Books Ltd; 2013

¹¹ <https://www.ddiworld.com/glf2014>

¹² <https://hbr.org/2009/12/the-innovators-dna>

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Sometimes I will join a meeting that isn't directly to do with my role. It gives me greater business context and knowledge that I might be able to use later down-the-line.

Kate Walsh,
Ground Control and Employee
Experience Manager, Airbnb

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Before assuming a Leadership role, curiosity may not have been incentivised – delivery may have been what was rewarded; as a Leader, you may have to rediscover your curiosity.

Laurence Monnery,
Partner, Egon Zehnder



unrelated industries, to gather new stimulus and spot new opportunities to keep their thinking fresh. They value learning and constantly seek out self-development.

4.0 Leaders see the importance of building trusting relationships that create the flexibility the organisation needs. They can call on others with the capability to support them as and when needed. They create multi-functional/virtual teams, break down silos and create temporary cohorts of talent to realise an opportunity. These behaviours help to build organisational learning, resilience and agility. Leading in Head, 4.0 Leaders set stretching targets and build teams with the right experience, skills and attitude to achieve them. Their teams know their Purpose, are clear on priorities and are given the

resources they need to be successful. Their people flex in and out of projects as and when they're needed, adding value as they go. Above all, these Leaders can define the need and articulate it to drive precise results at pace.

KEY QUESTIONS TO CONSIDER WHEN **LEADING IN HEAD**

- ▶ Do you work cross-functionally, creating and disbanding project teams to realise new opportunities for growth?
- ▶ How do you stay up to date with what's happening outside your organisation – not just in your industry?
- ▶ How much time do you spend understanding what's happening in your customers' world?
- ▶ How do you ensure you have the right balance between critical and creative thinking?

LEADING IN HEART

Leading in Heart creates a culture in which people feel valued and personally connected with the wider Purpose of the organisation.



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I tend to use metaphors and symbols when I tell stories. When things are complex, a simple visual, a metaphor or a personal story helps me to convey the meaning.

Laurence Monnery,
Partner, Egon Zehnder

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A key part of my role is about storytelling. It's about creating stories that will be told in the future - always connected to our values of, 'build for the long-term' and 'champion the mission'.

Kate Walsh,
Ground Control and Employee
Experience Manager, Airbnb

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Leadership is about knowing that great ideas can come from anywhere and your job is to inspire and recognise others, rather than take the limelight for yourself.

Jennelle Tilling,
Former Global CMO, KFC



LEADING IN HEART



4.0 Leaders are motivated, empowered and take ownership for delivering results. This creates the environment where innovation can flourish.

4.0 Leaders are highly self-aware and they understand their personal drivers. They believe in themselves and in the ability of others. They are passionate about what they do. Their Values and sense of Purpose give them direction and energy – this is infectious and it enthuses others; everyone wants to be on their team and share in the collective 'duvet chuck' moment, jumping out of bed to do work that makes them feel great.

4.0 Leaders appreciate others as individuals and as a dynamic. They work hard to understand their unconscious bias and celebrate diversity – striving to release the potential of all their team members. They develop a sense of community in their teams, in which openness, constructive challenge and generosity of spirit means resources and knowledge are shared, ideas built upon and stretch targets are achieved.

Their authenticity and congruency lead to a deeply personal trust. Their people feel connected to the Purpose and Vision of the organisation and the team. They know they'll be supported and challenged to think, grow and act, and 4.0 Leaders are fully supported by their team in return.

Chris Sacca, an early stage tech investor¹³, Forbes Magazine cover star and living embodiment of an Industry 4.0 Leader, sums this up when he says: "Whether you are raising money, pitching your products to customers, selling the company or recruiting employees, never forget that underneath all the math and MBA bullshit talk, we are still emotionally-driven human beings. We want to attach ourselves to narrative. We don't act because of equations. We follow our beliefs. We get behind Leaders who stir our feelings."¹⁴

When working with ambiguity, 4.0 Leaders know they need to make decisions when they haven't the time or the data to evaluate every possible scenario. To enable this, they develop the courage to avoid paralysis and make those tough decisions. They work through their discomfort and have the humility to admit when they get it wrong.

We are in a world where the people with the expertise you need are being chased by your competitors or founding a start-up, and those with the agile mindset are often the sort of people who don't want to sit still and maybe don't want to work 'for' someone else. The question becomes: how do you attract and then keep these colleagues engaged and motivated? Exceptional Leaders are those who connect with the personal ambitions of their colleagues – recognising what motivates them to succeed and adapting their Leadership behaviour and expectations accordingly. This engenders loyalty and commitment from all types of people and all levels of the organisation. They know how to inspire their ambitious managers, as well as how to keep frontline employees motivated in those jobs with a high degree of repetition or a demanding customer base.

4.0 Leaders motivate and inspire by using their emotional intelligence – an essential element in their Leadership Toolkit. They are very self-aware, knowing what they're good at and how to best deploy their strengths. They understand what others value about them and what uniqueness they bring. They seek feedback and accept it graciously, and are supremely aware of their behaviour and its impact on others.

Consequently, their people feel involved and immense pride in doing a great job. 4.0 Leaders goes well beyond standard definitions of engagement.

¹³ Sacca was an early investor in Twitter, Instagram and Uber

¹⁴ Tools of Titans: The Tactics, Routines, and Habits of Billionaires, Icons, and World-Class Performers, Ferris Tim, Houghton Mifflin Harcourt, 2016



Managing people in an environment with reducing structures and control mechanisms can be extremely uncomfortable for more traditional Leaders. Industry 4.0 requires Leaders to consciously create the environment to enable agile working. This is one where team members feel genuinely engaged, empowered and free to find their best way to contribute. They are not threatened by others' ingenuity or expertise; rather, they take real interest in how others think and operate, and embrace having a diverse team with different personalities, experiences and a unique set of skills. They use their knowledge of others to inspire them to explore, create and act.

We have observed 4.0 Leaders operating in Heart at all levels of the organisation. It is not only the reserve of middle management or the executive team. With changing work patterns, flexible staffing models and a more liquid workforce, frontline Leaders need to motivate and engage hourly-paid team members to connect with the changing goals of each shift and work together to get the job done.

According to Gallup, 51% of the US workforce is not engaged¹⁵. This is a huge missed opportunity as research shows that those teams that are actively engaged are 21% more productive¹⁶ than those that are not.

To encourage their Leaders to lead more in Heart, some organisations have found resourceful ways to build enabling structures and processes into their management practices. For example, before they start their shift, every employee at The Ritz Carlton attends a 15-minute Daily Line-Up¹⁷. As well as covering basics such as VIP visitors and important news, their 'Ladies and Gentlemen' focus on one of the company's Values and share stories and strategies for bringing it to life on shift.

KEY QUESTIONS TO CONSIDER WHEN **LEADING IN HEART**

- ▶ How well do you know your team members' motivations and aspirations?
- ▶ Are your personal Values aligned with the Values of your organisation?
- ▶ What is it about you that builds trust? Who trusts you and why?
- ▶ How do you ensure that your team is connected to your organisation's Purpose?

¹⁵ <https://www.gallup.com/workplace/238085/state-american-workplace-report-2017.aspx>

¹⁶ <https://www.gallup.com/workplace/236366/right-culture-not-employee-satisfaction.aspx>

¹⁷ To see a real example of a daily line-up in The Ritz Carlton Corporate, see <https://www.youtube.com/watch?v=CEJ4YShx2BQ>

LEADING IN HEALTH

One of the key differentiators of 4.0 Leaders is that they lift their heads from the go, go, go and invest time in developing and maintaining their own, and their team's, wellbeing.



LEADING IN HEALTH



4.0 Leadership is about Health in every sense of the word: physical, emotional, mental, spiritual, financial, intellectual, environmental, occupational, social... we're talking health in 360°. Why? Because, as we saw when they are leading in Heart, 4.0 Leaders go beyond engagement; they actively care about their people.

For those of us that are more in Head than Heart, be reassured that there are very logical and commercial reasons for leading in Health.

Having a healthy workforce results in reduced absenteeism and higher productivity. Demonstrating you care and recognising people as individuals with a life outside of work results in lower presenteeism and builds a team of people who are focused, driven and use their own initiative.

In the war for talent, a focus on Health can be a competitive advantage, with 89% of workers saying they would recommend an employer who supports

Wellbeing initiatives, and 87% of employees stating they now expect their employer to support them in balancing work and personal commitments.¹⁸

Most workplaces have moved on from the limited notion of Health and Safety being about providing training on Slips, Trips and Falls or ensuring fire drills are carried out on a regular basis. They are implementing more and more initiatives that are pro-active rather than limiting themselves to their statutory duty of care. The conversations now are around resilience and mental health. Poor mental health has been estimated to cost UK employers £42bn a year, with absence costs accounting for £7bn, and days lost per employee due to presenteeism recorded as 31.6 days and costing UK employers £29bn¹⁹.

Leading in Health is Engagement+++. It's about embracing flexible working, supporting people's lifestyles – knowing what's important to your team member at that particular point in their life,



¹⁸ <https://www.forbes.com/sites/nazbeheshti/2019/01/16/10-timely-statistics-about-the-connection-between-employee-engagement-and-wellness>

¹⁹ <https://www2.deloitte.com/uk/en/pages/consulting/articles/mental-health-and-employers-refreshing-the-case-for-investment.html>

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I understand my triggers – I am aware of the warning signs, for example, not going to the gym; domestic chores going undone; by being aware of these warning signs, I can adjust my behaviour and get back on track

James Thorne,
Director of Learning and
Development, UK&I, McDonald's

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It's not always about doing something more – like running or going to the gym. I am beginning to appreciate the value of not doing. Sometimes it is about stopping to appreciate the view with a cup of tea and not doing another email. Emails will always be there.

Laurence Monnery,
Partner, Egon Zehnder



adapting what you offer and how you manage them, to strengthen the psychological contract. Some forward-thinking organisations have developed their Employee Value Proposition to align with supporting work-life balance. Travelodge saw an opportunity from the very specific time window they had to refresh guest rooms, along with the challenge that many parents have in managing to fit the school run around the working day. They championed the flexibility of their shifts, created targeted communications and attracted new sources of talent to the business.

4.0 Leaders take care of their teams and keep them safe psychologically²⁰ by making it okay to take calculated risks, give and receive feedback or put forward off-the-wall ideas. Google identified this as a key component of their great Leaders. Google Leaders give their teams the 'oxygen' they need to deliver their best possible performance²¹. As for the Leaders themselves, we know it's important to put on your own oxygen mask first. Taking care of your own health is vital so you can be there for others. This requires Leaders to be conscious of where they direct energy and have an honest conversation with themselves about their schedule, along with an ability to re-evaluate what they can achieve, by when.

4.0 Leaders are awesome at pre-empting and handling conflict. They prevent their teams from being put upon from above or sideways, and when that's not possible, acknowledge if a team is being stretched and supports them through tough times. They proactively promote their team's successes and ensure their team gets the credit for what they achieved.

Where strong Head and Heart help to build resilience in the wider organisation, Health builds it in teams and individuals. It means recognising and being on the lookout for the signs of stress or illness in yourself and in others. It involves adopting a coaching mentality to support others to take positive steps to look after themselves and take ownership of their wellbeing.

As a result of this focus on Health, 4.0 Leaders have the time, energy and insights to love life, grasp opportunities and get lucky²². Their resilience is demonstrable when times get tough and their positivity rubs off on their team.

They bring their best self to every occasion whilst inspiring and enabling others to do the same. They look after themselves and their teams, far beyond the statutory duty of care, creating a sense of community within the organisation.

They are, and they allow others to reveal, their true, authentic self.

KEY QUESTIONS TO CONSIDER WHEN **LEADING IN HEALTH**

- ▶ What do you do to manage stress? How do you support others to do so?
- ▶ What steps have you taken to create an environment where people feel able to express themselves and bring their whole self to work?
- ▶ How often do your team come to you for support or coaching?
- ▶ Have you spoken to your direct reports in order to understand what success and wellbeing looks like for them?

²⁰ For more information on psychological safety see <https://rework.withgoogle.com/guides/understanding-team-effectiveness/steps/foster-psychological-safety/>

²¹ <https://rework.withgoogle.com/blog/the-evolution-of-project-oxygen/>

²² For more on the concept of allowing yourself to 'get lucky' in life and reaching your full potential, see Mike Lewis, 'When to Jump', Macmillan, 2018

LEADING IN HABIT

Leadership 4.0 isn't a tick-box exercise – it's a way of being. It means constantly reflecting on who you are, what you're doing and how you're behaving. This is what is truly meant by the term, 'authentic Leadership'.



LEADING IN HABIT



4.0 Leaders have the courage to reveal their true selves in a Leadership environment and their behaviours reflect this transparency and willingness to learn.

Dr Lance Secretan summarises this well when he says: *"Authenticity is the alignment of head, mouth, heart, and feet – thinking, saying, feeling, and doing the same thing – consistently. This builds trust, and followers love Leaders they can trust"*²³.

Sound exhausting? It is. But it becomes easier when Leaders make what they personally believe in, and the actions that reflect these beliefs, into their everyday habits. The more they role-model a behaviour, the more others around them will emulate what they do. It becomes the norm, the culture and, "the way we do things around here"²⁴.

We have worked with a number of Leaders to create 'iconic actions' to support a culture change or to embed a new strategy. For 4.0 Leaders, these iconic

actions send out a clear message about what they hold to be important for the future success of the organisation or the team. It also reflects what they hold to be true. IKEA have created many Leadership Iconic Actions such as no-name car parking spaces and a travel policy where every business flight, no matter your status in the company, must be in economy class. These Leadership Actions support their belief in egalitarianism and being of service: "the many people"²⁵.

Leading in Habit is a continual journey for 4.0 Leaders. It requires high levels of self-awareness and the ability to recognise your impact on others. Over time, behaviours may be modified and adapted, as Leaders challenge the way they have always done things and develop new ways to behave. It involves checking if your go-to solution or behaviour is still the right thing to be doing. Timely questioning and review must become a habit so that ways of working and behaving evolve and are constantly improved upon. 4.0 Leaders who are highly conscious of how they



²³ <http://www.secretan.com>

²⁴ <http://www.ceoexpress.com/asp/mckinseyalls4.asp?id-m0170>

²⁵ https://www.ikea.com/ms/en_JP/about_ikea/the_ikea_way/our_business_idea/index.html

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It is about being really explicit with your people and making it ok to fail. If you are having a go and trying something new, it isn't always going to work the first time round. And that's ok. That's innovation.

James Thorne,
Director of Learning and
Development, UK&I, McDonald's

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Having your own timeline is important. We put so much pressure on ourselves. I try to ensure I give myself permission to flex and work in a self-managed way.

Kate Walsh,
Ground Control and Employee
Experience Manager, Airbnb



might initially react to a situation are able to develop ways of successfully modifying their behaviour so they can choose to respond more effectively. This heightened awareness allows for greater control over their emotions and enhanced intentionality in their actions and the impact they have on others.

There is a dichotomy with Leadership 4.0. While Leadership is an evolutionary journey, credibility with others is built through consistency. This may tempt more traditional Leaders to question the validity of reviewing their habits and publicly changing how they behave. For 4.0 Leaders, this constant reflection on their behaviour is the fuel to enable them to constantly improve and achieve even greater results. While a 4.0 Leader's individual habits may change because they are always remaining true to their authentic self at work, their behaviour will always reflect their personal Value set.

At its very core, Leadership 4.0 is about Habits. In this White Paper, we have looked at the Five Key Practices needed to win in the 21st century. We have shared Habits around maintaining physical and mental health, Habits to build strong relationships, Habits around communication and inspiring others, the Habit of ongoing self-development..., and the collective habits to instil in your team to create the culture you need to succeed.

KEY QUESTIONS TO CONSIDER WHEN **LEADING IN HABIT**

- ▶ How aware are you of your impact on others? What would your team say?
- ▶ What iconic actions have you taken in the last three months?
- ▶ When did you last ask for feedback from a colleague?
- ▶ How well would you say you're living a personal and work life that is true to your personal Values?

MAKING

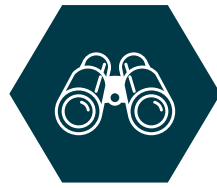
HISTORY

4.0 Leaders pause and consider their reason for existing and the impact their career and the organisations in which they lead, will have on their people, their communities and the planet. The question that every 4.0 Leader will need to answer is:

What will be my legacy?



MAKING HISTORY



Through Leading in Head, Heart, Health and Habit, 4.0 Leaders are able to lead the organisation to financial success. But this is not their only end game. 4.0 Leaders demonstrate a stronger sense of Purpose, looking beyond targets or immediate customer needs to explore how their decisions impact on society, the environment, the community and their people. They consider wellbeing in a systemic way, not just their own and their team's, but the vitality and resilience of the entire organisation and the wider world.

Make History brings all the elements of Leadership 4.0 into focus – 4.0 Leaders seek to leave the organisation and the world in a better place than they found it.

With more people looking for meaningful Purpose in their work this is more than Corporate Social Responsibility. This is about why we all exist.

4.0 Leaders ask:

"What can I contribute to the wider world?"

A European banker used the power of persuasion, not position, to find novel financing for improving the health of the oceans. A business Leader worked with businesses, government, and community stakeholders to improve nutrition in inner cities and reduce food waste, by giving fifty million social media users access to free local education and culture ²⁶. For some, it's an intrinsic manifestation of their brand. Innocent Drinks declare they, *"want to leave things better than we find them"* ²⁷.

There have been elements of 4.0 Leadership throughout history. Joseph Rowntree built a village for people on low incomes, giving them access to decent homes at affordable rents. His commitment to tackling the causes of poverty led to the creation of the Joseph Rowntree Foundation, *"working to solve UK poverty through research, policy, collaboration and*

practical solutions". More recently, Bill Gates used his success at Microsoft to found the Bill & Melinda Gates Foundation²⁸.

The 4.0 Leaders we spoke to don't wait until they are as wealthy as Bill Gates to make their difference. They make a habit of incorporating this thinking and behaviour into their everyday actions. They Make History in the conversations they have with their people and by being conscious of the authenticity of their actions.

Why do 4.0 Leaders see it as important? They told us they cannot afford not to do it. Nike lost nearly half its market cap when a young Pakistani boy was photographed sewing a soccer ball for 6 cents an hour²⁹ and Extinction Rebellion has placed the Environment centre stage.

But they also told us it is more than pragmatism. At the end of the day we are all people – for 4.0 Leaders, a focus on the History they make, helps them cut through the noise and gives a sense of personal Purpose. It answers the ultimate question.

What is life for?

To leave things better than we found them.

²⁶ Rosabeth Moss Kanter. Think Outside the Building: How Advanced Leaders Can Change the World One Smart Innovation at a Time.

²⁷ <https://www.innocentdrinks.co.uk/staticsustainability/2020SustainabilityStrategy.pdf>

²⁸ <https://www.gatesfoundation.org>

²⁹ <https://www.theguardian.com/environment/2018/sep/07/profits-v-planet-can-big-business-and-the-environment-get-along>



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A well PR'd CSR Strategy isn't going to Make History – but being thoughtful about taking a whole binder of paper to a board meeting and considering whether you can read the Board Papers on your iPad – well, that's a small step in the right direction and a signal that each one of us can take responsibility for our impact.

Jennelle Tilling,
Former Global CMO, KFC

“

We are here to make a dent in the universe.

Steve Jobs,
Co-Founder, Apple

“

In addition to accelerating business success, I want to inspire more companies to support the UN Global Goals. My vision is that business Leaders and entrepreneurs also measure success based on their ability to positively impact the world.

Daniel Priestly,
Entrepreneur, Author and
Co-Founder of Dent Global

“

It's a given that you have to have the intellectual smarts and business acumen but you also need a big heart and empathy with others, along with a willingness to make the world a better place and the personal courage to stand up for what you believe in, to achieve that.

Jennelle Tilling,
Former Global CMO, KFC





WHAT LEADERS NEED

FROM THEIR ORGANISATIONS

SUPPORT

Here will be failures along the way. That's what effective learning is all about. Your Leaders will need ongoing coaching support or mentoring to ensure they raise their head above the day-to-day. This will help them to deal with the challenges/opportunities they haven't encountered before and continually improve their capabilities and emotional intelligence. We know from Leading in Health that personal wellbeing is a vital practice of winning in Industry 4.0, so organisations need to ensure that they focus beyond with a wide sweep of middle managers, and ensure that Leaders at every level have a trusted someone who is checking that they are taking care of themselves.

Support is also about creating organisational processes for recruiting, rewarding, developing and retaining the best people. It is pointless to promise a career in a forward-thinking, energising, agile team if the recruitment process feels like wading through bureaucratic treacle.

TOOLS

This is about training your people in the thinking tools of creative problem-solving, idea generation, risk management and critical thinking, so they know when to reject a new initiative or exploit its potential. It's about the tools to develop the 4.0 Mindset.

TRUST

Being clear on corporate Values and allowing Leaders to personalise them for and with their people. Providing a clear Purpose and objectives and giving Leaders the freedom to develop the 'how' with their teams. Building trust means being able to voice ideas and raise dissent. Do employees only get a voice in the annual "engagement" questionnaire or the latest Pulse survey? If so, you're not an agile organisation. Leaders need to be equipped with the tools, techniques and emotional intelligence to create the environment where people can speak and be heard, and you'll get more than engagement, you'll get more commitment and you'll get more results.

PERSONAL DEVELOPMENT

To create the environment and to understand team dynamics, Leaders need high self-awareness and emotional intelligence, and must become confident in experimenting and learning. They will need to accept that on their own, they may not have the answer or the best idea. Mentors and coaching are essential support mechanisms for Leaders as they navigate this emotionally complex area.



CONCLUSION.

The challenges for Industry 4.0 are already with us.

For Leaders, this will mean taking what they know and applying it differently, critiquing how they behave and adapting what they do. For some, this will be a graceful, continuous flow; for others, it will be an abrupt wake-up call. For all Leaders, it will be transformational.

It's going to be hard. Leaders will need to be firm yet flexible, focused yet constantly aware of everything going on around them, authentic yet open to challenge.

It will also be fun, enlightening and hugely rewarding. As with so many challenges, the rewards are there for those who genuinely want to rise to meet them. And the opportunity to Make History is available for Leaders at every level.

It's a huge ask, yet it's going to be the difference between thriving and surviving or declining and irrelevance.

Traditional Leadership programmes focus on Head and sometimes involve the Heart. A failure to include Health not only impacts engagement and productivity, but you're potentially heading for burn-out. You, your teams and your organisation will fail to build the resilience needed for agility. Leading in Health is key to thriving. It places Leaders in a position to seize opportunities and shape the market for best advantage.

The Habits you and your organisation adopt will be driven by your Leaders. Whilst many traditional Leadership programmes do reference Habits, they don't always equip Leaders to confidently evolve and change over time. The Leadership challenge of Industry 4.0 is to adapt and change behaviour, whilst appearing consistent in message and mindset. This behavioural flexibility, coupled with self-reflection, must form part of any Leadership programme that wishes to set the organisation up for future success.

The new economy will bring challenges to every Leader and organisation. Those who Lead in Head, Heart, Health and Habit are best set up to capitalise on opportunities and deliver both organisational and personal success.

Ultimately we are here for a short time and then we are gone. 4.0 Leaders leave a legacy and, in the time they have, Make History.



WHO WE ARE.

**THE INNOVATION BEEHIVE IS A TEAM OF INNOVATORS,
L&D EXPERTS AND HR PRACTITIONERS.**

We are passionate about accelerating the potential of leaders and organisations to create organisational environments that deliver for their customers, employees, and shareholders.

Our work focuses on three core areas: Leadership, Innovation, and Culture. The experience of working across these macro themes has enabled us to develop a deep understanding of human motivation, Leadership effectiveness, and the drivers of personal and commercial growth. These learnings have all informed the creation of Leadership 4.0.

Our work delivers significant results on the metrics that matter to our clients. Whether focusing on improvements in employee or customer satisfaction, delivering product and service innovation to market more quickly, or developing solutions that improve revenue, our processes, frameworks, culture, and experience align to accelerate the potential of our clients.

Our Values



WE LOVE,
LOVE,
LOVE OUR
CLIENTS



WE TREAT
OUR CLIENTS'
MONEY LIKE
OUR OWN



WE ARE
BETTER THAN
BEFORE



WE ARE
ON IT



WE TELL
THE TRUTH

Get in touch:



hello@innovationbeehive.com



Call us: 0203 7461647



ACCELERATE --- POTENTIAL



www.innovationbeehive.com

hello@innovationbeehive.com

Call us: 0203 7461647