Leadership Agility: From Expert to Catalyst

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As a manager, no one needs to remind you that we live in a global economy that constantly bombards us with change and complexity. Every year, new technologies, markets, and competitors emerge at an ever-increasing pace. As change accelerates, so do novelty and uncertainty. Future threats and opportunities become harder to predict. We also live in an increasingly complex, interconnected world, where quality attention to internal and external customers, strategic allies, and other stakeholders is essential for business success.

The need for agility

While specific future developments are increasingly difficult to predict, there are two deep trends we can predict with great certainty: The pace of change will continue to increase, and the level of complexity and interdependence will continue to grow. In this new era, companies need to be "agile" — able to anticipate and respond rapidly to changing conditions by leveraging highly productive internal and external relationships.

To enjoy sustained success, companies need to develop a level of agility that matches the accelerating pace of change and expanding complexity in their business environment. Yet, for the vast majority of companies, full-fledged strategic and operational agility is still more an aspiration than a reality.[1]

One of the major reasons for this continuing "agility gap" is the need to develop more agile leaders. To have teams and organizations that have the agility demanded by today's turbulent environment, companies need leaders who embody a corresponding level of agility.

It's no wonder, then, that senior executives have ranked agility among the most critical leadership capabilities needed today.[2] What is leadership agility? In essence, it's the ability to lead effectively under conditions of rapid change and mounting complexity. Because these powerful trends affect all managerial levels, this is a capability that's increasingly needed not just in the executive suite but throughout the organization.

Expert Leaders **Achiever Leaders** **Catalyst Leaders**

Our extensively researched book, *Leadership Agility*, shows that managers grow through multiple stages in developing their agility. The chart below presents abbreviated profiles of how managers at three levels of agility conduct themselves in pivotal conversations, when leading teams, and when leading organizational change. The *Expert* level is best suited for relatively stable environments with low complexity. The *Achiever* level works well in environments with moderate complexity and episodic change. The *Catalyst* level is the most effective for today's rapidly changing, highly complex environment .

Level of Agility [3]	Assumptions about Leadership	Pivotal Conversations	Leading Teams	Leading Organizational Change
Pre-Expert *(~10%)*				
Expert *(~45%)*	*Tactical, problem-solving orientation* Leaders are respected and followed by others because of their authority and expertise	Style is either to strongly assert opinions or hold back to accommodate others. May swing from one style to the other, particularly for different relationships. Tends to avoid giving or requesting feedback	More of a supervisor than a manager. Creates a group of individuals rather than a team. Work with direct reports is primarily one-on-one. Too caught up in the details of own work to lead in a strategic manner	Organizational initiatives focus primarily on incremental improvements inside unit boundaries with little attention to stakeholders
Achiever *(~35%)*	*Strategic, outcome orientation* Leaders motivate others by making it challenging and satisfying to contribute to larger objectives	Primarily assertive or accommodative with some ability to compensate with the less preferred style. Will accept or even initiate feedback, if helpful in achieving desired outcomes	Operates like a full-fledged manager. Meetings to discuss important strategic or organizational issues are often orchestrated to gain buy-in	Organizational initiatives include analysis of external environment. Strategies to gain stakeholder buy-in range from one-way communication to soliciting input
Catalyst *(~10%)*	*Visionary, facilitative orientation.* Leaders articulate an inspiring vision and bring together the right people to bring it into reality. Leaders empower people and actively facilitate their development	Adept at balancing assertive and accommodative styles as needed in particular situations. Likely to reflect on one's own underlying assumptions. Genuinely interested in learning from diverse viewpoints. Proactive in seeking and utilizing feedback	Intent upon creating a highly participative team. Acts as a team leader and facilitator. Models and seeks open exchange of views on difficult issues. Empowers direct reports. Uses team development as a vehicle for leadership development	Organizational initiatives often include development of a culture that promotes teamwork, participation, and empowerment. Pro-active engagement with diverse stakeholders reflects a belief that input increases the quality of decisions, not just buy-in

Each level of *agility includes and goes beyond* the capacities and skills developed at previous levels.

In spite of the fact that Catalyst leadership is the most effective in today's turbulent environment, only about 10% of leaders currently have the ability to lead at this level. The predominant combination of Expert and Achiever leadership worked relatively well for most companies until the waning decades of the 20th century, when globalization ushered in an era of continuous change and increasing interdependence. The following client story provides a real-life example of the difference that Catalyst-level leadership can make.

Catalyst Leadership

Robert faced the biggest leadership challenge of his career. A Catalyst executive in a Canadian oil corporation, he'd just been named president of its refining and retailing company. Competitively, the company was positioned in the middle of the pack in a mature, margin-sensitive market, where long-range demand was projected to be flat. With little to distinguish it from other regionals, its earnings were going steadily downhill. In fact, its future looked dismal.

Within the company, morale was at an all-time low. People at all levels were frustrated and unhappy. The previous president was an Achiever leader who had taken many steps to make the company more efficient, including a series of layoffs, but these steps had not done the trick. The whole organization was in a state of fear. Privately, the outgoing president had been considering which of its divisions would have to be sold. As Robert moved into his new position, everything was truly up for grabs.

Over the next three years, Robert led his company through an amazing turnaround. At the end of this period, it not only survived without selling any of its divisions, it entered a phase of aggressive growth, clearing $71 million a year more than when he took over. In the business press, the company went from being a "bad bet" to "one of the darlings of the stock market."

Why did Robert succeed when his Achiever predecessor did not?

The company badly needed a short-term increase in its stock price. But Robert wanted to do much more than that. He wanted to transform an admittedly lackluster company into the best regional in North America. In fact, his vision was to develop an organization whose business performance and innovative operations would be benchmarked by companies from a wide variety of industries. By putting the stock price goal in this larger context, Robert overturned his predecessor's assumption that the company's options were limited to difficult but familiar cost-cutting solutions. Instead, he decided to create a set of "break out" strategies that would simultaneously raise the stock price and develop a more innovative organization.

Realizing that he and his top management team might not have all the answers, Robert hired a world-class strategy firm. He also had us facilitate ten "idea factories:" creative strategic thinking sessions, where employees and other stakeholders developed ideas for the top team to consider. People responded with enthusiasm, generating a huge number of ideas.

We then facilitated a two-day retreat where Robert and his top management team synthesized the ideas generated by the idea factories along with the strategy firm's. As he put it later, "We invested time and energy up-front to listen to people, build trust, and get everyone aligned. It paid off, because we started to think with one brain. Instead of being at cross-purposes, we could understand and support each other's decisions."

The new strategies that emerged went well beyond those Robert, his team, and the strategy firm would have generated on their own. They resulted in a more agile, focused organization with a much stronger "people strategy" designed to catapult the company into the ranks of high-performing organizations. When the new game plan was ready, they presented it to the employees before they announced it to the market. The presentation included some hard news, but as it ended, people applauded.

Over the months that followed, Robert and his team repeatedly communicated their new vision and its implications for employees in many different forums. As the new strategies were implemented, they kept everyone updated on the performance of the business. Each year, Robert met with each of the company's twenty management teams to discuss objectives and strategies and check for alignment.

Robert's participative approach to transforming his organization not only led to innovative strategies; it also developed the commitment, trust, and alignment necessary to implement them reliably and effectively. As a result, during his first three years as president, annual earnings went from $9 million to $40 million, and cash expenses were reduced by $40 million a year. A once-faltering company had become one of the most efficient and effective refiners in North America and one of the top retailers in its marketplace.

Beyond heroic Leadership

We found that managers at the Expert and Achiever levels of agility operate from an "heroic" mindset. That is, they assume sole responsibility for setting their organization's objectives, coordinating the activities of their direct reports, and managing their performance. Heroic leaders can be highly effective in certain situations. However, in complex, rapidly changing organizational environments, heroic leadership tends to over-control and under-utilize subordinates. It implicitly discourages people from feeling responsible for anything beyond their assigned area, inhibits optimal teamwork, and encourages subordinates to use the heroic approach with their own units.

Managers who operate at the Catalyst level have a different mindset practice what might be called "post-heroic " leadership.[4] As we saw in Robert's story, these leaders retain the ultimate accountability and authority that comes with their role, yet they create work environments characterized by high involvement and shared responsibility.

Four Types of Leadership Agility

To better understand leadership agility and the best ways to develop it, we conducted a multi-year research project that used questionnaires, in-depth interviews, and client case studies and journals to examine the thought-processes and behaviors of hundreds of managers. We found that those leaders who are most successful in turbulent environments are skilled in exercising four mutually reinforcing types of leadership agility, represented below in the "Leadership Agility Compass:"
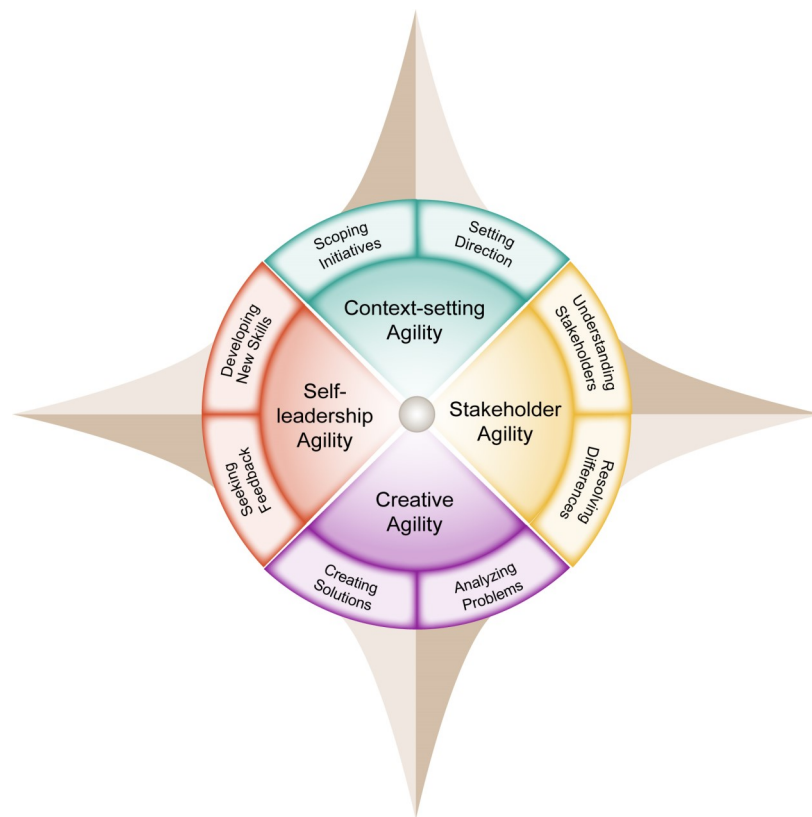
Context-Setting Agility

Leaders use context-setting agility to scan their environment and decide what initiatives to take. This type of agility also includes determining the optimal scope of an initiative and the outcomes it needs to achieve. When leaders grow into the Catalyst level, they expand their thinking to include relevant longer-term trends that extend beyond usual strategic boundaries. When the timing is right, they undertake visionary initiatives that are personally meaningful and beneficial for their organization and its key stakeholders.

For example, both Robert and his Achiever predecessor focused on raising share price, but Robert created a vision of becoming the best regional in North America, an organization whose performance and innovative practices would be benchmarked by companies from many different industries.

Stakeholder Agility

Leaders use stakeholder agility to identify an initiative's key stakeholders, understand what they have at stake, and assess the current degree of alignment. This type of agility also includes engaging with stakeholders to develop more optimal alignment. Catalyst leaders can enter deeply into frames of reference that differ from their own, while still honoring their own perspective. They seek input from key stakeholders not simply to gain buy-in, but because they feel genuine dialogue will improve the quality and effectiveness of their initiatives.

For example, Robert focused not only on shareholders and customers, he also sought input from a wide variety of stakeholders, including suppliers, bankers, environmental groups, industry thought-leaders, and a broad cross-section of employees. He and his management team sought this input not just to make people feel involved; their input strongly influenced the new strategies they created.

Creative Agility

Leaders use creative agility to transform complex, novel issues into desired results. Catalyst leaders begin their initiatives with a keen appreciation of the novelty inherent in the situation they're addressing, even if it seems quite familiar. Having a deep understanding of the limitations of any single perspective, they encourage the expression of multiple views and question underlying assumptions.

For example, Robert asked us to facilitate a series of "idea factories" that promoted creative thinking about strategic possibilities. He then arranged a two-day off-site where we helped his team take hundreds of ideas creatively synthesize them with ideas developed by his team and the strategy firm. This resulted in some new strategies that process came almost exclusively from ideas generated by employees and other stakeholders.

Self-Leadership Agility

This type of agility involves determining the kind of leader you want to be, using your everyday leadership activities to experiment toward this aspiration, and reflecting on these experiences. Catalyst leaders understand that their self-awareness is more partial than they assumed it to be at previous levels. Consequently, they develop a strong interest in becoming aware of behaviors, feelings, and assumptions that would normally escape their awareness. They are motivated both to increase their self-awareness and to more fully align their behavior with their values and aspirations. As their self-awareness deepens and becomes more complete, they increasingly find that personal growth is an integral part of their professional development.

Putting It all together

Highly effective leaders use all four types of leadership agility together. While it's best to begin an initiative by explicitly setting the context, highly effective leaders engage with stakeholders while they set the context for their initiatives. They also begin to think about how to use the initiative as an opportunity to grow further as a leader.

Creative agility is especially useful when working on the specific problems and opportunities encountered in the process of planning and implementing an initiative. To maximize your effectiveness, you need to engage key stakeholders in creative problem solving, and you need to be proactive in learning from your experience as you go along. In addition, new developments in the larger context might require you to use context-setting agility to reconsider your initiative's scope and objectives.

Assessing leadership agility

Because of today's turbulent business environment, developing higher levels of leadership agility is essential not only for top managers but for people at all organizational levels. If you want to increase your own leadership agility and help those who report to you do the same, you can start by doing two informal assessments: [2]

First, use the chart presented earlier to take a first-pass at assessing your own agility level. Supplement this by asking a few trusted colleagues to tell you where they think you are most of the time. Then ask yourself whether you want to develop further.

Second, use the same chart to assess your managers' agility levels. Compare this with where you think they need to be.

To get a more reliable, in-depth assessment of agility levels, ask us about our:

- Leadership Agility Accelerator
- Leadership Agility 360

Developing leadership agility

Developing increased agility will make you more effective in carrying out your everyday leadership initiatives, and it will aid you in helping others become more effective leaders.

The best support for increasing your agility is a workshop, action learning program, or coaching relationship that focuses specifically on leadership agility.[3]

Ultimately, the primary "engine" for developing greater agility is self-leadership: Start by assessing your current agility level and your strengths and limitations in the four types of leadership agility . Then set your leadership development goals.

Once you've set your leadership development goals, the key is to use your everyday leadership activities to experiment with more agile mindsets and behaviors. Finally, make a little time to reflect on these experiments. Congratulate yourself on your progress, and see what you might do differently next time to become even more agile.

Developing other leaders

In addition to utilizing the resources listed at the end of this white paper, you can coach your direct reports to become more agile leaders.

In doing so, bear in mind that one of the secret to helping others develop as leaders is to model a proactive approach to your own self-leadership. Get in the habit of taking brief reflective pauses throughout your day. Use the Leadership Agility Compass as a frame of reference. Am I focusing on what's most important right now? Who else has a stake in my initiative, and how can I work with them to gain greater alignment? What obstacles do I face, and how can I be imaginative in overcoming them? What can I learn from the conversation, the day, or the project I've just completed?

The more you nurture a resilient, self-empowering attitude toward the challenges you face, the more you'll be a role-model for others. With this practice as your ally, you'll be able to meet the challenges that come your way with curiosity and optimism — and you'll be able to help others to do the same.

References

1   Economist Intelligence Unit (2009). "Organisational agility: How companies can survive and thrive in turbulent times."

2   Survey of 130 senior executives and human resource professionals in Fortune 500 companies, conducted by a global career-management services firm.

3   *Leadership Agility*, Joiner and Josephs (2007).

4   Power Up: Transforming organizations through shared leadership (1998), Bradford and Cohen

5   Mastering Self-Leadership (2012), Manz and Neck

The author

Bill Joiner is lead author of the award-winning book, *Leadership Agility.* Sought internationally as a speaker on this topic, he is recognized as one of the world's foremost authorities on agile leadership. His current leadership and organization development consulting work builds on over 30 years' experience helping companies based in the US, Canada, and Europe achieve outstanding results. Bill consults on and facilitates organizational change and senior team development. He also coaches senior executives and provides leadership workshops and action learning programs that accelerate leadership development.

Bill has an MBA, and he earned his Doctorate in Organization Development from Harvard University. He served for nine years as an adjunct faculty member in Leadership for Change, an innovative leadership development program at Boston College. Five of his many published articles are: "Leadership for Organizational Learning" (in *Transforming Leadership*), "Creating a Culture of Agile Leaders" (in People + Strategy Journal), "How to Build an Agile Leader" (in CLO magazine), "Leadership Agility: A global imperative" (in Dialog Journal), and "Bringing Leadership Agility to Agile (Cutter Business & Technology Journal).

Bill is CEO of ChangeWise, a leadership and organization development consulting firm with a strong network of strategic alliances throughout the US, Canada, and Europe. Some of the better-known organizations ChangeWise has served include: Adobe, Aetna, Amgen, Bell Canada, Brookings, Chubb, Corning, Digitas, Deutsche Telekom, EMC, Fidelity Investments, General Dynamics, Goodwill International, Harvard Business School, Healthways, IBM, Intel, Macy's, MIT, McKinsey, New England Journal of Medicine, Novartis, Partners Healthcare, PepsiCo, Pfizer, Polaroid, Progress Software, Royal Canadian Mint, Siemens, State Street, Sun Microsystems, Ste Michelle Wine Estates, Sunoco, T. Rowe Price, Travelers, United Way, and various federal agencies.

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♦ Pivotal Conversations

♦ Consulting on the development of agile, high-performing management teams and organizations