



Leadership Development in the Digital Age

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Foreword

Leaders in the digital age face unprecedented challenges and opportunities. The modern workforce has become accustomed to instant gratification and this has had a knock-on effect on the pace required for leaders in business. Constant and continual change has changed our tolerance for risk, meaning leaders are expected to embrace change through a series of quick decisions, resolving any problems as and when they arise.

What this means in turn, as Robert Hamwee outlines in this paper, is that the way leaders are developed, the most desirable skills we now expect from them, and even who is considered to be a leader has changed.

In the digital age, leaders must take full advantage of available technologies, adopting new ways of working and encouraging the same from those around them. They must also make use of the vast amount of data now

available to enable much deeper insight into the development needs and preferences of, and motivation triggers for, staff.

The concept of “unlearning”, as discussed in this paper, has never been more important, with introspection an absolute must for today’s leaders. Questioning the status quo is the ethos of the digital age and in order to survive and thrive, leaders must be willing and able to challenge and change their own behaviors, methods and ways of thinking and – importantly – inspire others to do the same.

Inspiring others has perhaps always been a responsibility of leaders, but again, the concept of this is also changing. Today’s workforce want to be associated with an organization that has purpose - one, which surfs the waves of technological change, rather than waiting for them to come to shore. In the digital age, leaders

must be able to encourage and develop leadership traits in junior employees and not feel threatened – the old adage that one should never be the smartest person in the room has never been more true. Sharing skills and learning from those around us is more possible than ever thanks to new technology. Participation in this learning ecosystem should not decrease as a person moves up in an organization.

The one constant that remains as we move through the digital age is that it is still people that power organizations. It is unlikely – whatever the headlines or sci-fi fans may say – that leaders will be managing a workforce made entirely of automatons. So while organizations must be “tech-first” they must also be “people-first”. This may seem like a paradox, but if the right

technology is deployed in the right way, it can empower workers. It is the responsibility of the leader to ensure that digital innovations are true enablers, not an extra burden or untapped resource.

At Hemsley Fraser, we have been developing leaders for more than 25 years and have seen the required traits and needs change first-hand, and on an individual level, as a leader, I have felt those changes. In recognizing and observing these developments, it’s important that we too – as people who help leaders evolve– continue to deliver relevant support in the right way, and at the right time. That’s why we’re proud to support this paper and ongoing research into leadership development in the digital age and beyond.

A change like we've never experienced before

Change is afoot. Industry disruption caused by digital advances can be felt across almost every sector, and now organizations face the undeniable need to embrace digital transformation as a core part of their strategy. The pace at which this change is taking place coupled with the potential exponential growth of new technologies means that most companies face a shrinking window in which to act. Leaders have to be at the forefront of this

transformation, endorsing, encouraging and driving the adoption of new technologies and helping their organizations rid themselves of legacy solutions, products, services – and most of all – thinking. It is no longer a viable option for leaders to detach themselves from this digital transformation in favour of focusing on ‘the big picture’. The ‘big picture’ is a digital picture and people are central to this evolution.

So what does this mean to you as a leader?

Mark Raskino and Graham Waller, authors of ‘Digital to the Core’ say that to survive in this fast-changing digital world, nearly every enterprise must remake itself into a technology company. If they fail to seize the opportunities in their relevant field, someone else will. They go on to highlight three disruptive forces that are driving this wave of change:

“Resolution revolution” – Technology enables measuring what happens in the physical and digital realms in ever-greater detail. Insights, and drawing the right conclusions, from

this data can increase your control over what happens in your market, and its results.

“Compound uncertainty” –

Rapid change can undermine many leaders’ bedrock beliefs and practices. This creates uncertainty in “technology, culture and regulation.”

“Boundary blurring” – The blending of the physical and digital worlds transforms products and services. This obscures the boundaries between industries and remakes competitive landscapes.

In order to harness the power transformation offers, leaders must understand and move with the tides of change; there is no use in ignoring technological progress, or in moving too cautiously. This means rethinking your industry, firm and leadership. Start with the Board – a Board that is universally ‘pale, male and stale’ might not deal well with the compound uncertainties of the digital age (Raskino & Waller, 2015). Instead, diverse points of view can help organizations thrive in the digital age by challenging the status quo of legacy systems. The old maxim that “complacency breeds

catastrophe” has never been more valid and as a leader, you must root out complacency, especially if your industry operates in a maturing field centred on physical products. Although Internet technology has reconfigured nearly every aspect of business operations such as supply-chain management or online investing since 1995, one aspect has remained largely untouched: “the product or service itself.” Now that, too, is changing. And if industries are changing, and leaders must change as a result, then the way in which we develop leaders must also be altered.

“Management is great if you want compliance, but if you want engagement..., self-direction is better.”

DANIEL PINK - DRIVE

One fundamental learning principle

If we are to behave in a more digitally-minded way in our operation, it stands to reason that we should also be learning more digitally. Many organizations have been eager to embrace digital learning and innovations in this arena are constantly developing. From the big and bold,

such as new applications of virtual and augmented reality (VR/AR) able to create immersive learning experiences, to the small and mighty – like “always on” digital hubs full of engaging and accessible content – digital transformation within L&D has the power to transform not just how

we learn but what we consider to be learning.

Disruption in the sector has undoubtedly been positive, enabling much more effective learning which reaches more people, improves outcomes and can be undertaken within the ordinary flow of the organisation. However, as exciting as new learning technologies are, some are in danger of throwing the baby out with the bath water. It's vital, when deciding on learning strategies, to first consider (a) the individual's learning style and (b) the desired outcome, before selecting the method for delivery.

Face-to-face learning, for example, is of fundamental importance, particularly in the leadership space and it is crucial that both new technologies and established methods are integrated as complementary components of a blended approach, rather than favouring one as a total solution. As with disruption in any sector, we must remember what was good about legacy methods and adapt these methods for the future,

remembering that while methodologies may have changed over the last decades, one thing has not - people learn better from people. We need to be inspired and encouraged to think differently. Technology can act as an enabler for this, especially if learning and communications platforms can be integrated, but the concept of converging into an expert-led session with others is still an extremely powerful solution. It is about balance, and about choosing the correct delivery method for the desired learning outcome.

By combining digital learning with immersive sessions which take individuals out of their ordinary workflow, leaders are able to impart knowledge to the workforce in the most effective way for the desired outcome. This also changes the perception of learning from a one-off or series of events into a continuous journey which can be refined, adapted and personalised to create relevance for the learner. Ultimately, the result is that both leader and learner are gifted with a robust toolbox of skills and experiences.

Your 'learning baggage' and the power of unlearning

Digital transformation has already triggered a lot of disruption within L&D, and the pace of change continues to hurtle forwards. Just a few years ago, organizations were considering their digital learning options at annual reviews, now change is so persistent that it cannot wait to be decided on once yearly. As businesses begin to think about L&D as a continuous journey, they should also consider the implementation of learning strategies to be a fluid process. Where there was a tendency to think about “digital transformation” as one big, all-encompassing step, now organizations are thinking about several steps along an ongoing path.

While times and modern thinking have moved on, most of us, however, carry what I like to call a ‘learning baggage’; that is a load of concepts, data, practices (which may no longer be best practice!), approaches, theories, models, frameworks which we find ourselves saddled with, and at times burdened by the their obsolescence or irrelevance.

Enter unlearning. Unlearning is not as easy as it may sound. Letting go of concepts, beliefs and ways of working that have over the years become embedded in our daily routine is no simple task and it takes courage and agility – two fundamental skills that are in many ways joined at the hip. Leaders need to stick their heads above

the parapet and make those changes, however uncomfortable, to divest themselves of what may be holding their organization or their people back, along with the concepts or beliefs which may jeopardise their own company’s future. As a leader you must command the difference between knowing and learning. The other side of the coin is that frequently when we find ourselves in a position where we are successful – either as an individual or an organization – the need to learn or adapt can feel unimportant. This is illustrated in what is known as the Einstellung Effect, probably best translated as “fixed settings” effect, whereby the more successful you are the harder it is to adapt and, as a corollary, to learn. Remember Nokia? At one point, when still leading the way in the telecoms sector, the organization was known in the industry for a certain kind of arrogance which prevented them from learning from the outside world.

“We didn’t do anything wrong, but somehow we lost.”

STEPHEN ELOP, CEO OF NOKIA

– Final press conference as Nokia was acquired by Microsoft

At that point Nokia confused “knowing” with “learning”, the world around them changed while they remained stubbornly still, and ultimately this was their downfall.

Unlearning is not just forgetting everything that has been previously accepted, either. Rather, what leaders must do is reframe previous concepts for current and future needs.

Although it may seem that everything is changing, there is some stability in human behavior and underlying principle. As with new learning technologies, we don't need to start completely from scratch here, models and concepts absolutely still have their place. The key is to retain the core knowledge imparted through previous concepts but remain flexible in applying them to present times.

Leading is as simple as ABC

The concept of an ABC leader is one that embraces three key attitudes that leaders in an increasingly digital environment would benefit from adopting.

Adaptable

It's about building your flexibility, humanity and resilience and the way we address challenges.

Bold

This is the 'why not?' of leadership. It's about being creative and encouraging healthy conflict to create new dimensions of performance.

Curious

This is about looking beyond the obvious, it's about seeking diverse views, about unlearning, relearning and considering every possibility.

*“If you're always the smartest person in the room; you're in the wrong room.
Embrace ignorance.”*

CONFUCIUS

Here today, there tomorrow... who am I leading?

There has been much discussion on the changing nature of the workforce and the differing expectations and requirements of Gen Z, millennials and Gen Y, but there is one key factor which determines these differences: whether or not an individual has grown up as a digital native. Younger millennials and most of those in Gen Z will have grown up with the instant gratification that technology provides and as a result expect the organizations they work with to adapt to change much more quickly. Already, this is bringing with it a new relationship with work in what is known as the 'gig economy', resulting in rapidly changing workforces as people opt for more flexible options. According to McKinsey, digitization is not only changing work within organizations but also enabling it to break out beyond them. Their latest research indicates that about 25 per cent of the people who hold traditional jobs would prefer to be independent workers, with greater autonomy and control over their hours. Digitization makes the switch to skill-based self-employment or even to hybrid employment (combining traditional and independent work) much easier.

Although digital natives are likely to be comfortable with using technology, they may have little knowledge of how to apply this in a business setting, which can create two distinct training gaps.

If, for example, two individuals are required to create a video interview, one may be very comfortable with the filming and editing process, but lack in interview skills and vice versa. It's also worth noting that there may be unconscious bias at work here – there is nothing which guarantees that a younger worker will be proficient in using technology, or that an older worker won't be.

Still, the result is that today's workforce is very different to its predecessor, creating a challenge for leaders. Inspiring this new combination of generations requires a different approach to traditional skills as well as a new cluster of these. As workers begin to desire more autonomy, they become leaders in their own right. This doesn't mean "leaders" in the managerial sense, but in terms of someone who people are motivated to follow. Traditional leaders, then, must balance encouraging this autonomy with steering individuals in the right direction, as required by the organization. They must also think about how best to communicate with those working remotely, for which technology can be a great enabler.

There are wider lessons to be learned here, however. What are workers really looking for when they seek non-traditional ways of working, and how can leaders bring this to the current work environment?

Don't lead me... inspire me.

The McKinsey Global Institute estimates that the average American is exposed to about one hundred thousand words per day (a combination of written and verbal). Assuming similar volumes for those in most developing economies, this is a huge amount of information to distil and process. This should send a message to leaders that communicating in a succinct and persuasive manner is no longer a matter of personal choice but an imperative that effective leaders must command. Effective presentations are no longer fulfilled by endless slides which leave listeners with little or no memorable messages and no more than a transitory experience. Persuasion and storytelling are skills that the most successful communicators seem to master almost effortlessly, although there is ample evidence of the hours they spend perfecting these. People are not influenced by what you tell them, they are influenced by what they hear and this is at the heart of great communication skills; it's no longer about data that is readily found online but about crafting a compelling story and creating emotionally charged events to engage employees, stakeholders, partners, customers, consumers and so forth. When we think of storytelling or effective presentations we do not necessarily have to emulate or aspire to be the next Steve Jobs; not everybody has the large TED-like audience presentation skills, the aplomb - or indeed the

confidence - to do so, but inspiring others is not always a large-scale endeavour. Some people are natural public speakers, others are fluent in silence, and that is the richness of a diverse workforce.

Regular messages, updates or touch points with your workforce are routine, but demands equal if not greater diligence. A short inspirational video can have a tremendously high impact and these do not require studio quality, there is technology at hand to produce them in-house. However, the skill lies in delivering a message that is concise and powerful and many organisations are turning to this medium to deliver messages that would have been, at best, partially read or, at worst, ignored.

We also cannot ignore the fact that modern workforces are increasingly stimulated by a visual connection. With technology, there is a risk of dehumanizing leaders, particularly when it comes to managing a remote workforce – think about how easy it is to misconstrue the tone of an email or instant message. Leaders must get to grips with video if they are to communicate in an effective and inspiring manner.

So how to build on these skills? Presentation and influencing skills to diverse and, in an increasing number of cases, virtual audiences, along with communication skills, disruptive thinking and resilience are some of the

topics that should be a core part of your organisation's learning architecture for current and future leaders. But this goes beyond a number of essential online learning titles. These will provide a good foundation, but the implementation of new learned skills and behaviours through facilitated sessions, peer critiques and follow up

events, are critical. Effective learning architecture should look at the overarching aims beyond learning outcomes. Communication skills, employee engagement and presentation skills should all feature in a learning path that will be instrumental in developing these skills.

The future of work is learning

There is little we have not read about the talent shortage and the gargantuan task organizations and their HR professionals have ahead of them to find the new skills the world requires. However, not all is doom and despondency, it's just different, and, in the spirit that ABC leadership suggests, you should be able to meet this challenge head on.

Gone are the days when the world of work required learning a skill or developing expertise with a discrete disciplinary focus. This singularity has been replaced by a work environment that demands constant learning, adaptation, sense-making and interdisciplinary skills as a given. The extremely rapidly changing work environment has, to all practical effects, rendered prophets futile. Many times we find it hard as managers, career counsellors, learning professionals and even as parents to guide the younger

generation towards a career that will provide the skills required for the future. In today's business world the half-life of a learned skill is about five years, which means that in that period of time half of that particular skill gained will not be relevant or up to date. So most skills that are more perishable, and therefore harder for leaders to find and recruit the people with the 'right skills'. Heather McGowan and Chris Shipley correctly sustain that an emerging reality is rendering the established Education – Work – Retirement sequence obsolete as a new one emerges: Work – Remain Engaged, underpinned by continuous learning as life expectancy increases and retirement age is extended; the length of a career is now 60 to 70 years. Their thesis is that in the past we learned in order to work but that now and into the future we must work to learn. The onus on leaders is even greater.

-This places a whole new responsibility for managers and leaders as there is now a heavy reliance on building capabilities 'on the job'. Coaching and mentoring have become non-negotiable skills for leaders who find themselves having to help

their workforce develop solutions to problems and challenges for which there are no known solutions. These programmes are designed around sound methodologies to help leaders go from concept to application in a practical and impactful manner.

The 3Qs

In the past many firms recruited, and in some cases promoted, individuals based on their IQ; they provided entry tests that would ostensibly measure the candidate's intelligence. This was based on the premise that they would attract a workforce made up of highly intelligent individuals and thus have a leading edge over their competitors or the industry as a whole. This approach eventually started showing its flaws, and by the 90s Emotional Intelligence made its appearance. Introduced mainly through the work of Daniel Goleman, this made leaders and recruiters focus on other traits like EQ that were just as important than IQ.

Kevin Chin, CEO of Arowana Inc. introduced the concept of AQ or Adversity Quotient, or simply put, resilience. He says that without AQ, the success of your team will be finite. Members of the team who demonstrate the highest AQ and deliver results, all other things being equal, should become leaders of the organization. Often, these team members will be the ones who are also the most productive

and get things done as they are less prone to distraction or dissuasion by adverse circumstances surrounding them.

Ultimately, winners are not those who never fail, but those who never quit. It's crucial to understand that a winning team will collectively exhibit high AQ, above all else. Resilience is not about how much you can endure but more about how well you recover and as a leader, commanding this could mean the difference between the next step forward for your organization or its demise.

Of course, in reality an exceptional leader is probably combined of each of the 3Qs. It's about balance, and about constantly re-evaluating what we think of as "top skills". Introducing the concept of AQ doesn't mean that IQ or EQ no longer hold any value, it simply means that new pressures and expectations of leaders change our perception of the skills a leader should have.

Changing technology is easy... changing people is a different challenge

Although millennials and Gen Z are making their presence felt on the workplace, the generations above them are not yet ready to bow out. What this results in, is a labour force with distinct variations in expectations of leadership. Of course, in order to eradicate any unconscious bias, a leader must consider each employee individually, but exploring the stereotypical differences between generations can be helpful in understanding the mixed values and expectations of the current workforce. This creates a whole new book of rules and, as mentioned earlier, adaptability is paramount in this regard. The younger generation tend to seek more in the realms of businesses that offer some form of social value, either by improving the lives of others or, indeed, the planet. Young workers, typically, are eager for business leaders to be proactive about making a positive impact in society – and to be responsive to employees' needs. Many millennials see business leaders having a more positive impact than religious or political figures, and expect business leaders to use that influence positively. They also demand the agility and courage that successful leaders should display in terms of showing trust, work location, working hours, education, skills and training, cybersecurity, and economic stability to name but a few.

As millennials begin to move into leadership roles, they must not forget that they will be working with people both older and younger who have very different values – all leaders must be able to engage an age-diverse workforce.

The change required in mindset to understand, capitalise and build on inclusion and diversity is an opportunity that all leaders must seize. This can be achieved by building diverse, dispersed effective teams and managing these teams to gain engagement and longer-term commitment from their workforce. This plays into the crucial ability of leaders to embrace different demographics, lifestyle choices and faiths as well as inclusiveness, tolerance and acknowledgment of different ideas and ways of thinking.

Of course, it's not as simple as hiring a group of people who look very different and expecting them to become one diverse workforce; organizations must start with the employees they have and seek to build a culture of diversity and inclusion. Team building, managing remote teams and managing change are pivotal skills for equipping leaders with everything they need to begin building this culture and should be crucial elements in an organization's curriculum.

***“There are people who make things happen,
there are people who watch things happen,
and there are people who wonder
what happened. To be successful, you need
to be a person who makes things happen.”***

JIM LOVELL, APOLLO ASTRONAUT

In such a volatile environment, where, as leaders, taking your eye off the ball even momentarily can result in being overtaken by competitors, disruptors or even social media, what skills should leaders be looking for in others? The WEF Future of Jobs report lists the top 10 skills in 2020 as:

- | | |
|-----------------------------|---------------------------------|
| 1. Complex problem solving | 6. Emotional intelligence |
| 2. Critical thinking | 7. Judgment and decision making |
| 3. Creativity | 8. Service orientation |
| 4. People management | 9. Negotiation |
| 5. Coordinating with others | 10. Cognitive flexibility |

It is interesting to note that over half of them are in some way connected to the way we relate to others, otherwise known as interpersonal skills. According to the Deloitte Millennial Survey 2018, interpersonal skills are the most important ones for long-term success. Ironically, 36 per cent of organizations agree with this but only 26 per cent offer any learning to bolster these skills. The message here is clear; it is not only about pure cognitive, intellectual, technical or traditional business skills but more about what we

do with them and what we do with the information we have.

What is also noteworthy is that these skills are not traditional focus areas in university environments, meaning that there is potential that the new generations will be unprepared to enter the current workforce. This makes workplace learning even more vital; organizations must bridge any gaps that appear in individuals' learning.

Goodbye 'Command and Control' Leadership... Hello 'Engagement' Leadership

As Charlene Li interestingly points out in her book, *The Engaged Leader*, the digital world makes traditional command-and-control leadership obsolete. Today's successful leader is "engaged" in an unprecedented level of contact with employees, customers and other organizational stakeholders. By leveraging the power of social media, mobile connectivity and digital

data, leaders can build relationships, take the pulse of the market and empower members of a far-flung, distributed workforce to work independently toward common goals. In the traditional business hierarchy, leaders erected a wall of middle managers between themselves and their customers and employees.

"An engaged leader...uses digital, mobile and social tools strategically to achieve established goals as they relate to leading people and managing organizations."

CHARLENE LI, SPEAKER AND AUTHOR
OF THE ENGAGED LEADER

Conclusion

Successful digital leadership is perhaps paradoxical in the sense that it combines an aspect of 'letting go' and 'becoming more involved'. This dichotomy may be hard for some leaders to embrace. Letting go of an older regime of control, supervision and, in more extreme cases, micro-management in favour of allowing their workforces to play at their core competencies with more autonomy, utilising digital technology as a driver to achieve better results may not be easy. On the other hand letting go of this does imply connecting with stakeholders, customers, suppliers and channels in a less – at least perceptually – detached manner. Leaders should develop companywide agility to speed up and improve product development as well as fostering a culture of good decision making that uses real-time

data from customers, analytical insights and thorough studies of market demand.

Leadership development in the digital age is not just about the actual skills which must be learned, but also about how and when these are learned. Leaders must be able to develop core competencies at the speed at which their organization and industry changes. This means embracing digital advancements and adopting a "tech first" mindset to keep processes as efficient, agile and innovative as possible. In the midst of this, however, leaders must not forget their people; it is people who drive organizations and the leaders who use technology to empower their employees will find the most success.

We've identified six pairs of traits that will ensure that leaders are well-equipped.

[Find out more here](#)

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