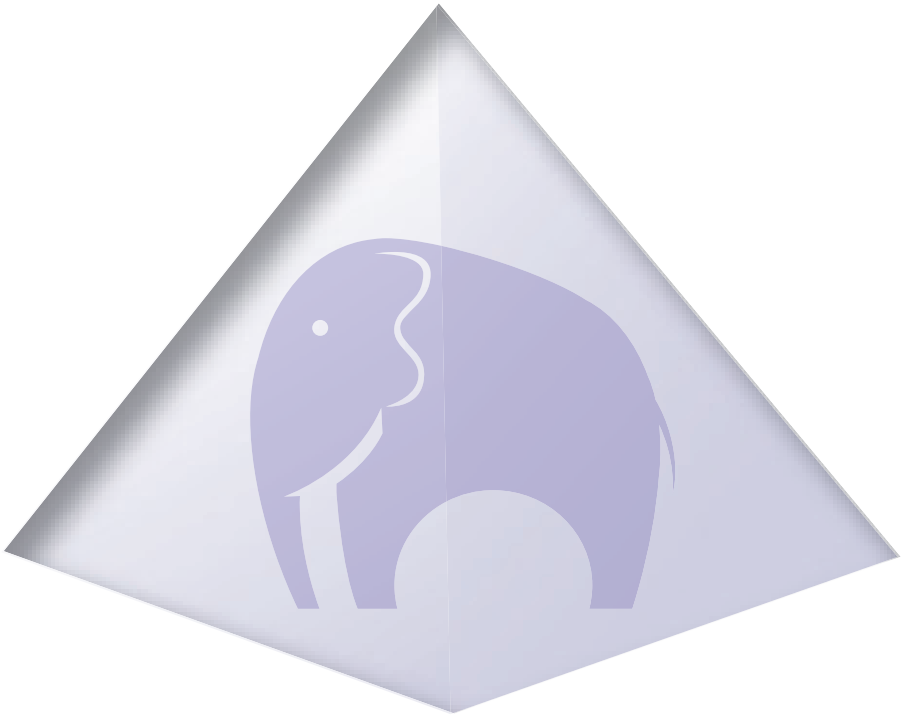
The Invisible Elephant & the Pyramid Treasure

Tomorrow's Leadership – the transpersonal journey



CGMA
Chartered Global Management Accountant

Powered by AICPA | CIMA

nsi

KORN/FERRY Whitehead Mann

LeaderShape
releasing potential

TATA

tomorrow's company

Contents

1 **Foreword**
2 **Executive summary**
4 **What 'Transpersonal Leadership' means to me? by John Knights**
7 Part 1 – **What is 'REAL'**
8 – The start: 'Rational Ego-based As-usual Leadership'
10 – The intermediate stage: 'Robust Emotionally Aware Leadership'
11 – The goal: 'Radical Ethically Authentic Leadership' (Transpersonal)
15 – A beginning not an end
17 Part 2 – **'Robust Emotionally Aware Leadership': the 7 essences of emotionally intelligent leadership**
19 – 1. Understand Leadership
20 – 2. Increase Self-awareness
21 – 3. Learn to Manage Own Emotions
22 – 4. Use Different EI Leadership Styles
23 – 5. Create a Performance-enhancing Culture
24 – 6. Contract Between Follower and Leader
26 – 7. Identify Strengths & Key Development Needs
27 – Build on Key Strengths – Develop New Behaviours and Habits
31 Part 3 – **'Radical Ethically Authentic Leadership': the nine steps to Transpersonal Leadership**
36 – Step 1: The Eight Integrated Competencies of Leadership (8ICOL™)
38 – Step 2: Neuroscience Stage 2
39 – Step 3: Intuition, Instinct and Insights (3Is)
40 – Step 4: Ethical Philosophy
42 – Step 5: Personal Conscience
46 – Step 6: Self-determination
47 – Step 7: 'Transpersonal Leadership' Characteristics
48 – Step 8: Choice
49 – Step 9: For the Greater Good – Beyond the Ego
50 – Continue Development of 'Transpersonal Behaviours, Attitudes and Mindsets'
53 Part 4 – **From Know to Do – Life's Journey to Excellence**
56 Appendix 1: Emotional Intelligence – competencies & capabilities
57 Appendix 2: Empathy
58 Sources and notes
62 Acknowledgments

Foreword

Einstein famously said *"We cannot solve our problems with the same thinking we used when we created them"*. The same can surely be said of leadership.

We are delighted – indeed honoured – to publish this contribution on leadership by John Knights: we think this is a gem of a publication, and are thrilled to share it with you.

If leadership is the 'Invisible Elephant' in the room of our title, so we dare to believe this work of John's is a hidden gem that can not only reveal but also change what leadership is, means and needs to be for the twenty-first century.

As I write this, I recognise all too well that this may well be a somewhat grandiose claim! See what you think. The real wealth of insight – the 'Pyramid Treasure' – is contained in the 'Eight Integral Competencies of Leadership' which forms the heart of the work.

We have all read books and articles and attended courses on leadership – for us the power of John's framework is that it brings together the good stuff from all of this material, and frames it within a structure which is logical, sequential, and above all transformative.

Of course, it is all about the doing – the behaviours and judgements of leaders in practice – but not only does the longest journey start with a single step, it also helps to have a decent route map: we think this provides one of the best we have seen.

We are all leaders now, and we all need to be – we have created huge prosperity, but still billions live in poverty. Systems are failing – economic, social and environmental – and system failure threatens to cascade, across ever more closely connected and interdependent global networks. It is a challenge for business and humanity alike. There is a lot to do, and we need all our intelligence and creativity to be able to do it.

But we need something more: compassion and wisdom, wit and humour, deep insight and courage. And this needs to come from within, from those who are leading now, and will lead in the future. We can't find new people, it's not just sisters who have to do it for themselves, it's us, all of us, for ourselves and for all those we love and care about.

Herein lies the true power of this new framework on leadership – it plots a course which begins with the personal and a style of leadership driven by the demands of the self, and provides a step by step pathway to 'Transpersonal Leadership', recognising the needs of others, in service to the future as well as the present.

Tomorrow's Company argues for stewardship – this requires a different kind of leadership, able to look back and forwards, respecting previous generations, determined to leave a legacy for future generations from which they in turn can build.

We argue that this can and must be guided by the imperative to co-create long-term and sustainable value – building economic, social and environmental capital. We believe that this provides the surest path to future business success but also to the future prosperity and shared equity of 9 billion people, and to the protection of our one planet.

The Age of Sustainability has begun, reversing the key assumptions which have shaped post-war development: natural resources are scarce, not abundant; and talent is abundant, not scarce. The paradigm has shifted, but we don't realise it yet. We hope this contribution to tomorrow's leadership will help make it so.

Tony Manwaring

Tony Manwaring
Chief executive, Tomorrow's Company

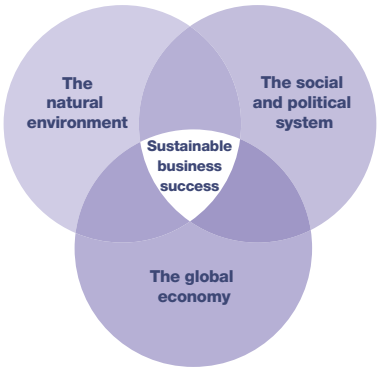
Executive summary

There has been an unprecedented change in the demands of leadership over the last 10-15 years. This has been created by social and technological change, by globalisation and by the growing concern for the future of our planet.

If we look back further over the last 50 years the world has witnessed amazing economic growth in many areas with some notable exceptions such as most of Africa.

We are now at a turning point in this new 21st century and it's time to grab the nettle. The context in which companies now operate is what Tomorrow's Company refers to this as the 'triple context' – where future and enduring business success will rely on understanding and responding to the links between the economic, social and environmental sub-systems on which we all depend, and the opportunities this brings.

The 'triple context'



We therefore need leaders who put first the true stakeholders of their organisations (customers, employees, suppliers, the community, the planet, and yes, even the shareholders), rather than putting first personal reward (usually money), personal power for control and personal prestige (including fame and celebrity status).

This report sets out a journey towards the type of leadership that is better fit for this future – 'Transpersonal Leadership' developed from 13 years of experience of working closely with senior leaders.

'Transpersonal Leadership' is the development of a leader beyond their personal ego to instead fully consider and act on the needs of all stakeholders. They must be transpersonal by thinking beyond their ego and be 'Radical, Ethical and Authentic Leaders'.

So why 'The Invisible Elephant & the Pyramid Treasure'? We have all used or at least heard the saying 'the elephant in the room' when we refer to something that everyone in the room knows is a serious issue for that group but which no-one is willing to mention.

In most organisations, leadership is the highest priority 'elephant in the room' – whether in the boardroom or the call centre, the warehouse or the reception, the way in which people are led matters, and it matters a lot! In the well-known survey '100 Best Companies to Work For' which claims to have the world's largest data based on the subject, good leadership is the most important characteristic of a high performing company. The problem is that most leaders in most organisations are not aware of how their behaviour and how they deal with other people affects their own performance, that of the people they are dealing with, and ultimately the performance of the organisation. The fact that most leaders are not aware of the issue is why leadership is called the 'Invisible Elephant'.

The 'Pyramid Treasure' is the 'Eight Integral Competencies of Leadership' (8ICOL™) as described further in Part 3, Step 1. It is referred to as the 'treasure' because its development over a period of several years culminated in being able to express what has often been described as 'spiritual intelligence' in the words that everyone could relate to without it sounding mystical, magical or religious. We use the term 'transpersonal' rather than 'spiritual' which is defined as 'beyond the ego'.

The subtitle of this publication 'Tomorrow's Leadership – the transpersonal journey' is about the journey of self-discovery and implementation. A journey that can be life-long with no finishing point as personal development is as infinite as the universe. All of us are on that personal journey and always will be whether we are aware of it or not.

This report outlines the steps in the journey towards becoming a 'Transpersonal Leader':

- 7 essences of emotionally intelligent leadership
- 9 steps to 'Transpersonal Leadership'.

through the stages where **REAL** =

- Level 1 (launch): '**R**ational **E**go-based **A**s-usual **L**eadership'
- Level 2 (intermediate): '**R**obust **E**motionally **A**ware **L**eadership'
- Level 3 (advanced): '**R**adical **E**thically **A**uthentic **L**eadership'.

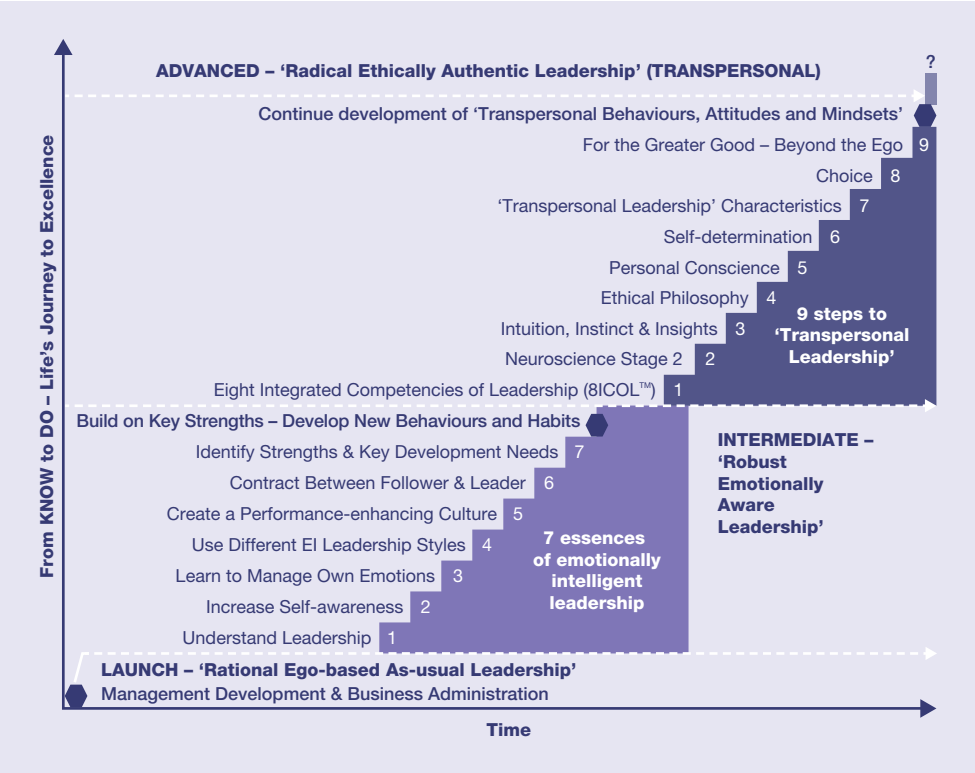
The key steps are summarised in the diagram below, which is also used as a signpost throughout the report to help readers orientate themselves.

Developing into a 'Transpersonal Leader' requires intense development over a considerable period of time. It will be hard work but most leaders have already shown they are determined, hard working and committed in what they do, so if they decide they want to change they can do it!

The report has been written with senior leaders in mind but the messages are equally valid for anyone, at any level, with leadership responsibilities – in fact the sooner, the younger, the less experienced, then the easier it will be to make the changes in how you operate.

It is not a panacea and the journey will be different for different people, but it is hoped that readers will be encouraged to explore the journey for themselves.

'REAL Transpersonal Leadership' Development – Journey to Excellence



© LeaderShape 2010

What 'Transpersonal Leadership' means to me?

by John Knights

This publication is the forerunner to a book that I am in the course of completing that describes a new way to develop a leader that is appropriate for these times and our future. I have become so frustrated reading just some of the myriad of very positively critiqued books on leadership that only tell you WHAT the author thinks good leadership is and WHAT you need to do differently to become a great leader. I want to focus on the really interesting part – and the most difficult part – HOW to become an excellent leader. That is, **'What do I need to do differently myself to become a better leader?'**

Unfortunately, most people are promoted to leadership roles for reasons that have nothing to do with the likelihood that they can actually lead. It may be that they have a lot of experience in the organisation, or they may be the best bottle-washer, or have the loudest voice, or be very political, or are believed to have a 'safe pair of hands'. Whether any of these promoted people actually turn out to be really good leaders seems to be fairly random. If only these souls who are chosen, or doing the choosing, would realise that learning a few specific behaviours could make all the difference between success and failure, we might have a far greater number of happier followers and many more effective organisations. Why do we get leaders of major organisations that usually only last for two to three years? It is because they are spending that time ego-based, feathering their nests and it takes that long for the shareholders and non-executive directors to understand it and do something about it – although the NEDs and shareholders are also implicated in the way they allow compensation packages to be structured.

What most leaders don't get is that the key to great leadership is not how they change an organisation or how they change how other people work more effectively, it is about how they change THEMSELVES. The necessary first step to become a great leader is learning HOW to develop new more effective behaviours and the second is learning HOW to keep your values in full consciousness when you make decisions. And then that actually putting this learning into practice – is the rest of your life.

How did I come to these conclusions? In 1998, I had the fortune to be offered an opportunity to learn to coach leaders. At the time I was CEO and largest shareholder of a small but global IT business, and non-executive chair of a couple of environmental technology companies I had founded in the early 1990s. This had followed an international corporate career where I had been a very young corporate vice president of a Fortune 100 company based in the US and then a main board director of a FTSE 100 organisation. I had also lived in Sweden, The Netherlands and Singapore and completed business in over 50 countries. So in a way I had already got the T-shirt as a leader.

This new opportunity, introduced by a large accounting firm, was to become one of several Moderators who would work with a group of eight-10 of their client CEOs to support them with their CPD (Continuing Professional Development). This was very much part-time but required me to undergo significant training in executive coaching and facilitation of groups. More than anything else this allowed me to reflect on my own leadership competence – from the time I was appointed captain of the local Cubs football team because I had scored the most goals the previous season (and how often has that logic backfired?).

As it happens, I was quite a good leader and had been more successful than most rising as a Brit in the US to corporate vice president of a Fortune 100 company by the age of 36. But I never gave a thought to what actually made me a good leader, or more importantly, how could I have been better. I knew that I had a big picture strategic brain and was very analytical – and these were recognised as being an important part of management development and competence.

Yet an area I was not consciously aware of (until I reflected back many years later) was that I could often (though not always) put myself in the other person's shoes and see an issue from their perspective which made a win-win solution possible. This was a tremendous advantage in developing relationships with direct reports, managers and clients in various cultures. Whether I was born with this or it developed as I grew up I am not sure.

What I am sure of is that I did not maximise this ability. When I had an ex-army psychologist conduct what was then a new-fangled 360° analysis on me when I was forming an international team in my early 40s, the two negatives that came back was that I intimidated people and they perceived I did not care about them. The first was a shock as I was totally unaware of it and the second was not true (I know "perception is truth" but their perception was due to my lack of communication). So I had this gift of "understanding other people's views and perspectives" but I had missed the slam-dunk because I had not communicated it back to them!!

Some of you may be asking, 'What has this got to do with leadership in the real world?' Well, everything actually – as it turns out.

As a result of working with these CEOs (both one-to-one coaching and facilitating action learning through 'issue group sessions') it soon became clear that all their issues were about people, strategic direction or their exit from the business. We measured that about 70% of their issues were about people – yet interestingly none of them had had any training in this area – surprise, surprise!

These qualitative findings have since been backed up by more rigorous analysis. In 2003 Chris Gulliver and I (Chris, a long-term colleague and friend who had also been moderating similar CEO peer groups) decided that we wanted to focus fully on this new kind of 'leadership development' which resulted in us establishing LeaderShape, together with Greg Young who was originally a coaching client. We developed a 360° Leadership and Emotional Intelligence Profile Assessment tool (LEIPA™) to help leaders identify their behavioural development needs. Recent research analysing the data from this tool has shown that 'empathy' is the behaviour most in need of development (over 35% have a significant need). More specifically within the realm of empathy, 'accurately identifying the underlying causes of other person's perspective', and 'demonstrating an awareness of how others are feeling' are the specific behaviours which raters most want leaders to improve.[1]

These behaviours are sufficiently granular that techniques can be learned to put them right – resulting in greater leadership competence and in higher performance from the people around the leader.

From the pleasure and privilege of working with these CEOs, and responding to their 'people' issues, we realised over a period of time that we had put together a series of MasterClasses that could be compiled as a leadership programme. Much of the material we used was related to Emotional Intelligence (EI) which responded to the behavioural requirements. However, although behavioural development is very positive and important it is not sufficient alone to develop great leaders and can be used in a negative way (Hitler was excellent in some emotional intelligent capabilities – e.g. influence), so we had to develop something that provided the moral compass to direct the improved behaviours. This is why we built the 'Transpersonal Leadership' development programmes.

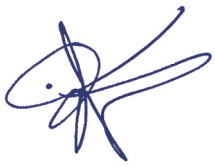
Today these leadership programmes have developed to such a level that they are available from single in-house modules up to complete EI Leadership programmes at postgraduate certificate level and 'Transpersonal Leadership' programmes as a postgraduate diploma or full Master of Arts degree.

These programmes are built mainly on a foundation of well-known (and some less well-known) published works and research by respected experts in the field which we are proud to reference. In the main we have taken an engineering approach by designing the journey around proven material. What we have added to this, primarily through my colleague Danielle Grant working with the University of Chester, an acknowledged leader in work-based learning, is the use of numerous advanced learning interventions (e.g. critical reflection and action science) related to the contextual workplace (rather than role plays and case studies) to ensure the learning is embedded, becomes new habits and is relevant to the organisation.[2]

In building this journey there have also been a few gaps we have had to fill ourselves – such as the development of a 360° assessment tool (LEIPA™) that met our special needs and perhaps most importantly developing a values model around the competencies of 'Personal Conscience' and 'Self-determination' which provide for the development and assessment of the highest levels of leadership.

As a result of my own journey so far, there is one thing I am now sure about concerning the old conundrum of whether leaders are born or made; of the balance between nature and nurture. The important thing to me is that anyone can improve their competence in leadership if they really have the will. But it takes time, focus and practice. Not everyone wants to do that. Yes, some are born with more leadership attributes than others but I believe that anyone with a reasonable IQ can learn to become a more competent leader, and the first step is to become a leader of oneself – something everyone on the planet could benefit from.

Going back to reflecting on my own leadership story. On the one hand I could be inspirational and I had a reputation for loyalty, reliability and achievement. On the other hand I could be over-optimistic and wanted too much for people to like me, both of which could skew my judgement. The problem here is that I reflected back on these pluses and minuses about 30 years too late. There is no doubt in my mind that had I been trained in leadership development along the lines I am proposing in this publication I would have been a better leader. And this would not only have been better for me and my family, but for the organisations I worked for, the communities I worked in and the planet in general.



John Knights
Chairman, LeaderShape

Part 1:
What is ‘REAL’

This section provides an overview of the leadership journey – the steps of which are described in more detail in later sections of the report.

The mnemonic '**REAL**' is used to describe the different stages of journey from:

- '**R**ational **E**go-based **A**s-usual **L**eadership' – the start point for the journey
- '**R**obust **E**motionally **A**ware **L**eadership' – the intermediate stage of the journey
- '**R**adical **E**thically **A**uthentic **L**eadership' (Transpersonal) – the goal of the journey.

The start: 'Rational Ego-based As-usual Leadership'

At the start of the journey, an individual is assumed to have all the tools to do the functional job either through qualification, work-based training or in-work experience. These are the task-oriented 'threshold' competencies which everyone needs to have to function in an organisation. Although not always the case, the development of these is seen as the responsibility of HR departments, traditional educators and line managers.

Adding behavioural competencies will enable the development of the capabilities you need to become a superior performer and good leader. Behavioural competencies are often called 'soft' skills – which is confusing as they are not 'easy' – think of 'soft' in terms of the opposite of 'hard' as in hard-wired.

Our ability to learn the hard business related skills is dependent on our rational intelligence, something we are more or less born with. We can learn more or in more detail by hard work (time and diligence) but we cannot learn what we are not capable of learning.

On the other hand 'soft' skills can be learned and developed by anyone who has a normal brain because they work through associative connections between neural cells where bundles of brain cells connect with each other creating new intraserial wiring.

For most of us it is much more difficult and time consuming to develop 'soft' skills than 'hard' ones, and maybe this is one of the reasons why most of us don't develop them as much as we might.

In this report, hard skills are refered to as 'business skills' and soft skills as 'behavioural competencies'.

So, at the start of the leadership development journey, an individual's '**REAL**' leadership status is assumed to be 'Rational Ego-based As-usual Leadership'.

This is not always so, and many leaders have of course developed excellent leadership skills, though often sub-consciously. Virtually all have also developed some poor un-managed leadership skills.

I hear you say, 'well that may be the case in the private sector but in the vocational industries it's different'. Afraid not! In my experience there are just as many 'ego-based' leaders in the National Health Service, local government, education and the voluntary sector (not-for-profit/'Third Sector'). They may not be after monetary rewards and they may have a genuine desire to do real good in the community but they are just as power and prestige oriented as in the private sector and probably even more 'recognition' motivated. A difference is they are often more risk averse because of the greater security of the job and that may be why these sectors are often so slow to make decisions.

'REAL Transpersonal Leadership' Development – Journey to Excellence

© LeaderShape 2010

The **'Rational'** means that at the start of the journey these individuals can think logically and work things out on a rational basis. They have the job skills and know how to use them. However, they often assume that other individuals think and act like them and at the same time will respond only to rational argument and stimuli. It is also true that every individual will have varying levels of intuitive thinking and emotional awareness but most often they will not be fully aware of their capabilities and therefore will not be managing these attributes to maximise levels of self-management, relationships and performance.

'Ego-based' is where most leaders are at. They seek power, reward, prestige or recognition, or any combination or all of them. And usually, one or more of these needs are the prime motivator for the leadership decisions they make. There is nothing wrong with wanting these things but to move to excellent leadership these personal needs must be in harmony with, ultimately for the benefit of all, stakeholders if the organisation is going to be sustainable and successful for the longer term.

By no means are all leaders 'Ego-based'. The problem is that if they are not, it often puts them at a disadvantage. They get used by others or they don't know the balance between their responsibility to their organisation and their family or they get stressed because of their feelings of responsibility.

This state of mind is no more beneficial to the organisation than the 'Ego-based' leadership unless it is channelled and managed effectively – and only the development of Emotional Intelligence (EI) can help this.

Finally, **'As-usual'** refers to what can normally be expected from leaders who have not been trained in behavioural skills and have not learned how to manage their personalities. It often manifests itself as 'I know everything and tell people what to do' which is our genetic default. Most of us react 'As-usual' when we are stressed at which time our emotions are better placed to hijack our brains. But at least through being aware of this it is possible to reflect and often put right unattractive behaviour. Unfortunately, many leaders react 'As-usual' all the time.

The intermediate stage: ‘Robust Emotionally Aware Leadership’

To attain the advanced level as a leader there is an intermediate level of competence to go through. Using the same mnemonic for convenience and memory, we have called it ‘Robust Emotionally Aware Leadership’.

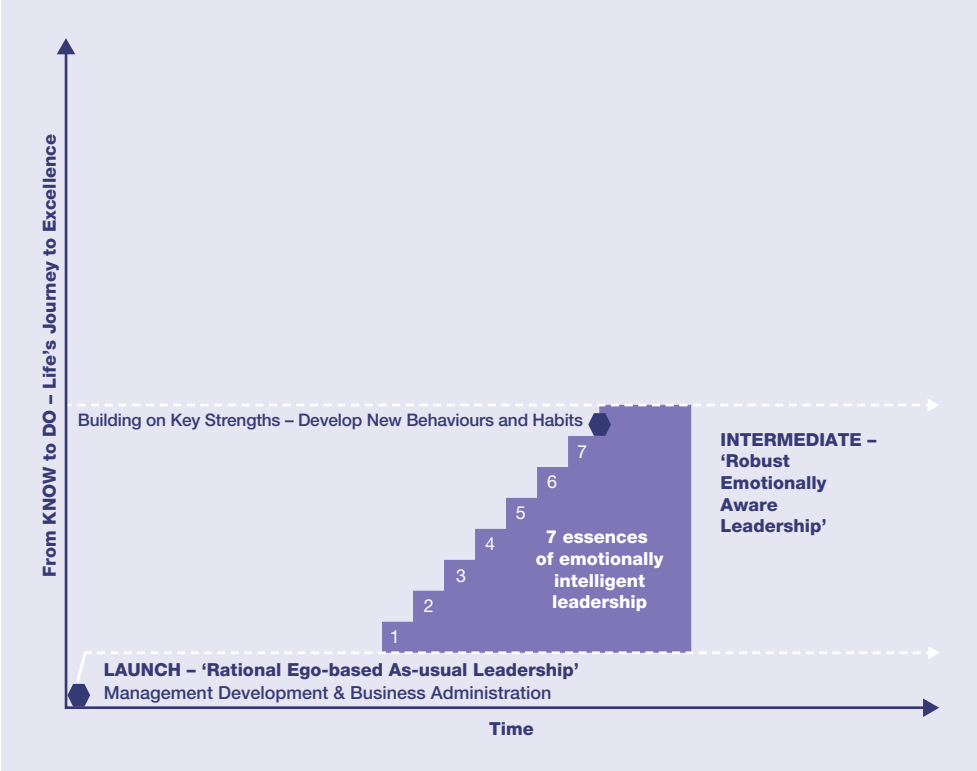
The **‘Robust’** refers to an individual having reached a level of inner self confidence where they are not afraid to say what they think, willing to take risks and ensure messages are communicated unambiguously. They can take criticism without taking it personally, make hard decisions and are transparent in their dealings with people.

While this is all well and good, without being ‘**Emotionally Aware**’ this leader could be a nightmare in their relationship with people. The ‘Robust’ leader also needs to be conscious of and sensitive to people’s feelings and in particular how their behaviour affects the mindset and performance of others. The ‘Emotionally Aware’ leader deals in facts and perceptions, avoids bias and eliminates discrimination.

Combining the two elements develops a leader that people will want to follow.

To get to the level of ‘Robust Emotionally Aware Leadership’ requires the development of ‘7 essences of emotionally intelligent leadership’. Part 2 of this report looks at this intermediate stage in the journey in more detail.

‘REAL Transpersonal Leadership’ Development – Journey to Excellence



© LeaderShape 2010

The goal: 'Radical Ethically Authentic Leadership' (Transpersonal)

There are many definitions of 'transpersonal' including from one of the founders of transpersonal psychology, Stanislov Grof:

> *"The common denominator of this otherwise rich and ramified group of phenomena is the feeling of the individual that his consciousness expanded beyond the usual ego boundaries and the limitations of time and space."*

The term is also highly associated with the work of Abraham Maslow and his understanding of 'peak experiences'.[3]

One of the main origins for the definition of 'Transpersonal Leadership' used in this report came from L. W. Fry's article 'Towards a Theory of Spiritual Leadership':

> *"The values, attitudes and behaviours necessary to intrinsically motivate one's self and others so all have a desire to:*
>
> *1. Serve others – and in so doing deriving purpose and meaning in life, and*
>
> *2. Establish an organisational culture whereby leaders have genuine care and concern together with appreciation and understanding for self and others (all stakeholders), while having the will, energy, aspiration and sense of doing one's best (excellence) to achieve the highest level of performance to fulfil the organisation's vision."*[4]

Other important influences were Peter Block and Robert Greenleaf.

Peter Block, in his 1993 book, argued for replacing the term leadership with stewardship defined as:

> *"the willingness to be accountable for some larger body than ourselves – an organisation, a community". It is to do with our choice for service over self-interest, with being willing to be deeply accountable without choosing to control the world around us."*[5]

This was echoed by Robert Greenleaf in the concept of the 'servant leader' – that great leaders are those who serve others – which he developed over many years:

> *"The servant-leader is servant first… It begins with the natural feeling that one wants to serve, to serve first. Then conscious choice brings one to aspire to lead. That person is sharply different from one who is leader first."*[6]

Tomorrow's Company's past work on leadership also reflects many of the qualities and elements of 'Transpersonal Leadership' – a summary of which is provided overleaf.

Tomorrow's Company on leadership

Leadership lies at the heart of building a successful and enduring company. Since the original Tomorrow's Company Inquiry, undertaken in 1993 and published in 1995 by the Royal Society for the Encouragement of Arts, Manufactures and Commerce (RSA), Tomorrow's Company has advocated an 'inclusive' approach to leadership.[7] This approach has the following key elements:

- the inspirational and visionary qualities of transformational leadership
- the willingness to learn, and to facilitate the learning of others
- the concept of stewardship – of acting as custodian of the organisation's reputation and resources
- the perception of leadership as service.

The foundation of this approach is the adoption of a set of values which places human relationships centre stage and which defines the purpose of the company other than in purely financial terms.

Inclusive leaders understand the links between the company and its wider environment – the social and political system in which it operates and the natural environment – what Tomorrow's Company calls the 'triple context'. In particular they see the creation of long-term sustainable value and the need for organisational change in this context.

This deep understanding of the nature of the interdependence which exists between a company and its dynamic environment provides the basis for a critically important function of leadership – to contribute to the development of an inspiring yet achievable vision of the organisation's future. Such a vision should be one that meets the needs of the key stakeholders and at the same time provides the basis for a strategy to create long-term value. The vision and style of leadership need to empower people in all the company's stakeholder groups to enable them to focus on how to achieve, and share in, the success of the company.

Leaders who adopt an 'inclusive' approach to leadership will need to develop an appropriate set of personal qualities. In the 2007 report of the Tomorrow's Global Company Inquiry, which revisited the original RSA inquiry but from a global perspective, the business and NGO leaders involved set out the personal qualities of a Tomorrow's Global Leader. Many of these qualities resonate with those of 'Transpersonal Leadership' and are summarised in the following:

Tomorrow's CEO wanted:

> *"Our company is operating on a global scale, facing great opportunities but also major challenges. Our top executive team already comprises 5 men and 6 women of different nationalities. We want to break away from the pack, become an industry leader and make a lasting contribution to society as well as providing top rank shareholder returns. We are seeking a CEO who can take the company to new heights in innovation, teamwork, performance and influence at the same time as reconciling the differing demands of investors, customers, governments, regulators, partners, NGOs and the public. We're looking for a person with clear vision; strong values; courage; empathy; accessibility; high level negotiating and interpersonal skills; a passion for teamwork; humility and a commitment to future leaders."*[8]

Dame Helen Alexander

Deputy president of the CBI and chairman of Incisive Media and of the Port of London Authority

Be authentic

If one looks at the iconic leaders of the past, they have one thing in common – they were authentic, accessible and in sympathy with their time.

Understanding the 'time' you are living in – the context – is really important. It tells you why you are here, and what it is that you can bring to the role that somebody else can't.

In the past, the prevailing view was that a company was exclusively there for shareholders. Now the importance of focusing on shareholders *and* other stakeholders is recognised. I think most leaders find this shift quite difficult to wrestle with, but nevertheless the good ones try. It has taken us at least a decade, if not more, to understand what that means in reality. As a leader you have to be very cognisant of this in whatever you are doing. And if you're not, then there is a real gap. What was a 'nice to have' approach 10 or 15 years ago is now a 'must have'. If you are committed to developing long-term value for shareholders *and* other stakeholders, different things are required of you as a leader. The nature of decision-making is, without question, more intricate. It is much more about balance and understanding various different impacts. This requires intelligence, analysis and dealing with complexity and ambiguity.

For me, being authentic is also vital. When I was appointed chief executive of the Economist Group, I remember being told by one of my executive team that her staff had been extremely pleased that I had been appointed but had said, *"We hope Helen doesn't change"*. And I remember thinking *"but if I'm CEO then I will have to change!"* It was at that moment that I realised the importance of being oneself: what her team had been saying was, *"We know Helen for what she does now, and let's hope she's not going to pretend to be somebody else; because we like the person she is"*. It was a useful reminder that authenticity is really important. As an early mentor taught me, the more senior you are, the more accessible you must be; I think that's essentially the same point – if you take on grand airs, and lock yourself away in a grand office, then you will become someone different.

Authenticity is about sticking to your own style and your core values. For me, this is about independence, respect, trust and ensuring that you value what other people bring to the party – their particular style and capabilities. Being equable and calm, and making sure people understand when you feel strongly about something, is very important. One of the skills I have developed over time is how to balance being clear about my own point of view, as well as listening to others. You have to be clear about direction, as well as understand where other people are coming from, taking into account a wide range of views, in order to bring people along with you. Basic courtesy and delivering on promises is a key element – this is how trust starts to be built on both sides: it's a reciprocal thing.

Being clear about the direction you want to take also means learning to trust your own judgement. But you can never let the story ignore the facts – that is a dangerous place for a leader to be. You have to do your level best to get the full range of input and the facts before making a decision – but at the end of the day you have to trust your own judgement, which is why effective boards are important. It is their role to provide the critical challenge. It is harder to achieve this amongst the executive team. In a good board everybody feels respected as an equal. In executive teams, challenge can be seen as a threat. Good support and good teams make for much more impact than one person could possibly have alone.

And finally, it is important to remember that what you are leading has an importance that goes beyond you. Your role is to hand it on to others better than you found it. This is how value is created, and that is what shareholders will want and what other stakeholders will want too.

We define a 'Transpersonal Leader' as one who 'thinks beyond their ego' and is a 'Radical, Ethical and Authentic Leader'.

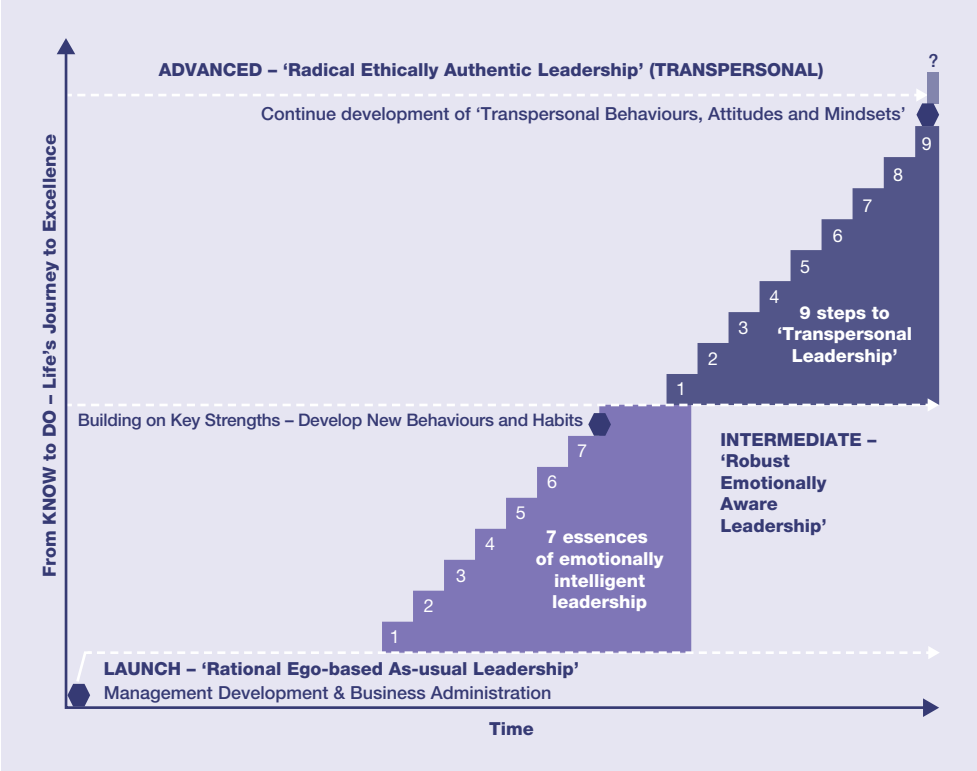
Radical because we need a new kind of leadership – current mainstream thinking on leadership is just not acceptable any more if we are in the long run going to protect our planet, move to a less materially oriented age, realise we might need an alternative to continuous growth and create a happier society. And it infers courage and fearlessness.

Ethically means not only integrity but a social conscience and a willingness to follow the rules (or get them changed if that is what is needed). It means working for the greater good.

Authentic because a leader must act as they truly are – they must be honest with themselves and others. Excellent leadership is not a game, it is not something you can pretend to do and get right – the human being is very good at seeing through the falseness of others. 'Authentic' also implies that the leader is the same person (though may behave appropriately different) in all circumstances – their values are operating at full consciousness and they don't leave them at the door to the office when they come back from a quality weekend with the partner and/or children during which they have been a model family member.

Leader an individual needs to be emotionally intelligent in order to have sufficient inner self confidence, awareness and empathy to be open to and have the determination to respond to the demands of developing into a 'Transpersonal Leader'.

'REAL Transpersonal Leadership' Development – Journey to Excellence



© LeaderShape 2010

The journey from the intermediate stage to this advanced stage involves 9 steps to 'Transpersonal Leadership'. These are described in more detail in Part 3.

It is a stage of the journey that involves openness, vulnerability, understanding ones shadow personality, and understanding how one is perceived.

This journey is likely to be more successful if an individual has developed a sound level of EI and applied it to their leadership style. The inner self confidence and awareness that EI brings will enable the traveller be more open minded, transparent and daring and at the same time have a much better understanding of the people around them.

EI may well still be motivated by the ego to a lesser or greater extent – why else would I embark on a plan to become a great leader if it was not for my own benefit? This is natural – but through the challenges and insights on the journey, there will be a transition point at which time the individual understands that the true purpose of leadership is to be for the benefit of all stakeholders of the organisation.

A beginning not an end

Although for the purposes of clarity in the report, the leadership journey is presented as a series of steps, the journey itself is not linear.

It is iterative and interconnected in many ways. Parts may be able to be skated over, parts may need to be revisited many times, some parts will be more difficult than others. As some people find languages easy and maths difficult or vice versa, so some will find for example empathy difficult and intuition more straight forward.

No two people will take exactly the same journey. What is important is that all these parts of the journey are covered. The best route will be down to each individual to find for themselves. However, based on the experience and observation of leaders, the '**REAL**' journey as we go on to discuss in detail on the following chapters provides a good template that can be customised as an individual comes to understand themselves better.

Leadership is about change and the first thing you have to decide you want to do is CHANGE (= develop).

And, change involves fear, probably the most powerful and insidious emotion of all. As Altazar Rossiter puts it:

> *"Strangely, the main obstacle to this change will be the emotion of fear, the main inhibitor of action; fear of what we might have to let go of, fear of who we might become, fear of judgment and criticism. Fear will prevent us from setting any intent that is likely to take us out of our comfort zone."*[9]

Sir Jonathan Michael
Chief executive, Oxford University Hospitals NHS Trust

Doing what is right?

My passion is to ensure the best possible quality of care for patients and to encourage more clinical leaders into management positions – to get them to put to use their experience and domain knowledge to assist in running hospitals better for the benefit of patients. This is the same journey I have taken, moving from being a consultant nephrologist to being a medical director and then ultimately chief executive of large university hospitals.

During my clinical career I became increasingly involved in hospital management before taking on the ultimate challenge of restructuring and running hospitals as a full time Chief Executive. My involvement with hospital management started almost by default, when I was appointed as a consultant at the Queen Elizabeth Hospital in Birmingham in 1980. At that stage, the region had one of the worst records for treating kidney failure, people were dying unnecessarily and treatments were still at a relatively early stage of development. The system was such that people had to make hard decisions about who to treat or not. I could either help sort the problems out or ignore them. I found myself deciding to help on the basis that I couldn't do any worse than a non-clinical person! I started to push back at the resource boundaries set, and at one point was threatened with suspension, but I did achieve a breakthrough in getting more resources made available for kidney treatment. Birmingham now has one of the largest kidney failure programmes in the UK. There will always be judgments to make about availability of treatments against limited resources – but for me it is about being clear about responsibilities and where these lie in the system. As a consultant I had a responsibility to the patient in front of me and to get the best care for them. Now I am 'poacher turned gamekeeper', but I see my role as a natural extension, moving from a focus on individual patient need to meeting the needs of large groups of patients.

I have never had any formal training in management. I have learnt 'on the job' having found myself in organisations that are facing major challenges and then helping to turn them around – moving them through 'slash and burn', to recovery and on to a development stage. And all this needs to be done in a limited timeframe – it is vitally important to rebuild performance and confidence as quickly as possible. Leadership is 'structural' in terms of having a clear understanding of the domain you are leading and understanding your responsibility because of the role or position you are in. It is also sapiential ('of wisdom'). In healthcare there are many in clinical practice who are highly regarded as leaders, irrespective of hierarchy, because they are good and wise in the job that they do. It is because of these qualities that I am a strong advocate of involving them in taking structural leadership roles and accountability for managing the services they provide.

Doing 'the right thing' is not always comfortable. It takes time to assess what 'the right thing' is and then you should not be frightened to take decisions and to be accountable for these decisions. I have had to make many difficult decisions in turning round some of the hospitals I have been involved with including an occasion when I had to make some consultant colleagues with whom I had worked with as a colleague for over 10 years, compulsorily redundant – difficult but in the circumstances of retrenchment and reorganisation, it was the right thing to do. This decision making is best done by combining a broad view of inputs, especially from the front line with a careful assessment of strategic options and analysis of what is most likely to work. Sometimes this means not asking for too many permissions, but presenting a very powerful case early on and starting to take action. Above all, never sacrifice your own values and integrity, as you need to be seen to behave in the way you want the organisation to behave.

Part 2: ‘Robust Emotionally Aware Leadership’

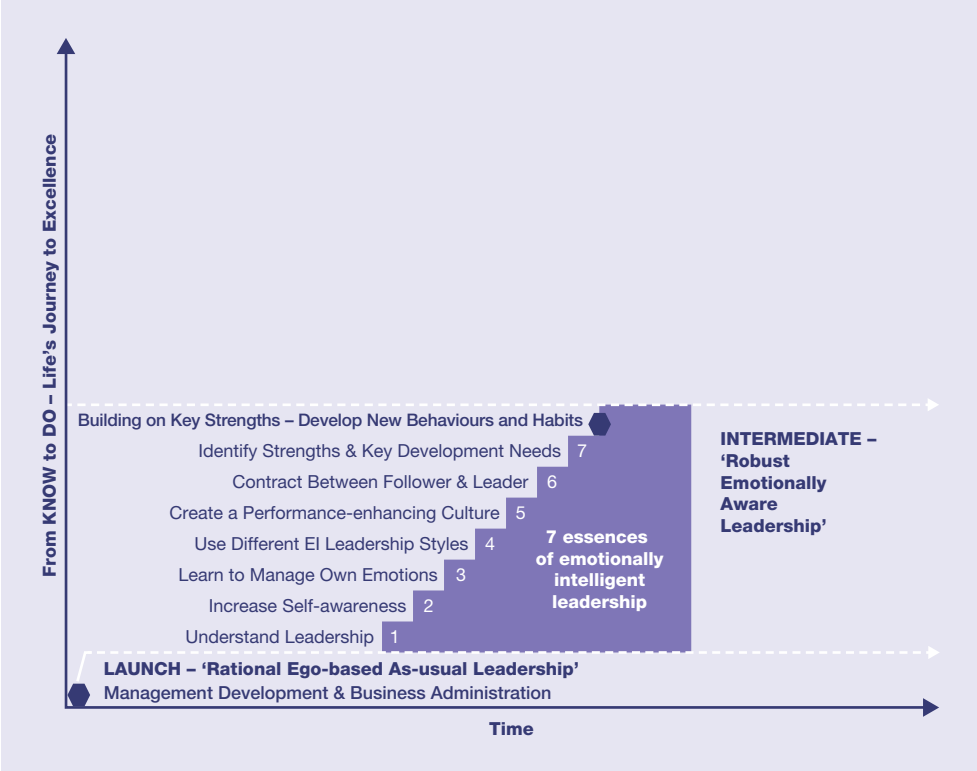
The 7 essences of emotionally intelligent leadership

The journey through the intermediate stage of 'Robust Emotionally Aware Leadership' involves seven essences of emotionally intelligent leadership:

1. **Understand Leadership** – a true understanding that effective leadership has changed dramatically in the last 10 to 15 years
2. **Increase Self-awareness** – including basic neuroscience & understanding how to learn
3. **Learn to Manage Own Emotions** – understanding how to manage emotions to improve performance
4. **Use Different EI Leadership Styles** – developing competence in six leadership styles and when and how to use them
5. **Create a Performance-enhancing Culture** – learning how leaders can create the right climate and culture which in turn affects performance
6. **Contract Between Follower and Leader** – ensuring expectations are understood
7. **Identify Strengths and Key Development Needs** – a 360° assessment is unavoidable in order to achieve a complete assessment of oneself.

Arriving at the point of **'Building on Key Strengths – Develop New Behaviours and Habits'**, the toughest and most valuable part.

'REAL Transpersonal Leadership' Development – Journey to Excellence



© LeaderShape 2010

1. Understand Leadership

A true understanding that effective leadership has changed dramatically in the last 10 to 15 years

The need for a new kind of leadership has been created by social and technological change, by globalisation and by the growing concern for the future of our planet. The causes and implications of the current financial crisis and economic turndown only bring this into greater focus.

It has already been mentioned that the human genetic default for leadership is 'to know everything, and tell people what to do'. To expect to be able to lead effectively this way is becoming more and more fanciful by the year. Our society is developing so fast while our genetic brain remains virtually unchanged since Stone Age man. Yet even so, our brains learn better through insights than being told what to do.[10] We can only keep up with change by using our 'personal choice' and 'intense will' to put in the effort to help our neural circuits to reconfigure.

Leaders need to be able to respond to the fact that today we can hold less than 10% of the information we need in our brains, compared to 75% only 20 years ago.[11] This means that the old mantra that 'knowledge is power' is no longer valid so the genetic default just does not work. We need to earn the respect and loyalty of our followers, even as their desire for continuous learning, engagement, involvement and recognition increases.

The final thing we need to understand about leadership is how it differs from 'management'. Management is about planning, organising, staffing, controlling and problem solving whereas leadership by contrast is about establishing direction, aligning people, motivating and inspiring. Management produces key results – leadership produces change and transformation.[12] *("Do you know the difference between leadership and management". Go to: www.LeaderShape.biz to check how well you understand the difference.)*

Most people in leadership positions primarily 'manage' especially when it comes to their inability to get people to perform beyond what they would expect of themselves. Leadership is about vision, direction and people; management is about process. But even with vision and direction you have to engage people to achieve it. So in the end leadership is all about people.

The entertaining TV show 'The Apprentice' provides an excellent example of how leaders usually get it wrong especially when stressed. Each week two project managers are chosen to lead colleagues in a task. When the task has been completed and the teams are in the boardroom, Sir Alan Sugar asks the team members how they felt about the performance of the leader of their group. More often than not team members will explain that the team did not perform because the leader decided that they knew best and told everyone what to do. Occasionally, and most often one of the women, will engage the team in coming up with a strategy they all can buy into. When this happens they almost always succeed.

2. Increase Self-awareness

Including basic neuroscience & understanding how to learn

Great leaders have always been self-aware and this is one thing that has not changed. In fact the need for 'Self-awareness' has increased rapidly as modern leaders look to maximise the potential and output of their followers. We need to know our personality preferences. Do we think our way to solutions or feel our way? Do we like to leave things open or make judgements and decisions quickly? Do we think rationally when making decisions or intuitively, or both? How do we best learn – through reading, just doing, planning, or by trying alternatives? Which senses are our most dominant – seeing, hearing, touching, listening? Are we competitive? Are we optimistic? Do we like change? Which emotions are we most likely to react to? What are our values? Do we have a philosophy about our ethics?

There are a myriad of tests and exercises one can take to measure all these variances, but often they are seen as a short-term indulgence, rather than really helping an individual to build a picture of who they are. Knowing 'who' you are increases that inner self confidence and enables you to take on challenges much more effectively. 'Self-awareness' is the first rung on the ladder to leadership excellence.

Perhaps the most important aspect of 'Self-awareness' is what we call 'Emotional Self-awareness'. We spend our lives being hit by emotions. Do we know which emotions we are feeling at any particular time and why? Do we realise the links between these emotions and how we behave and how they can affect the performance of ourselves and others?

The impact of neuroscience on leadership is dealt with in more detail later in the development journey but it is important to emphasise at this stage in the journey as a leader that the brain resists being told what to do and that sustainable change is best afforded through people gaining insights.

To learn new behaviours, leaders must provide the opportunity and environment for their people to focus on and spend time learning new behaviours in order to sustain change. As the essence of leadership is change, it is equally important that the leader uses this approach for personal change as for enabling the change of those they lead. Coaching, facilitation, critical reflection and other related interventions help support people in finding their own solutions, embedding change into habits and sustaining new behaviours.

Increasing self-awareness can have a profound effect on leaders. A former Royal Navy officer who is now the Sales Director of a successful hi-tech manufacturing company that serves global markets gained an extra level of self-awareness during a leadership programme. He had learned in the Navy that leadership was about loyalty, hard work and respecting your leader who had been trained to a higher level and had the title. He firmly believed that his successful leadership was dependent on those people reporting to him having the same beliefs and he was very frustrated when they did not seem to take them on board. A fundamental change took place when he realised that we are all very different and learn and respond in different ways. This sounds obvious yet most of us in our day-to-day lives assume people will act and react in the same way we do and are surprised when they don't. This revelation enabled to start learning to understand better the people who reported to him and to respond to their needs to help them improve their performance. The realisation was fairly sudden, but the work to change ingrained attitudes into new habits will take much longer.

3. Learn to Manage Own Emotions

Understanding how to manage emotions to improve performance

'Self-awareness' has become better understood since the development of the science of Emotional Intelligence in the 1990s.[13] For example, understanding one's emotions and knowing how to handle them effectively has a huge effect on one's own performance but perhaps more importantly on the performance of those around you. Think of the highly emotional person who gets angry at everyone for a minor reason and then leaves the room and goes back to their job unaware of how they may have ruined the performance of the recipients for the next week. Leaders who are not able to manage other emotions (such as sadness, disgust, fear, surprise), while less obvious, can have equally devastating effects on the performance of themselves and others.

Essential to overcoming this is a realisation that emotions are sub-conscious and occur totally outside our control. We cannot stop an emotion but we can learn how to handle them effectively so that we are not hijacked to do something that will frustrate our intentions. Emotions have energy and information and a call to action. EI is about learning to manage those emotions effectively.

EI Competencies

Developing your EI is fundamental to becoming an excellent leader.[14] Developing the four basic EI competencies of emotional 'Self-awareness', 'Self-management', 'Social Awareness' (awareness of others) and 'Relationship Management' (management of others) will ensure an understanding that there is a better way to lead. The 19 'EI Capabilities' are listed in Appendix 1. In a publication of this length, it is not possible to describe how to develop all of these in detail. However, as an example, we discuss just one 'EI Capability' in detail, 'Empathy' (a part of 'Social Awareness'), which as explained earlier is the capability that more leaders need to develop than any other. Appendix 2 describes 'Empathy' in more detail.

There are two issues around 'Empathy'. First to get leaders to understand that such a 'soft' behaviour is so critical to great leadership, and secondly is to help people get their heads around 'How do I improve my empathy?'

Addressing the first issue, the reason it is so important is because in essence it is about understanding people and everyone wants their leader to understand them. Being understood motivates people to perform to a higher level and helps the leader identify how that person can be supported to do the best job possible for the organisation. It is human nature. Most leaders can get this!

What is more difficult for most leaders is getting to grips with actually improving their empathy. This can be broken down into four discrete and granular behaviours?

1. listen attentively to what people say
2. demonstrate an awareness of how others are feeling
3. accurately identify the underlying cause of another person's perspective
4. express an understanding of the other person's perspective.

Anyone can learn techniques, perhaps with the help of a coach, to develop these behaviours. If in addition, we remember that empathy is not the same as sympathy (we don't have to share the other person's emotions) and we don't have to agree with them. It is just about understanding and communicating that you understand.

4. Using Different EI Leadership Styles

Developing competence in six leadership styles and when and how to use them

Our genetic default leadership style as described earlier is difficult to overcome. Most leaders have morphed this into their own leadership style that suits their personality and natural environment – and they use it all the time. Even leaders who are considered very competent usually only have two styles to choose from regardless of the circumstances.

Yet choosing the right leadership style at any particular time depends on the context and the individual(s) you are leading.

A competent leader should be able to use all six styles as described by Goleman ('Visionary', 'Coaching', 'Affiliative', 'Democratic', 'Pace-Setting', 'Commanding') to cover the full range of contexts in which a leader might find themselves.[15] No human has the natural acumen to be able to use all six styles naturally. They have to be learned and the only way to do it is by learning and embedding new behaviours. There is no other way.

Fortunately Goleman set out clearly which 'EI Capabilities' relate to each leadership style and from this we can define which granular behaviours need to be developed.

For example to use the 'Coaching' style effectively you need to learn to be empathetic *(see previous chapter)*. By focusing on learning to listen effectively, and then learning to understand accurately what people are saying, we find leaders actually become more interested in other people which can eventually develop into a real sense of empathy.

An extremely experienced and competent clinician (consulting surgeon) was promoted to the position of Operations Director of a large well-known hospital. As a surgeon he was used to being very directive ('commanding' style) – there was no time in theatre to be 'Democratic' or 'Affiliative'. However, when not operating he demonstrated both styles when meeting socially with his team or asking for their opinions about developing new procedures. When dealing with the relation of a patient who had died he had the capability to be very empathetic which had some of the attributes of the 'Coaching' style.

However, now he was suddenly in charge of running the hospital and needed to both develop a vision for the organisation and ensure his direct reports were competent to implement the vision. This required him to develop visionary leadership to ensure the vision was bought into by the entire organisation and the 'Coaching' style to develop his direct reports to their potential.

5. Create a Performance-enhancing Culture

Learning how leaders can create the right climate and culture which in turn affects performance

Many leaders mistakenly believe they have a direct impact on the performance of an organisation. The truth is that except when they lead the negotiations of an acquisition or major contract they can only influence the performance of the organisation.

The single most important thing that a leader can do is set the right environment, normally referred to as the 'climate'.[16] The climate created sets the whole tone for the development or change of an organisation's culture (i.e. how we do and improve things around here).

If the leader wants to enable the development of a performance-enhancing culture then the climate must be one where change, honesty, transparency and mutual respect are the norm. The leader must set the example first. This will allow the development of trust without which no organisation can perform at its optimum.

It is the people in the organisation that create the culture using the climate as a foundation. The culture determines the level of performance.

Culture can be looked at in four axes: 'Power', 'Structure', 'Achievement' and 'Support'.[17] In a unique culture survey used by LeaderShape, measuring the actual and ideal cultures, it is invariably found that different parts of the organisation have very different views about the current situation. Surprisingly however, they agree on what the culture should be in that virtually all the people (including the leaders) in the organisation would like to decrease the power and structure orientation and increase the level of achievement orientation and support.

Increasing the achievement orientation of the culture will require a focus on visionary and democratic styles of leadership whereas to boost the support dimension of the culture there needs to be an increase in the coaching and affiliative styles.

Achieve this and a performance enhancing culture will have been created.

The most well-known examples of leaders setting the climate can be found in the political arena. Perhaps the most famous in most of our lifetimes was Nelson Mandela when he became president of South Africa in 1994. Despite being imprisoned for many years during the Apartheid years he continually called for reconciliation in a multi-racial democracy. While one can argue whether subsequent leaders have been of the same quality, the reconciliation and democracy have endured. He set a climate that has become a changed culture.

When President Obama came to power in 2009 with the call "Yes we can", there was immediately a new mood in the country. You can decide for yourself whether this new climate developed into a new culture.

6. Contract Between Follower and Leader

Ensuring expectations are understood

Strangely, leaders rarely clarify what they expect from the people around them. This is frequently the cause of misunderstanding and eventual breakdown in relationships – or at best inefficiency in the relationship. To enable an individual to perform effectively they need to understand what behaviours are expected of them. The leader should also explain the responsibilities of both in the relationship.

Here is our suggestion for the responsibilities of an effective leader and an effective follower (remembering all leaders are also followers at times):

- **Leaders**: delegation, empowerment, support; maximise the potential of follower; share as much information as possible; 'do-what-you-say-you-will-do-when-you-say-you-will-do-it'; involvement in decision making that effects them and absence of blame
- **Followers**: taking personal responsibility, accepting accountability, being self-disciplined and showing initiative (being proactive).

The leader must take the lead in what they offer to do, but it is guaranteed that the relationship won't work well unless the individual (follower) also exhibits the criteria listed.

It is all about a mature adult/adult relationship as those familiar with 'Transactional Analysis' will already understand.[18]

A large international IT corporation acquired a business in the UK and employed a new Chief Executive (Barbara) who they had identified working as a corporate director of a global competitor. She had the qualifications, the experience and excellent references. After a few months when questioned by her boss why she had not achieved any early wins in her new role as agreed she explained that she did not understand why the other directors were not carrying out instructions that had been agreed.

Prior to the acquisition, the company had been run in a very autocratic way and even directors had to follow orders to the letter which were handed down in great detail. Barbara in her previous role had been used to setting broad guidelines and letting her people just get on with it, only coming to her if they had problems.

In this new role she had not communicated her approach to delegation and empowerment and had not involved them in the decision making. Most importantly she had not established a contract or how she wanted to work with her followers. In turn the followers showed no initiative (they had never been allowed to before) and due to a lack of details had not taken responsibility for getting the task completed.

Ian Powell

Chairman and senior partner of the UK firm of PwC

Releasing potential through vision and values

Engaging and motivating teams has always been high on my agenda throughout my 35 year career with PwC. In early 2008 I stood in our Senior Partner election. Each of the four candidates had to write a manifesto setting out our plans and vision for the next four years and then attend formal 'hustings' meetings to present to our partners and answer questions. I took a very conscious decision at the outset of the process to focus on the steps I thought PwC could take to release the potential of our 16,500 UK partners and staff. We faced an interesting challenge – we were number one in our field, had a good share of the FTSE 100 audit market, had grown a successful advisory business and our tax business had a clear lead over its nearest competitors. I believed that we had to redefine our purpose, as well as our business goals, to explain to our people how we could aspire to be more than simply the biggest or most profitable firm.

In my manifesto I set out a vision for PwC to be *"One firm – a powerhouse of a commercial enterprise that does the right thing for our clients, our people and our communities."* This phrase, and all that it represented in terms of ambition and values, resonated with my fellow partners. After the election it became clear that the vision also worked well with our staff and we used it as the bedrock to develop our new business strategy. The principle of 'one firm' is really very simple; all of my experience showed that when we brought the collective expertise of PwC and its people together we delivered more to our clients. The wording *"powerhouse of a commercial enterprise"* was intended to be provocative because I wanted to be clear that this is a business and that we aim to be commercially successful. That said, success has to be based on strong values and ethics to be sustainable. The phrase *"does the right thing for our clients, our people and our communities"* reflects the values of our partners and staff. Although we aim to be a profitable organisation the real issue is what you do with those profits. There is something in the DNA of PwC that aims to do the right thing. The fact that we apply the highest business standards and ethics is rightly taken as a given. One of the things that differentiates PwC for me is the connection our people have with the communities we work in. Almost a third of our 16,500 people actively volunteer during work time. Consequently, we have more engaged and satisfied employees who feel they are putting something back into society.

During the election process my use of the word 'iconic' sparked a really lively debate. Iconic will mean different things to different people. I wanted to set out a vision for PwC people to aspire to and to be part of an organisation that represents something truly special, where the calibre of the people, the values they embody and the difference they make to their clients and their communities becomes a watchword for excellence. We said at the outset that whether we achieve this goal or not will be for others to judge. As I developed PwC's strategy with the Board we took our vision and identified some specific performance goals and measures relevant to the overall aspiration of becoming an 'iconic' firm. We took a decision very early on to be open with our staff about the goals that we were setting, and how we performed against them. That inevitably involves being honest about the areas where you fall short as well as celebrating the successes. The response has been incredible – our people better understand our vision and values and they feel engaged with and better motivated to deliver our strategy. As a bonus we've tapped into a rich source of creativity and valuable ideas at every level within the business which has helped us sustain momentum and deliver performance improvements. All of this requires communication that is timely, credible, widely read and which stimulates a dialogue. We took a very practical step to make this happen and articulated on a single piece of paper what it means to be part of PwC – we call this 'Who We Are' *(see http://www.pwc.co.uk/eng/aboutus/index.html)*.

I'm not so complacent to think we've achieved our ambition. I believe there is still much to do – which is why I am now standing for re-election! However I do think that we have managed to develop and communicate a clear sense of our values and purpose which engages and motivates our people and, at the same time, benefits our clients.

7. Identify Strengths & Key Development Needs

A 360° assessment is unavoidable in order to achieve a complete assessment of oneself

It is difficult enough for people to change. But the real barrier is actually knowing what to change and how.

A 360° assessment is a vital ingredient in informing an individual where their strengths lie and what their key development needs are. The problem is there are a plethora of such assessment tools that just don't do the job effectively and often the process is so poor that there is no effective follow-up.

It is critical that the assessment measures behaviours not skills, that it promotes honesty and therefore is confidential to the individual (it does not go in the Human Resources file!) and that the inputs (apart from the line manager) are anonymous. Most important of all is that there is an effective implementation process to enable the individual to work on developing the key behavioural changes identified.[19] Having said that, candidates should be encouraged to share the findings and in particular they must be willing to discuss with their raters the one or two key development areas they have chosen to focus on to get their input on how to improve and then regularly check how they are doing.

Ideally it will measure the importance of each leadership style in that person's role and their levels of competency in those styles.

In essence the assessment report should be considered by the candidate as their personal development plan.

Many leaders unfortunately resist such an assessment – usually out of fear of what the findings will be. Overcoming that barrier is essential to leadership excellence.

Elizabeth is the Chair of the Board of Trustees of a large charity. She had serious problems with the CEO who had been in post for 15 years and was unwilling to change as the world was changing around them. The LEIPA™ 360° assessment helped her to realise that she needed to improve her empathy and conflict management and her emotional self-control. On the other hand she scored highly in areas of optimism, conscientiousness, trustworthiness, and transparency and as a change catalyst. The assessment identified that visionary leadership was the most important style in her role and also the one she was most competent in. The second most important style was 'Coaching' which was also measured the lowest in competence.

The whole experience both enabled her to identify where she could improve but perhaps more importantly gave her confidence that some of the things she held dear she was doing very well. Her decision was to focus on improving her empathy which, working with her coach, was achieved. This enabled her to better understand the CEO. The final outcome was not the one she had hoped for but it was the right one. She realised through her increased empathy that the CEO was not going to change and managed to negotiate a solution whereby the CEO was able to move into a national post where she had appropriate expertise. A new CEO was then appointed from amongst the Directors with the general support of the entire Board.

Building on Key Strengths – Develop New Behaviours and Habits

This is the toughest and most valuable part

The journey to this point has been primarily one of self-awareness and understanding what needs to be done to become a competent leader. A lot of information has been received and hopefully some useful tips picked up.

Discovering your key strengths will also have identified the key behaviours that need to be developed to make a real difference. The next step is to practice these new behaviours until they are embedded and become habits.

The theory of a number of leadership experts that leaders should just focus on building their strengths and find other people to do what they are not good at, can be seen as an excuse not to be bothered to develop yourself. It sends the wrong signals to everyone around you – identify something difficult to do and give up. Of course there will always be certain behavioural areas that an individual cannot totally master – but some improvement can have a huge impact on overall performance and allow a person to operate effectively in circumstances where they would otherwise be inept. If people see the leader genuinely trying to improve it will have a huge positive impact on the attitude towards development of their followers. One example is that most of us find 'conflict management' really hard. Addressing a conflict with someone else in a non-emotional way is something very few of us can do naturally. But putting in the effort to learn how to do this can make a huge difference to how you are seen by others and helps command their genuine respect. By all means build a team around a leader whose members have diverse key strengths, but don't use it as a crutch.

Building on key strengths, involves looking for those granular behaviours that can help. For example, you might be a pretty good communicator but do you communicate complex ideas in a way that can be understood?

Developing new behaviours to overcome perceived weaknesses is even more important. This is the hardest part and it requires time, practice in a safe environment and determination until the brain's neural wiring has formed new circuits and become hard wired – it becomes a new habit. Doing this totally alone is quite difficult and is actually one of the key reasons why support from an experienced and qualified executive coach can be so powerful. Coaching, however, is not the only intervention that can be used. Action learning sets (peer groups learning to solve issues together in a confidential environment), group facilitation, regular feedback, work-place practice, self-reflection and even meditation are other useful methods to promote behavioural change.

In summary, it is possible to learn new behaviours and absolutely necessary in order to become an excellent leader – but it is done most effectively with the help of others including your boss, your peers, your followers, and preferably an external expert to provide support and guidance. It is no surprise therefore that an on-going development programme with regular peer group sessions plus appropriate one-to-one coaching is probably the best overall format for leadership development.

Once those key behavioural competencies that were identified to improve your leadership have been developed further you will have the awareness, self confidence and emotional awareness and intelligence to embark on the advanced phase of your leadership journey towards excellence in 'Transpersonal Leadership'.

Gillian Lees
Enterprise governance specialist, CIMA

What makes a great finance leader?

There was a time when the job of the Finance Director or Chief Financial Officer (CFO) was very clear. Take care of the money and make sure all the bills are paid on time. This basically required someone armed with strong technical accounting and financial skills, who had the honesty and integrity not to fiddle the books. This is probably a rather exaggerated caricature – it's fair to say that there have always been finance leaders who have sought to go beyond this by engaging in the business more proactively, supporting strategic decision making and acting as a business partner to the chief executive. But this more expanded role is now becoming more common and places additional demands on the finance leader.

A long-standing and distinguishing feature of the accountancy profession is its acceptance of its responsibility to take account of the public interest. CIMA members, in common with other finance professionals, are bound by a 'Code of Ethics' so integrity, independence and objectivity have always been at the heart of professional practice. So, in some respects, the finance leader already demonstrates some of the hallmarks of the 'Radical Ethically Aware Leader'. Some even go so far as to say that the CFO acts as the conscience of the business – as one CEO has said, *"The critical responsibility of the CFO is the protection of my company's public interest."*

But as John Knights points out, the essence of leadership is change. Development of great leaders is not a simple linear experience – it is iterative, circular and holistic. So we need to factor in the changing role of the finance function and ask what this means for the leadership competences required – as well as how they interact with the 'traditional' ethical strengths. This is an area that CIMA has been researching intensively through its work on finance transformation.

In essence, there is now widespread acceptance that, while technical and accounting skills still have their importance and place, finance leaders must also have a strong commercial and strategic orientation. They must be effective business partners. At CIMA, we like to describe the CFO as the navigator at the side of the CEO, the captain of the enterprise. These navigators support business leaders with information and analysis about the organisation's position and course. They contribute to strategic decision making and risk/performance management. They have professional objectivity and are prepared to challenge constructively when necessary to ensure the business is managed in the long term interests of all stakeholders. They must be able to present information that the rest of the organisation can grasp and respond to. The global economic crisis has hastened this shift to business partnering by focusing attention on the need for companies to bring more professionals who understand risk and finance into high-level strategic conversations.

In view of this broad perspective, it's no surprise that many finance professionals move into more general management roles – and, not unusually, into the CEO slot itself. We're well aware at CIMA that our major task is to qualify the 'financially-qualified business leaders' who will contribute to successful organisations across all sectors and geographies – and, most importantly, in the public interest. It's a big ask. We know that if finance leaders are to make effective business partners, they need to develop the so-called 'soft' skills. In that respect, finance professionals are no different than any others – they still have the leadership journey to make. But it's worth looking at some of the particular issues and challenges they face.

It's the word 'partner' that gives the game away – finance leaders need to be adept at managing relationships effectively. They have to demonstrate empathy so that they can understand the needs of their colleagues effectively, respect the other person's expertise and help them make decisions. They have to be good at communicating complexity in a way that does not insult others' intelligence. We often talk about how the CFO is the information owner – but we also need to acknowledge that this has a shadow side which calls for high emotional intelligence and self-awareness. The CFO needs to resist the 'knowledge is power' temptation, to put the ego aside to share knowledge and information for the common good. We need finance leaders to be good communicators, but they also need to want to communicate!

Another demand is to be able to influence and challenge constructively – as one participant said at a recent CIMA roundtable 'how do you say no the right way?' So we should not underestimate the courage that may be required, for example to stand up to the chief executive and maybe an entire executive team who all want to pursue a particular course of action. So, as one recruitment consultant has related from his conversations with CEOs and CFOs:

> *"A top-notch CFO embodies the skill of conflict management. To be an effective CFO, you must possess high emotional intelligence to manage conflicts."*

There is no doubt therefore that new softer skills are required for finance leaders to be effective business partners, but there is an added challenge. How do you become an effective business partner without losing the finance function's traditional virtues of independence and objectivity which have always served to safeguard the wider interests of the business? As Dominic Moorhead, president european operations, Caris Life Sciences explained so eloquently in CIMA's *'From Ledgers to Leadership'*:

> *"Integrity, independence and objectivity are not negotiable for the finance professional and are the cornerstone of all finance roles. However the business partnering role puts these values under stress, which is why such roles require maturity, strength of character and skill in dealing with business partners. We liken this to 'walking the tightrope' with the business pulling on one side and finance pulling on the other."*[20]

Or, similarly, as Mark Lubienski, vice president of finance EMEA Ariba, Inc. puts it:

> *"The best CFOs will successfully strike a balance between having a robust strategic relationship with their business that is based on hard-earned trust and respect, while maintaining the objectivity, independence and fiduciary stewardship required of them by the stakeholders of the business."*

That might appear quite straightforward on paper, but it is vital not to underestimate the specific, very tough, personal demands made on finance professionals as they seek to develop their leadership skills and competences. But equally, they can't do it alone. CIMA's roundtables with senior finance leaders have consistently highlighted the importance of an ethical and supportive organisational culture in unleashing the full potential of the finance business partner while acknowledging the value of finance's independence and objectivity. In other words, finance leaders also need great leaders to truly flourish.

Dianne Dillon-Ridgley
Acting executive director, WNSF (the Women's Network for a Sustainable Future)

Climbing Mount Sustainability – a tribute to Ray Anderson

While it is still painful and hard to accept that Ray Anderson, founder, chairman and former CEO of Interface Inc. passed away on 8 August 2011; it is with deep gratitude that I write of his leadership, vision and impact. In his last two decades, Ray did so much to make sustainability come alive and gain traction within the business world, then the larger global community.

Until I started composing my first tribute to Ray I had not realized just how many 'overlaps' we shared. In addition to being on the Interface board together for over 15 years, Ray and I served on the Second Nature board, the Natural Step-US and the P-CAP (Presidential Climate Action Project). We were on the US delegation during one year's CSD (Commission on Sustainable Development) at the UN, also for UNGASS in 1997. We were at Tallberg in Sweden in 2009 for Tomorrow's Company and numerous times at GLOBE in Vancouver. Of course it all started with the PCSD (President's Council on Sustainable Development) under President Clinton. There are too many other events and conferences to recall them all from Neo-Con each year in Chicago to the USGBC's annual "GREENBUILD", to IQLA (the International Quality of Life Award – for which he was the 2007 laureate) at the UN; from CHEP to the Upper Chattahoochee River Keepers or my delight in 2010 when Ray became the first man to receive the WNSF 'Businesswoman' of the Year award – that's right WOMAN!

He really changed my life, which is exactly what he said he intended to do when he asked me to join the Interface board in 1997. When Ray was the keynote speaker for the National Council on Science and the Environment in 2003, he said we have to shake up the status quo on education. Ray always knew when it was time to shake things up!

For those not familiar with his vision or writings, Ray's first catalyst on his sustainability path came from reading Paul Hawken's, *'The Ecology of Commerce'* which he described as a *"spear in the chest experience".* That was 1994. Ray shocked the business establishment when he said, *"I was convicted as a plunderer of the Earth"*. Interface is globally the largest producer of commercial carpet tiles and the problem, as Ray saw it, was that carpet production was highly destructive to the environment. He set a new course for the company – first through a 'dream team' of thought LEADERS and DOERS from around the world – to not only be a corporation that does no harm, but to actually be RESTORATIVE by 2020. At Interface this journey has become known as 'climbing Mount Sustainability' in quest of 'Mission ZERO'. Ray said, *"If we're successful, we'll spend the rest of our days harvesting yester-year's carpets and other petrochemically derived products, and recycling them into new materials; and converting sunlight into energy; with zero scrap going to the landfill and zero emissions into the ecosystem. And we'll be doing well… very well… by doing good. That's the vision."*

Ray understood both the *opportunity* and *responsibility* of his personal leadership and that of Interface as example and beacon. A fiercely competitive engineer by education, no one was more analytical or inquisitive. If there was a good or intriguing idea out there, he would call up the author and engage. He was so certain of the RIGHTNESS of this path, but without personal ego or arrogance, he was ever willing to bring in others to learn and share. Ray's vision continues to inspire and galvanize everyone in the company around a higher purpose, a nobler purpose.

I truly miss Ray – there are still days when I have to catch myself… so it helped me when just after daybreak I flew over the Grand Tetons in Wyoming… of course, Ray is now a mountain himself; his spirit and presence are eternal, ancient, majestic, imposing and of a breath-taking beauty. By thinking of him in this way it has helped me to move past the sorrow of losing such a great leader and dear friend to being even more vigilant and committed to welcome each day, each new tomorrow, embracing the future – to make it better for all life's systems. It's exactly what Ray would insist we do, nothing less than 'to change the world'!

Part 3: ‘Radical Ethically Authentic Leadership’

The nine steps to ‘Transpersonal Leadership’

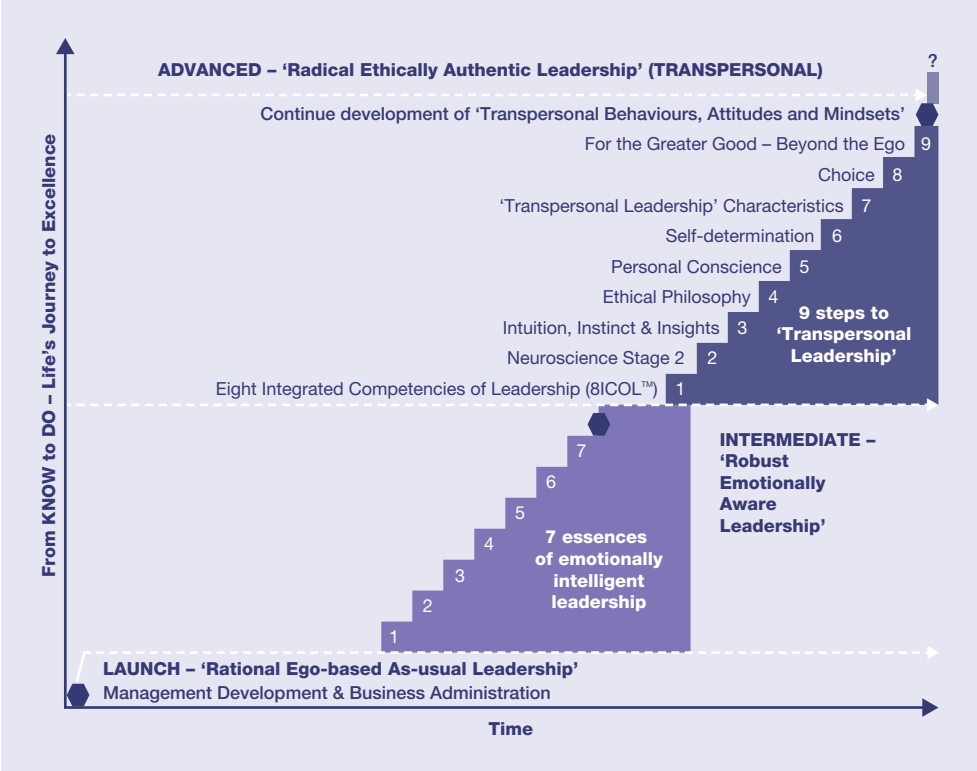
The journey from 'Robust Emotionally Aware Leadership' to 'Radical Ethically Authentic Leadership' involves 'the nine steps to Transpersonal Leadership':

1. **The Eight Integrated Competencies of Leadership (8ICOL™)**: a complete set of the competencies and characteristics needed to become an excellent leader
2. **Neuroscience Stage 2**: bringing recent neuroscientific knowledge into the areas of leadership development
3. **Intuition, Instinct and Insights**: understanding the 3Is is critical to the development of leadership
4. **Ethical Philosophy**: making sense of the three key ethical drivers which steer our own decision making
5. **Personal Conscience**: who I am – uncovered
6. **Self-determination**: this is all about movement and direction. How do I release myself to get to where I want to be?
7. **'Transpersonal Leadership' Characteristics**: while these characteristics are impacted by their context they are altogether more holistic in nature
8. **For the Greater Good – Beyond the Ego**: once the fundamental choice is made it is a question of making decisions that benefit all stakeholders in the right priority
9. **Choice**: maybe unique to the human species, we have the ultimate power to choose between right and wrong

through to:

Continue development of 'Transpersonal Behaviours, Attitudes and Mindsets' – continually improving leadership skills – Behaviours, Attitudes and Mindsets (BAM) – is a life's work.

'REAL Transpersonal Leadership' Development – Journey to Excellence



© LeaderShape 2010

Richard Emerton
Senior client partner in Korn/Ferry Whitehead Mann, London
and managing partner, board & CEO services practice for Europe,
Middle East and Africa (EMEA)

Moving to the next level of leadership

Korn/Ferry is the world's leading talent advisory firm. We spend a great deal of time with chief executives, chairmen, non-executive directors and executive teams, working with them both in recruitment and leadership development. We therefore have a clear view, distilled from many years of direct experience and scientific research, as to what makes a good leader and what makes for effective leadership development.

When I read John Knights' work, I was immediately struck by the fit between his and our own view of leadership. Whilst much of what John discusses is not necessarily new, what he has done so well is pull together numerous strands of thinking into a holistic and integrated framework that shows how various leadership qualities are connected and can be viewed as a series of steps in a development journey.

We would observe that organisations commonly develop their leaders to what John describes as the intermediate level – 'Robust Emotionally Aware Leadership'. Few, however, have the necessary programmes to develop leaders beyond this level. This is not because they don't understand the importance of, for example, self-awareness or what an understanding of what neuroscience can offer – but because they have yet to find a framework that binds together all the building blocks in a coherent and structured way. Such a framework is what this publication describes.

In creating this framework John provides a roadmap for organisations to design the programmes that will help leaders grow to the next level – 'Radical Ethically Authentic Leadership', or what John defines as 'Transpersonal Leadership'. The framework is particularly exciting and relevant to Korn/Ferry's Global Coaching Network and our senior development programmes, Executive to Leader programmes and Chief Executive Institute, described opposite.

One of the key challenges for any executive on a journey of personal development is to sustain their new behaviours and ways of thinking once they are back buried deep in the day to day reality of their organisation. There is always a risk that they will be so battered by the existing culture with its embedded agendas, structures, politics, egos etc., that their newly developed leadership skills and qualities may be beaten out of them. We believe that John's framework can provide a genuinely sustainable transformation in beliefs and leadership style such that executives will be better able to resist these pressures to re-conform.

In 2007, Korn/Ferry acquired LeaderSource, which was founded in 1977 to create an integrated approach to transforming leaders, teams and organisations. Korn/Ferry now offers programmes for executives, leadership teams, and organisations, including executive coaching, team effectiveness, leadership development and executive transition.

One-on-one coaching expands and sharpens the leadership talent of executives and managers. Korn/Ferry Leadership and Talent Consulting uses a unique interdisciplinary approach to address personal, interpersonal, and organisational areas of mastery. Korn/Ferry Leadership and Talent Consulting's Global Coaching Network consists of 300+ Leadership and Talent behavioural experts and coaches.

- *Executive to Leader Institute*® is an intensive, in-residence programme for successful and emerging executives
- *Chief Executive Institute*℠ addresses the unique challenges of top leaders, including CEOs, CEO successors, and Board Chairs
- *Korn/Ferry® One-to-One Coaching* programmes are structured to meet unique needs.

For example, for Novartis, Korn/Ferry International created LeaderSuccession℠, a customised programme of individual assessment and feedback, group learning, and executive coaching, that accelerates an organisation's ability to identify, assess, and develop its high-potential leadership talent. The programme combines Korn/Ferry's expertise in talent assessment and executive coaching with three concepts that are critical to the development of leaders: Inside-Out, Outside-In awareness; trust-based influence; and authentic contribution.

Step 1: The Eight Integrated Competencies of Leadership (8ICOL™)

A complete set of the competencies and characteristics needed to become an excellent leader

While Emotional Intelligence has proven to be a powerful and important science in the improvement of leadership development and is an underpinning to the overall approach, it has been realised that EI alone is only one step, albeit a critically important one.

LeaderShape has proven empirically, from the implementation of their successful leadership programmes and the exceptionally well received LEIPA™ assessment tool that an EI approach when well implemented can lead to improved behaviours and leadership competence. However, it does not directly address the value-based, transpersonal and spiritual aspects of leadership which are critical in order to attain leadership excellence.

Considerable investigation into information currently available on cognitive, emotional, intuitive and spiritual concepts and competencies, together with reference to recent research in neuroscience has led to the development of eight broad integral competencies which are seen to encompass the full requirements of leadership excellence.[21]

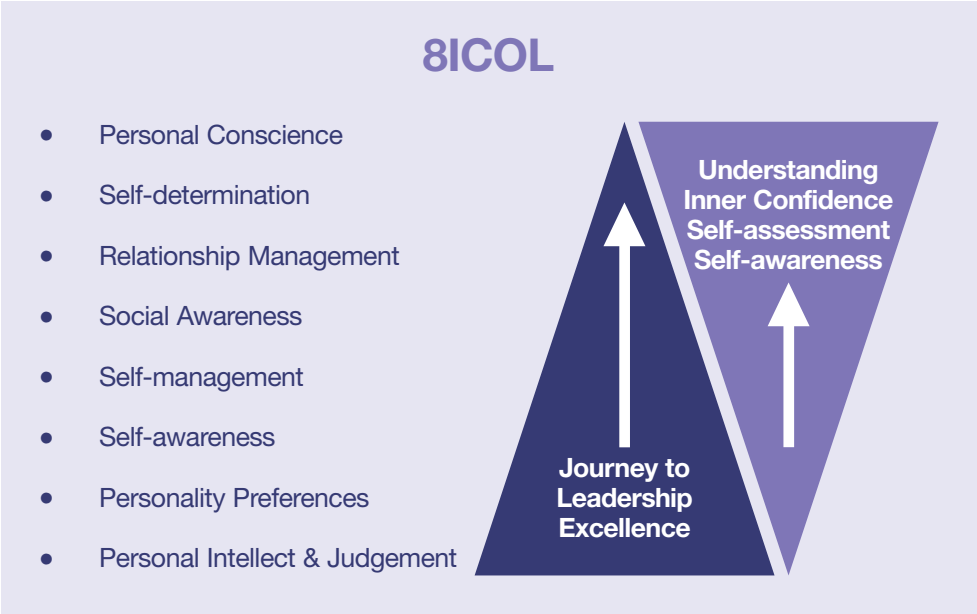
The 8ICOL™ model has been developed to provide a complete competency framework that supports the transpersonal journey towards leadership excellence. 8ICOL™ can be used to assess progress along the journey and to identify strengths and development needs. It is a model that integrates 'Rational Intelligence' (IQ), 'Emotional Intelligence' (EI) and 'Spiritual Intelligence' (SI) together with 'Personal Preferences' (PP). The model contains eight prime competencies, made up of 76 sub-competencies which in turn are made up of 316 statements to define leadership excellence:

1. Personal Intellect & Judgement
2. Personal Preferences
3. Self-awareness
4. Self-management
5. Social Awareness
6. Relationship Management
7. Self-determination, and
8. Personal Conscience.

The first six are largely well established as primarily IQ and EI competencies which form an important part of a leader's development. The last two, and which are the highest order, are the transpersonal (beyond the ego) competencies of 'Personal Conscience' and 'Self-determination'.

- 'Personal Conscience' includes meaning, beliefs, morals, ethical behaviour, values and principles. It is about 'who I really am'
- 'Self-determination' is about 'what I am going to do with who I am'. It is sub-divided into the following categories: 'Motivation', 'Purpose', 'Drive' (Intense Will), 'Power', 'Energy', 'Courage', 'Resilience', 'Aspirations' and 'Continuing Professional Development' (CPD).

A leader must also further develop other so-called 'sub-competencies' within each of the 'Integral Competencies' of 'Self-awareness' (e.g. 'Transpersonal Self-awareness'), 'Self-management' (e.g. 'Vulnerability') and 'Relationship Management' (e.g. 'Transpersonal Relationship Mastery') to a new 'transpersonal' level of mastery. Within the 'Integral Competency' of 'Social Awareness' – 'Compassion' and 'Universal Awareness' need to be developed.



© LeaderShape 2010

© LeaderShape 2010

Step 2: Neuroscience Stage 2

Bringing recent neuroscientific knowledge into the areas of leadership development

What can we learn from how the brain works to help us understand how to improve personal performance and leadership?

The essence of leadership is CHANGE. Some people are content to accept the latest psychological theories and research on behaviour whereas others will be given comfort that neuroscience actually supports those theories and gives them even greater credence. In turn this may provide leaders with greater insights into why they need to change their behaviour.

The human brain has developed genetically at a much slower pace than society – it is no different than that of Stone Age man. This provides a deep behavioural conflict. Genetically, how the brain works is all about the inter-relationships between energy, memory and neural wiring which defaults the brain to resist change while at the same time wanting to be creative. There are three kinds of neural connections; 'Serial connections' (like a row of christmas tree lights) provide our IQ, instinct and learned habits; 'Associative connections' where bundles of brain cells connect with each other creating new intra-serial wiring – this provides for our emotional intelligence and conceptual thinking, and 'Synchronous neural oscillations' where wave motions form in all the parts of a brain that relate to a particular event providing unitive and holistic thinking which ranges from the relative simplicity of understanding the totality of a coffee mug up to the high order of things such as the meaning of life.

However, the brain also resists being told what to do (it takes so much of the brain's energy) and therefore any change is most effectively implemented by the individual having an insight and thus developing their own solution. The insight also uses up a lot of energy but it simultaneously releases adrenaline like chemicals that sustain the energy. Continued focus and attention keeps neural circuits open and stabilises the new neural connections (created by insights) thus becoming memorable and a new habit.[22] This is how behavioural change occurs. The conclusions for enabling improved personal performance and leadership are:

- leaders must support individuals and provide them with the right environment to reach their own solutions through insights
- leaders telling people what to do does not provide sustainable effective change
- to learn new behaviours, leaders must provide the opportunity and environment for their people to focus on and spend time learning new behaviours in order to sustain change
- as the essence of leadership is change, it is equally important that the leader uses this approach for personal change as well as for enabling the change of their followers
- coaching, group facilitation, reflection, action learning, action science and experiential learning, as well as contemplation and meditation are all excellent techniques to support people in finding their own solutions, embedding change into habits and sustaining new behaviour
- happy people have more insights especially when in a calm frame of mind. Combine this with a happy environment where people think about future possibilities rather than past performance and you have a formula more likely to lead to sustained change.[23]

A final conclusion of all this is that leaders should engage their people in the development of vision at the conceptual stage (rather then just communicate what it is) in order to effectively implement sustainable visionary change.

Step 3: Intuition, Instinct and Insights (3Is)

Understanding the 3Is is critical to the development of leadership

This is another lesson in understanding how our brains work and how we use it for maximum effect. First of all it is necessary to understand the 3Is which are often confused with each other and misunderstood.

'Intuition' is a non-conscious process that is judgemental, rapid and involuntary. It is a decision making tool that is based on experience but also liable to being affected by emotions, bias and prejudice. Learning to intuit (the verb – from the Latin 'intueri' meaning 'to look inside' or 'contemplate') effectively without bias of any kind is a rare skill that can be learned over time. LeaderShape has undertaken extensive research on intuition, with Surrey University headed by professor Eugene Sadler-Smith who is a leader in the field.[24] In the modern world most leaders tend to base decision making on rational analysis primarily because the education system has trained us to think in this way and also because we can more easily justify, analyse and reference a decision. There are natural intuitive decision makers but their problem is often that the process is not managed or understood and therefore prejudice, bias or emotions may control the outcome.

In essence where there are sufficient facts and time, rational analysis is effective but where there is a shortage of data and quick decisions are required or problems are too complex to decipher logically, intuition has a very valuable role to play in decision making. Decisions around emotions, ethics and values are too complex for rational analysis and so intuition becomes a vital ingredient. The study and mastery of intuition is an important tool to assist in the transition from 'Robust Emotionally Aware Leadership' to 'Radical Ethically Authentic Leadership'.

'Instinct' on the other hand is something we are born with. It is part of our genetic make-up. Unlike intuition, it is something we do sub-consciously rather than non-consciously. In other words intuition is based on what we have learned in our life whereas instinct is something learned by our ancient forefathers. Instinct is equally liable to be biased and incorrect (a simple example is the natural fear of snakes – whether they are poisonous or not). More importantly for the role of the leader is that the human brain instinctively tends to amplify the negative – keep doing the same, prepare for the worst and exhibit powerful emotions. While these traits are highly suitable for life threatening situations they are often counter-productive in today's society where crisis is the exception, not the norm. We have mentioned that the fundamental instinct of leadership – 'to know everything and tell people what to do' – is ineffective in most situations except in emergencies. Yet most people will follow that instinct especially when stressed, until and unless their neurons have been rewired.

'Insight' is something else again. It is a reaction to being confronted with new information that provides a different perspective or perception than the one you had before. It is an 'aha' moment when the neural cells start to reconfigure. Unlike being told what to do an insight is an unconscious voluntary act which enables the brain to overcome its desire to limit the energy being used by releasing adrenaline like chemicals. However, insights are of little value unless they are acted upon, first by committing to do something about them and then following a plan of action. If the insight is about changing a behaviour then it will require practice until it is embedded.

During your journey you will have many exciting insights, you will have to overcome certain instincts, and you will need to learn the power of unbiased intuition.

Step 4: Ethical Philosophy

Making sense of the three key ethical drivers which steer our own decision making

Ethical philosophy plays a major role in the development of the 'Transpersonal Leader'. Most modern philosophy keeps human passion at bay while focusing on logic and reason. If morality is derived from ethical principles why do judgements come instantaneously (even if we feel them we then have to justify them logically)? Frans de Waal, one of the world's most famous primatologists, believes that philosophy being based solely on logic and reason is pure fiction.[25] We don't know for sure whether 'Ethical Philosophy' comes from those instincts, intuition or insights as discussed in Step 3 – but they may well play a part.

First of all, we need to understand the difference between ethics and morals. Unfortunately, there are many varying definitions but to understand the subject we need some clarity. LeaderShape define 'ethics' as something very personal – ethical behaviour is about acting in a way that is consistent with one's own values regardless of the context. Morals are the specific rules of conduct of a particular group or society and are based on conviction rather than evidence. They may differ from one group to another and may or may not be ethical. For example, the view of capital punishment varies from one country to another, within a country and over time. Whether this is an appropriate punishment for murder is an ethical issue but resolved depending on the morals of a particular society.

Roger Steare, in his book *'Ethicability'*, takes a very interesting approach to philosophy and how it can be used practically by the organisational leader. Even though he does not clearly define his difference between morals and ethics he defines three dominant philosophies as 'Principled Conscience', 'Social Conscience' and 'Rule Compliance'.[26]

'Principled Conscience' is about 'ethical behaviour' – inner integrity and acting virtuously. 'Social Conscience' is about deciding what is good or bad by the consequence of our actions on others. 'Rule Compliance' is simply that – obey the law, follow the rules. Steare's research shows that about one third of people completing a questionnaire opt for each of the three philosophies as their prime driver. He argues that 'Principled Conscience' is the philosophy of the highest order and makes us 'moral grown-ups'. The danger of being ruled by a 'Social Conscience' is that it may be used at its worst to justify the means and act against minorities, or simply be directed to the pursuit of happiness and conflict evasion, rather than what is right. 'Rule Compliance' tends to make us lazy about taking responsibility for our own actions and in specific circumstances can be used in an unprincipled way.

Bearing all this in mind, it is very powerful to learn to understand what our own current dominant philosophy is because it is the fundamental basis of how we make decisions. When you read a contract do you focus on the intent, the 'letter of the law' or on how its implementation will affect other people? We then need to discover why and work out how we might change it – if we wish to. Most leaders would consider themselves people of principle and most would generally follow the rules (although I accept there are many infamous examples of the opposite). The one area where we find the biggest gap is the area of 'Social Conscience' – this is not a reference to corporate social responsibility (CSR) or the social issues around company strategy but about how leaders deal with individuals. It brings us back to 'Empathy', that often missing ingredient in emotional intelligence and shows how EI is so connected to a leader being able to demonstrate (not just thinking) ethical behaviour. Any leader will be much better able to make sound decisions once they have worked out their own ethical philosophy and have embedded the behaviours that allow them to communicate it effectively.

Philip Sadler
Senior fellow, Tomorrow's Company

Leadership – myth and reality

John Knights presents a powerful challenge to much of the conventional wisdom about leadership. In particular he challenges the myth that leadership is essentially something to do with the innate qualities of individuals and that leaders are charismatic, Moses-like figures who, from the tops of hierarchical organisations, lead everyone else to the promised land of world class performance. The illusion of the great leader reinforces the idea that things are only achieved as a result of the actions of outstandingly able individuals. We give credit to these individuals and reward them disproportionately for results that have in fact been produced by teamwork and leadership at various levels. We also become over-dependent on sponsorship from the top as a means of winning support for our initiatives. The danger for the people at the top, of course, is that they begin to believe their own press cuttings. Warren Bennis argues that *"our contemporary views of leadership are entwined with notions of heroism, so much so that the distinction between 'leader' and 'hero' often becomes blurred."*[27]

Collins and Porras in their major research project *'Built to Last'*, which looked at the factors associated with long term sustained business success, concluded that: *"a high profile, charismatic style is absolutely not required to successfully shape a visionary company."* They cite William McKnight who served 3M successively as general manager (15 years) CEO (20 years) and chairman (17 years) – a soft spoken, gentleman; humble, modest and unobtrusive.[28] Collins led another research project in which the starting point was a search for companies that were truly transformed from being average performers into outstanding ones.[29] This research led to the identification of a number of drivers of lasting transformation of performance. Among these, what Collins calls 'level 5 leadership' was critical to success. Level 5 leaders are characterised by a seemingly paradoxical combination of humility and shyness on the one hand (Ying) and wilfulness and fearlessness on the other (Yang). Among the 'Ying' characteristics are shunning publicity, acting with quiet, calm determination, ambitious for the company rather than self, accepting full responsibility for failures, giving credit to others for success and developing successors. The 'Yang' qualities include unwavering resolve regardless of difficulties, and unwillingness to settle for anything but the best.

The 5+1 Model of Leadership and Relationships

John Knights argues that ego based leadership is motivated by a desire for power, prestige and personal reward. 'Transpersonal Leadership' on the other hand is motivated by a desire to serve fairly all the stakeholders of the organisation – customers, employees, suppliers, shareholders and the community. This reflects Tomorrow's Company's model of inclusive leadership which is encapsulated in the phrase 'Five plus One'. 'Five' refers to the key relationships – with employees, customers, investors, suppliers and the community – and 'One' refers to the central role of leadership in providing a vision and a style of leadership which empowers people in the various stakeholder groups and enables them to focus on how to achieve, and share in, sustainable success.

'Transpersonal Leadership' also resonates with the concept of 'stewardship' advocated by Tomorrow's Company, which means that leaders weigh not only their own needs and desires and those of stakeholders but also those of future generations. They husband the resources, natural, financial and societal, that have been entrusted to them and are conscious of their own legacy. They understand the concept of the 'triple context', knowing that enduring success will rely on understanding and responding to the links between the economic, social and environmental sub-systems on which we all depend, and the opportunities this brings. It is this deep understanding of the nature of the interdependence which exists between an organisation and its dynamic environment which provides the basis for the ability of leaders to contribute to the development of an inspiring yet achievable vision of the organisation's future.

Step 5: Personal Conscience

Who I am – uncovered

By this stage in the journey sufficient new behaviours should have been embedded and enough new tools learnt to start asking the really difficult question of 'who am I?' To be a great leader involves being able to answer this question to a reasonable degree but, equally importantly, to humbly accept this is something that may never be completely answered and acknowledge a degree of vulnerability as a result of that.

For most of us, this is not only a really difficult area to get to grips with but something that leaders are unlikely to focus on in their busy lives. As described earlier, 'Personal Conscience' includes understanding the meaning and purpose of our life and our beliefs, acting ethically – which may or may not be the accepted morality of the day! – and following values and principles we hold dear.

What is the meaning of your life? Can you state this in any meaningful way? Probably not! How about these as examples?:

- my purpose is to make as much money for myself and family as possible
- my purpose is to make the organisation as effective and profitable as possible in a sustainable way
- my purpose is to secure the well-being of future generations
- my purpose is to protect the universe
- all things are sacred and should be protected.

And what are your beliefs? Do you believe:

- if I become rich I will get the most out of life and through it contribute to society?
- in the responsibility of every individual to future generations?
- to do good is reward in its own right?
- one has a responsibility to do one's best and put others first?
- there is a higher power (either externally or within oneself) that should be served?

Working this out provides a foundation on which to decide the most important values and the principles we must adhere to.

LeaderShape have developed the following list of values (some prefer the word 'virtue') for the excellent leader based on their own research, literature and surveys:

- Fairness*
- Trustworthiness*
- Conscientiousness
- Humility
- Patience
- Truth & Honesty*
- Excellence
- Integrity
- Forgiveness
- Altruistic Love.

Note * These are usually included in lists of surveys where employees are asked for the key characteristics they look for in leaders.

How do these work for you?

The key Ethical Principles for a leader to follow are:

- Value-led Vision*
- Positive Use of Adversity*
- Holistic Approach*
- Engagement with Diversity*
- Thought Independence*
- Asks Fundamental Questions*
- Objective Reframing*
- Spontaneity*
- Reflection
- Sense of Vocation
- Enjoyment
- Respect for & Appreciation of Others.

* To show how close we really are to nature, the principles with an asterisk are equivalent to the characteristics of a Complex Adaptive System (CAS). Simply put a Complex Adaptive System is diverse and made up of multiple interconnected elements and has the capacity to change and learn from experience. Examples are the stock market, an ant colony, the brain, the immune system. The other principles are beyond CAS and can only be described as 'human' characteristics.

The process of addressing these issues of meaning, beliefs, values and principle forces the leader to bring personal conscience to a level of full consciousness and to ask the big question: 'Am I true to my values and principles… all the time?' If we hold these in our conscious minds and reflect on them every time we make a decision we can be confident we are moving further along the journey to leadership excellence.

Anant G. Nadkarni
Vice president – Group Corporate Sustainability, Tata Group

Leadership in Tata

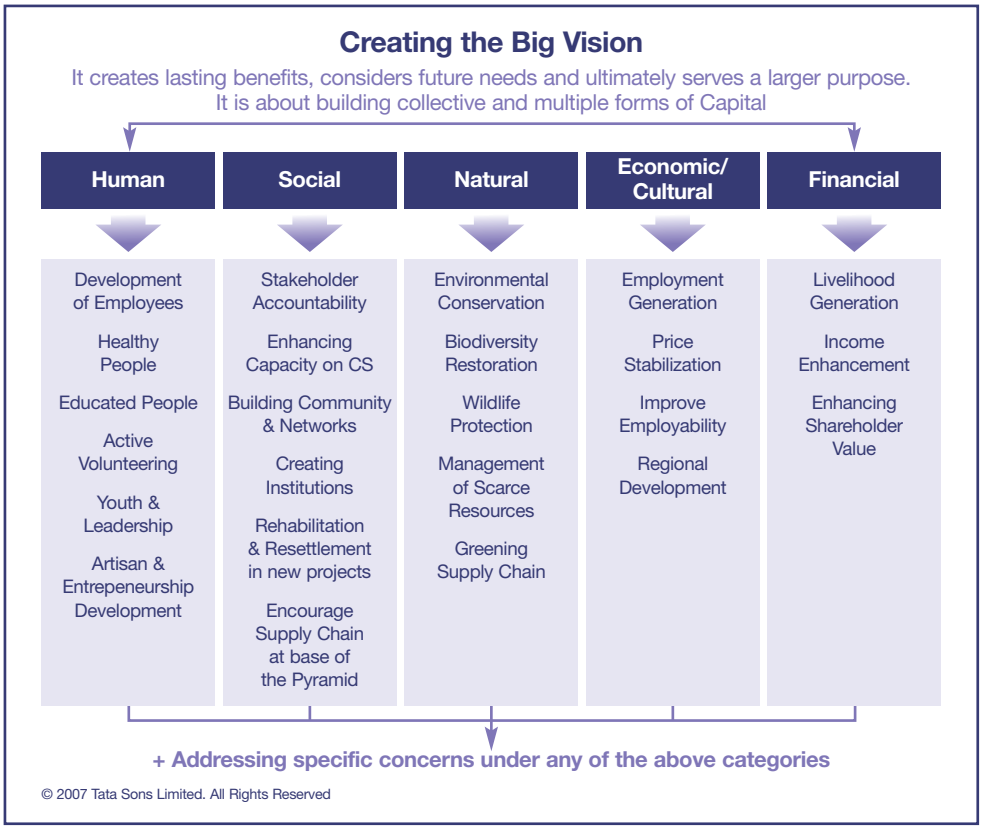
Living and sharing the human touch every moment every day

Since 1868, the companies that form the Tata Group have been known for their outstanding work in economic, social and environmental development around their facilities, regions and for contributing towards India's progress.

The Tata Council for Community Initiatives (TCCI) comprising of CEO's of all major Tata companies oversees Corporate Sustainability with Mr Kishor A Chaukar as its chairman. The Tata Council meets annually with over sixty facilitators where day-to-day activities and projects are discussed, concerns redressed and more generic meanings are found for cross-learning and building Group level direction and perspectives.

Over the past few years, the Council has undertaken a disruptive journey recognising that the medium of business is to generate profit as a means to serve a higher purpose.Traditional forms of charity or direct service delivery have been transformed variously into approaches that fulfil the felt needs of underprivileged communities, help people to shape their own futures, and use technology in imaginative forms so as to improve the state of human well-being and the environment. Tata companies have moved towards the challenge of understanding 'Sustainable Value'. Value cannot be created. It can and must be co-created. An enterprise develops on the consensus of people providing a license to operate as much as it is a co-creation of stakeholders who have a more direct role in it. There is an increasing realisation that we need to aspire for and achieve different forms of value – human, social, cultural, natural, economic and financial.

A framework has been created to capture these various forms of capital as shown below. There is a focus on understanding the impact beyond outcomes; going beyond the one percent of left over profits to engaging people and communities in different functions of businesses. Tata companies have traditionally gone beyond mere tacit engagement into building enduring relationships with communities with a sense of equity and inclusion when none of this was known in those times.



"In a free enterprise the community is not just another stakeholder in our business, but is in fact the very purpose of the existence of our enterprises." Jamsetji Tata, founder, Tata Group

"The wealth gathered by Jamsetji Tata and his sons in half a century of industrial pioneering formed but a minute fraction of the amount by which they enriched the nation. The whole of that wealth is held in trust for the people and used exclusively for their benefit. The cycle is thus complete; what came from the people has gone back to the people many times over!" J.R.D. Tata, former chairman, Tata Group

"We at Tata Chemicals, encourage leaders to think like trustees of different stakeholders while taking decisions. This leads to leadership behaviour that builds sustainability." B. Sudhakar, chief human resources officer, Tata Chemicals Limited

"Tataness cannot be taught. It can be learnt or imbibed organically by observation of examples set by the leader and by practice."
Mr R. Gopalakrishnan, director, Tata Sons

"Leadership must necessarily get wholehearted acceptance for itself, for its programmes and for its workers from the society where it wishes to implement these programmes. A prerequisite for achieving this acceptance is to convince oneself and the co-workers to work 'with' the people and not 'at' them or 'for them'".
Mr Kishor Chaukar, chairman, TCCI

"I think that the message we should leave with our CEOs is that there is an integrated approach – that we want them to be profit oriented, we want them to be cost effective, we want them to be quality conscious, and we want them to be good corporate citizens."
Ratan N. Tata, chairman, Tata Sons

"Be the change you wish to see" – Mahatma Gandhi said this many years ago, but it seemed to be the masthead of our CS Leadership profile. In 2007, at the Tata CS retreat, the facilitators demanded a new form of 'Corporate Sustainability Leadership' with a band-width and elasticity that will embrace the creation of financial value as a means to create and co-create other forms of value. There was a strong recommendation for understanding leadership as an important success factor – captured in two broad categories:

- The **Tataway** which is about systems, practices, procedures, protocols and all forms of systemic footprint that are left behind by leaders
- **Tataness**, which is about a legacy of a leader's personality footprint, institutional memories which is more about temperament than about skills and expertise. It is more about dealing with a situation rather than providing solutions.

Under the umbrella of 'Being the Change', a profile emerged. Mr Sanjay Rastogi, head of corporate human resources, Trent, helped to codify it as follows:

a. Change begins with me. Whether as an individual or the corporate persona, it is a self-enquiry into 'Who I am' and the way I am perceived

b. J.R.D. Tata used to often say *"At times it involves suppressing yourself. It is painful but necessary… to be a leader you have got to lead human beings with affection."* It's important for great leaders to be first and foremost great human beings!

c. If co-creation of value is about business as a whole in an integrated form, facilitators felt that the 'business-being' and the 'human being' should be deeply integrated and responses and interactions must have a certain way of balanced behavior

d. Frugality of needs was another perspective, thereby cultivating a way of getting 'more from less'

e. While humility was also recognised as important, it was more in terms of establishing equity with all players rather than their more emotional connotation of working for or serving people. This is immensely significant when one has to address problems at the base of the pyramid and where duality has to gradually fade away

f. It was important to understand the nature of networking, persuasive and motivational leadership so that we truly demonstrate that 'none of us is as smart as all of us', and

g. Volunteering was not only seen as an important facet that spins off a virtuous cycle of goodwill and reputation, but also about taking the initiative, being pro-active and having an ingrained behaviour concerned with nurturing future leaders and talent.

All of the above is aimed at restoring faith in collective consciousness and wisdom. And so, sociability, sensitivity, intuition, creativity and perhaps spirituality all become part of the stretched bandwidth of a sustainability leader. While 'learning from doing' has been recognised by development experts for long – all development outside us should result in some development within us.

The TCCI encapsulates its CS leadership profile as – *"Living and sharing the human touch every moment every day"*. So each transaction whether it is a purchase order, appointment or promotion letters, even separation letters, MOU's, mergers and acquisitions and so on should resonate with the Tata Way. Similarly in every possible interaction, employee behaviour and conduct must resonate personal conviction in Tataness.[30]

> *"An average leader is the one who the people fear and despise. A good leader is the one who the people admire and respect. But a great leader is the one whom they admire, respect and around whom the people say "…we did it ourselves!"* Lao Tsu

Step 6: Self-determination

This is all about movement and direction. How do I release myself to get to where I want to be?

'Self-determination' is not about ego or greed but more about 'what am I going to do with my personal conscience?' 'What am I going to do about 'who I am?' It is about movement and energy and will.

LeaderShape have identified the following characteristics/capabilities of 'Self-determination':

- Purpose
- Motivation
- Drive (Intense Will)
- Power
- Energy
- Courage
- Resilience
- Aspirations
- Continuing Professional Development.

At its ultimate, 'Self-determination' is the difference between the philosopher and the leader. Both may be truly virtuous but these are the elements that make things happen. In much of the literature they are integrated with values but in actual fact they are more about how to make positive use of values and to enable the principles to be effective.

Although simple in its construct, separating aspects of personal conscience from 'Self-determination' allows us to break down complex issues and address them in a granular fashion. 'Self-determination' comes from deep inside us – and is not only used in a virtuous way. It goes beyond what we want to achieve all the way to 'why'. This is the question we must ask.

Often, 'Self-determination' can be based on superficial drivers such as wanting to please or impress others. Or it might even be as a sub-conscious revenge for something that has happened in earlier life. The truly 'Transpersonal Leader' will know 'why' and their 'Self-determination' will be in harmony with who they are.

Step 7: 'Transpersonal Leadership' Characteristics

While these characteristics are impacted by their context they are altogether more holistic in nature

In remembering that our definition of 'transpersonal' is 'thinking beyond the ego' we have chosen the following as the special key characteristics of 'Transpersonal Leadership':

- **Inspirational:** the power and actions to stimulate the values, emotions and intellect of others:

  > *"The stereotype of the inspirational leader as someone extrovert and charismatic is the exception rather than the rule. Looking at best practice across business, though some inspirational leaders certainly do fit this mould, a large number do not. Many are quiet, almost introverted."* Jonathan Farrington[31]

- **Principled:** deeply committed, demanding of themselves and with an inner self confidence. What separates them is an exceptionally strong set of values built on honesty, openness and true respect for their people
- **Trustworthy:** this requires treating people with respect, trusting others to do a good job with the minimum of interference and being trusted to keep a confidence. It is about being trusted to be ethical, to care for the people in the organisation and to do the best job you can for the company
- **Courageous:** confronts situations with the confidence to ultimately succeed without fear of the consequences to oneself while remaining ethical. Also able to apply resources in creative ways when facing overwhelming odds
- **Motivational:** gets real satisfaction from and feels there is real value in one's own role. As a result carries out duties as well as possible and provides the environment and support to enable others to remain or become motivated
- **Innovative:** this is about enabling and harnessing the creativity of others (and perhaps oneself too) towards improved solutions and outcomes:

  > *"… promotes and focuses maximum effective creativity from followers to achieve remarkable breakthroughs in the organization. These 'galvanizers' get people to attack things they've only longed for and dreamt of previously."* Ray Antony[32]

- **Humble:** is fully aware of own limitations, accepts and appreciates negative feedback from others, accepts graciously when making mistakes and proactively learns from it. And believes that one's own success and importance comes from luck and timing as well as one's own capability
- **Holistic:** sees the big picture and encourages others to do so too. Anticipates the long-term consequences of today's actions and decisions, balances career and non-career life, and is creative in using ideas and solutions from outside current framework
- **Vocational:** in this context 'vocational' means a 'calling to do good' (from the Latin 'vocare': 'to call'). It might be about involving your organisation in genuine corporate social projects or personally getting involved in the community or charity work. It is about using your skills and expertise in a context of giving service to others without the expectation of any personal gain – although everyone gains in one way or another from giving.

Step 8: Choice

Maybe unique to the human species, we have the ultimate power to choose between right and wrong

'Choice' should be looked on as a wonderful gift. Often it is seen as a burden and sometimes we feel we have no choice. But the true 'Transpersonal Leader' always has a choice; to be in a good or bad mood; to be a victim or learn from a negative experience; to complain or think of the positives; to do what is acceptable or to do what is right.

A traditional business approach to decision making comes from Brian Tracy who lists four types of decisions:

- 'Command' decisions, which can only be made by a leader as the 'Commander-in-Chief' or owner of a company
- 'Delegated' decisions, which may be made by anyone because the choice is inconsequential
- 'Avoided' decisions, where the outcome could be so severe that the choice should not be made, as the consequences cannot be recovered from if the wrong choice is made. This will most likely result in negative actions, such as death
- 'No-brainer' decisions, where the choice is so obvious that only one choice can reasonably be made.[33]

To this list we could also include 'Collaborative' decisions. However, based on LeaderShape's experience, this whole approach, whilst helpful, is perhaps too simplistic and does not challenge the transpersonal nature of the leader.

'Choice' is one of the major factors along with intellect, emotional intelligence, intuition and ethical philosophy that helps us make the right decision. When you think about it, the transpersonal journey is a lot to do with making decisions and frequently making the decision not to make the decision yourself.

'Choice' is underrated but is critical if we are to use the word 'Authentic' in our advanced level '**REAL**' mnemonic. I believe the main reason leaders lack authenticity is because they have not made the decision to be authentic rather than because they have made the decision to be unauthentic. 'Choice' can repeatedly be the opposite of laziness or lack of awareness – we just keep on doing the same old thing rather than making the choice to do something differently. In terms of authenticity, it requires keeping our values in full consciousness and making the choice to live by them rather than accepting the cultural norm in the organisation.

The 'Transpersonal Leader' will exhibit all those characteristic such as being courageous, principled and trustworthy in order to make the right ethical choices and to decide between such things as the importance of social conscience and the rule of law.

One of the keys is to believe there is always a choice, this way even the 'inevitable' or 'obvious' may be questioned.

As the knowledge of humans and animals expand, conscious choice is one of the few things that remain essentially human.

Perhaps the ultimate choice a 'Transpersonal Leader' has is whether to involve those who are going to be affected by a decision to also have a choice.

Step 9: For the Greater Good – Beyond the Ego

Once the fundamental choice is made it is a question of making decisions that benefit all stakeholders in the right priority

LeaderShape have developed five levels of 'Self-awareness', building on the work of Wigglesworth:[34]

1. a logical/analytical understanding of what 'Self-awareness' is
2. an understanding of your own self-awareness, especially what triggers things to go wrong
3. listening to your conscience, your values and morals – and separate it from what you want to do for yourself
4. listen and take note of your inner self
5. no longer a struggle between ego (what I want for myself) and the greater good

The excellent 'Transpersonal Leader' reaches level 5.

Rossiter explains that the main obstacle to this development will be the emotion of fear.[35] This brings us almost full circle back to emotions. The main inhibitor to action and thus development is about 'What we might have to let go of', 'Who we might become' and 'Judgment and criticism from others'. Fear will try to prevent us from setting any intent that is likely to take us out of our comfort zone.

At the end of the day our level of transpersonal development will depend on the intensity:

- of our desire to serve others
- of being our own person
- to develop our unique leadership styles
- to be aware of our weaknesses – *"Divine Wisdom is knowing everything. Human Wisdom is knowing your limitations."* Socrates 470-399BC

As Bill George (when CEO of Medtronics) also stated in his seminal book *'Authentic Leadership'*:

> *"If not me, then who? If not now, then when?"*[36]

He suggests that the truly authentic leader:

- is motivated by their mission, not their money
- taps into their values, not their ego
- connects with others through their heart, not their persona.

As we have learned leadership based on ego is motivated by a desire for power, prestige, recognition and personal reward. 'Transpersonal Leadership' on the other hand is motivated by a desire to serve fairly all the stakeholders of the organisation – customers, employees, suppliers, shareholders, the community.

But where is the priority? Can we truly believe in the 21st century that it is the shareholder? Or even the employee? Surely, the ultimate priority is the planet but maybe it is the customer? Or none of them? Or all of them?

The truly 'Transpersonal Leader' now has all the competences necessary to enable that decision to be made for their organisation.

Continue Development of 'Transpersonal Behaviours, Attitudes and Mindsets'

Continually improving leadership skills: Behaviours, Attitudes and Mindsets (BAM) – it's a life's work

In summary, to become a '**REAL** Transpersonal Leader', requires development through:

The seven essences of emotionally intelligent leadership:

1. **Understand Leadership** – a true understanding that effective leadership has changed dramatically in the last 10 to 15 years
2. **Increase Self-awareness** – including basic neuroscience & understanding how to learn
3. **Learn to Manage Own Emotions** – understanding how to manage emotions to improve performance
4. **Use Different EI Leadership Styles** – developing competence in six leadership styles and when and how to use them
5. **Create a Performance-enhancing Culture** – learning how leaders can create the right climate and culture which in turn affects performance
6. **Contract Between Follower and Leader** – ensuring expectations are understood
7. **Identifying Strengths & Key Development Needs** – a 360° assessment is unavoidable in order to achieve a complete assessment of oneself.

Arriving at the point of **'Building on Key Strengths – Develop New Behaviours and Habits'**, the toughest and most valuable part.

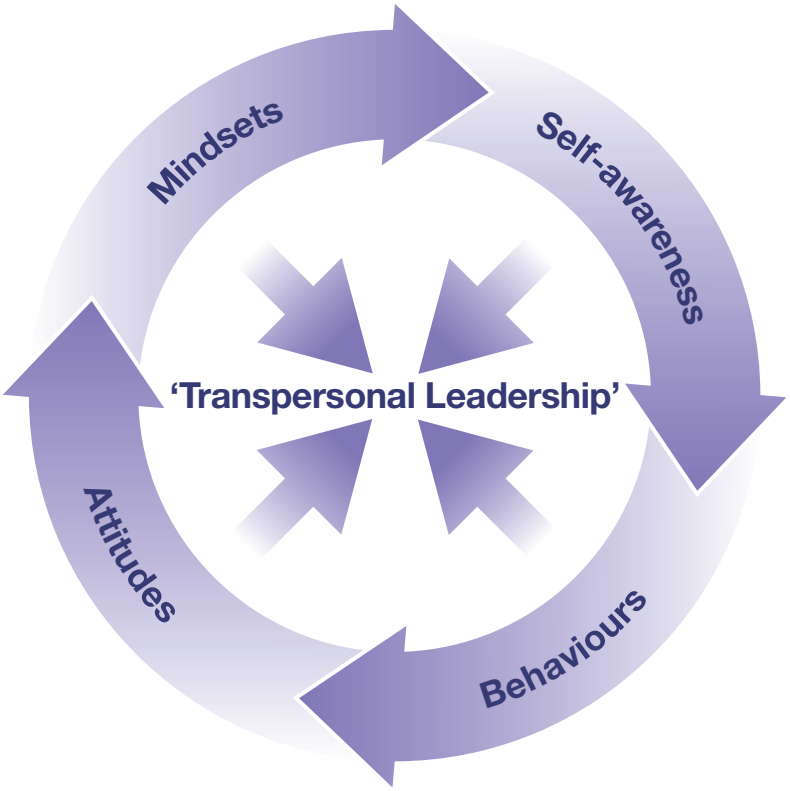
And the nine steps to 'Transpersonal Leadership':

1. **The Eight Integrated Competencies of Leadership (8ICOL™):** a complete set of the competencies and characteristics needed to become an excellent leader
2. **Neuroscience Stage 2:** bringing recent neuroscientific knowledge into the areas of leadership development
3. **Intuition, Instinct and Insights:** understanding the 3Is is critical to the development of leadership
4. **Ethical Philosophy:** making sense of the three key ethical drivers which steer our own decision making
5. **Personal Conscience:** who I am – uncovered
6. **Self-determination:** this is all about movement and direction. How do I release myself to get to where I want to be?
7. **'Transpersonal Leadership' Characteristics:** while these characteristics are impacted by their context they are altogether more holistic in nature
8. **For the Greater Good – Beyond the Ego:** once the fundamental choice is made it is a question of making decisions that benefit all stakeholders in the right priority
9. **Choice:** maybe unique to the human species, we have the ultimate power to choose between right and wrong.

But this is not a simple linear experience. It is iterative, circular and holistic. 'Self-awareness' increases continually at different levels. Behaviours can continue to develop and improve with effort, determination, focus, practice and time. Increased self-awareness and changed behaviours will positively impact on attitudes and mindsets.

Developing into a 'Transpersonal Leader' of the highest level requires intense development over a considerable period of time and it requires hard work.

But most leaders have already shown they are determined, hardworking and committed in what they do, so if they decide they want to develop into a 'Transpersonal Leader' they can do it!



Stuart Miller
CEO, ByBox

Entrepreneurs must realise that transpersonal leadership is the de-facto model for start-ups

'Transpersonal Leadership' is fundamental to anybody with an aspiration to build a world-class company.

The day you start a company, there is no difference between YOU and the COMPANY. You ARE the company. You have goals for the company and goals for yourself. This is where transpersonal leadership matters. The more authentic your personal goals are in the context of the company you are building, the less tension there will be as you grow and the more natural it will be for people to commit to your leadership.

I'll give you an example. I co-founded ByBox in January 2000. Our vision was to revolutionise parcel logistics by delivering successfully to electronic lockers at night rather than failing deliveries to peoples' homes during the day (because they weren't there). So the company's vision was to fundamentally change the parcel delivery market in response to the promise of online shopping. What was my personal objective? Simple. I wasn't sure that I was good enough to lead a team to build a world-class company. And I desperately needed to find out. Any tension between my personal objectives and those of the company? No – they are aligned entirely: *"to pour my guts into creating a world-class company that will build the parcel delivery platform for where the world is going next."*

Contrast this with some established FTSE 100 institutions. Does the CEO take that job because they're not sure if they are good enough? Or is it primarily for the salary, ego and prestige that comes with being a 'Captain of Industry'? What do followers think about leaders who are only in it for the badge and the cash?

Many entrepreneurs don't do things for badges or cash. They do things to make an impact and, often, to address deep-rooted insecurities. I know first-hand the powerful effect of being disarmingly honest and admitting your vulnerabilities and the things that you are really trying to prove. Of course, this contradicts traditional views on leadership: that you should be an invincible swashbuckling tycoon. Ridiculous. But brutal openness only works if your personal goals are *authentically* aligned to those of the company. You must be genuinely aligned to the good of the venture. Take an all too common scenario that fails this test: *"My personal goal is to make a killing on my stock options in 12 months. I'll thrash the business to report mind-blowing profits in six months. The company's goal is to lead the market in bio-science; this requires a sustained programme of investment."* Totally misaligned goals between leader and company. Nothing authentic. Total tension.

So will people REALLY follow you if your personal goals are not *authentically aligned* to your company's success? Maybe they'll pretend for a while (after all, you started that game). But what sort of people are they? World-class or second-rate? Exactly.

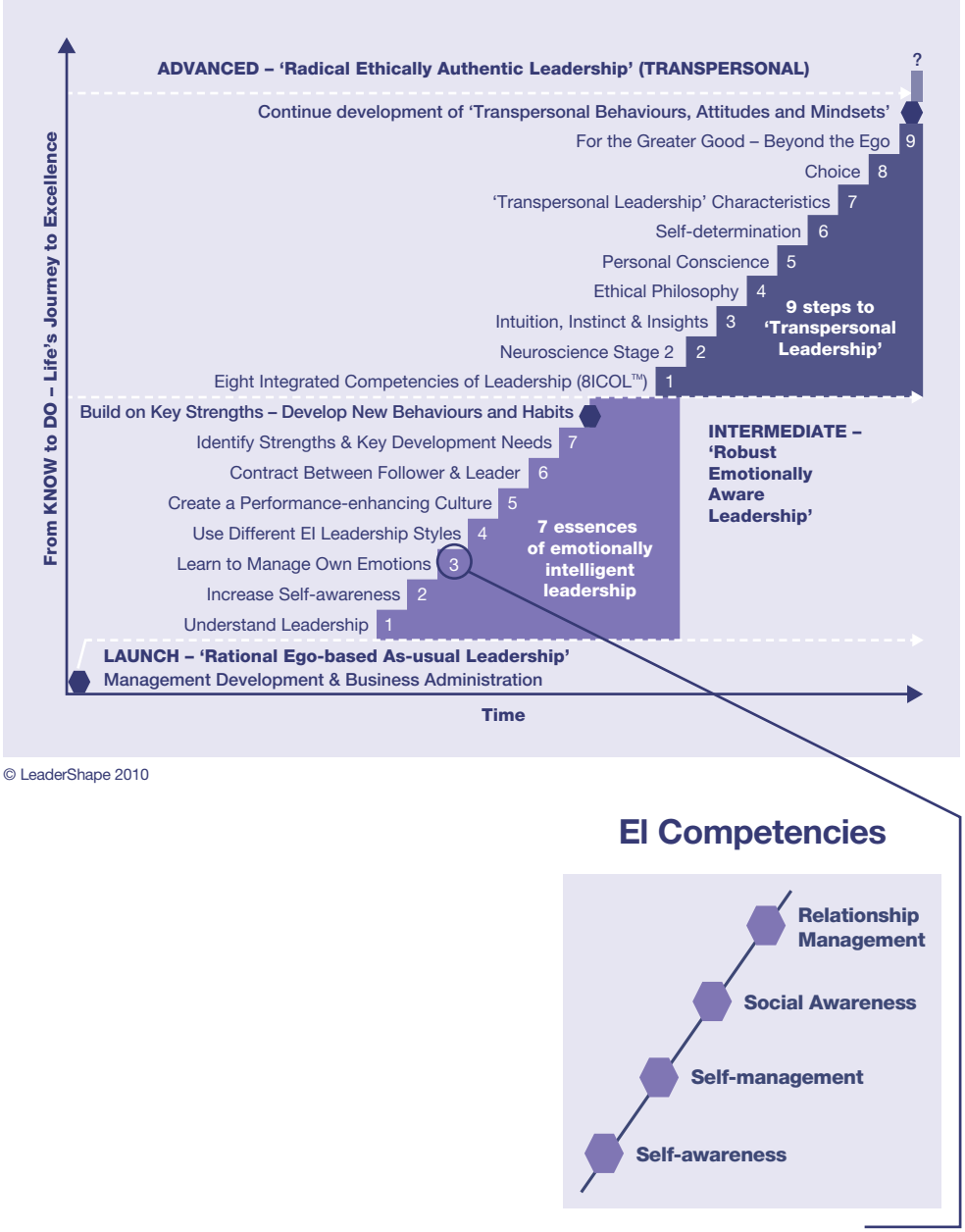
The early stage of a new venture is all about survival. Can you propel a team through this phase without authentic transpersonal leadership? Ironically – yes. The high-octane environment of a start-up can blind people to fundamental leadership flaws. But for how long? Can you build a sustainable world-class company without 'Transpersonal leadership'? No. And anyway, why would you bother trying?

Leadership by badges and cash must eventually give way to leadership without ego. Entrepreneurs must authentically align their personal goals and those of their venture. Otherwise, they will not galvanise the trust required to lead through the critical growth phases. And those personal goals must be for the good of the company, not the ego of the leader.

Part 4: From Know to Do – Life's Journey to Excellence

The steps in the journey towards 'Radical Ethically Authentic Leadership' (Transpersonal) have now been described, as far as they have been developed to date.

'REAL Transpersonal Leadership' Development – Journey to Excellence



© LeaderShape 2010

EI Competencies

A group of executive MBA students from the University of California once asked how long it takes to complete the 'programme' to become a 'Radical Ethically Authentic Leader'. The specific answer to the question is that the formal programme for a reasonably intelligent, motivated individual using the correct range of interventions, quality of facilitators and time periods between MasterClasses is about two years.

The more important answer to the question is that the journey takes a lifetime. There is always room for improvement and further development.

Leaders often 'know' more than they 'do' and that is human nature. They continually advise others how to improve while their own imperfections are invisible to themselves. There are lots of invisible elephants!

The biggest challenge is not to be complacent, not to be self-satisfied, not to think you are just a little bit better than others. Different – yes, more knowledgeable – maybe, better – no! As Jim Collins noted in *'Good to Great'*:

> *"… humility and intense will are the two most important characteristics of the leader in the 21st century".*[37]

You may be at the top of your game or at the pinnacle of your organisation but you can always contribute more – but you may need to learn something new in order to achieve that.

To perfect our behaviours is humanly impossible because we will always occasionally be hijacked by our emotions and we cannot continually have our whole being in full consciousness so we will occasionally be ethically compromised whatever our intentions.

And, on top of that, our environment, our context, is always changing. As leaders we are continually being met with new challenges, meeting new and different people in different circumstances and being inducted into different cultural situations. There are always new unknowns.

Nevertheless, the journey of development described in this report hopefully provides the knowledge and confidence for leaders to start to be at one with themselves, to believe in their ability to continually change and improve while at the same time knowing that there is a responsibility to continue on that journey of improvement – a responsibility to themselves and all their stakeholders.

In a spiritually capitalist way, that is what your organisation should be paying you to do.[38] As Sir Winston Churchill said:

> *"We make a living by what we get, we make a life by what we give."*

LeaderShape and Tomorrow's Company are delighted to share the contents of this document and hope you have enjoyed reading it – but more than that we hope you have taken something useful from it that will help your leadership. Most of all we hope it has inspired you to want to maximise your development as a leader and enable others around you to do the same.

The 'Transpersonal Leadership' approach does not throw away the many brilliant ideas and research that have been developed in the past but rather acknowledges them, builds on them and moulds them to create a journey that develops tomorrow's leaders.

Appendix 1

Emotional Intelligence – competencies & capabilities[39]

Personal competence:

These capabilities determine how we manage ourselves.

Self-awareness:

- **Emotional Self-awareness:** reading one's own emotions and recognising their impact; using 'gut-sense' to guide decisions
- **Accurate Self-assessment:** knowing one's strengths and limitations
- **Self Confidence:** a sound sense of one's self-worth and capabilities.

Self-management:

- **Emotional Self-control:** keeping disruptive emotions and impulses under control
- **Transparency:** displaying honesty and integrity; trustworthiness
- **Adaptability:** flexibility in adapting to changing situations or overcoming obstacles
- **Achievement:** the drive to improve performance to meet inner standards of excellence
- **Initiative:** readiness to act and seize opportunities
- **Optimism:** seeing the upside in events.

Social competence:

These capabilities determine how we manage relationships.

Social Awareness:

- **Empathy:** sensing others' emotions, understanding their perspective, and taking active interest in their concerns
- **Organisational Awareness:** reading the currents, decision networks, and politics at the organisational level
- **Service:** recognising and meeting follower, client and customer needs.

Relationship Management:

- **Inspirational Leadership:** guiding and motivating with a compelling vision
- **Influence:** wielding a range of tactics for persuasion
- **Developing Others:** bolstering others' abilities through feedback and guidance
- **Change Catalyst:** initiating, managing and leading in a new direction
- **Conflict Management:** resolving disagreements
- **Building Bonds:** cultivating and maintaining a web of relationships
- **Teamwork and Collaboration:** cooperation and team-building.

Appendix 2

Empathy

Sensing others' emotions, understanding their perspective, and taking an active interest in their concerns.

Oxford Dictionary definition of 'empathy': *Power of projecting one's personality into (and so fully comprehending) object of contemplation.*

Leaders with empathy are able to attune to a wide range of emotional signals, letting them sense the felt, but unspoken emotions in a person or group. Such leaders listen attentively and can grasp the other person's perspective. Empathy makes a leader able to get along well with people of diverse backgrounds or from other cultures.

Empathy is not about agreeing or sharing, it is about understanding.

The key statements to use to test whether you are being empathetic are as follows:

Oxford Dictionary definition of 'sympathy': *Sharing another person's emotions; to have compassion for.*

1. I listen attentively to what people say:

I really focus on what is being said with a view to understand. I am not thinking about how I am going to answer or being distracted by anything else.

2. I demonstrate an awareness of how others are feeling:

As a result of my open questions and/or careful, focused listening and observations of non-verbal communication, I can really sense how the person is feeling and I then communicate with that person to show I am aware of those feelings.

3. I accurately identify the underlying causes of the other person's perspective:

I ask open questions and listen carefully in order to understand why the other person is thinking the way they are and therefore understand the cause and reason for their perspective.

4. I express an understanding of the other person's perspective:

Having understood the cause and reasons for the other person's point of view, I explain my understanding of that perspective to both check the accuracy of my understanding and also so that the other person knows I understand where they are coming from and can empathise with them.

Sources and notes

1 LeaderShape. (1998-2009) Data, studies, surveys and empirical research from leadership programmes and proprietary LEIPA 360° assessment tool results. [online] LeaderShape. Available at: http://www.leadershape.biz/leipa [Accessed May 2012].

2 Raelin, J.E. (2008) *Work Based Learning: bridging knowledge and action in the workplace (2nd Ed.)*, San Francisco: Jossey-Bass.

3 Maslow, A. (1964) *Religions, Values and Peak-Experiences*, Ohio: Ohio State University Press.

4 Fry, L.W. (2003) 'Toward a theory of spiritual leadership', *The Leadership Quarterly*, vol. 14, pp. 693-727.

5 Block, P. (1993) *Stewardship: Choosing service over self-interest*, San Francisco: Berret-Koehler.

6 See Greenleaf, R. (1970) *Servant Leadership: a journey into the nature of legitimate power and greatness*, New Jersey: Paulist Press; and the Greenleaf Center for Servant Leadership [online] Available at: http://www.greenleaf.org/whatissl/ [Accessed May 2012].

7 See Royal Society for the Encouragement of Arts, Manufactures and Commerce (1995), *Tomorrow's Company*, Gower; and Sadler, P. (1999) *Leadership in Tomorrow's Company*, the Centre for Tomorrow's Company.

8 Tomorrow's Company (2007) *Tomorrow's Global Company: challenges and choices*, the Centre for Tomorrow's Company.

9 Rossiter, A. (2006) *Developing Spiritual Intelligence – The Power of You*, O Books.

10 Rock, D. and Schwartz, D. (2006) 'The Neuroscience of Leadership', *Strategy and Business*, Issue 43.

11 Kelley, R. (2008) *Longitudinal study with knowledge workers*, Pittsburgh: Carnegie-Mellon University.

12 Covey, S.R. (1992) *The Seven Habits of Highly Effective People*, New York: Free Press; and Landsberg, M. (2000) *The Tools of Leadership*, London: HarperCollins Business.

13 Goleman, D. (1996) *Emotional Intelligence, why it can matter more than IQ*, London: Bloomsbury; Bar-On, R. (1997) *The Emotional Quotient Inventory (EQ-i): a test of emotional intelligence*, Toronto: Multi Health Systems; Mayer, J.D. and Salovey, P. (1997) 'What is emotional intelligence?' In P. Salovey and D. Sluyter (ed). *Emotional Development and Emotional Intelligence: Implications for Educations* (pp. 3-31), New York: Basic Books.

14 Goleman, D., Boyatzis, R. and McKee, A. (2001) 'Primal Leadership: The Hidden Driver of Great Performance', *Harvard Business Review*, pp. 43-51.

15 Ibid 14.

16 Ogbonna, E. and Harris, L.C. (2000) 'Leadership style, organisational culture and performance: empirical evidence from UK companies', *The International Journal of Human Resource Management*, vol. 11, issue 4, pp. 766-788.

17 Developed from previously researched and published work by Harrison, R. (1972-1995).

18 Stewart, I. and Joines, V. (1987) *TA Today: A New Introduction to Transactional Analysis*, Derby: Lifespace Publishing.

19 Ibid 1; and the Chartered Institute for Personnel and Development, the University of Surrey at Roehampton, the SHL Group, and the Department for Trade and Industry (2003) *360 Degree Feedback – Best Practice Guidelines*. [online]. Available at: http://www.psychtesting.org.uk/downloadfile.cfm?file_uuid=e39e0206-1143-dfd0-7ead-34ee9316f322&ext=pdf [Accessed May 2012].

20 CIMA (2010) *From Ledgers to Leadership: a journey through the finance function*. [online] CIMA. Available at, if purchased: http://www.cimaglobal.com/Thought-leadership/Research-topics/Finance-transformation/From-ledgers-to-leadership-the-journey-through-the-finance-function/ [Accessed May 2012].

21 Zohar, D. and Marshall, I. (2000) *Spiritual Intelligence – The Ultimate Intelligence*, London: Bloomsbury.

22 Ibid 10.

23 Seligman, M. (2002). *Authentic Happiness: Using the New Positive Psychology to Realize Your Potential for Lasting Fulfillment*, New York: Simon & Schuster.

24 Sadler-Smith, E. (2007) *Inside Intuition*, Routledge; New edition, and (2009) *The Intuitive Mind: Profiting from the Power of Your Sixth Sense*, Oxford: John Wiley and Sons.

[25] De Waal, F. (2009) *The Age of Empathy*, London: Harmony Books.

[26] Steare, R. (2006) *Ethicability: How to Decide What's Right and Find the Courage to Do It*, Kent: Roger Steare Consulting Limited.

[27] Bennis, W.G. and Biederman, P.W. (1997) *Organising Genius: The Secret of Creative Collaboration*, Reading, MA: Addison-Wesley.

[28] Collins, J. and Porras, J.I. (1994) *Built to Last: Successful Habits of Visionary Companies*, New York: HarperCollins Publishers, HarperBusiness.

[29] Collins, J. (2001) *Good to Great: Why Some Companies Make the Leap… And Others Don't*, London: Harper Business.

[30] References from Tata:

- TCCI (2003) *Tata Index for Sustainable Human Development*. [online] TCCI. Available at: http://www.forceforgood.com/userfiles/Tata%20Index%20Note.pdf and http://hdr.undp.org/en/media/Tata_Index.pdf [Both accessed May 2012].
- Tata (2010) *A Journey Towards an Ideal*. [online] Tata. Available at: http://www.csridentity.com/tata/A%20Journey%20Towards%20an%20Ideal.pdf [Accessed May 2012].
- Nonaka, I. and Hirotaka, T. (1995) *A Knowledge Creating Company*, Oxford: Oxford University Press.
- Fry, L.W. (2003) 'Toward a Theory of Spiritual Leadership,' *The Leadership Quarterly*, 14, pp. 693-727.

[31] Farringdon, J. (2011) [online] Available at: www.jonathanfarrington.com [Accessed May 2012].

[32] Anthony, R. (1998) 'Innovative Leadership: Spark Plug of Progress', *Innovative Leader*, vol. 7. no. 3.

[33] Tracy, B. (2007) *Time Power: A Proven System for Getting More Done in Less Time Than You Ever Thought Possible*, New York City: Amacom Books. See also: http://www.briantracy.com/ [Accessed May 2012].

[34] Wigglesworth, C. (2006) 'Why Spiritual Intelligence Is Essential to Mature Leadership', *Integral Leadership Review*, vol. VI, no. 3. [online] Integral Leadership Review. Available at: http://www.archive-ilr.com/archives-2006/2006-08/2006-08-article-wigglesworth.php [Accessed May 2012].

[35] Rossiter, A. (2006) *Developing Spiritual Intelligence: The Power of You*, Hampshire: O Books.

[36] George, W. (2003) *Authentic Leadership: Rediscovering the Secrets to Creating Lasting Value*, San Fransisco: Jossey-Bass.

[37] Collins, J. (2001) 'Level 5 Leadership – The Triumph of Humility and Fierce Resolve,' *Harvard Business Review*, pp. 67-76; and ibid 29.

[38] Zohar, D. and Marshall, I. (2004) *Spiritual Capital: Wealth We Can Live By*, London: Bloomsbury.

[39] Ibid 14.

About CIMA

The Chartered Institute of Management Accountants, founded in 1919, is the world's leading and largest professional body of Management Accountants, with 183,000 members and students operating in 168 countries, working at the heart of business. CIMA members and students work in industry, commerce, the public sector and not-for-profit organisations. CIMA works closely with employers and sponsors leading-edge research, constantly updating its qualification, professional experience requirements and continuing professional development to ensure it remains the employers' choice when recruiting financially-trained business leaders.

Professionalism and ethics are at the core of CIMA's activities with every member and student bound by rigorous standards so that integrity, expertise and vision are brought together. CIMA is proud to be the first professional accounting body to offer a truly global product in the fast-moving area of Islamic Finance.

For more information about CIMA, please visit **www.cimaglobal.com**

Follow us on Twitter at: **www.twitter.com/CIMA_News**

About John Knights

John Knights, a co-founder and chairman of LeaderShape, is an experienced coach, mentor and facilitator of senior executives, teams and peer groups. He is an expert in Emotional Intelligence and a thought leader in 'Transpersonal Leadership' and the relationship between neuroscience and leadership. John has worked as a senior leader and board member in international corporations working in over 50 countries, as well as founding a number of technology companies, as a board member and chair in several public partnerships in Oxfordshire and lecturing at the University of Oxford.

More details can be found at: **www.leadershape.biz/john-knights-1**

Email: **jknights@leadershape.biz**

LinkedIn Profile: **www.linkedin.com/in/johnknights**

Follow John on Twitter at: **www.twitter.com/@LeaderShapeJohn**

About LeaderShape

The services of the organisation are provided by a growing group of senior leaders from the private and public sector who have been accredited as coach/mentors and facilitators. We are all passionate about developing excellent leaders and believe this can only be achieved by enabling them to progress their behaviours, attitudes and mindsets.Our focus is on helping leaders to improve their 'Transpersonal Leadership' skills, including emotional intelligence, through a variety of interventions including one-to-one coaching, team facilitations and other advanced work-based learning practices. In 2009, LeaderShape was awarded a Post Graduate Certificate university accreditation for its unique '*Coach/Mentoring and Facilitation in Organisations*' programme and in early 2011 received an accreditation for a Masters Degree in Transpersonal Leadership. We work in the private, public (especially health) and voluntary sectors in both large and smaller organisations.

('The Invisible Elephant and the Pyramid Treasure', Copyright © 2011 LeaderShape. All Rights Reserved, '8ICOL' 2008 and 'REAL' models Copyright © 2008 LeaderShape. All Rights Reserved.)

For more information about LeaderShape, please visit **www.leadershape.biz**

Follow us on: **leadershape.wordpress.com**

About Korn/Ferry Whitehead Mann

Korn/Ferry Whitehead Mann is the UK business of Korn/Ferry International. Korn/Ferry, with a presence throughout the Americas, Asia Pacific, Europe, the Middle East and Africa, is a premier global provider of talent management solutions. Based in Los Angeles, the firm delivers an array of solutions that help clients to attract, engage, develop, and retain their talent.

www.kornferry.com and **www.kornferryinstitute.com**

About Tata Group

The Tata Group comprises over 90 operating companies in seven business sectors: communications and information technology, engineering, materials, services, energy, consumer products and chemicals. The Group has operations in more than 80 countries across six continents, and its companies export products and services to 85 countries.

The Tata name has been respected in India for 140 years for its adherence to strong values and business ethics.

Every Tata company or enterprise operates independently. Each of these companies has its own board of directors and shareholders, to whom it is answerable. The Tata Council for Community Initiatives (TCCI) was formed to evolve a common direction for 54 Group companies' initiatives in community work, to synergise their work, and to optimise the Group's contribution to India's development. As the Group's nodal agency on corporate sustainability, TCCI facilitates initiatives of Tata companies related to environmental management, biodiversity issues and community development, particularly employee volunteering, by facilitating networking among representatives from companies. The TCCI enables the Group to action its corporate sustainability by evolving a set of guidelines that form a Tata approach by which individual companies can work more cohesively for the betterment of the community.

www.tata.com

Contact: Mr Anant Nadkarni, vice president, Group Corporate Sustainability

Email: **tcci@tata.com**

About Tomorrow's Company

Tomorrow's Company is the agenda setting 'think and do' tank which looks at the role of business and how to achieve enduring business success. We focus on strong relationships, clear purpose and values as the foundation of effective leadership and governance. In our programmes we challenge business leaders around the world to work in dialogue with others to tackle the toughest issues. We promote systemic solutions, working across boundaries between business, investors, government and society.

We believe that business can and must be a 'force for good'. This in turn requires a strengthening of stewardship by shareholders in partnership with boards of companies.

We argue that the Age of Sustainability has begun, and that in the future success and value creation will come from recognising the 'triple context' – the links between the economic, social and environmental sub-systems on which we all depend, and the opportunities this brings.

www.tomorrowscompany.com and **www.forceforgood.com**

Follow Tony Manwaring on Twitter at: **www.twitter.com/tonymanwaring**

Acknowledgements

by Tony Manwaring, chief executive, Tomorrow's Company

My first thanks must of course be to John himself: it is daunting publishing something which is so special to another person, especially when what it has to say is not only as significant as we believe but also very much represents a person's 'life's work'. John is a special guy and he has poured heart and soul, intellect and experience, and the shared insights of the very many leaders he has worked with, into this report. We hope we have done him – and it – justice.

As we got to know each other, it became clear that there was another 'treasure' we wanted to unearth, and bring to the full light of day: John's own work. He shared, generously and with great humility, a mark perhaps of his own transpersonal journey, what he had written. We discussed, working closely with Pat Cleverly and Philip Sadler, how we might best structure and make accessible the gems of insight and powerful model, John has developed. And the result is the publication you now have before you. We hope we have done this justice, because in truth, this is John's 'life's work.'

Anant Nadkarni of Tata has very much been part of this shared journey. Anant's deep insights holding in trust and sharing in grace so much that is profoundly special about and from Tata, shaped over generations, have added immeasurably to our understanding about the fullest role of leadership in business. For Tata, it is not just that business is a part of society – rather than apart from society, as is so often the case in western cultures. It is that the purpose of business is the fullest possible development of the community and the individuals which make up the community. This paradigm shapes a very different mindset about what leadership is all about.

This report played an invaluable role in a two-day conference of business leaders last autumn hosted by Tata in Mumbai. We are therefore hugely grateful for the support of Malcolm Lane and Nupur Singh of Tata Consultancy Services in the UK as we now formally launch this report.

Charles Tilley of CIMA is a great leader. He recognises good thought leadership but then critically 'earths' it through the remit and role of the CFO and finance director. What more powerful lever to effect change and drive sustainable business success. Charles has built a great team around him: Victor Smart, Catherine Gibbon, Gillian Lees, Arati Porwal, Pooja Seth and James Tall.

Richard Emerton and his colleagues at Korn/Ferry Whitehead Mann are valued members and contributors to our agenda setting work on governance and stewardship: they add huge weight to the impact of this report through their support and collaboration.

What makes Tomorrow's Company so special is the community of business and other leaders with whom we work. We are delighted that we have been able to feature so many in this publication: Dame Helen Alexander, CBI, Incisive Media and the Port of London Authority; Dianne Dillon-Ridgley, Interface, Inc. and WNSF; Sir Jonathan Michael, Oxford University Hospitals NHS Trust; Stuart Miller, ByBox; and Ian Powell, PwC for whom special thanks, given his keynote contribution at our launch event. And also thanks to Richard Emerton and Gillian Lees for their 'thought piece' contributions to this report.

From Tomorrow's Company thanks too for all they have done to Hashim Ahmed, Luisa Bramao Ramos, Jemima Cousins, Stuart Duncan, Conor Murray, Anahide Pilibossian, Jasmin Tutt, Sonia Singh, Victoria Wallworth and Emma Barklamb – as well as Sunil Gupta and Preeta Singh leading Tomorrow's Company India.

Finally back to John and his colleagues at Leadershape – all of whom we would wish to thank, especially Greg Young, Julia Kay and our shared friend Rohan Narse.

And forwards to you: John asks 'What do I need to do differently myself to become a better leader?' This book provides many answers. I've met some really great leaders whilst at Tomorrow's Company, you won't be surprised if I mention the late and wonderful Ray Anderson. I'm so pleased this publication celebrates Ray and thanks to Dianne it does something more: help to show how we can pass on the torch that burned so brightly in his hands, so that together we can strive to lead more successful businesses and other organisations, for the shared benefit of people, planet and profit.

Acknowledgements

by John Knights, chairman, LeaderShape

Without Tony Manwaring and Tomorrow's Company this publication would not be a reality. First, he has brought together a very high level of significant sponsors and contributors to support this project. Having reached agreement that the journey of leadership development LeaderShape had created was consistent with the kind of leaders that are needed in the 21st century to enable, amongst others, the fulfilment of the various Tomorrow's Company projects, Tony has been passionate in developing this report.

Once the project to produce 'The Invisible Elephant & The Pyramid Treasure' report was committed to, Tony organised a workshop of various Tomorrow's Company friends to review the message and approach to the project. I would like in particular to thank two people who attended that workshop and gave their full support, namely Mark Goyder and Rohan Narse, who has since joined LeaderShape to lead its activities in India.

Also attending that workshop was Philip Sadler and Pat Cleverly, both of whom have had a significant input into the report. Philip has an immense knowledge of the history of leadership development and a keen sense of the kind of leadership needed in the 21st century. His advice and support was immeasurable not least in the area of the academic underpinning of the report.

Pat's contribution was also without parallel in her role as editor. She demonstrated her ability to significantly increase the readability of the document without changing any of the meaning or intent. To Pat I am indebted.

I would also like to thank in particular, the contributions of Anant Nadkarni of Tata, Sir Jonathan Michael of Oxford University Hospitals NHS Trust (OUHT) and Stuart Miller of ByBox.

Anant, who was introduced to me by Tony Manwaring, was instrumental in connecting the 'REAL Transpersonal Leadership' journey to the development of the next generation of leaders at Tata, and subsequently for hosting the launch of a similar publication in Mumbai last November that was also sponsored by Tomorrow's Company and CIMA.

Sir Jonathan Michael has contributed to 'The Invisible Elephant' on the back of LeaderShape being involved in the development of the new clinical leadership team at the OUHT, by providing insights into aspects of 'Transpersonal Leadership' that his esteemed career is based on.

Stuart Miller is the future generation of leaders! He is one of those unusual leaders who has not only started up his own business but grown it to a significant size in under 10 years. The UK has too few of these leaders, especially those who focus on ethics and the community as well as the profitability of the business. I have had the pleasure to work with Stuart on several public/private partnerships in Oxfordshire and being involved in his leadership development. I am therefore very grateful for his important contribution to this report.

I would also like to acknowledge the contribution of my LeaderShape colleagues to the content of this report as I am only one of those involved in developing and delivering the 'REAL Transpersonal' journey. In particular, I would like to thank my fellow directors, Greg Young, Danielle Grant and Chris Gulliver.

I had the pleasure of meeting and listening to Ian Powell at a roundtable event hosted by Tomorrow's Company and the CIPD. Immediately, after the event I said to Tony, *"Now he is a transpersonal leader"*, and I don't say that very often. I am therefore so grateful that Tony arranged for Ian to not only contribute to the report but also provide the keynote presentation at the launch on 28th May.

Finally, but by no means last, may I sincerely thank all the sponsors for making this report possible and to all the contributors for its wealth of expertise and diversity.

Publications

Tomorrow's Company has published numerous influential reports that have informed and continue to help shape the actions of companies and governments in the UK and beyond.

Tomorrow's Corporate Governance: Improving the quality of boardroom conversations (2012)

2020 Stewardship: Improving the quality of investor stewardship (2012)

Tomorrow's Inclusive Development: A new architecture for reducing global poverty (2011)

Tomorrow's Stewardship: Why Stewardship Matters (2011)

Family Business Stewardship. Joint publication with the Institute for Family Business (2011)

Tomorrow's Corporate Reporting: A critical system at risk (2011)

Tomorrow's Corporate Governance: The Case For The 'Board Mandate' and The 'Board Mandate' Toolkit (2010)

Tomorrow's Corporate Governance: Bridging the UK engagement gap through Swedish-style nomination committees (2010)

Running a Successful Business in the Low-carbon Economy: A practical guide (2010)

Tomorrow's Global Talent: A new talent agenda for the UK (2010)

Tomorrow's Owners: Defining, differentiating and rewarding stewardship (2009)

Tomorrow's Innovation, Risk and Governance (2009)

Tomorrow's Climate: Beyond Peak Carbon. A discussion paper from Tomorrow's Company (2009)

Tomorrow's Global Talent: How will leading global companies create value through people? (2009)

Tomorrow's Owners: Stewardship of tomorrow's company (2008)

Tomorrow's Global Company: Challenges and Choices (2007)

The Purpose of Profit: Tomorrow's Company Lecture by Jeff Swartz (2005)

Restoring Trust: Investment in the twenty-first century (2004)

Redefining CSR (2003)

Lessons from Enron (2002)

Employee Ownership in Tomorrow's Company (2001)

Leadership in Tomorrow's Company (1999)

Sooner, Sharper, Simpler: a guide to the inclusive annual report (1998, reprinted 2006)

RSA Inquiry Tomorrow's Company: the role of business in a changing world (1995)

Joint publications with MAM Funds plc:

Tomorrow's Finance (2012)

Of Markets and Men – a Tomorrow's Finance lecture, by James Featherby (2012)

Joint publications with The Institute of Chartered Accountants in England and Wales:

Qualitative Growth, by Fritjof Capra and Hazel Henderson (2009)

Beyond Accounting, by Graham Hubbard (2009)

The paper used in this publication:

– Contains material sources from responsibly managed and sustainable commercial forests, certified in accordance with the FSC (Forest Stewardship Council);

– Is made using 100% recycled post-consumer content, reducing the impact of landfill and energy consumption.

Tomorrow's Company
Centre for Tomorrow's Company
Charity registration number 1055908.
Registered office: Samuel House
6 St Alban's Street, London SW1Y 4SQ.

Designed and produced by studio401

© Centre for Tomorrow's Company. May 2012

Join us on the journey at

www.tomorrowsgloballeaders.com
hosted on
forceforgood.com

Noesis Strategic Institute

Amani Place, 4th Floor,
Opp. Dar es salaam Serena Hotel,
P. O. Box 21338,
Dar es salaam,
Tanzania.'

Tel : +255 22 211 538/2
Fax: +255 22 211 2786/2114562

E-mail : info@noesistz.com
Web: www.noesistz.com

tomorrow's company

The Centre for Tomorrow's Company

ISBN 978-0-9565265-4-0

£50 Institutions/Organisations
£10 Individuals/Members/Reduced
(including p&p)