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SETH GODIN, Author of *This is Marketing*



YOU DON'T NEED AN MBA

Leadership Lessons that
Cut Through the Crap

Alicia McKay

**This is the first chapter of *You Don't Need An MBA*.
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PRAISE FOR *YOU DON'T NEED AN MBA*

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Seth Godin, author of *This is Marketing*

‘Credit belongs to Alicia because she is actually in the arena. Read this book if you want a down-to-earth, what-really-works guide to leadership.’

Greg McKeown, author of *Essentialism*

‘McKay is right – you truly do not need an MBA or even an undergrad degree to succeed. What you do need is a structured way to think about building your career, and a good network. This book offers you an approach to building both that is practical and accessible. Most importantly, it’s a fun read.’

Kim Scott, author of *Just Work* and *Radical Candor*

‘In *You Don't Need An MBA*, Alicia has deconstructed leadership to the point where it’s easy to understand and action. Managers no longer have the excuse of not knowing how to step up – instead, they now have a choice. Read this book and grow... or don’t, and become slowly irrelevant. It should be an easy choice to make.’

Colin D. Ellis, author of *Culture Hacks*

‘If you want to master leadership and strategy, definitely don’t do an MBA. Better to do what Alicia has done and spend two decades deeply immersed in the topic. Sift through the research; read hundreds of books, articles and white papers; think deeply on the topic, speak about it, write about it and teach it. In short, dedicate your life to it. Or, if you haven’t got two decades, read this book. It has that very rare elegance and simplicity that only come on the other side of deep thought and hard work. And, as you would expect from Alicia, it’s the antithesis of an MBA... accessible, quirky, moving, funny and, above all, practical and applicable. If you are in leadership, or aspire to be, this book should be at the very top of your list of recommended reading.’

Peter Cook, founder of The Expert Business

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*For my three daughters,
Bailey, Charlotte, and Harriet –
the three strongest female characters I know.*

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PREFACE

I'm used to seeing a raised eyebrow. I get it – it's triggering to be told how things work by some young upstart. While out for dinner with one of my biggest clients recently, I got the all-too-familiar third degree from his colleague. 'What qualifies you to do this? What's your background?' My client squirmed uncomfortably, mouthing 'sorry!' across the table when Mr Third Degree wasn't watching.

I wasn't bothered. Like many young female professionals, I'm used to it. Despite considerable advancements in diversity and inclusion and billion-dollar start-ups regularly being launched by 20-somethings, the preference for old white dudes with decades of experience prevails.

So before we go any further, let me be very clear about a few things:

- I'm not a former CEO.
- I don't have an MBA or a PhD.
- I'm not a white man over 50.

I am a facilitator, executive coach and corporate trainer who's worked with hundreds of senior leaders to make decisions and transform their lives and businesses. I've built my life, career and practice on strategy: thinking differently, making good choices and bringing change to life. With three kids to feed and without the comfort of secure employment to fall back on, I've learned fast and adapted

quickly. I've had to stay impossibly attuned to the people who are trying to make a difference in government, business and their communities so that I know how best to help them.

In *Outliers*, Malcolm Gladwell states that mastering a skill takes an average of 10,000 hours of practice. I reckon I've got a few of those in my pocket:

- *Change* – The first 10,000. I grew up on a rollercoaster. In my 32 years, I've moved 34 times. A former foster kid, I had three kids by the age of 26, two of whom were born before and during my university years. I've moved cities, left jobs, started businesses and coped with parental abandonment, divorce, death, and just about everything in between. Change is my middle name, and starting over is my superpower.
- *Strategy* – Strategy is about working with what we've got to get where we want to go – whether that's personal or professional. It's about plotting a course of action that can withstand challenge, overcome constraints and engage the right people along the way. I started formally on this path as a policy advisor and strategic planner 10 years (and many more than 10,000 hours) ago, but I've been working around constraints to get things done for my entire life. From working out how to survive university as a single mother, to preparing business cases for large building projects or developing 10-year investment plans, solving tricky problems is my forte.
- *Leadership* – Over the last decade, I have lived and breathed support for executive leaders. Deep inside the teams, and heads, of people trying to make a difference, I've seen their frustrations and successes first-hand – including well-intentioned attempts at 'development' as they waded through the overwhelm. Passionate, dedicated leaders often find themselves putting in a second shift to invest in their own abilities, only to find themselves out of pocket and no better off.

In these 30,000+ hours of experience, I've noticed a few things. We've got some gaps – big ones. Stuff we don't spend enough time on in MBA courses or leadership development programmes. How to think, so that we can make good decisions. How to see the bigger picture, so we can bend and flex when our world changes. How to get things done and create something that matters. How to rally people to a cause, so we can have an impact at scale.

Baffled by these gaps, I've done the work. I've researched. I've tested my thinking with leaders and their teams. I've run workshops, held seminars, listened deeply – and I've got some ideas about what we should be investing in for the next wave of leaders.

Leaders like Mr Third Degree from the opening story are watching the sun set on their effectiveness. Steadfastly clinging to 'the way things are done' isn't serving them anymore. Their decades of experience and technical expertise are losing currency, and they're nervous.

They should be, too. The half-life of a skill has dropped from 30 years to just five. The skills and capabilities you need to do good work at the top aren't the same ones Mr Third Degree and his mates have been putting on their CVs for the last 20 years. They're certainly not the things you learn by devoting years of nights, weekends and lunchbreaks to an expensive MBA.

It happens to us all. We develop skills that serve us – until they don't. I'm as culpable as anyone, having lived on a steady diet of sheer grit and discipline for as long as I can remember. When everything was on fire around me, I kept working. A 5000-word essay due and a three-month-old baby that won't stop crying? No problem, I'll breastfeed while I pull an all-nighter. Family let me down? Water off a duck's back, I don't need anyone. Proposal rejected? Great, I've got six more in the pipeline. Divorced and starting from nothing? I'll take a deep breath and build it all again.

None of this was to impress anyone, but to prove to myself that I could; to sate my appetite for safety and control, after an early life

that lacked both. Unfortunately, that appetite made me an insufferable control freak, and the cracks started to emerge – tiny ones at first, but they got bigger quickly. In the last year, I've been dodging signals from every angle – my children, therapist, coach, friends – even my body! A twinge at the gym damaged the rotator cuff in my right shoulder recently, leaving me unable to write, type or lift – or whiteboard – for weeks. My coach wryly observed, 'Your right arm? Do you think that's a coincidence? Are you going to listen yet?'

So, while our journeys might be different, we're all on one. When you've been rewarded for being busy and for your capacity to know and deliver, you work on those skills and structure your life around them. The idea that doing more of that isn't going to get you any further is scary.

I'm scared, too. Like many people, my frame on what mattered changed in 2020. I am learning that I can't run my practice or my family, or be happy, by continuing to do everything myself. I can't get better by doing *more of the same*; I have to do things *differently*. Ironically, this is what I've been preaching and supporting others with for years. It is precisely my area of expertise: strategy, change and continuous transformation. I've worked with hundreds of senior leaders, facilitated more than a thousand workshops and implemented dozens of change processes. I've sat alongside people struggling to come to terms with what their new future might be – but it's hard to practise what you preach. It's the same reason the builder's house is never finished, and the accountant's budget is a mess. I know now that my potential is limited by my own work ethic.

Doubling down on a skill you've been rewarded for makes logical sense – until that overinvestment starts to cloud your judgement and hold you back. For enthusiastic doers, a narrow emphasis on delivering can come at the expense of big-picture progress and new ideas. For deep thinkers, having your head in the clouds and over-analysing everything can leave you stuck and frustrated. For bands,

every album can start to sound the same. And just like people who need to shift the way they live and work, change carries the risk and the fear of losing everything they've built along the way.

Moving ahead sometimes means having the courage to let go of old ways of working, old relationships and old skills.

On the speaking circuit, we often see the 'I almost died but didn't' speaker, who built their profile on a near-death experience. They spend as many years as possible milking it, telling the same story and trying to draw new lessons from it, but they're not growing or adapting enough to leave that crutch behind. I see leaders that do the same thing.

Maybe they pulled off something amazing, and now they're trying to coast on it for the rest of their career; or perhaps they're in a sector that plays chief-executive swapsies, so they think they're set for life. They've dedicated their life to tracking up the ladder and reckon if they keep doing more of the same, they're safe.

Those leaders are in for a nasty shock. Overreliance on any one thing is bad practice – and it's a risk that seems perfectly safe until the day it gets you. Unless you diversify your strengths, that thing will inevitably stop serving you. Eventually, it may even be what brings you down.

Our leaders' ability to cope with constant, daily change has never been more important or poorly understood. The world keeps throwing curveballs, and it's easy to get overwhelmed. It's not that we don't know we need to change; the gap isn't knowing, it's doing. The leaders of tomorrow need to change today. They need to get smart, be strategic about the next step and expand their range to face a complex and uncertain future. They need paradox: clear values and open minds, high performance and meaningful space, dedication to detail and big-picture perspective. They need to ask different questions, design different options and most of all, they need to do that with others on the same journey.

The good thing is that these are first-world problems with first-world advantages. We face these challenges while sitting in expensive offices, using incredible pieces of technology and with some of the greatest productivity advances in the world at our fingertips. We're figuring out how to collaborate while communicating at the touch of a button, and we rarely stop to think about how we'll pay our mortgage or feed our kids.

But despite these incredible advantages, we're burning out. Even with time-saving tools and technologies on our desk, the expectations on our time and energy exceed our capacity. We're tired, stressed, pulled in a dozen different directions – and we're not taught how to do things any differently. Instead, we're quietly encouraged to keep pedalling. We talk a big game about space, presence and systems change, but our expectations and behaviours don't match up. Even the most forward-thinking and strategic leaders I work with are oppressed by a cult of busyness, nervous about proving their worth ahead of an ever-impending restructure and desperate to show how invaluable they are.

If you feel this way, you're not alone. The incessant expectation of busyness doesn't discriminate by title, sector, gender or specialty. Whether you're in corporate, government or non-profit, chances are you're losing your shit for half of every week.

I see you; I am you, and I can help you. Every day I work with leaders who recognise that the things that got them this far are now holding them back. Every day I work with leaders who gently tilt their axis in another direction, and I see first-hand the difference it makes. I watch detail-oriented thinkers become thoughtful strategists, frustrated introverts become influential experts, and exhausted heroes design and delegate to powerful systems.

That's not to say it's easy. Going against the grain never has been. It is powerful to recognise that what's great about you is also what's holding you back. Committing to a new way of being, even though

it won't be a smooth journey and you'll repeatedly and visibly mess things up, needs strength and vulnerability in equally large doses.

But it's worth doing. Becoming a strategic, intentional leader won't just serve you at work. You can draw on this skillset every time you face conflict and change, every time you confront something about yourself that you don't appreciate, every time you have to make a tough decision or put aside your fears or ego to do something important. Every time your values are challenged, and you have an uncomfortable feeling in your gut about the right choice, you can draw on these skills.

In this book, I'm going to outline a different path to the classic MBA. There's no corporate finance or heavy textbook here. Instead, I'm offering you a level up – in how you think, what you see, how you act and what you get done. A new way of thinking about leadership. I'm not asking you to tap into your strengths and get better at what you already do; I'm asking you to put some of that down, and stretch in a new and uncomfortable direction.

Let's be clear though: you're already awesome. You wouldn't have picked up a book on strategic leadership if you didn't have the basics on lock. You wouldn't be questioning your abilities or asking bigger questions if you didn't realise that what you're doing isn't working any more. And you wouldn't bother reading this if the challenges you're facing weren't significant.

I'm not promising transformation, or that every answer you need lies within these pages. But I can promise to open your mind to something new and help you start to stretch.

I hope you agree and disagree with me in equal measure. I hope you shake your head violently and exclaim 'YES!' – on the same page. I hope you email me with your thoughts, post positive and negative comments on social media and start a conversation based on the ideas you find here. I hope you share this book – dog-eared and scribbled in – with your colleagues, friends and teammates. I hope

you still get an MBA, if you want one – but that you look at it with different eyes.

I hope you reference some of these ideas in conversation and that something you read resonates. I don't care if you remember where you heard it, just that you did. Most importantly, I hope you try something new to see if it works and keep looking for opportunities to do so.

Go on, get out there. I'm with you.

A

INTRODUCTION

Here lies Alicia. She sent many emails and wrote many reports. Long live her memory.

How's that for an epitaph?

When I grow up, I want to answer emails.

... said no-one ever.

Woman consistently achieves performance targets.

... doesn't make the newspapers.

At the beginning of strategy or coaching sessions, I regularly ask senior leaders the same question: 'what's your job?'

People always tell me the same things. Their job is to 'navigate the future', 'empower their teams', 'make things happen', 'make progress through change' and 'serve their customers and community.' But when I ask to see their calendars, my request is often met with an uncomfortable squirm. It's not that we don't *know* what we're here for; it's that what we're doing doesn't quite line up.

The way we spend our time and energy rarely matches our priorities. Thanks to the relentless march of business-as-usual, our most meaningful work gets squeezed around the cracks of urgent issues, meetings, emails, approvals and minutiae.

As Mark Manson once tweeted: ‘What gets attention is rarely important. And what is important rarely gets attention.’

Leadership is a privilege. When people trust you to steer a team, family or community, you hold something special in your hands. If that’s you, take a moment to be thankful. I know the responsibility is heavy, but the opportunity to do meaningful work that positively impacts others is an incredible gift. People all over the world are battling for survival and yearning for meaning, and you get to shape your own life and help others. How good is that?

It’s easy to forget this when we’re wrapped up in the daily grind. An anecdote from Donald Miller in his book *A Million Miles in a Thousand Years* has always stayed with me. Imagine, Miller muses, that we head to the cinema to watch a movie about a man who wants to buy a Volvo. After working for years to achieve his goal, he finally drives his car off the lot, testing the window wipers as he goes. Is this a beautiful movie you’d tell your friends about? A hero’s journey that would leave you in tears? Of course not. Odds are, you wouldn’t even stay until the end. Yet, as Donald says, we spend years living stories like these – working every waking moment, accumulating stuff we don’t need – and expect our lives to be meaningful. The truth is, as he says:

If what we choose to do with our lives won’t make a story meaningful, it won’t make a life meaningful either.

Life is full of high-pressure goals that are the equivalent of a Volvo. Calendars are packed with back-to-back Volvo acquisition strategy sessions, which then trickle down into our to-do lists. If we’re not careful, the Volvos start to make us numb. They tire us, frustrate us and consume our energy – and then stasis sets in. All the joy and potential seen in our thankful moments seem miles away when we’re jamming 80 hours of stuff into a 40-hour container. Over time, the Volvos start to erode our sense of purpose. We get disenchanted

and disengaged. We stop trying to make things better or pushing for change because it feels futile.

Strategic leadership rises above the Volvos.

Without the skills to cope with the hard stuff, we manage our overwhelm by busying ourselves. Being busy is reassuring, easy to do and rewarded. We're never short of things that require attention. Who has time to navel-gaze about the future or contemplate the nuances of change when there's so much to be done?

But managing overwhelm with action placates us with a false sense of achievement, while we slide invisibly backwards. With every email answered and every report written, we fall deeper into mediocrity and denial. Failing to adapt, we become less and less relevant – and our opportunity for meaningful contribution moves further out of reach. But it doesn't have to.

History is littered with examples of leaders who found purpose through madness. As Britain faced a Nazi onslaught in World War II, Prime Minister Winston Churchill rallied a country behind him. Katharine Graham, leader of the *Washington Post* in the 1970s, stared down political pressure to publish the Pentagon Papers, exposing the reality of the Vietnam War and drawing a line in the sand for independent journalists the world over. Polar explorer Ernest Shackleton led a pioneering expedition to Antarctica, holding his team together in an incredible survival story against all the odds.

You might not be leading an expedition or steering a country through crisis, but the lessons are the same. If the world around you is going mad, you face an opportunity to shape your leadership in a way that matters.

Change and complexity isn't a distraction from the real work. It *is* the real work. Leaders are made, not born. No-one arrives ready to cope with complexity – they develop those skills inside the madness. And no-one becomes a great leader without them.

ON COMPLEXITY

Work feels less knowable than it used to. Our parents and grandparents left school, got a job or looked after the kids, and felt confident doing that work until retirement. It wasn't necessarily easy, but it felt stable.

Teachers taught. Lawyers lawyered. Doctors doctored. Mechanics fixed cars. Kids learned, from school and at home, what work was all about. They picked a path and off they went. But now, when my kids talk about what they want to be when they grow up, I'm not sure what to tell them. What is a teacher in pandemic uncertainty and with online learning? What are lawyers as we advance blockchain, encrypted data and global commerce? How will medicine evolve as bedside assistants become robots, society ages, the middle class questions vaccines and biotechnology hurtles ahead? What knowledge, if any, will you need to fix a car as we shift towards multimodal transport, automated vehicles and sustainable energy?

According to a LinkedIn source, people will, on average, switch jobs fifteen times in their lifetime, which could include a handful of significant career shifts. Change is not new. We've been grappling with new occupations, ideas and technologies since forever. But the kind of change we're dealing with is different now. Like our career paths, it feels less knowable than before. Things are more *complex*.

We need to be careful with words like 'complex' because, like 'leadership', it falls into jargon territory. For the purposes of this book, here's what you need to know about complexity: it's more than just complicated.

Practically speaking, the main difference between 'complexity' and 'complicated' is that when things are complicated, we can usually work out what will happen – if we know the starting conditions. Complicated problems are tricky, but they're solvable with the right rules, systems and processes. The electrical grid is complicated: there are

many possible interactions, but they follow a pattern. Because of those patterns, we can make accurate predictions about how the system will behave. Flying a commercial aeroplane has lots of complicated steps, but they're also predictable, and as a result, it's astonishingly safe to do.

So, while complicated situations might involve lots of different people and considerations, we can predict how they'll interact. These situations are knowable. Complexity is not. It's uncertain, ambiguous and unpredictable. In a complex system, the same starting conditions can produce different outcomes every time. Flying a plane is complicated, but air traffic control is *complex*, thanks to constant changes in weather, aircraft downtime and other variables. Air traffic control has been shaped into a manageable system not because we can predict what will happen, but because it's designed to adjust continuously.

Complicated situations have lots of moving parts, but they can be untangled and sorted out. With complexity, the same variables interact in unpredictable ways, creating disproportionate and unexpected consequences.

The world of work, and indeed the world itself, has become a more complex system. There are lots of moving parts – people, technology, environment and money – and we don't know what's going to happen next. Instead of treating our jobs like flying a plane, we need to be more like air traffic control. We can't predict the future, or control the outcomes, so we need to build our capacity for responsive, continuous change.

ENTER THE ARENA

Fiction writers often talk about the difference between plot-driven and character-driven stories. In *plot-driven* stories, like mystery novels, the story is shaped by action and conflict, as we follow the twists and turns, leading to an eventual reveal. The reader is

consumed with piecing together plot points and ideas, while character development takes a back seat.

In *character-driven* stories, the focus is on the inner conflict of the people involved, usually centred on one main protagonist. We invest in the characters, follow their journey and connect with who they are, what they think, the decisions they make and how they evolve.

When management and leadership science first took off, our focus was on plot. In the 1980s and '90s we were largely transactional, sharpening up operations and management. It was all about measurable, orchestrated action. In the New Zealand public sector reforms of the 1990s, five-year chief executives replaced permanent heads of department, and the relationship between policy and delivery teams narrowed to outputs, contracts and deliverables. Leaders were encouraged to sharpen their pencils, specify KPIs and hold people accountable.

In contrast, most of today's leadership theory is about character. Focusing on attributes and behaviours, we describe the kind of person you need to be and the kind of people you need to hire to succeed. Tools like DISC or Myers-Briggs categorise traits, strengths and personality quirks, hoping to order a complex human system into a suite of snappy acronyms. Leaders learn they've got a red dot, a blue aura, a dove communication style and were born as a XYZ personality type – and they are encouraged to build teams with the right combinations to match.

A third and lesser-known fiction format is the *arena-driven* story. In arena-driven stories, the environment is a critical antagonist for our characters, shaping the challenges they face and the journey they travel. In stories like *Cast Away*, *Gilligan's Island* and *Lost*, the main character survives a difficult environment, which drives individual choices and overall results. Here, the emphasis is less on character and more on context: the complex, interconnected environment that demands response and adaptation.

Nothing we do is independent of our context, and this is where traditional leadership theories often fail. They offer a step-by-step guide to behaviours that makes plenty of sense – until you get back to your desk, something changes and it all goes out the window. All that management science that chewed up a year of your MBA is irrelevant when you're at work and your environment seems out to get you.

In a complex environment, our biggest leadership challenges aren't about personality or projects. They're about context. Strategic leadership is an arena-driven story – and it's time you played your part.

WHAT IS THE ARENA?

Like Roman battle zones, the arena is about more than challenge (plot) or challengers (character). The arena is about the context. The arena is a setting: a visible, communal place where things happen. It's where action unfolds and interacts with the environment; where the actors are visible to the spectators and affected by their reactions; where there is no right answer – just the best response at the time. In the arena, the space is always contested, and it is the environment, not the actors, that sets the scene. Leading in a world gone mad is the same.

When we think in terms of an arena, our focus shifts. Things become less discrete. We transcend people, organisations and sectors, and instead start to focus on the way networks of things, people and organisations interact.

When we make big decisions that matter, we will *always* face multiple objectives and competing values. In the arena, we make constant trade-offs. We know there's no perfect option, so we're intentional about making strategic choices, balancing the short and long term; internal and external progress; and performance, people and politics.

This isn't a sign of things being wrong or harder – it just is.

WE'RE DOING IT WRONG

The classic leadership development arc goes like this:

- We teach people to be technically proficient.
- We train them to manage people.
- We profile their personalities and hope this somehow leads to self-awareness.
- We pin our hopes on an off-the-shelf programme or MBA that does little more than bolster the CVs of those involved.

It's a good start, but it's not enough. It's not working, either – and we know it. A quick dig into the stats paints a worrying picture. Fewer than half of HR bigwigs are confident they're equipping their workforce for the future. Only a quarter of business leaders are confident their people have the right skills to manage incoming change. One in four! We can see the gap, and we know it's not right, but we're charging forward anyway.

If our job descriptions and workforce strategies are to be believed, strategic skills are the most in-demand leadership capabilities. Ninety-seven per cent of senior leaders claim that strategic capability is the key leadership behaviour for organisational success – but 96 per cent of the *same group* insist that they lack time to build this skill. Yes, you read that correctly. We know what we need to do, yet we feel powerless to do anything about it. We're so busy being busy that we're trapping ourselves in a treadmill of futility, and the relevance of what we *are* good at is falling further and further behind.

According to Forbes, fewer than 10 per cent of leaders exhibit strategic skills. Let that sink in for a moment. Nine out of every 10 people we trust to make important decisions don't know how to do it. Herein lies the problem: what we're teaching is great, but it isn't enough. Keen professionals spend, on average, three years getting a classic MBA, but half of it is out of date before they're done.

We're not spending enough time teaching the stuff that never goes out of fashion: how to think and see things differently and respond strategically to change.

It's time for something different. And I've got a few ideas about how to get there.

(Hint: it's not by getting an MBA.)

PREREADING

Watch your language

The words we use have a profound effect on the way we see the world. We can have ideas that we don't yet have words for, but language is more than an explanatory tool: it's both a clue and a lever.

Even small shifts in vocabulary have the potential to trigger significant mindset and behavioural change. After reading *Atomic Habits* by James Clear, I ran a personal experiment. Clear suggests that shifting from 'I have to' to 'I get to' is a powerful gratitude device that could transform our perspective. I was sceptical but curious. So, I tried it.

Words create worlds.

Jonathan Franzen, *Freedom*

For a week, every time I found myself about to say 'I have to' ('I have to cook dinner', 'I have to pick up the kids', 'I have to be in Sydney that week') I swapped it out for 'I get to'.

'I get to cook dinner' suddenly felt like a privilege. We have the food, skills and resources to create a healthy meal, and I'm home to do it.

'I get to pick up the kids' became a lifestyle indicator. Thanks to a harmonious co-parenting relationship, a reliable car and a flexible schedule, I can prioritise my children inside my workday.

'I get to be in Sydney that week' became a marker of work satisfaction. Oh, my work takes me to interesting places to have meaningful conversations with intriguing people? Amazing!

I was stunned by the difference. It triggered a similar exploration in my leadership work. How could we diagnose different patterns of behaviour and thinking based on the language people used? After months of reviewing survey responses and monitoring the words people used in workshops and learning sessions, some clear themes emerged.

The same phrases popped up everywhere, indicating how people approached change and complexity. Worried leaders who used passive language struggled to act on the things they cared about. Busy leaders who spoke in terms of constraints often found it hard to set clear priorities.

When we started to nudge language in a different direction, we saw a corresponding shift in mindset. Channelling the attention of a constraint-focused leader towards the areas they *could* influence, for instance, changed how they approached problems and made decisions.

Most leadership assessments are either insufferably complicated or totally reductive; neither are helpful. Putting the formal tools aside, we learned to map the development and strategic maturity of the leaders we work with, simply by listening. The way people speak and the language they use is so rich with insight that we can pinpoint strategic maturity, leadership maturity and readiness for change within minutes. While leaders stuck in the past tend to be passive in their phrasing, leaders who are focused on the future are more proactive and adaptive.

The ladder on the opposite page shows the link between language, leadership and change. Use it to understand where you, or your peers, are currently at.

WHEN YOU ARE...	YOU SAY	YOU GET	FOCUS ON
ADAPTIVE	<i>'I'm learning to...'</i>	Impact	Influence
PROACTIVE	<i>'I choose to...'</i>	Focus	Performance
REACTIVE	<i>'I have to...'</i>	Action	Systems
PASSIVE	<i>'I can't...'</i>	Inertia	Decisions
RESISTANT	<i>'I won't...'</i>	Fear	Flexibility

Let's take a look at the different leadership types.

RESISTANT LEADERSHIP

Sounds like: 'I won't'

The fear of change is evolutionary in humans. Since time immemorial, we've always liked routine – and rightly so. Living in certainty has kept us safe. Resistance to change isn't a defect; it's a sensible and necessary response to a world out to get us, where change meant danger. But like many evolutionary responses, it's no longer serving us. If we're fearful of what's coming next and resist change, we can find ourselves frozen in place.



To overcome resistance, learn to cope with change.

To lead through complexity, we need to be OK with change, and that requires **flexibility**. We'll examine this in Module One. Flexible leaders have range. They're in tune with their environment and understand that while it's not all about them, they need to take responsibility. They seize agency, knowing that strategic leadership

isn't about getting shit done *despite* your environment, but getting it done *because of* your environment. They recognise that the more senior you are, the more complex and challenging things are likely to be. Flexible leaders get out of their heads because they know it's not enough to think about change – they have to *do* something. They're willing to get it wrong some of the time because they know that's the only way forward. Above all, flexible leaders recognise they need to shift when everything else does – to bend without breaking.

PASSIVE LEADERSHIP

Sounds like: 'I can't'

The fear of mistakes starts from an early age. Well-meaning parents do what they can to prevent kids from making the wrong choices – and this sets a dangerous precedent. Rushing to correct behaviour robs children of an important lesson: that mistakes are experiences to learn from. Worse, it sends a powerfully damaging message: 'we doubt your ability to cope'.

The same patterns play out in the workplace. While 'failing fast' might be the new mantra, we say one thing and do another. Leaders who are afraid of doing the wrong thing don't want to fail. They want to control their environment, and they struggle when they can't. At their worst, passive leaders are perfectionists, never quite confident enough to pull the trigger. When they do, they hedge, relitigate and backtrack.

*The most difficult thing is the decision to act,
the rest is merely tenacity.*

Amelia Earhart

For passive leaders, the motivation to improve is there, but is often confined to the ideas stage. Meetings are talk-fests, dedicated to all

the things that are going wrong, but change is thin on the ground because we're too afraid to take charge.

In Module Two, we'll look at how you can become more confident with change and potential failure by making good **decisions**. Making decisions that stick is a learned skill. When too much time goes into planning, discussing or looking for approval, we think ourselves into a corner. But when we're confident in our ability to find direction, we move towards action. Decisive leaders know that it's not *what* they think but *how* they think that matters. They know that while there might not be a 'right' answer, without space for thinking, we can't take confident action. Decisive leaders provide direction for themselves and their teams that puts passivity behind.



To overcome passivity, learn to set direction.

REACTIVE LEADERSHIP

Sounds like: 'I have to'

The fear of falling behind can make us reactive. The reactive leader has no problem with action. They're busy, stressed and earnest, but all that activity masks doubt about how to make the important stuff happen. I work with a lot of good people and teams who are stuck here and can't break free. Reactive leaders get trapped in a vicious cycle, always looking one step ahead. Everything feels urgent, details take precedence and there's no time for vision.

While being reactive gets a bad rap, it's not all bad – at least you're in motion! We all need to spend some time being reactive, especially in a crisis. Stay here for too long, though, and you'll hit the ceiling. A reactive approach is great for getting things going, but over time it will alienate and exhaust people.



To overcome reactivity, ask better questions.

Reactive people are driven by feelings, by circumstances, by conditions, by their environment. Proactive people are driven by values – carefully thought about, selected, and internalized values.

Stephen Covey

When we're reactive, we work too many hours, hold our teams back and don't see big shifts coming until it's too late. While it's great to act quickly and be concerned about details, the problems arise when we miss the big picture.

Strategic leaders zoom out and break the reactive cycle by thinking in **systems**. We'll dig into this in Module Three. Systems leaders dismantle comfortable silos because they know that building successful teams, organisations and communities means working out how things fit together. They resist the temptation to settle for what's in front of them and focus on seeing and understanding the messy stuff – context, relationships and dependencies – knowing that to do otherwise sets them up for failure. Systems leaders move past finger-pointing and problem-solving to start pulling levers and dissolving issues before they take hold.

PROACTIVE LEADERSHIP

Sounds like: 'I choose to' (or 'I will')

Proactive leaders are masters at taking responsibility. They plan carefully and overcome constraints that stand in their way. Like everything, this is great – until it isn't, because the shadow side of responsibility is control; the fear of letting go. When we hold on too tightly to our environment and attempt to predict the future, we create a bottleneck for innovation. Without trust and confidence, our teams weaken, and stress levels skyrocket.

If you've made it to this point of leadership, pat yourself on the back! Much of the hard work has been done. However, proactive leaders can be the victims of their own success. Getting stuck here can lead to unintentional stagnation as you try fruitlessly to control and predict all the variables.



To overcome proactivity, learn to lead with purpose.

Letting go of the reins and taking a risk on something meaningful is incredibly freeing, and it's the stuff that real **performance** is made of. Purposeful, high-performance leaders take uncertainty in their stride. They are more resilient and less likely to burn out. They know that 'busy' is bullshit, and that performance comes when we understand how to invest our time, money and attention in the things that matter. Performance leaders know that once we eliminate distraction and insist on delivering value, quality and accountability, we've got nowhere left to hide. In Module Four, we dig into what performance is about.

ADAPTIVE LEADERSHIP

Sounds like: 'I'm learning to' (or 'I'm trying')

Adaptive leaders change course and evolve more quickly than their more traditional counterparts, building a self-propelling resilience that compounds over time. Adaptive leaders are generally a step ahead. They pick up on faint warning signals, see beyond the everyday and are driven to make a genuine difference. But they're not always the most popular.



To move on from adaptive leadership, learn to mobilise others.

I gave serious thought to how to put the flow of this book together. All these skills matter in largely equal doses, but there's a natural

arc that makes the most sense. While change starts with you, it can't end there:

- You've got to have the right attitude before you can learn anything new (flexibility).
- You've got to figure out what's going on (decisions) before you can start shifting things around (systems).
- You've got to be able to get shit done, so you can make things happen (performance).

But unless you bring others on the journey, your impact will be limited. Move too quickly and you lose people, which is why strategic leaders need to build their **influence** – so that's what we tackle in Module Five.

*Only that which can change can continue:
this is the principle by which infinite players live.*

James P Carse

Influential leaders know that political savvy isn't slimy; it's non-negotiable for impact at scale. They know that neglecting their reputation and underestimating the human factor makes it hard for people to believe in them, leaving them frustrated and trapped at the starting block. Taking risks and breaking things is fine – but if you're doing it alone, you'll make more enemies than friends. As our environment continues to shift, it will be the leaders who can bring others with them who sustain.

There is a natural flow to this book – but don't let that limit how you engage. You'll be tempted to spend the most time on the things you already agree with or understand, but that's a mistake. It's the

parts that make the least sense and feel the least comfortable that will encourage the most growth.

There are five critical leadership skills that will arm you for the arena. These five skills, together, are the basis of strategic leadership, and with a full range there's little you can't face. But you can't waste any more time overdeveloping your strengths. There are no compulsory papers here, so choose your own adventure. If you're great at making decisions, but things never seem to work how they're supposed to, focus your energy on systems. If you can make things happen, but it always feels like a solo journey, spend more time on influence.

Most importantly, don't put down the things that are hard. That's where the most important lessons are.

When you need to...	You need...	Focus on...	Read...
Respond to change	Flexibility	Who you are	Module 1
Set direction	Decisions	How you think	Module 2
Make things work	Systems	What you see	Module 3
Make things happen	Performance	Who you do	Module 4
Mobilise others	Influence	Who you touch	Module 5

What we've learned so far

- We aren't equipping leaders to handle complexity.
- The language we use is a clue and a lever for our strategic leadership maturity.
- There are five critical strategic leadership skills: flexibility, decisions, systems, performance and influence.

Your next step

Notice the language you and your colleagues use and reflect on what that tells you about your current leadership mindset.

MODULE 1

FLEXIBILITY

For when you need to cope
with change



LESSONS IN THIS MODULE

1. Strategic leaders are stretchy
2. You can't work with what you can't see
3. The only thing you control is you
4. Everything's f...raught - and that's fine



LESSON 1

Strategic leaders are stretchy

Things stiffen with time. Even if you're fit and active, your body seizes up with age. By the time you're an adult, your tissues have lost about 15 per cent of their moisture content, making them less supple and more prone to injury. Your muscle fibres start sticking together and tangling up, which is why you get injured when you get old.

Fighting that stiffening isn't easy. Thousands of years ago, people got the exercise they needed by hunting and gathering to survive. In a modern environment, we can sit for days if we're not careful.

We stiffen mentally, too, getting stuck in our ways. We get used to avoiding, escaping or trying to control what we find uncomfortable, and we lose flexibility in how we think and behave. Slowly and insidiously we become trapped, choosing actions based on what we want to avoid instead of what we want to achieve.

As our strengths and abilities propel us forward we double down on them, unintentionally narrowing our range. According to Kaiser and

Overfield, fewer than 20 per cent of leaders qualify as truly 'versatile' as determined by the Leadership Versatility Index. The other 80 per cent are seizing and stiffening over time. Not flash.

Not only do we lack flexibility, we generally don't realise it. Just as we overestimate our IQ, performance and driving skills, we have skewed perceptions of our own capacity for change. Because we think we're stretchier than we are, we tend to blame others for their resistance – unwittingly projecting our own inflexibility.

The good news is: we can do something about it.

To combat modern inactivity, people are turning to yoga. While that's not new – people have been stretching on purpose for more than 5000 years – the last five years have seen a worldwide explosion of yogis. Hundreds of millions of people practise regularly, with converts climbing steadily every year.

The list of purported benefits is long: everything from helping sleep and improving posture to productivity benefits at work. Physically, yoga improves our strength and flexibility. When we intentionally stretch we slow the dehydration process, stimulating the production of tissue lubricants. The lubricants pull our muscle fibres apart and help muscles to rebuild independently of each other.

In psychology, we're stretching too. I recently helped a friend proof-read her PhD thesis in clinical psychology. Her research examined acceptance and commitment therapy (ACT), an increasingly popular treatment for everything from addiction to workplace stress. Like yoga, ACT is about stretch – increasing our range so that we can respond to all kinds of situations, especially the uncomfortable ones.

With ACT, we override our emotional instinct to freeze or avoid. For example, we might be anxious about going to work because we know there's a confrontation with our boss on the cards. Our inbuilt response is often to hide – who wants to deal with that kind of conflict if they don't have to? While traditional therapies might *treat* anxiety, ACT supports us to work *with* it. By developing awareness

of our surroundings and ourselves and learning to accept things as they are, we stretch our ability to respond when things are hard. Flexible leadership is the same – we can't avoid or control the madness, so we need to work with it.

START AT THE TOP

The test of a first-rate intelligence is the ability to hold two opposed ideas in mind at the same time and still retain the ability to function.

F Scott Fitzgerald

I regularly work with executives who bemoan a lack of innovation and risk-taking in their teams. They can't understand why people are resistant to trying new things and putting themselves out there. It's these exact leaders that are usually the most blind to their own fears and constraints. While the finger often gets pointed at middle managers as a barrier to innovation, the problem usually starts higher up. When asked, only 40 per cent of public managers believed that senior leaders were willing to take risks to support new ideas. Stiffening at the top is unintentionally freezing the middle.

Inflexible leaders don't just make their own lives harder. That lack of stretchiness filters down, stifling innovation and dampening enthusiasm, cooperation and creativity across the board. Without flexible leadership at the top, teams don't cope with change. We're setting people up to fail.

Signs you need to be more flexible

- You're facing change or transition.
- You're feeling stuck or out of your depth.
- Your normal response isn't working anymore.

HIT THINGS WITH YOUR CAR

In my first job out of university I was a policy analyst in local government. Each year, we updated our policies, going through the register to make sure that rules and guidelines were still relevant. Like most small councils we had a lean policy team. With no infrastructure, governance or regulatory policy specialists, we all did a bit of everything – and regularly found ourselves involved in things we'd never be exposed to in a larger organisation.

In one of my first review jobs, I had to go through our infrastructure policies – a hospital pass if I've ever seen one. In provincial councils, engineers are hard to get and battle a workload that well exceeds their capacity, so their tolerance for conversation is slim. Pesky customers, fluffy policy people and annoying accountants aren't appreciated – they've got things to get on and build!

Nervously fronting up to our busy Roads Manager, I worked through his policies as quickly as possible to check that our rules still made sense. This wasn't an easy task – an engineer had written the original policies, which is always a red flag for readability. (I don't know what it is about roads, but we seem to make up words that don't exist anywhere else. Since when was 'roading' a word? It's not a verb!)

Things were going reasonably well until we got to a section on what people could build outside their properties. It read something like:

All structures inside the road reserve must be frangible.

Not wanting to look stupid (but genuinely baffled) I piped up: 'What on earth does "frangible" mean? Do you mean... fragile?' Shot a withering glance, I was quickly corrected.

'Frangible' has since become one of my all-time favourite words. I'm no engineer, so my definition is dicey, but the gist is: for something to be frangible, it (not you) must break if you hit it with your car.

When all structures in a road reserve are frangible, gates, letterboxes and fences will topple over in an accident, rather than standing strong and killing people. It's why rural letterboxes are on wooden poles, and you won't see a brick fence on a freeway or motorway.

Just like our 'roading' (there's that word again) policy, we all need to make sure the right things are frangible. When we decide what we're willing to let break, we make sure that the most important thing – you – is OK.

You might crash into unexpected obstacles occasionally, but when you do, you need to come out all right. I'll grant that the analogy isn't perfect, but if our environment is the road, I think we need to be more the driver than the letterbox. Everything around us might topple over and crash, and we might get a bit dinged up now and then, but when that happens, *we* still need to be OK.

Flexibility means you can bend without breaking. You need to know when it's time to bend and trust that you can. And when things turn to crap, it's critical you can get back up.

Flexibility demands three core skills:

1. *Awareness* – knowing when to bend. You can't work with what you can't see, so we need to understand what's going on inside and around us to respond in more useful ways.
2. *Agency* – trusting that you *can* bend. Most things are outside of your control, so you're the only thing you can change. Awareness might open your eyes, but agency requires you to *do* something.
3. *Resilience* – coming back better. Resilience is not about strength; it's about building your capacity to accept, prepare for and overcome discomfort and failure, because those things are inevitable.

What we've learned so far

- If we don't intentionally stretch, we stiffen with time.
- Inflexible leadership stifles entire organisations.
- We need to be able to bend without breaking to cope with change.

Your next step

Consider the behaviours you're hanging onto that aren't serving you anymore. Could it be time to stretch?