

## Transcription - Jim Stevenson Part 2

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Welcome back, I'm Kim Baillie, she's Fulyana Orsborn and this is Inside Exec. We're continuing our discussion with Jim Stevenson from the Bletchley Group and today we're going to talk a little bit more about leadership and what that really means in today's business world.

Recently I was talking to someone and their business is affected by weather, right? And the weather at the moment is so unpredictable around the world, even if you say cyclone season is from this month to this month, nowadays anything happens. So what the strategy they use is, that it's cyclone season all year round mentality. And by doing that, it's sort of doing what you were saying earlier, and that is being prepared and anticipate and being agile. So the cyclone didn't happen, so you're in front now. Or the bad weather happened outside cyclone season, you're still in front.

Yeah, no completely, and I think that's a really good example to be honest, because I'm in LA and we just had the wildfires. The wildfires were easily a month after the wildfire season closed. But that was a climate change thing. Over two or three years ago, we had a really wet winter, last year with a really wet winter, which meant all the shrubs grew. This year it was dry, so lots of kind of kindling to burn.

So you always got to be ready for what comes next, and if you're focused on what the objective is, then what comes next is easy. It's kind of like you don't train to run a marathon, you train to run for a long while, and then the marathon comes. And if you're only training for what you think will happen, that's a marathon's problem.

That's a problem, for example, because it's so long, but you train more than you need to achieve the objective that you have, so that when you get into delivering the objective, it becomes easy, because you train so hard for it. And I think that's the mentality. You do need a good quality team, which goes into your hiring practices and your company culture and your ethics and all those things. But you need a good quality team that is capable of accommodating change, accommodating risk, accommodating unknowns, but still getting you to that final outcome.

And then as leaders, I think that's a big challenge for leaders, because once you've got the team in place, you've got to trust them. And leaders are very bad at trusting. Most leaders will grow up through having done it and they think they're the best, and that's why they got promoted and then become a manager. They're the best because they're the manager and you do it my way, because I'm the best. And then, at some point, you change from being this manager into this leader, and no one tells you how to do it. It's really quite complex and challenging, but one of the fundamental things is you cannot, you personally as a leader, cannot do the work of 100 people in your team. So you have to set the environment, you have to set the culture, you have to set the objectives, you have to have a way of monitoring progress, not so that you can go and say you failed but so you can highlight early the fact that one team is having a problem to achieve its objective, so you can jump in and help. But that manager to leader or director to leader is a very challenging thing that most people aren't aware of. It's more and more the type of leaders that we need to move forward and trust, give them the scope that we need and support them. Set them up for success, help them be successful, don't just be that manager of, oh, you missed your targets, that's your bonus gone

this week. No one wins from that, the company didn't get its achievement, you didn't get your achievement and the team just all feel like failures. That's not helpful.

So it's that fundamental change in how you manage teams, will allow you to accommodate this whole new world of risk that we're in, of volatility, of uncertainty, of complexity and ambiguity that we live in. It maybe slightly different in Australia, I think you guys are slightly, you're 12 hours away from, from everyone else, see that there's probably a bit of time that you guys have got the rest of us don't have, but it's the world over. We're all the same global supply chain.

In terms of that leadership issue, it's a favorite point of mine, are we not picking up leaders or not helping them to become leaders until too late in their careers? Should we be identifying or letting them identify themselves as someone who would look for a leadership role?

That's a really good question, you know. I think it's one of those things that you have to self identify. So I don't know if that is identifying them earlier or training them earlier, I think it's allowing them to grow into that role, but then as soon as they do, it should be part of your succession planning. So don't promote them on Monday and start training them on Tuesday. Identify them as a promotion in a year or two years time as part of succession planning and start training them now, so that this fundamental shift in how you manage, how to lead, you can start helping them. You can mentor them and it may be as simple as you give them someone who's really experienced in leadership and for a month just to kind of walk them through the differences, how you manage different, how the whole role is different, but yeah, identify them as part of that succession planning. I don't know if they're going to self identify that they want that role, but then as part of succession planning, absolutely give them as much support as they feel they need and have the honest and frank conversations because some people aren't cut out for it. If they aren't, just have the conversation that says this might not be for you.

I remember working in lots of organizations where and, this is probably showing my age now, no one would believe I'm actually only 25, but yeah, it used to be in the old days, you would take someone who's incredibly technical and because they were, they're really good at their job technically the only way to give them their promotion was to make them a manager and it's like two fundamental different skill sets. Why someone who is so technical would want to get into management and be hands off is just beyond me, but it was only mechanism you had in order to reward people for being good at their job. You're getting someone amazing at their job and throwing them into a position that, one, they probably didn't want and, two, they probably weren't very good at. Then on top of that, you weren't giving them any support and education and training to do well and wondering why it was a compromise.

We had very early in our careers, we're much older than you, where we worked together, we had a thing called the management development scheme and it was a rotation scheme for people who either put their hand up as Fulyana did or others who were identified as potential and we were in a construction multi-disciplinary construction organization. So it was people who were subject matter experts who the organization thought at some point in their careers should move this path and they would move around, rotate around, for six months at a time, in different areas that were well and truly away from their technical skills. That was not uncommon in those days and we're talking 1970s, 1980s. That seems to have disappeared.

We've talked to a couple of other guests about it and about introducing it and they're not particularly in favor of it. I just wondered whether that was the case for you as well.

I like the idea of it, but I don't know any organization that would pick up on it these days. The phrase of the saying that's in my head at the moment is there was a little kind of joke thing that says the CFO goes to the CEO and says, what if we train all of our staff and they leave and the CEO says, what if we don't train them and they stay. And I think that's the dicotomy we're in the moment. We're not willing to train people because we don't have that loyalty and employees don't have the loyalty to the company because the company doesn't have the loyalty to employees. But then how do you invest in that employee knowing that actually if you invest in them, they're going to come knocking asking for a salary rise or they're going to just move to your competitor and give all that training to your competitor. So I don't honestly know what the answer is, other than for me personally, to build loyalty into your system, build ethics into your system, encourage people.

I mean, the job for life is definitely gone now. That's definitely not there and it's not coming back. But if you can build into your system, I'll train you, but you've got to give me two years of your training, then actually I'm getting something. I know I'm not going to have you forever, that's fine. I hope I can have you for more than two years, but have some kind of mechanism in there that gives you the benefit, not the cost of the training back. But the benefit of the extra training and skills that they've got back into your organization for a period, then you can do an ROI for your training cost and actually show. For me, one of the things I love, I worked with The Guardian a long time ago, 2009, I think it was 2010. One of the things I loved about The Guardian was the director, just an amazing leader and a genuine leader with the entirety of that, the meaning of that word. We introduced a whole way of working into agility and understanding products we built. We got people over from Silicon Valley to train us how to do all this. And very much the people in The Guardian have gone away and they've done great things with their careers. They've done brilliant things within organizations and it almost became that The Guardian was a test bait or a training center for the skill set in a way of working in the UK. I love that The Guardian got huge benefit from it. We won awards, the cost losses that we had produced, because newspapers don't make money, so we're just in the loss, was as close as we could get. But I love the fact that the director was willing to invest that amount of time to get the skills into the organization that we needed, the skills that predominantly weren't available in the UK at all. So we built it up and then got the value from it and then those individuals went away and did amazing things in their careers, but it doesn't happen that very often.

Jim on that, you did a lot of work in different sectors like finance, The Guardian, in communication and media, in retail as well. In relation to leadership, what have you noticed that there is commonality or quite different in different sectors?

I don't think it's particularly a sector thing. I think it's just a, I'm actually going to say it's probably more a country and cultural thing. Leaders are leaders and that they seem to be the same regardless of the sector they are in. There's some specialist knowledge that goes across each sector, but I think leadership itself is fairly similar. I think the difference in leadership at the moment, at least what I'm seeing is, you're either a traditional leader, which is much more of a manager than a leader. You are a leader in which case you're still of the mindset that everyone should be back in the office working nine to five so I can see you at

your desk and do things, which I'm not a huge fan of. The other is one, I've started calling it a transformational leader, which is much more around about understanding the human beings are human beings. So very often I will go to a coffee shop to work because the noise around about distracts my brain enough that I can focus on the piece of work I'm doing. And I believe that as leaders, we are most effective when we set up the culture and the environment, allow our teams to be the most productive and the most successful they can be. And if that means you want to go to a coffee shop, this is okay to me. If that means you meet in the office, that means that you all want to kind of be in the office at the same day at the same time so you can collaborate on a specific project, go for it. But I believe the objective of a leader should be more around setting up that environment, that culture, that way of working that helps everyone be successful.

Once again, Jim's given us a lot to think about in terms of leadership for our own organisations. We'll take a break there. Join us for part three, for now I'm Kim Baillie, she's Fulyana Orsborn and this is Inside Exec.