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Leadership

Time to Transform | Part 4
Leading cultural transformation

Transformation **leadership** transcends strategic plans and execution. It is a *human journey* inspiring scores of individuals.

The individual behaviours and capabilities of leaders act as a *symphony* resonating through your organisation's **cultural** landscape.

Influencing the **behaviours** that spread through your organisation – these *echoes and ripples* shape the success of your transformation journey.

Creating the conditions for successful change

As transformation leaders, we are tasked with leading from the front, shaping the ambition and purpose for our people and organisations. Research suggests that **more than 60%**[1] of organisational transformation efforts fail to deliver their desired results and generate true organisation value.

We know leadership demands **adaptation through multiple roles**, from being an ambassador to a strategist and a steward[2]. Success in these roles requires leveraging the strengths inherent in our natural leadership style.

Transformations efforts often give rise to conditions of ambiguity, time pressures, competing demands and priorities, lack of talent, resources and capabilities that instigate **derailing** behaviours under periods of heightened stress and pressure.

If unaddressed, the resulting culture and behaviours can derail long-term transformation efforts.

All transformations – whether implementing systems, redesigning processes or restructuring – are ultimately about **changing culture and behaviours**.

Therefore, the task facing transformation leaders is to recognise and pull on the **organisational levers** that strengthen positive tendencies while combatting negative influences to deliver sustainable change.
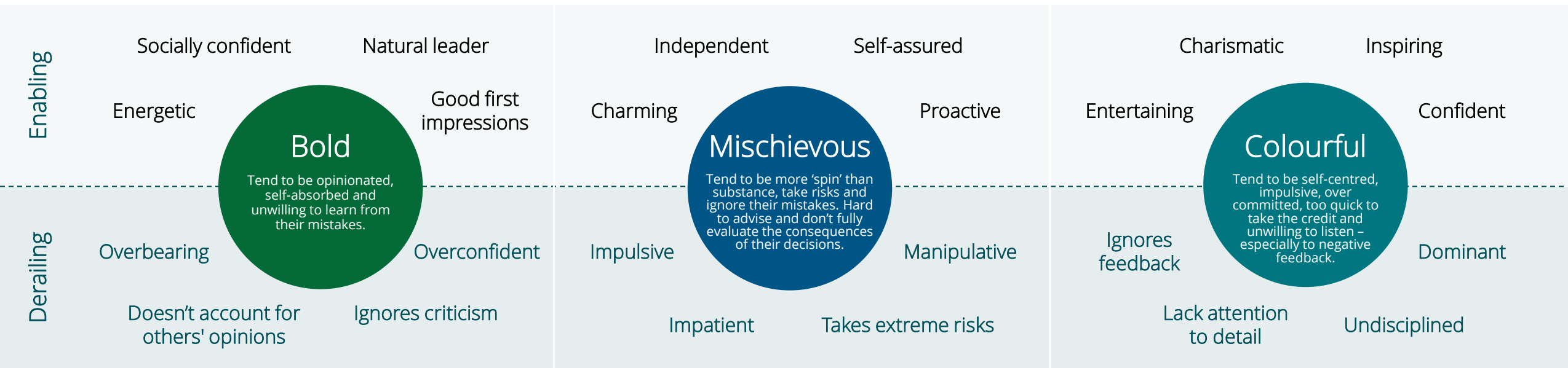
We invite you to consider the behaviours inherent across your leadership team and evaluate avenues to shaping and shifting your organisational culture. Helping you to understand and recognise derailing triggers, know your team and how you best work together to remain in harmony.

1 Next level human-centric change management, Deloitte
2 Navigating the CEO Journey, Deloitte

Controlling the derailing side of leadership

Insights derived from our work using Hogan assessments with over 12,000 leaders have indicated that **more than 40% of leaders** score highly across three scales: **Bold**, **Mischievous**, and **Colourful**[3]. The behaviours measured within these scales undoubtedly aid leaders in achieving success. However, under pressure, **negative behavioural aspects** may begin to emerge. This can result in behaviours with the potential to disenfranchise their people and **derail** transformation efforts.

Enabling

Socially confident	Natural leader	
Energetic	Good first impressions	
Charming		Proactive
Independent	Self-assured	
Charismatic	Inspiring	
Entertaining	Confident	

Bold
Tend to be opinionated, self-absorbed and unwilling to learn from their mistakes.

Mischievous
Tend to be more 'spin' than substance, take risks and ignore their mistakes. Hard to advise and don't fully evaluate the consequences of their decisions.

Colourful
Tend to be self-centred, impulsive, over committed, too quick to take the credit and unwilling to listen – especially to negative feedback.

Derailing

Overbearing	Overconfident	
Doesn't account for others' opinions	Ignores criticism	
Impulsive	Manipulative	
Impatient	Takes extreme risks	
Ignores feedback	Dominant	
Lack attention to detail	Undisciplined	

To work in harmony, leaders must be acutely aware of **both the positive and negative sides** of these scales. If unmindful of their negative behaviours, especially when under pressure, they may inadvertently cast a negative shadow over their people – derailing positive behaviours, ways of working, and ultimately, transformation efforts. The following sections of this paper explore some of the questions that leaders should be asking themselves, and the behaviours they should be focusing on to avoid slipping into derailing tendencies.

Bold

Tend to be opinionated, self-absorbed and unwilling to learn from their mistakes.

Entitled, Overconfident, Over-estimates Talents

High scorers tend to be energetic and socially confident, make a good first impression and are willing to take the lead. They are focused on achieving success and maintain the courage of their convictions.

However, when under pressure, they can be overbearing and overestimate their talents, ignoring criticism and not considering others' opinions or perspectives. They may have unrealistic personal aspirations and come across as arrogant or intimidating towards others.

Derailing → **Enabling**

from Overbearing	from Ignoring Criticism	from Overconfidence
to Collaborative Ideation	**to Inclusive Leadership**	**to Continuous Improvement**

The tendency to be opinionated and energetic can be inspiring in good times, but during times of pressure, these behaviours have the potential to be overbearing for teams with feedback disregarded and diverse views ignored.
By channelling this energy into fostering an **environment of psychological safety**, team members will be empowered to share their ideas openly and drive creativity, creating a culture of openness.

- How can these behaviours be harnessed to **encourage active listening** and constructive dialogue?
- How can leaders' **role model** collaborative ideation and set examples of open discourse?
- Do **networks** within the organisation facilitate a psychologically safe culture?

Unconscious biases that **discourage alternative views or challenges** in times of stress creates toxic work environments, stifling collaboration and creativity. Creating an environment of **trust and respect,** encouraging **diverse perspectives and challenges** from any level is critical in creating an environment of inclusive leadership.

- What **stories and symbols** of inclusivity exist across your organisation?
- How do leaders across your organisation **react when they're challenged**?
- How do your **decision-making processes** foster inclusivity?

Leader's confidence is invaluable but can also creep dangerously close to overconfidence during critical periods, leading to ignored evaluations and repetition of avoidable mistakes.
Data from our risk culture survey in financial services underscores a significant concern, with **over 65%[4]** of staff indicating a perceived lack of **accountability**. This reflects a culture where feedback, agility and a commitment to improvement are overlooked.

- Do your existing **processes and systems** enable reflection and accountability at all levels?
- How do you **champion** a culture that views mistakes as opportunities to learn?
- Do your **performance measures** capture abilities to improve and grow?

Mischievous

Tend to be more 'spin' than substance, take risks and ignore their mistakes. They are also hard to advise and don't fully evaluate the consequences of their decisions.

Impulsive, limit-testing, Manipulative

High scorers can appear charming, friendly and fun-loving with an independence and self-assurance that others may find appealing. They are likely to be spontaneous and proactive, able to remain composed in most situations and unlikely to dwell on past mistakes.

However, when under pressure, they can be impulsive, impatient and prepared to take extreme risks. They may also use their social skills to manipulate people to get what they want, apparently unconcerned about the impact this may have on others.

Derailing ⟶ Enabling

from Impulsive
to Inspired

Leaders' vibrant energy creates an ability to captivate audiences. However, an innate desire for attention and impulsivity can result in a lack of care and disconnect with teams.
Notably, our data indicates that **leaders in financial services score low (5 out of 9)** on **social flexibility** – suggesting that teams are likely to disengage and disassociate themselves from leadership, particularly in times of challenge.

- Are you inspiring your teams towards a **shared vision and values** or dominating the experience?
- How are you using **storytelling** abilities to build relationships and a mutual connection?
- Can the 'Social' aspect of **ESG**, or **DEI**, be leveraged as a leadership imperative?

from Impatience
to Mindful

The pressure to deliver can often result in **impatience and anger being projected** onto responsible teams, in doing so reducing their autonomy and psychological safety and ultimately **hindering productivity and creativity.**
By cultivating mindfulness, leaders can learn to be present in the moment, **listen actively, and respond thoughtfully**. This approach fosters a culture of patience and empathy, which not only improves team dynamics but also **promotes better decision-making and problem-solving.**

- What tools are offered to your employees to help them **develop the skills that** support mindfulness?
- How is mindfulness **talked about and recognised** throughout your organisation?
- How do you make sure that you are **present in the moment** with your teams?

from Indifference
to Shared Responsibility

Misplaced apathy and complacency can quickly turn into an attitude of indifference, driving a **culture of stagnation and disinterest** that stifles creativity and progress. Driving opportunities for **collective ownership and accountability** will create a sense of shared responsibility, where everyone is invested in the outcomes of the team and organisation, **fostering a sense of purpose and belonging.**

- How often do your leaders **actively recognise and celebrate** team successes?
- Do you **create opportunities** for your team to get involved in projects or work that matters to them?
- In what ways do you **embed and connect purpose and values** into your team's work?

Colourful

Tend to be self-centred, impulsive, over committed, too quick to take the credit and unwilling to listen – especially to negative feedback.

Socially-Confident, Easily Distracted, Dramatic & Attention Seeking

High scorers are likely to be entertaining with attractive personalities, capable of creating an aura and making a strong first impression. They are likely to be active with high levels of energy and the ability to inspire colleagues.

However, when under pressure, their need for attention means they can become overly dominant in meetings, fail to listen to others and ignore negative feedback. They may also lack attention to detail, be unproductive and undisciplined with a tendency to over commit.

Derailing ➡ **Enabling**

from Undisciplined
to Strategic

The ability to mobilise and energise teams is a clear mark of leadership, but **momentum doesn't always ensure success**, as teams need to be guided and able to prioritise across competing and evolving corporate initiatives. High energy leaders may struggle to maintain strategic focus and discipline in their teams, ensuring they stay **aligned with transformation efforts**. This can have a knock-on effect on resource utilisation, time management while risking over- (or under-) commitment to tasks.

- How can leaders identify and drive **high-impact initiatives** that optimise resource allocation?
- How do individual efforts **align** with transformation objectives through performance management?
- Are your leadership development programmes providing the skills needed to help your teams **strategically prioritise** competing priorities?

from Dominance
to Collective Intelligence

The captivating personalities and high energy amongst leaders create confidence in the transformation but this also has the danger of causing leadership to **inadvertently dominate thought processes** and decision making.
This dominance has the potential for creating **unintended hierarchal constructs** that prevent the integration of diverse perspectives and unlocking the wealth of knowledge held across the team – including that of more knowledgeable members.

- Are **incentive structures** designed to discourage dominating decision making?
- How can you encourage more **challenge and knowledge sharing**?
- How can you remove barriers to collective intelligence across **fragmented networks**?

from Disengaged
to Empowered

Disengagement can be infectious – leaders who are disengaged create **demotivating work environments** that leads to low productivity and high turnover. Empowering leadership, on the other hand, involves delegating responsibilities, providing autonomy, and offering support, resources and learning opportunities. This approach **fosters a sense of ownership and accountability** among team members.

- How are you **maintaining a motivated work environment**?
- How are you **advocating empowerment** amongst your teams?
- What **learning opportunities** exist for growth and development among team members?

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Exploring derailers as a lived experience

Having spoken and worked with Financial Services transformational leaders, several derailers resonated with their lived experiences –

Acting in self-interest, which bred similar poor behaviours from the team.

Having an **always on game face**, which limits personal connections being formed.

Fear of **not wanting to hold the mirror up** and accept weaknesses / feedback.

Fluctuating egos of colleagues, especially when new to role / to an organisation.

Strategies employed to overcome these derailers included –

Bringing their team and the organisation on the journey and **showing vulnerability along the way.**

Investing in **personal relationships** with their teams and critical stakeholders to earn credibility and build trust. *It's broken when the human factor is removed.*

Being **grounded in the reality** we live in and not overpromising / selling unrealistic ambitions.

Educating colleagues on the derailers that exist in everyday life and how they are heightened at times of high stress.

A means to overcoming derailers ultimately lends itself to showing **vulnerability, investing in personal relationships,** and **being grounded in the everyday** – telling a compelling transformation story that is consistently told and understood across the organisation.
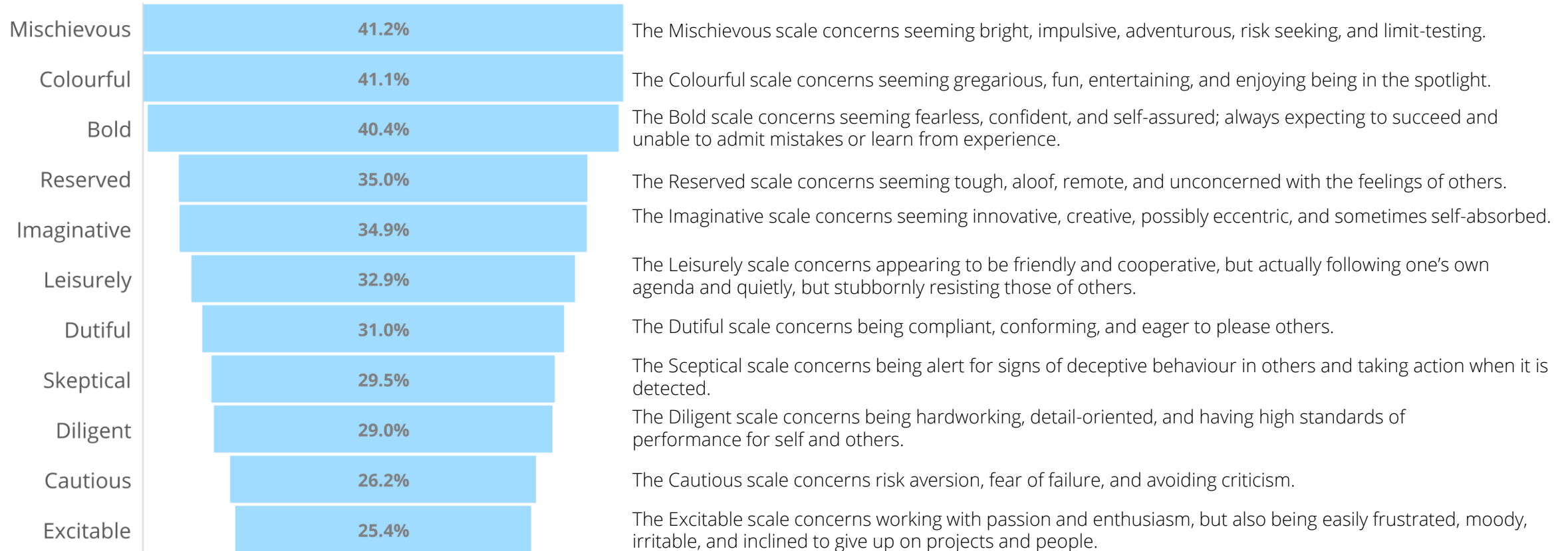
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Sometimes as leaders, we forget that others are looking up to us, and that we are empowered.

We can be decisive, act and drive forward transformational change.

How will you address your derailers? What will you do differently?

Appendix 1: What do Hogan profiles suggest?

Our findings, based on responses from 12,207 leaders

Scale	%	Description
Mischievous	41.2%	The Mischievous scale concerns seeming bright, impulsive, adventurous, risk seeking, and limit-testing.
Colourful	41.1%	The Colourful scale concerns seeming gregarious, fun, entertaining, and enjoying being in the spotlight.
Bold	40.4%	The Bold scale concerns seeming fearless, confident, and self-assured; always expecting to succeed and unable to admit mistakes or learn from experience.
Reserved	35.0%	The Reserved scale concerns seeming tough, aloof, remote, and unconcerned with the feelings of others.
Imaginative	34.9%	The Imaginative scale concerns seeming innovative, creative, possibly eccentric, and sometimes self-absorbed.
Leisurely	32.9%	The Leisurely scale concerns appearing to be friendly and cooperative, but actually following one's own agenda and quietly, but stubbornly resisting those of others.
Dutiful	31.0%	The Dutiful scale concerns being compliant, conforming, and eager to please others.
Skeptical	29.5%	The Sceptical scale concerns being alert for signs of deceptive behaviour in others and taking action when it is detected.
Diligent	29.0%	The Diligent scale concerns being hardworking, detail-oriented, and having high standards of performance for self and others.
Cautious	26.2%	The Cautious scale concerns risk aversion, fear of failure, and avoiding criticism.
Excitable	25.4%	The Excitable scale concerns working with passion and enthusiasm, but also being easily frustrated, moody, irritable, and inclined to give up on projects and people.

If you would like to find out more, please do get in contact.

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