

The Indie Summit, 14 June 2017, London

A Framework for Leadership

Speech by Gizem Weggemans, Egon Zehnder

“A Framework for Leadership” was the topic of Gizem Weggemans’ presentation at The Indie Summit at the Royal College of Physicians on 14th June in London. The Indie Summit is the only large-scale global conference and networking event exclusively for Owners, CEOs and Senior Directors of the world’s leading independent marketing and communications agencies. Weggemans, Global Head of Egon Zehnder’s Communications and Public Affairs Officers Practice, asserted that beyond just finding the right person, in owned and operated organizations, leadership and skills development is critical.

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What do you think keeps your clients up at night? Can I hear some suggestions please?

So I spend the bulk of my time working with clients in the consumer facing industries, outside of the functional work I do with corporate affairs professionals, helping Boards and Executive Committees attract and develop top talent. When I saw the output of PwC's survey of consumer/retail CEOs, the results resonated with me as it is very much in line with what we hear from our clients consistently as well.

So PwC asks just under 500 CEOs each year a variety of questions, and this year, this is what the consumer/retail CEOs responded with in terms of what keeps them up at night: volatile commodity prices, changing customer behaviour, speed of technological change and availability of key skills.

Volatility, speed, change – the three main themes. Volatility, speed, change. Do these resonate with you as well? As leaders in your own organizations, do these hit close to home?

Then the fourth bucket – the talent. Of all the things these CEOs could have picked, they focused on human capital. And look at the percentage – globally 77% of CEOs worry about the availability of key skills, the availability of leadership.

Indeed you can put all sorts of frameworks, processes, structures in place but if the people themselves are not apt at responding to and leading through change, it is hard to imagine an outcome where organizations can thrive against the backdrop of speed and volatility.

Often when we go into a client organization, there is no shortage of hands that go up when we ask who wants a change – they agree that they need a different way of going about things.

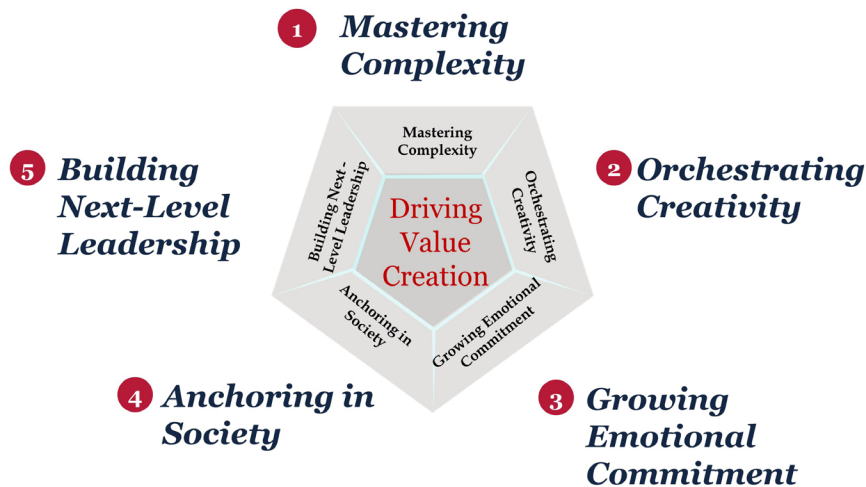
Yet when we ask how they think about developing and evolving themselves to respond to this new reality, many hands go down. Changing times need a different approach to leadership, a willingness to look at the world, but more importantly, *ourselves* differently.

This is perhaps even more pertinent in organizations like yours where your human capital is pretty much your only asset. While seeking synergies could move the dial across a manufacturing company or a new technology could impact how a bank becomes more efficient, in the advisory world, your lever is the quality of your people. Full stop.

Against this changing backdrop, at Egon Zehnder, we have devised a framework through which we assess the leaders of an organization. This framework is beyond looking at past experience or competencies. This is about the fundamental pillars on which leadership needs to rest if an organization is to survive and thrive in a future world, where change will be the only constant. I would like for you to take this in both as owners/leaders in your own right and also advisors to your clients who need to push themselves out of their own comfort zone with your counsel.

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To manage high velocity change while creating value requires a different approach to leadership



Firstly, tomorrow's leaders must be able to master complexity, integrating the perspectives of multiple stakeholders (whether internal or external) to help drive necessary change. This is a critical dimension for you to reflect on both as leaders in your own right in your own organizations but also to talk through with your clients. It is especially vital for a corporate affairs director to be able to distil the implications of an ever-changing landscape and drive simplicity on which the corporation can act.

Secondly, these leaders also need to be able to orchestrate creativity, encouraging a culture of ideas and problem-solving from all levels of the business, both for internal engagement and change but also to engage with the external stakeholders in an ever evolving way.

The third skill needed is the ability to leverage emotion to drive change. In an increasingly digitalised and automated world, the field of corporate communications has an advantage in that it relies on the ability to understand how people speak, think and feel – a unique spike in the corporate affairs professionals and one which they need to cultivate consistently.

The fourth requirement for tomorrow's leaders is to define the broader purpose for which the organisation stands. Without the ability to anchor the business in society, going forward, organizations will be unable to obtain and retain their "license to operate". From a talent perspective, especially in businesses that look to attract and invest in millennials, this is critical.

And the final critical feature of business leadership that has implications for the function is the requirement to nurture and develop future talent in order to give their business strength and depth in its talent pool. This is even more critical at a time when corporate affairs area is transforming itself, so the appetite and ability to invest in proper succession planning is key.

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Now this all sounds lofty and fantastic and intellectually we can all get our heads around it. Practically however, the success criteria for a future leader are so complex and varied in the business as a whole but especially in our evolving function, how do we spot talent? Especially in small to medium size enterprises where each appointment has a disproportionate impact on the team and performance.

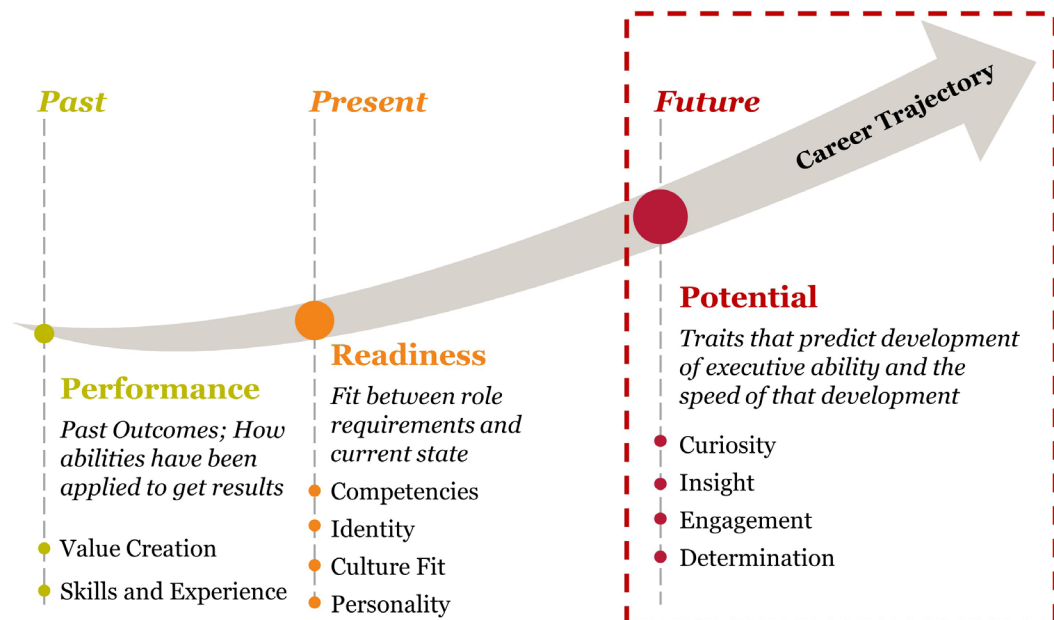
Now this is where systematically assessing for potential comes into play. Over the years search firms and HR teams focused on past performance when making appointments: have they created value in other jobs? What experience do they have?

Then the industry came up with competencies, you are all familiar with them: strategic orientation, commercial acumen, collaboration, etc. Those of us who wanted to put the icing on the cake, rounded out the readiness assessment by thinking through culture fit, personality fit, etc.

However this still felt static to us at Egon Zehnder when we knew we would assess leadership in an ever more complex way. We figured, by focusing on deciphering potential for a CEO, we could easily work backward to potential for other levels.

Potential describes the ability to successfully take on larger leadership roles in both scale and scope (complexity) and the speed at which one can do so. Traits and motive comprise potential.

And as a result, recruiting for potential now trumps brains, experience, and “competencies”



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Curiosity: Does the person seek out new experiences, ideas, knowledge? Also are they curious about themselves do they proactively seek feedback and change their behavior in response to it?

Insight: do they proactively gather and make sense of a vast range of information, discovering new insights that, when applied, transform past views or set new directions (creates vision)?

Engagement: do they engage the emotions and logic of others to communicate a persuasive vision and connect individuals to the organization and the leader?

Determination: do they keep driving to achieve the vision (goals of substantial scope and difficulty) despite challenges, while continuing to look for disconfirming evidence?

At Egon Zehnder we partner with our clients on identifying potential at an early stage and developing individuals based on their strengths. Potential is not static, potential can continue to evolve with the right conversations and right leadership development.

Each one of you in this room has the luxury and the responsibility of operating in an increasingly important space, where you advise organizations around how they influence policy making, how they invest in society. You are more than advisors, your impact goes beyond a stakeholder engagement project.

As a result, both at the organization and the individual level, investing in oneself, investing in your leadership is an imperative. Both for your own company's success but also for your ability to deliver better results to your clients.

My ask of you is to think about this framework as you onboard new members of your team so that you know you are investing in the right individuals for the future of your company and your clients. Perhaps more pertinently, my other ask of you is that you score yourself against the potential model in your own time and if you are not where you want to be on one dimension, ask yourself why and please see how you can invest in yourself to move the dial.

More than "reputation" depends on it!

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Gizem Weggemans leads Egon Zehnder's global Communications and Public Affairs Officers Practice. She is a core member of Egon Zehnder's Travel/Hospitality, Consumer and Professional Services Practices, and also works across Human Resources and Marketing functions. In addition to executive appointments, she conducts Board (non-executive director) searches and partners with organizations on developing their talent and improving the effectiveness of their teams.

Since 1964, Egon Zehnder has been at the forefront of defining great leadership in the face of changing economic conditions, emerging opportunities and evolving business goals. With more than 440 consultants in 69 offices and 41 countries around the globe, we work closely with public and private corporations, family-owned enterprises and nonprofit and government agencies to provide board advisory services, CEO and leadership succession planning, executive search and assessment, and leadership development. For more information visit www.egonzehnder.com and follow us on **LinkedIn**, **Twitter**, and **Instagram**.

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