



Six paradoxes of leadership

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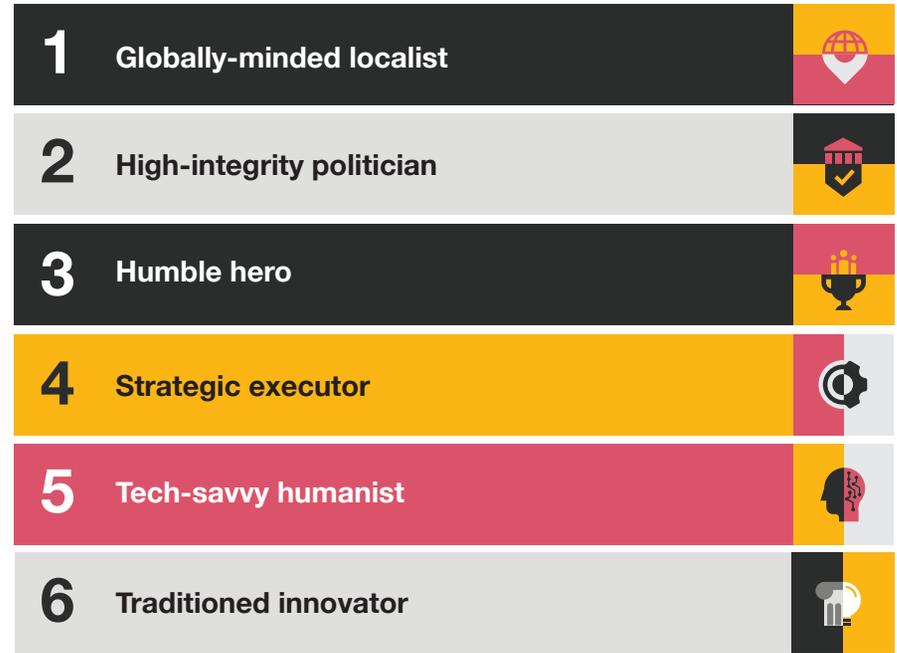


The world is changing so fast that the construct for what it takes to be a successful leader needs to be reviewed and updated urgently. The world needs leaders who can create long-lasting impact and drive positive force across the world with the decisions they take and actions they catalyse.

Doing this has become much more challenging due to the unique set of issues the world is currently grappling with. In this context, there is an increased risk that leaders could create lasting damage, not just to the organisation or institution they lead but to society at large. At the same time, it has never been more important for different people to think of themselves as leaders. Not only is there a need for a more diverse cadre of people in traditional leadership roles, but there is also a need for individuals across society to step up and lead no matter their formal title or responsibilities.

This brochure examines the critical and most urgent dilemmas leaders are facing today which are defined by the complex and fast-changing context leaders are required to navigate.

These are the Six paradoxes of leadership.



The idea of a paradox is not new for many leaders, but we believe these six are the most critical to master in today's world. Together they constitute a system that leaders need to navigate and balance gracefully as they manage the seemingly impossible number of demands they face.

We hope this inspires you to reflect on your own leadership and what it takes you to navigate the tensions that exist in these critical paradoxes.

The Global Strategy and Leadership Team, PwC

A crisis of leadership

Today, leaders are asked to lead in a world that is unlike anything anyone has ever experienced. As described in PwC's ADAPT framework¹, the world is facing significant and increasingly urgent challenges that are affecting individuals, organisations, governments and society alike.

Disparities of wealth have never been more significant, dividing communities and impacting continents. The speed and scale of technology development has caused unintended consequences which has threatened, and manifested itself in, civil unrest. The imbalance of demographics across the world is putting increased pressure on society: the young are needed where the elder reside. And the erosion of trust harms civil society; fracturing the world and contributing to a growth in nationalism.

These trends are coming fast and are impacting decision making today. One thing is clear, the need for a new form of leadership has never been more critical.

¹ www.pwc.com/adapt

Paradoxes of leadership

A paradox involves contradictory-yet-interrelated elements that exist simultaneously and persist over time. What they have in common, which also makes them uniquely challenging, are:

- They create powerfully positive outcomes.
- They can polarise people or groups if not managed well.
- They involve a mindset which requires you to hold two opposing ideas simultaneously.²

Paradoxes are not new to leaders, but they are becoming increasingly difficult to manage. A recent study by The RBL Group identifies that to be able to navigate paradoxes is 'far and away the most important personal competence in explaining business performance'.³

There are six paradoxes which are becoming increasingly important for leaders to navigate. These are not the only paradoxes leaders face, but the ones most urgent in today's context and will remain important in the future. The paradoxes should be considered as a system; they impact each other and all need to be balanced simultaneously. To truly differentiate yourself as a leader, learning how to comfortably inhabit both elements of each paradox will be critical to your success.

² Leslie J., Li P., Zhao S. (2015), Managing Paradox: Blending East and West Philosophies to unlock its advantages and opportunities, Centre for Creative Leadership.

³ Ulrich D., Brockbank W. (2019), Leaders as Paradox Navigators, The RBL Group

Six paradoxes of leadership



Globally-minded localist

How do you navigate a world that is increasingly both global and local?

Globally-minded: To be agnostic about belief systems and market structures and be a student of the world.

Localist: To be fully committed to the success of a locale.



High-integrity politician

How do you navigate the politics of getting things to happen and retain your character?

High-integrity: To maintain integrity and build trust in all interactions.

Politician: To accrue support, negotiate, form coalitions overcome resistance to maintain progress.



Humble hero

How do you have the confidence to act in an uncertain world and the humility to recognise when you are wrong?

Humble: To foster deep personal resilience in self and others, recognising when to help and be helped.

Hero: To exude confidence, with competitive flair and gravitas.



Strategic executor

How do you execute effectively while also being highly strategic?

Strategic: To find insights and observations by looking to the future to inform decision-making today.

Executor: To deliver exquisitely on today's challenges.

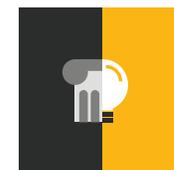


Tech-savvy humanist

How do you become increasingly tech savvy and remember that organisations are run by people, for people?

Tech-savvy: To drive technology enhancement which generates future success.

Humanist: To deeply understand human effectiveness in any given system.



Traditioned innovator

How do you use the past to help direct your future success, while also creating a culture that allows innovation, failure, learning and growth?

Traditioned: To connect deeply with the purpose of the original idea, and bring this value to the present day.

Innovator: To drive innovation and try new things; have the courage to fail and allow others to do so.



Globally-minded localist

During the 20th century, the establishment of global organisations required leaders to navigate cross-cultural relationships and lead a geographically distributed workforce, which they did by imposing their own cultural models.

Since then, the world has begun to fracture along fundamental differences in how a political economy should function which makes imposing one organisational model an ineffective method of leading globally. To compound this, many issues are managed most effectively at the community level, which means the importance of being embedded locally and understanding the nuances of doing business in a particular locale are more important than ever.

The paradox is the need to be both deeply embedded in the local market and seamlessly connected across the globe at the same time. This requires a leader to be agnostic about belief system and market structure and to be a voracious student of the world. It requires someone to be able to recognise their biases resulting from the lens through which they view the world and to learn how to operate most effectively in any locale, without losing their integrity or compromising the success of another market in which they wish to operate. It also requires the skill of bringing the world to bear against challenges that are both local and global in scale. To be able to harness the power of the organisation in its largest sense to make significant and purposeful progress in unfamiliar places. This requires both global and local connectivity, and the ability to negotiate between locales to drive collective success.



High-integrity politician

The issues facing the world are increasingly complex and interdependent, which means that solutions depend on a much broader set of stakeholders with a variety of legitimate points of view, diverse considerations and underlying assumptions. In order to drive execution in this context, leaders are expected to accrue support, negotiate, form coalitions, anticipate counter-actions, and overcome resistance. With more parties at the table, political competence becomes increasingly important.

The paradox is that in a deeply political environment, people can sometimes lose their integrity. Much time is spent meeting the needs of other people and managing the politics of getting plans to happen. Additionally, driving change is a constant state of being for today's leaders, but change affects the existing balance of power and creates a scenario in which some parties feel like they are losing. In order to keep all people engaged on the optimal outcome for the organisation during times of change the integrity of the leader is even more critical - people won't follow someone they don't trust. Work to reconcile the political requirements while maintaining integrity, because without relative consensus and integrity it is challenging to lead.



Humble hero

Given the number of fast-changing variables in today's world, most decisions are probably wrong.

Upon realising this, taking action becomes incredibly difficult, especially for those in a leadership position to whom others look for direction and security. The speed of change requires leaders who can decide and act, but who also have the humility to recognise the limits of their abilities, the courage to admit their mistakes, and who demand others to do the same.

The paradox is that more and more leaders feel like they need to behave like heroes - exuding confidence in these anxiety-inducing times. But having confidence is not the same as the arrogance to presume truth or unwillingness to change course when insurmountable challenges arise. Leadership in this context requires the ability to take advice from many quarters, ask for help when it's needed, and make decisions based on a variety of inputs. Leaders need deep personal resilience to admit when they are wrong, allow others to make mistakes, and foster confidence throughout the organisation to stimulate ongoing success. To be able to make smart, timely decisions and navigate through failure are critical opposing characteristics leaders need to possess, and, by doing so, will enable people to experience their leaders as humans.



Strategic executor

Urgent global issues such as the megatrends and ADAPT are exerting pressure on leaders to solve them immediately in an attempt to restore a sense of stability. The ability to execute in this environment is both harder and more crucial. However, the responsibility of a leader is also to look to the future and make decisions today that will not only solve the immediate problem but also prepare us for the future. This requires a strategic mindset, and the ability to interrogate where the world is going. The success of any strategy is in its execution but a strategy must first be envisioned, and then dynamically adjusted as the world changes while execution is being driven.

The paradox is that usually people have an inclination towards strategy or execution. The most powerful approach is to use the challenges of today to set up organisations for success in the future. To do that requires a leader to articulate a strategy, understand how it needs to evolve, and execute with both the immediate need and changing future in mind. Executing without strategy creates a higher probability of an even more significant crisis in the future and the need to deal with urgent matters even more intensely. However, it is also ineffective to spend a disproportionate amount of time thinking about the future and missing the need to execute now. Leaders should find a way to take the time to be strategic, bring the future into the present in order to solve today's problems with tomorrow in mind, and get it done.



Tech-savvy humanist

In a world where disruption rules and technology is replacing some of the human workforce, it is crucial to discern what is best done by people versus what is best done by machines, and how the two should work together most efficiently and deliver the greatest impact.

The paradox is that traditionally those with technical skills were not also acquiring the skills required to understand people's needs or how to lead them. As a result, many people who are driving technological advancement aren't equipped to consider the human implications of their work. This is also true in reverse as those who have responsibility for people haven't always understood the impact technology will have on their business and workforce; missing critical strategic opportunities to drive into the future. The leader's role is to steer and nurture the success of the business and, in doing so, offer a better future for their people. In today's context, that means balancing being technically savvy with a focus on humanity.



Traditioned innovator

To succeed in today's world, innovation is a non-negotiable. Leaders create momentum by building the culture that will drive their organisation into new areas, technologies, methods, products and services.

At the same time, every leader needs to understand why their organisation exists - what mandate is being fulfilled by their presence and what makes them successful - to guide their decisions. Leaders are facing many urgent challenges and, in addition to looking to the past to steer their growth, they also need to be willing to try new things and be comfortable with failure; leading their organisation to do the same.

The paradox is that it is tempting to continue to execute the things you do really well, and miss the opportunities that will help you remain relevant. It requires the ability to respect the past and decide what needs to be brought forward into the future, while also having the courage to try new things and push new boundaries. To do this in the face of failure (since innovation often fails) takes courage. The tension heightens as the need for rapid change increases, and with the number of urgent issues that demand to be addressed simultaneously. In addition, too often innovation is considered a wholly greenfield experiment, rather than something that is incremental and builds on what already exists. It needs to be both and leaders should define when to preserve the past in moving to the future and when to create completely fresh.



The world needs people to stand up and lead. At all levels, throughout organisations, governments and society alike. And what is required of leaders is becoming more complex and challenging as seemingly irreconcilable problems emerge, the expectation of those who lead is becoming ever more demanding.

The challenge leaders face across all aspects of society is to recognise that paradoxes exist and to learn to be comfortable in holding this reality. The first step is to understand the paradoxes, map your strengths across them, and plan your development across all six.

If the responsibility to do this is not taken, the world will not have the leaders it needs to create a positive future for all. But if it is, the potential is unlimited.

<http://pwc.com/paradoxes>

