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TOOLKIT FOR
Turbulence

THE MINDSET AND METHODS
THAT LEADERS NEED TO
TURN ADVERSITY TO ADVANTAGE

WILEY

Do you want to turn the adversity of disruption into an opportunity to grow and to be a better leader?

Are you always thinking about how to equip, develop and support your team to be the best they can be?

Are performance <u>and</u> wellbeing important to you?

If you've answered yes to any of these questions, then you are an *advantage leader,* and we welcome you to our community!

You're about to read a book full of tools for leaders of every type and at all levels who are striving to turn the disruptions of technology, the economy, pandemics and social change into advantage. It's a *Toolkit for Turbulence.*

Just a few years ago the pace of change began to accelerate, driven by leaps in technology, shifts in cultural values and priorities, and the opportunities and threats of a connected world.

Then along came the pandemic, and what looked like a full stop on progress is now revealing itself as the fuel that *accelerated change* in the world of work.

Today, on the cusp of the AI revolution, we live in an age of disruption, of never-ending volatility, uncertainty, complexity and ambiguity.

Words like *fatigued*, *overwhelmed* and *uncertain* pepper workplace conversations, but there are leaders who see it differently.

Before, during and following the COVID-19 pandemic these leaders welcomed disruption, grasped the opportunities to adapt at pace, and built teams and cultures that are turning the adversity of disruption into the advantage of being adaptable and resilient. We call these people *advantage leaders*.

How do you view disruption? Can you imagine the possibilities if you and your team were to grow stronger when contending with disruption? Are you willing to accept that success is about transformation, and it starts with you? If yes, then let's go!

Introduction

This book will give you deep practical insights into the thinking, behaviours and tools of leaders who thrive in times of turbulence. You will hear about the fundamental mindsets that can make or break people and teams during disruption. You will learn how to recalibrate your thinking to suit a continually disrupted world. You will be introduced to frameworks to form, build and accelerate the performance and wellbeing of your team, and learn how to scale this approach across your life, team and enterprise.

This is not a theoretical or academic book, and neither is it a typical management or self-help guide. The ideas covered are drawn from the experiences of highly successful leaders who are navigating the emotional roller coaster of the pandemic and its aftermath. They have coached, cared for and built high-performing teams. They have rebounded from setbacks such as cyber-attacks, supply chain disruption and massive budget shortfalls, and pivoted then pivoted again when the unimaginable has become the inevitable.

Their mindset and leadership toolkit helped them to be the best leaders they could be and to coach others to unlock their potential at a time when the default response for many was to be more defensive and protective. If you are reading this book, our guess is you'd also like to bring your best self to leadership, when and where it is needed, and to unlock the potential of the people, teams and enterprises you lead. In short, you want to be an advantage leader.

Six parts

At every step in this book's development we have reminded ourselves that most leaders are time poor, yet they aspire to learn about and apply better and proven tools to bring out the best in themselves and

their teams in a turbulent business environment. We applied three tests when choosing content to frame and fill the book:

» **simple, easy-to-apply tools** to effect positive change in personal leadership and team behaviours

» **pragmatic and expert guidance** from people who are practising these techniques on the 'front line' so readers can trust in the source and content

» **proven working models** using performance psychology principles to change habits and enable quick, simple and effective implementation.

Toolkit for Turbulence is divided into six parts, each with a core theme and a brief description of the intent.

1 Pathway	**2** Mindset	**3** Recalibrate
… from disruption to advantage	… from defensive to adaptive	… your leadership paradigms
4 Team up	**5** Coach	**6** Scale
… to align, collaborate and learn together	… be the coach your people need	… for life, team and enterprise

The book is designed around a combination of real-life stories, working models and practical tools featuring contributions from top Australian and international business leaders. Visual canvases and step-by-step tool guides simplify the techniques, and (with additional online resources) make them quick and easy to apply.

Here is a quick guide to terminology, so you can see how it all fits together:

» **Tools**. These are practical resources designed to help you to address and overcome leadership challenges and unlock potential. Twenty-five *primary tools* are the 'go-to' guide to master key challenges, and these are supported by a host of *secondary tools* and activities to encourage reflection and stimulate insights.

» **Models**. Leaders encounter a great deal of complexity, and that's where models help to simplify complex concepts and pave the way to successfully implement tools and practices. You'll find engaging and thought-provoking models spread throughout the book along with examples to illustrate how leaders apply them to advantage.

» **Canvases**. A distinctive feature of *Toolkit for Turbulence* is the use of canvases as visual guides to organise thoughts and map action plans. These are incorporated into individual tools and are used to organise multiple tools. For example, the *Team Canvas* is a blueprint for setting up a high-performing team and draws on the outputs of a variety of team-building tools.

Building your own toolkit

In our consulting we are often asked the best way to construct a leadership toolkit and we always reply there is no one right way.

This book describes approaches that are proven to be effective across a wide variety of settings where uncertainty and complexity are rampant. Stories from the field will show you how to design and use tools for yourself, with your team and in the wider enterprise or ecosystem. You can follow the instructions or modify them to suit your preferences or circumstances.

Here are three options to consider based on ways that people currently use *Toolkit for Turbulence* as a leadership resource.

Frame

Use the six-part structure of the book as a frame or canvas to plan your whole leadership toolkit. In addition, add your own favourite tools and any that catch your eye along the way.

Focus

Select one or more parts where you have a specific need. Leaders with new teams often begin with Part 4 'Team up' and add our ready-made models and tools to their team-building toolkit.

Find

Treat the book as a 'go-to' resource whenever you need a tool to meet a personal, team or enterprise-wide challenge. The format of tools makes them easy to apply on the run.

It's up to you to choose the best way to build and maintain your leadership toolkit. We are confident that as you read the stories, test the tools and see the results you'll be able to build your own toolkit for turbulence. The only choice you can't make is to do nothing; your effectiveness as a leader will depend on it.

1

Pathway

... from disruption to advantage

In this opening part you will learn about the **pathway** from disruption through adaptation to advantage.

After reflecting on the nature of turbulence in your own world, you will learn three principles and priorities that are crucial to turning adversity into advantage: calibrate **mindset**, engage your **team** and be the **coach**.

You will hear stories from advantage leaders who have gone beyond just absorbing disruption and have built the capabilities and culture to become **versatile** enough to get stronger from tough experiences.

Then you will be ready to begin creating your own **toolkit for turbulence**!

The moment

'You must have chaos within you to give birth to a dancing star.'
Friedrich Nietzsche

Martin Bean: leaning into disruption

On 31 March 2020, the first of 263 days of COVID-19 lockdowns in Melbourne, Australia, I was five years into the role of Vice Chancellor at RMIT University, one of Australia's largest universities. ('Vice Chancellor' is what universities like to call their Chief Executive Officer). As lockdown began, I found myself pondering a big question: *What do you do when over 11 000 staff and 80 000 students are relying on you as their leader, and in your gut you fear your tried and tested leadership playbook is suddenly made obsolete by a global pandemic?*

Let's be clear. I am not one to panic, and this wasn't my first rodeo. Half a decade running The Open University, the largest university by number of students in the United Kingdom, and General Manager of Worldwide Education Products for Microsoft are two of many other leadership roles I've filled. I know markets, finance and technology, my DNA is in leading positive disruption at scale, and I can adapt as well as anyone. But this was different.

To borrow the earthquake metaphor I'd learned from living in California, this was 'the big one'.

The viability of a 133-year-old institution threatened by the complete closure of campuses and borders. Thousands of students stranded. Australia, Vietnam, Singapore, China all closed. Other universities making rapid resolutions that could dramatically impact our options

and decisions. An unsympathetic federal government and a highly distracted state government.

Never to go back

If COVID-19 was the earthquake, then experience told me a tsunami would follow. Its name would be 'technology' and it would transform the world in unforeseen ways.

Microsoft Teams, Zoom and other collaboration tools, combined with accelerated automation, and generative artificial intelligence would forever change the workplace, while social media waves would amplify social causes and movements. At the time I really didn't give much thought to potential aftershocks that we now call supply chain shortages, energy crises, workforce and talent shortages, geopolitical uncertainty and volatile economic conditions. The world of work was changing and we'd never go back to the way it was before that day.

No plan survives first contact with the enemy

The world was a more predictable place when I joined RMIT University. This would be my last chief executive gig. An opportunity to bring together all I'd learned about developing leadership teams, running complex enterprises, and building cultures so people and technology could blend together to do great things. I intended to create a positive legacy that could be expressed in the five words that announced our RMIT University strategy: 'Ready for Life and Work'.

Whether it was Eisenhower, Rommel, Churchill or, more likely, Prussian Field Marshal Helmuth von Moltke who first famously pointed to the failure of the best-laid plans on first contact with the enemy, it certainly rang true for me on 31 March 2020.

What to do first?

I had my team set up a Microsoft Teams meeting with Graham Winter, an Australian psychologist we'd engaged to help me to build my executive team. I've always believed the most important task of a leader is to build and grow their team, and I intended my Vice Chancellor's Executive

(VCE) to be the best team of my career. I recruited outstanding talent and gave them time and resources to do the same in their teams.

My first contact with Graham had been a couple of years earlier at a meeting of Vice Chancellors where he'd skilfully facilitated a smart group of leaders with multiple agendas to find common ground and a breakthrough way forward. He had a style that helped make the complex simple. I assumed it reflected his diverse career experiences. He'd started in organisational psychology, then ventured into sport (even playing first-class cricket), with peak roles as Chief Psychologist to three Australian Olympic teams, then into a Big Four experience in the Asia Pacific region. For the past decade he had run his own business, Think One Team, which grew from authoring a best-selling book of the same name. His clients were top-performing leadership teams across defence, universities, government and corporate.

Unlike many psychologists, Graham used small words, and one caught my attention. That word was *tools*. He used it to describe the mental models and psychological skills athletes, business leaders and other high performers bring to achieve excellence in high-demand environments.

Positive disruption

I engaged Graham to help coach my executive team, and they responded well to his style and practical tools. A few months before COVID-19, Graham challenged me to reflect on whether I was really 'all in' on the desire for VCE to be the best team I'd ever led. He felt I was holding back — not surfacing some simmering tensions and wanting to keep things tidy and predictable.

'Martin, your team needs positive disruption to take them to the next level,' he warned. It was challenging to hear, but he was right. I needed to fight against my natural instincts as a 'peace maker' and to lean into the conflict, allowing the conversations that were needed. Looking back, it was then that the first seeds were sown for a way of thinking about myself, my team and my university that enabled us to turn the adversity of COVID-19 into advantage.

Graham Winter: finding the right moment

Martin is one of the best leaders I have worked with across my whole career in both the corporate world and elite sport. His superpower is to make people feel special, and he does that at scale across a room, an auditorium or even an online platform. He has that special connection with people that so often separates a good coach from a great coach.

Martin's playbook

When Martin first asked me to work with him and his team, I was excited by the opportunity to help shape an outstanding group of individuals into a high-performing team, and also the chance to learn from him. I quickly found why most of his team listed 'learning from Martin' as one of the attractions of their job.

What he called his 'playbook' was quite intimidating, because I often felt what I offered wasn't as good as what Martin could deliver by himself. Analysing this, I started to form a view that both Martin and I were holding back, albeit for different reasons.

I felt there was more Martin could give, more he wanted to give, and perhaps I wasn't the right person to partner with him to unlock that potential. We had a deep conversation, including about some of the contradictions of being a Chief Executive.

The gathering storm

Martin was like the admiral of the fleet torn between the responsibility to sail the charted course on which his enterprise had been travelling for more than 130 years and the sense that over the horizon was a gathering storm demanding not just a change of course but a rapid reset (if not transformation) of his ships and crews to suit completely different conditions.

We talked about leaders subconsciously seeking predictability and control, and why that wasn't surprising given the governance and culture pressures they felt every day.

Martin was attracted to leading-edge performance psychology and when we spoke about skills training for military, first responders and elite sport his eyes lit up as he wisely observed, 'They prepare to thrive in unpredictability while we do everything possible to eliminate it. That's why I need positive disruption, and so do my team. We just have to find the right moment.'

When Martin called on the first day of lockdown, I could tell he was as open to a new way as I'd ever known him.

'This is our moment, Graham,' he announced as I got familiar with the Microsoft Teams platform, which would become our primary channel of communication for the next 18 months.

And so we sketched out the model you see in the primary tool *The Pathway*. It became our first model and primary tool in the *Toolkit for Turbulence*. The statements next to each phase in the model capture our thinking.

Underpinning *The Pathway* were two well-known concepts:

»   **Anti-fragility.** The term 'anti-fragile', coined and popularised by Nassim Taleb in his book of the same name, describes the characteristic of a system to get better from experiencing disorder.

»   **VUCA (volatility, uncertainty, complexity, ambiguity).** VUCA originated as a concept in the 1980s and was brought to the world's attention by the US Army War College following the terror attacks of 9/11, when military planners found their conventional ways of planning, problem solving and managing risk were obsolete in an increasingly unpredictable and fast-changing world. Not surprisingly, the business world has embraced VUCA to describe their operating environment. We summarise that in one word, *turbulence*. Figure 1.1 (overleaf) offers a handy reference to business VUCA, including leadership risks.

The Pathway

The Pathway captures the essence of the approach taken by advantage leaders. This approach is born from necessity and underpinned by the two concepts of anti-fragility and VUCA (see table 1.1).

Disruption
Use disruption as a 'force multiplier' to motivate leaps in thinking and behaviour that might be impossible in more stable times.

Adaptation
Accelerate the development of adaptive capabilities so leaders and teams successfully navigate the disruption.

Advantage
Scale those adaptive capabilities to give people, teams, and whole enterprises the advantage of being versatile enough to emerge stronger from any type of disruption.

INSTRUCTIONS

The Pathway is referenced regularly in the book as a simple way to describe the three phases through which advantage leaders guide their teams.

Use the model as a tool for self-reflection and a conversation starter with your team and leadership colleagues. Here are some prompts:

» Where are the **creative opportunities** in disruption?

» How can we use this disruption to grow and strengthen **adaptive capabilities**?

» What's needed to scale these capabilities to enhance **versatility** for the whole enterprise?

VUCA	What's this about?	Business examples	Leadership risks
Volatility	The surprise factor of fast and unpredictable change	Stockmarkets, cyber-attacks and changing COVID-19 rules	Overreacting to threats; para-lysed decision making
Uncertainty	Unpredictability is at the core of uncertainty, now and in the future	Supply chains, natural disasters, interest rate rises, disruptive technology	Too short term focused, stuck in minutiae, trying to control the uncontrollable
Complexity	Lots of factors interacting together in unpredictable ways	Global markets, organisational culture, climate change, media response to issues, increased governance intervention	Overwhelmed by scale, bogged down in analysis, oversimplifica-tion, lacking perspective
Ambiguity	The meaning of things is unclear or in conflict	Workplace para-doxes like profit and sustainability, short and long term, care for people and mak-ing tough calls	Rigid thinking about either/or, missing opportu-nities to innovate, avoidance thinking

Figure 1.1: outline of VUCA

Advantage leaders

Woven through *Toolkit for Turbulence* are quotes, stories and advice from experienced leaders about how they and their teams navigated the pathway from disruption through adaptation to advantage. All faced COVID-19, and each navigated the initial disruption and the turbulence that followed and continues to this day.

These are our co-creators and *advantage leaders*, because each can lay claim to having guided their team successfully along the Pathway. The varieties of turbulence they navigated helped shape the richness of their tools. We specifically sought out these leaders to contribute because they are exceptional people, and they represent a diverse spread of sectors and therefore types of turbulence.

Whether in defence, banking, aged care, health, technology, sport, energy, education, aviation, manufacturing, community services, major events, the arts, online employment or multiple tiers of government, our advantage leaders have confronted just about every form of VUCA and emerged stronger.

Andrew McConville, Chief Executive of the Murray–Darling Basin Authority, characterises the mindset of these leaders: 'I don't believe you can be a leader without accepting that you're going to have to deal with turbulence, or with uncertainty or volatility. That's why you sign up for the gig.'

Insights

Before moving on to explore *The Pathway* take the time to complete the insight exercise opposite.

We believe insights are one of the greatest accelerants of adaptability and a huge contributor to advantage. For a deeper dive into the concept of insights go to chapter 8, *Dial up the learning*.

INSIGHT EXERCISE
A brief stocktake of your current turbulence levels

How significant is the turbulence you are personally experiencing as a leader, and is it the same for your team?

2   3

1   4

Calm	Volatile
Predictable	Uncertain
Simple	Complex
Clear	Ambiguous
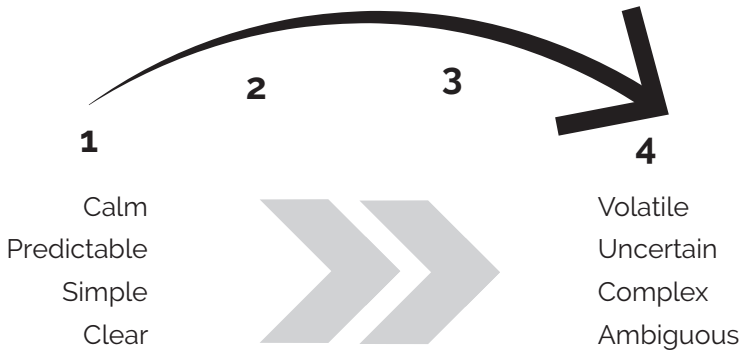
In each of the four VUCA aspects, use the figure above to reflect on recent examples of turbulence you have faced or are facing.

» Which of the four VUCA elements are most impactful, and in what ways? For example, is complexity making prioritisation more challenging, or is uncertainty affecting workforce planning?

» Is your team experiencing anything different? If so, what is the effect for them and why is it different for you?

» What benefits are you looking to gain from *Toolkit for Turbulence* for yourself, your team and your wider enterprise?

Turning adversity to advantage

On a calm, clear day in 2008, just off the sparsely populated northwest coast of Australia, the fate of 315 passengers and crew on Qantas QF72 from Singapore to Perth lay in the hands of Captain Kevin Sullivan, a highly experienced pilot who had flown fighter jets in the US Navy and the Royal Australian Air Force.

They were cruising uneventfully at 11000 metres when the onboard computers broadcast a series of confusing and contradictory signals before pitching the plane into two violent dives towards the Indian Ocean below, wrenching the pilots physically upwards from their seats and sending passengers and galley equipment crashing to the ceiling and back again.

More than 100 people were injured, many seriously, with fractures, lacerations and spinal injuries as the pilots fought for control of the Airbus A330-300, which, according to flight computers, was simultaneously stalling and over-speeding.

A later report would find a software error had caused the flight control computers to command the aircraft to pitch downward violently, wrenching control of the plane from Captain Sullivan and his crew. The automatic systems designed to make the plane safe had malfunctioned in a way that the pilots had not been trained to respond to. As Captain Sullivan wrote in his book *No Man's Land*, 'There is never any suggestion that the automation can fail…[because] there are enough back-up systems in place to cater for a wide range of failure situations.'

The pilots had only seconds to find an alternative to the pre-programmed 'playbook' that was hurling them earthward.

The 315 people on that plane owe their lives to Captain Sullivan's decisions and skills in taking back control of the plane and, after issuing mayday calls, landing the plane at remote Learmonth Airport (rather than risk the two hours to Perth), where they received emergency medical support from the first responders, the Royal Flying Doctor Service, CareFlight, the Western Australia Police Force and some generous members of the local community.

One of our advantage leaders, Kevin Sullivan shared in vivid detail how he wrested back control of his plane by falling back on leadership tools learned in US Navy training for a way out of what seemed an impossible situation.

'Everything is unprecedented until it happens for the first time,' observed another Sully, the equally heroic Captain Chesley Burnett 'Sully' Sullenberger III, captain of US Airways Flight 1549, which he landed without loss of life in the Hudson River after both engines were disabled by a bird strike.

How does this happen? How do pilots like Captains Sullivan and Sullenberger meet these unprecedented challenges by making superb team-oriented decisions when there is nothing but turbulence all around them? How do they cast aside conventional wisdom and playbooks to cobble together the tools they and their team need in the moment to turn adversity to advantage? And how can you replicate this approach in your leadership and with your team?

Learnings

- » **Turbulence** is the mix of volatility, uncertainty, complexity and ambiguity (VUCA) affecting leaders, teams and enterprises worldwide.

- » Embrace **positive disruption**. Disruption can be an opportunity to turn adversity into advantage provided you are willing to embrace disruption, lean into conflict and allow for the conversations that need to happen.

- » The COVID-19 pandemic has **accelerated** the adoption of advanced technology and has forever changed the world of work.

- » The **Pathway model** describes three phases: *disruption*, *adaptation* and *advantage*. *Toolkit for Turbulence* shows how top leaders use disruption as a catalyst for change and develop adaptive capabilities to emerge stronger from any type of turbulence.

- » Embrace **anti-fragility**. While conventional wisdom advises us to build resilience to withstand disruption, an anti-fragile mindset seeks to get stronger from the experience.

- » Throughout the book you will learn from **leaders** in a diverse spread of sectors who have experienced many different types of turbulence and emerged as advantage leaders.