

# IMPACT Leadership Model -Leadership Dimensions of the Future

**RESEARCH PAPER** 

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#### **Executive Summary**

As 2020 was coming to an end, we believed the world would soon return to normalcy with plans being put together to roll out vaccines and a hope for offices to reopen and resume work as before. Keeping in mind the challenges facing leaders at that time, we had looked at leadership from the point of view of the HEART (Human-first, Emotionally Intelligent, Agile, Resilient, Technologically Authentic) model of leadership capabilities.

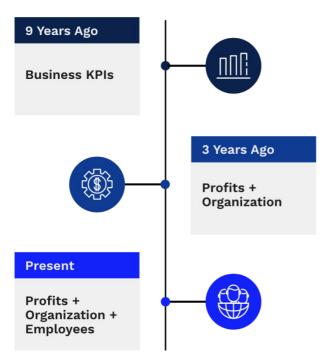
But 2021 turned out to be more volatile than anyone had expected. We saw the rise of new Covid variants, a massive war for talent, as well as a global surge of resignations, and economies being challenged from all dimensions.

2022 doesn't seem to be very different. This continued uncertainty led us to re-examine our ideas about leadership and look at capabilities that will help leaders meet the growing complexities of today's changing world while also focusing on building a sustainable future. There is also a growing recognition that change is taking place faster than anyone may have anticipated, and many organizations don't have the expertise or infrastructure ready to cater to these changes.

Organizations are looking at heightened leadership gaps, forcing leaders to reimagine and redefine the skills they need to move forward in the face of these growing challenges. Never before have leadership qualities been examined so closely, and with such frequency.

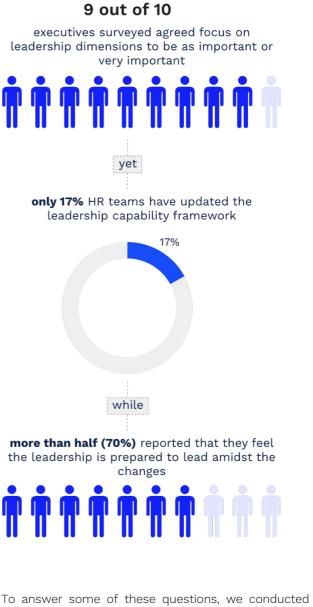
FIGURE 1

#### FOCUS AREAS FOR AN ORGANIZATION



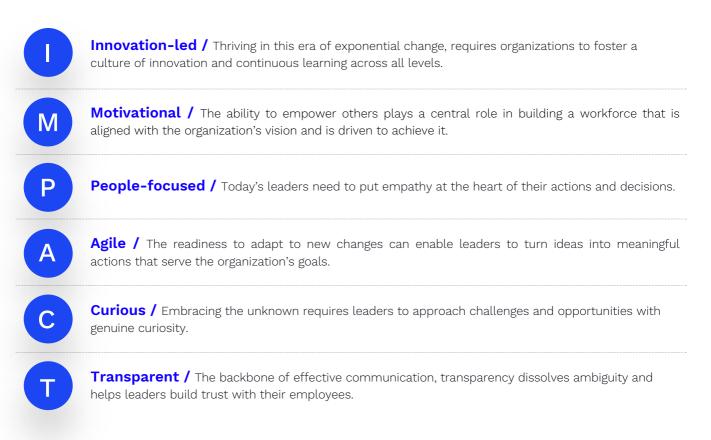
Evidently, there is a massive responsibility weighing heavy on the shoulders of leaders across organizations. The question on everyone's mind is: "How do we define and articulate the leadership of the future?"

FIGURE 2

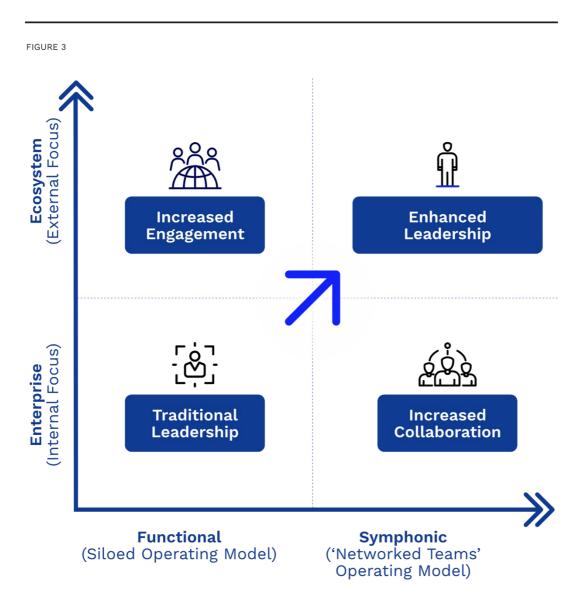


extensive research, reaching out to business and HR leaders with the goal of understanding their perspectives on the changing dynamics of leadership and substantiating it with secondary research.

#### Based on our research, we would like to introduce the IMPACT leadership model:



The model looks at enhanced leadership, which helps leaders enable both external focus (on the Ecosystem) and networked teams operating model (which is a pressing need in today's global/virtual working model)



In the following sections, we explore this model and the new leadership dimensions. As is evident from our study, it is no longer enough to talk about these new leadership capabilities, but also to update them in the capability framework so as to help leaders in their development/upskilling journey and empower them to be more effective.

### Diving Into the Dimensions of the IMPACT Leadership Model

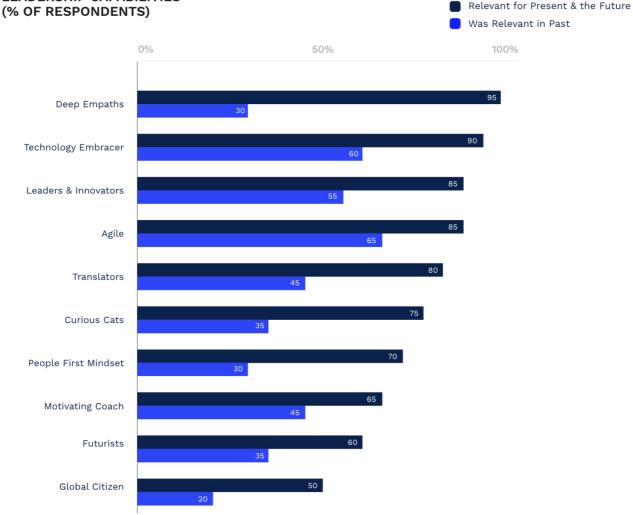
IMPACT Model	Sub-dimensions
Innovation-led	Futurist Learners & Innovators Technology Embracer
Motivational	Motivating Coach
People-Focused	People-Focused Mindset Deep Empaths Global Citizens
Agile	Agile
Curious	Curious Cats
Transparent	Translators

It is predicted that 4 out of 10 top-ranking companies worldwide in their industries won't survive the next 5 years. We have seen this in the tech space through examples of Nokia and BlackBerry.

One of the biggest reasons behind this is the stagnant and outdated leadership models/practices. While corporate leaders are working hard to survive in this changing landscape fuelled by accelerated digital/ technology adoption, employee empowerment, shifting consumer tastes, remote working, and labor sentiments, a gap remains. The pandemic has put employee engagement back into the spotlight. The record number of resignations in the global workforce urged leaders to rethink their leadership approach. Thoughtful actions to enhance employee engagement not only have a direct impact on employee retention, productivity, and loyalty, but also influence customer satisfaction, corporate reputation, and overall stakeholder value.

It is interesting to note (ref Fig 4) that:





While the most relevant dimension, as expected in current times, is Deep Empaths, highlighting the need for leaders to show more empathy than ever, only 30% shared that it was a part of their existing leadership dimensions. The next two most relevant dimensions are Technology Embracer and Learners & Innovators, and they also show a big gap when it comes to being present in their existing leadership dimensions.

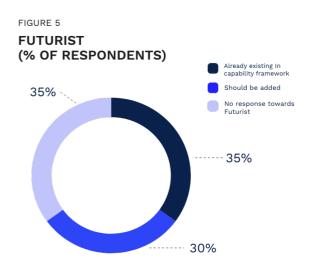
This clearly points to the need for leaders and organizations to create a new leadership playbook one that places humility, bold actions, and humanity at the heart of what leaders do. Given below are the multiple dimensions of the IMPACT leadership model for the present and the future.

## **INNOVATION - LED**

#### Futurist



Every visionary may not be a leader but every leader must be a visionary. As people and businesses attempt to make sense of the rapid changes around them, a leader bears the responsibility of guiding everyone's focus towards the future. Approaching the road ahead with cautious optimism, a leader must act boldly to realize business objectives even when the future looks hazy.



A proven way to help leaders develop a futurist's mindset is to necessitate structured mulling around the following key questions before arriving at any major business decision:

- Why might "this" happen or not happen?
- What else might happen?
- What do I want to happen and how can I make it happen?
- What factors might influence why this will or won't happen?

For leaders of the future, it is not about picking a single path and sticking to it; it is about exploring many paths at the same time, seeing around many corners to understand the best way forward.

#### - Chief Executive of a leading MNC

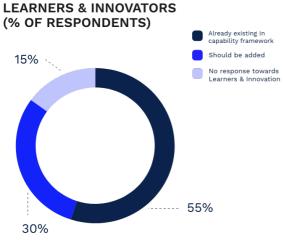
The change can be driven top-down in the culture of the organization, in terms of how employees deal with presenting their ideas and analysis regarding key business decisions. Any messaging should include well-thought-out exigencies and response plans with scenario analysis to portray best and worst-case scenarios, equipping leaders with a better view of the near future.

Additionally, senior leaders can take on the task of communicating and discussing top trends in relevant sectors to boost awareness and also facilitate critical thinking from a futuristic perspective.

#### Learners & Innovators

Learning is key to leadership. A learning mindset stems from the curiosity to explore new possibilities and take informed steps to make the most of them. Leaders must never stop learning and always look for ways to improve.

#### FIGURE 6



creating successful products that respond to the pulse of a consumer. This helps employees learn skills required beyond their role, fuelling their personal development which is useful for executive positions that involve leading crossfunctional teams (grooming 'CEOs').

#### **Technology Embracer**



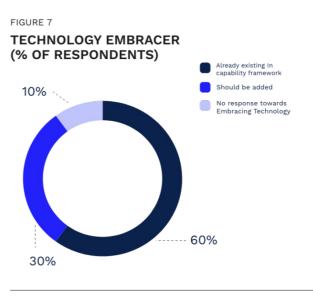
A learning mindset for a leader is driven at 3 levels learning for oneself, learning for one's team, and learning for the "leaders". An exemplary leader has to step up and exhibit proficiency across all 3 layers to excel in this particular dimension professionally. This necessitates developing skills to constantly benchmark & identify avenues for learning & development.

There are many ways in which a learning and innovation mindset can be nurtured among leaders:

- Proactive content engagement & sharing: Signing up for useful newsletters, insight posts, etc to enhance knowledge & stay abreast of the key trends can prove to be useful in learning. Also, selectively sharing content that can be useful for colleagues can help ripple the learning impact from being limited to just oneself, to across the organization
- Culture of feedback: A constant 'seeking & providing' of constructive feedback with clear imperatives (both upward & downward), conveyed empathetically with the intent of improving the morale & performance of a colleague can work wonders in improving an individual's performance at breakneck speeds.
- Cross-team integration: Fostering a culture of communication and networking across functions can significantly improve employees' visibility of the 'big picture' at play in the organization. For instance, strong communication between product development & marketing is quintessential for

Given the transformational nature of emerging technology and the digital disruption surrounding us, this skill set becomes a must-have for all leaders.

Today, technology and leadership are intertwined. One of the primary ways to enforce an "arms wide open" attitude towards technology amongst the leadership of a company is to put adaptability upfront in the company's culture - make it one of the core values for the company. Demonstrate it from the top-down, with leadership right at the executive level sharing stories of their engagement with the adoption of new technology to facilitate their day-to-day work.



Additionally, creating a safe environment for leaders to experiment and learn new technologies through internal learning platforms to foster skills can go a long way in bridging the skill gap to further accelerate a positive attitude towards adoption. Creating **"protected time"** in calendars occasionally (weekly/fortnightly/monthly), dedicated to learning and implementation of latest tools & technology can also help further the cause.

Incentivizing leaders by showing them the benefits of embracing technology & inculcating components of quick and efficient adoption of technology in their evaluation criteria can also boost acceptability for this dimension.

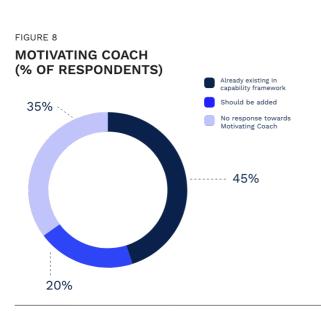
## MOTIVATIONAL



- HR leader of IT services firm

#### **Motivating Coach**

Arguably, the most important and necessary task of a leader is to identify and help bring out the best in those they lead. The pandemic hastened businesses' transition to an agile model, flattening hierarchies and empowering front-line workers to make swift decisions. Today, leaders can and must play a crucial role in motivating their people to learn skills that will further the growth of the organization as well as the individual.



According to Gallup's State of the Global Workplace research, only 15% of employees globally are truly engaged in their jobs, implying that 85% of employees are either not fully engaged in their jobs, or intentionally disengaged. Another study by Gallup highlights that leaders are responsible for at least 70% of the variation in employee engagement. These studies show the big impact leaders have on employee motivation.

To take on the role of a motivating coach, leaders can take the following steps:

When personal objectives are aligned with those of the organization, employees are not only more productive but also tend to feel more valued. Leaders must actively engage with employees to ensure that there is no expectation and purpose mismatch.

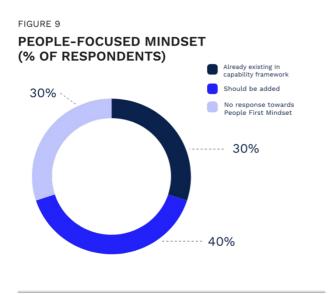
Rewards and recognition are powerful motivators that encourage employees to better their performance. However, frequent and constructive feedback along with small but impactful gestures like a certificate of appreciation for good/exceptional behavior can help employees feel motivated to bring their best, every day.

Encouraging people to participate in planning and problem-solving not only stimulates them but also prepares them for the complexities of decisionmaking in a crisis.

## **PEOPLE-FOCUSED**

#### **People-Focused Mindset**

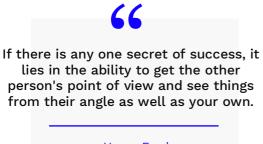
In the last 2 years, workplace dynamics have shifted. The pandemic has returned power to the people rather than the processes. In one fell swoop, COVID-19 has overturned decades of established HR systems. It has prompted HR executives to come up with fresh and innovative approaches to hiring, development, and performance management. Employees, who were mere 'resources' prior to the pandemic, are now at the heart of the company. From hiring to remuneration, HR leaders are now developing new policies and procedures with a "people-first" approach. In the face of fierce competition and growing uncertainty, this is the only way that organizations can expect to attract, retain, and engage talent.



The requirement for speed has flattened structures, given employees more decision-making power, and encouraged leaders to collaborate rather than be bosses.

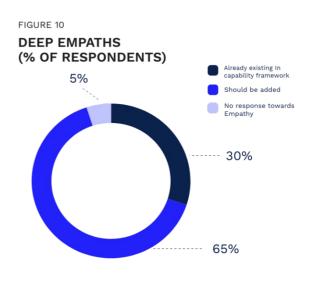
To adapt to the disruptions caused by the pandemic and the ongoing technological disruptions, leaders should craft policies centered around people, prioritize their employees' emotional health, and empower their employees with the autonomy to make decisions. At the same time, HR executives must go beyond transactional personnel management and focus on the individual, not simply the employee. They can do so by offering coaching, emotional support, and developing stronger, more meaningful bonds with the employees

#### Deep-Empaths



- Henry Ford

The future of the modern workplace is hybrid, with offline & online workforces co-existing in harmony. This highlights the need for a leader to be empathetic and sensitive to the needs of their diverse workforce, building a workplace that makes everyone feel included and provides psychological safety to remote workers.



Out of the 95% of leaders who identified empathy to be one of the core capabilities, only 30% include it in their existing framework. Thus, making empathy one of the top emerging capabilities among the rest.

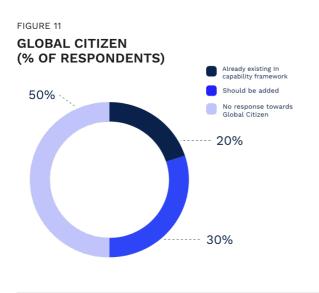
The good news is that empathy can be developed with the help of coaching/training but to a large extent, it comes from within. Displaying genuine empathy means placing a premium on connections instead of meetings, on listening instead of directing. Empathy may be a soft skill, but understanding its true nature can benefit one's leadership as well as empower others.

Cultivating empathy as a leadership skill allows one to create bonds of trust. It gives leaders insight into what others are experiencing and helps them understand their actions.

At its best, empathy can turn into a powerful decision-making tool for leaders. While leaders may not be able to spend time talking to everyone on a daily basis, they can take other actions to understand their employees better. Circulating 'happiness surveys' or creating a platform to engage with employees can help leaders get the pulse of their teams. The information they gather can then be compiled to assist them in addressing the pertinent challenges and take impactful steps to improve workplace culture, engagement, and overall employee happiness!

#### **Global Citizen**

The post-pandemic workforce is diverse, belonging to different geographies and cultures. While remote working has broadened the talent pool, it also demands leaders to have a strong sense of empathy and openness towards individuals from different backgrounds. Understanding cross-cultural differences can help leaders understand the people they work with and build stronger connections around the world.



Today, organizations are growing in a non-linear manner, leaders who quickly build the expertise required, are the ones who navigate the change fastest.

- Leader of a fintech firm

We all assess others through the lens of our own predominant cultural paradigms. As an HR leader at an e-commerce company puts it, "we just have our own cultural prism". This is what makes cultural training imperative for today's leaders. To enable diverse cultural sensitivity, taking the following measures can help:

- HR managers must properly evaluate & illustrate the widely varying needs of their workforce based on demographics before designing or implementing a cross-cultural training program.
- Deploy cross-culturally sensitive interviewing teams to multiple company sites to conduct controlled, one-on-one conversations with randomly selected employees about cultural issues that impact them. Within days of completing the interviews, the same teams should summarize their findings & present reports to corporate headquarters, and illustrate the areas of strength and opportunity in terms of the

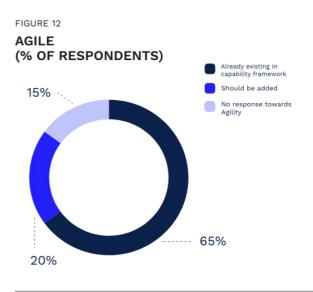
company's performance across global cultural sensitivity and inclusivity for their employees

- For firms with a significantly wide global presence, circulating calendars that highlight holidays throughout the world—when crucial stakeholders in other countries are unlikely to be reachable—or adopting universal time or date conventions are simple but effective methods.
- Most of today's programs emphasize "cultural congruence," or the assimilation of employees from many cultures into a similar corporate culture. However, for these programs to be genuinely effective, they must also teach "cultural differentiation," or how to maintain one's own culture while appreciating the value that other cultures offer to the firm. Combining the two types of training could be the most effective method to encourage diversity and inclusivity.

## AGILE

#### Agile

Since the beginning of the era of digital transformation, agility has been valued as a top leadership trait. Being agile means being nimble and vigilant. When combined with knowledge and insight, it allows leaders and organizations to thrive in a volatile world. Leading with agility means creating an environment that prioritizes innovation, encourages open dialogue and feedback, fosters collaborative teams, and is committed to quality and continual improvement.



65% of the respondents already had agility as one of the top leadership capabilities and another 20% agreed that it will continue to be relevant in the future. To imbibe agility, leaders must focus on the following:

- They must first change themselves to develop new personal mindsets and behaviors.
- Secondly, they must restructure their teams to enable them to work in new ways.
- Thirdly, it's critical to develop the competencies needed to transform the organization by incorporating agility into its overall design and culture.



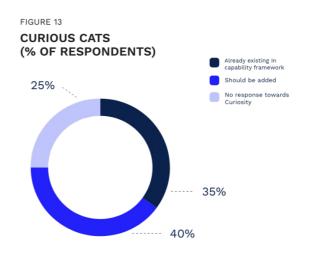
## - The HR leader of an MNC specializing in IT Services

To build a culture that is agile, leaders must learn to think of their company as a dispersed, ever-evolving system. A network of smaller empowered units that work together with autonomy. Leaders must explicitly understand how to disaggregate current huge enterprises into a more granular portfolio, turn corporate functions into a lean, enabling backbone, and attract a diverse set of partners into a powerful ecosystem.

## CURIOUS

#### **Curious Cats**

As they say, **the power to question is the basis of all human progress.** A leader should always strive to challenge all conventional bounds of thinking to embrace the unknown. This mindset is particularly relevant for the technology sector, which is highly dynamic in nature.



From using flints to light a fire to self-driving automobiles, most groundbreaking discoveries and astonishing innovations have one thing in common: they are the outcome of curiosity. The desire to learn new things and have new experiences is essential to being human.

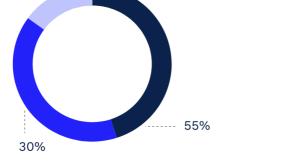
For leaders, curiosity can be a game-changer. In a world faced with a dearth of originality, a curious mindset can give leaders, and therefore organizations, a competitive edge. Leaders can develop curiosity by focusing on learning, and not just performance, as a goal. Curious leaders will encourage seeking out new information, create opportunities for cross-functional collaboration, and empower employees to engage in continuous learning.

### TRANSPARENT

#### Translators

The importance of effective communication has never been felt more strongly than now. The ability to communicate with complete transparency and authenticity not only removes ambiguity but also helps employees feel valued and more connected to their organization. On the contrary, receiving fragments of information creates skepticism and leaves room for speculation. Leaders need to be wary of communication gaps to ensure that their employees do not become alienated from their jobs.

## FIGURE 14 **TRANSLATORS** (% OF RESPONDENTS) 15% No response towards Translators



## 66

#### One needs to be candid or transparent in communication to be an effective translator at the workplace.

## - HR leader of one of the world's largest brewers

Following are the tenets of being an effective translator:

#### Eliminating unintentional communication barriers:

With the meteoric rise of the remote working model, communication in the workplace has become more complex over the past two years. To eliminate the erupting communication gap, leaders must work on explicitly communicating their accessibility to each of their employees.

## Firm-wide channels to foster a feeling of connectedness:

Many businesses are creating internal company blogs. This is a fantastic idea for motivating employees and leaders to communicate informally over a virtual public platform, to simulate in-person workplace chatter. This will churn out content that employees would be willing to engage with, while also serving as an excellent platform for executive leadership to exemplify the company's values.

For instance, Google's reWork is an excellent example of a blog to discuss organizational principles that the company intends for its employees to embrace.

## **ROAD AHEAD**

To remain competitive amid constant turbulence and disruption, the leadership across organizations needs to have a plan and a set of capabilities in place. At present, a significant gap exists between the importance of the leadership capabilities and the leaders' own assessment of their preparedness to effectively master it.

As organizations in the technology space progressively leverage technology to enhance their business strategies, digitally savvy leaders with the abovementioned capabilities would be more prepared than the laggards to meet emerging business challenges.

To cultivate new capabilities and accelerate selfdevelopment, leaders should create a diverse network of peers and a community both internal and external. HR executives must facilitate the development process by providing a platform to all the curious learners and by creating programs for mentoring, other interventions delivering high-impact learning. More importantly, organizations must strive to foster an environment that encourages learning and empowers everyone in the organizations.

The disruption we are facing is one of the greatest across generations. It has dramatically changed the way businesses will run and grow in the future. The only constant through this disruption is the variability with which it is impacting industries and organizations. The only way organizations can thrive in this conundrum is by making sure their leadership is ready to ride the waves with the right capabilities – highlighted in the IMPACT Model of Leadership

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#### About the Authors



Mainak brings over 24 years of experience spanning business and HR roles across geographies. This has given him a unique understanding of the link between HR and business strategy. He also holds a patent for HR capability development.

Mainak's experience includes human capital strategy, culture, talent development (performance, leadership development, career pathing, competency, learning, engagement, diversity) and talent acquisition (including on-boarding and background check). He has also implemented HRIS platform and HR metrics to improve performance.

Recently he has been helping start-ups set up efficient and effective HR teams and processes. In addition, Mainak is a recognized Executive Coach and Leadership Development expert.

Mainak's previous work experience includes stints/projects with Accenture (Consulting and HR), Hewitt Associates, AbsolutData, Heidrick & Struggles, Evalueserve, Sterlite Technologies and Upstox.

Mainak holds an MBA from the Indian Institute of Management, Calcutta, and is a certified executive coach.



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Tanya Garg is pursuing her post-graduation in human resource management at XLRI Jamshedpur and is presently in the final year. Before coming to XLRI, she worked with Infosys for 2 years, serving a U.S. client's

application development and support. Tanya is a computer science engineer by trade, but she attests her interests in being an HR leader of tomorrow by building a workplace where everyone can flourish. She was an intern at AB InBev where she designed and developed the Leadership Capability Academy. Tanya believes that knowledge must be improved, challenged, applied, and constantly shared; otherwise, it vanishes. She sustains her passion for sketching with her love for food, traveling & running marathons.

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