EMBRACING SEASONS OF CHANGE

3 Does failure make you or break you?
6 How businesses can adapt to changes
7 What is a ‘radical’ leader?

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Business Education
Finding the right balance in its approach

To create responsible leaders of the future, business schools need to adopt a more holistic approach to education. Regardless of where they are in the globe, a common theme running through the mission statements of top business educational institutions (and INSEAD is no exception) is the commitment to develop responsible, thoughtful leaders who will create value for their organisations and ultimately their communities. In addition, through their research, business schools claim that they seek to expand the frontiers of knowledge and influence business practice. Lofty goals. But are they really being achieved?

To what degree are business educators helping to transform individuals, and improve and influence business practice? Are we, as management professors, really doing research to help these business communities? Or have we created two separate worlds: one for business researchers, while the other is the real world of business? To what extent is knowledge produced for other academics?

And shouldn’t institutions instead spend more time helping business leaders realise what it means to be a leader?

Finding the balance

Too many business schools – and I am thinking of the many scandals that can be read in the newspapers – have produced leaders who derailed badly. Obviously, asking our students to take some classes in business ethics is not good enough. The fault-lines in management education are deep and may be invisible at first sight. Of course, management theory and practice can – in theory – work hand-in-hand. Unfortunately, all too often, academic studies are “lost before translation” – based on theoretical ideas that may be irrelevant to practice.

I cannot emphasise strongly enough that the development of leaders – and here, I refer to the development of thoughtful, responsible leaders – is not limited to the simple transfer of a set of skills. On the contrary.

Going back to the core issues, business schools need to help students find the right balance between being successful, and living a relatively happy life. And to help students to feel better in their skin, we may need to dwell on such relatively intangible, but very personal matters as how to manage their envy, how to practise forgiveness, and how to express gratitude.

Business schools can learn from faculty like Dominique Héau, a much beloved INSEAD professor, associate dean, programme director, and board member who is no longer with us. Dominique truly empowered the people whom he taught. Many had an “Aha! Experience” when they were in his classes. He cared greatly and he knew how to get the best out of his students and his colleagues.

Through his energy, intelligence, integrity and dedication to education, he was the kind of leader who inspired others to become leaders. He was a person who cared about others and who recognised that to be truly transformational, business schools need to support soft skills – helping executives become effective in dealing with the more irrational parts of organisational life – and not merely a production centre of “insecure overachievers”.

A holistic approach to business education

Six hundred years before Christ, the first sage of Greece, Thales of Miletus was asked what was the most difficult thing in the world. The answer was to “know thyself”. It was also the message written above the ancient temple of Apollo in Delphi. Keeping this statement in mind, in my work I sometimes refer to the three Cs in the development of leaders.

What I mean is that to create these reflective, thoughtful, responsible leaders, we need to develop people with confidence. We need to develop people who have the courage of their opinions. And we need to develop people who are able to engage in critical thinking. Essentially, for the sake of sustainability, we need to develop leaders who are able to look beyond short-term returns; leaders who are concerned about the common good and who are aware of the societal impact of their actions.

Unfortunately, the right side of the brain – the part responsible for more intuitive processes – is too often not stimulated in business schools.

As a result, too many students remain deficient as far as their emotional intelligence is concerned.

Food for thought

Perhaps it’s time business schools asked themselves, “Do we have a holistic approach to business education or are we merely training technocrats?” And shouldn’t these concerns be embedded in each faculty member’s educational strategy?

Shouldn’t they be able to transcend narrow concerns about the transfer of purely technical skills?

And to take this concern a step further: Shouldn’t we, as faculty, make much more of an effort to develop people of character?

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To share your thoughts on this thought-provoking article, email us at editor@leaderonomics.com.

Shouldn’t we, as faculty, make much more of an effort to develop people of character?
Facing Failure
It can either cripple you or drive you forward

By ROSHAN THIRAN
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E LON Reeve Musk - the tech virtuoso who founded PayPal and the brains behind SpaceX and Tesla - is worth over USD19bil (as of April 2018). As a serial entrepreneur, Elon Musk seems to be coming up with new ideas to help him realise his vision: to change the world for the betterment of humanity.

Musk has been described as a “real-life Tony Stark” (of Iron Man fame). Many of his ideas, initially dismissed as dreams by sceptics and doubters, have been transformed into reality - most of which are centered on technological advances that have and will continue to transform the way we interact with the world.

It might look like Musk has led a charmed life and is now enjoying the fruits of his labour, born from a genetically-gifted brilliance that most of us would love to have. The reality is that the path to fame (or infamy) is bound to be full of obstacles, setbacks and tragedies as he persevered through his journey towards success.

The early years

“Only those who dare to fail greatly can ever achieve greatly.”
- Robert F. Kennedy

As a studious youngster, Musk always had his nose buried in books and was fascinated by computers. His lack of social skills marked him out as an easy target for bullies and, during one confrontation, he was thrown down a staircase before being beaten up. As a result, he sustained an injury that continues to affect his breathing to this day.

Despite his troubled childhood and awkward personality, he went on to receive degrees in nuclear physics and physics from Wharton School of Business. He applied for a job at Netscape - a renowned tech company then - but failed to get a response. Undeterred, he visited the Netscape offices, but returned home without having spoken to anyone... because he was too shy.

He went on to co-found Zip2 with his brother - a software company that provided business details - and was later tossed out of the company by his own board, who felt that he lacked sufficient experience to be a successful chief executive officer (CEO).

When they meet an obstacle, they go around it, over it or through it: what they never do is lose belief in their passion and purpose.

Later, he founded PayPal, but the company was later tossed out of the company by his own board, who felt that he lacked sufficient experience to be a successful chief executive officer (CEO).

What doesn’t kill you makes you stronger

“If something is important enough you should try, even if the probable outcome is failure.”
- Elon Musk

Musk’s story is extraordinary for all kinds of reasons. Musk’s story shows how we can achieve extraordinary successes if we develop the resilience to bounce back from all the curve balls life throws at us and believe in our passion to such an extent that nothing can stop us from finding an outlet for that passion to thrive.

I have been fortunate to have met and worked with some amazingly passionate and successful people throughout my professional life, and every single one of these people share one trait in common: they just don’t quit.

Now, don’t get me wrong. That doesn’t mean they never change course when necessary; sometimes, certain avenues will simply lead to dead ends despite even the best efforts.

However, this doesn’t stop passionate people; all it means is having to find another way to reach their goal.

When they meet an obstacle, they go around it, over it or through it: what they never do is lose belief in their passion and purpose.

Tying it together

“Failure should be our teacher, not our undertaker. Failure is delay, not defeat. It is a temporary detour, not a dead end. Failure is something we can avoid only by doing nothing, doing nothing and being nothing.”
- Denis Waitley

If ever you find yourself stuck in a rut or facing a huge obstacle that attempts to end your journey of whatever you want to achieve, just remember that there is always a way around: even for the biggest challenges.

Nothing can keep you down if you refuse to allow it. All of us face challenges in pursuing our dreams. But, as the famous line in Rocky Balboa goes, “You, me, or nobody is gonna hit as hard as life. But it ain’t about how hard you hit. It’s about how hard it can get hit and keep moving forward. How much can you take and keep moving forward. That’s how winning is done.”

Be a leader!
Digital Disruption

Enterprise Systems vs Enterprise Platforms

By JESPER LOWGREN
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I have led transformation projects for over 20 years – across most industries – from the start of the Internet and the world wide web, to today’s digital disruption. And each era in between.

All of them hold one thing in common: new technology – which drives new behaviour; which leads to change.

Each new technology attracts its early evangelists. Doom and gloom are upon us unless we adopt the new technology immediately.

In the early 2000s, aggressive software vendors proclaimed e-commerce was essential to survival. But only today is it becoming true.

A couple of years ago, they were deemed important as they heralded a new era of process mobilisation. Today, the business app economy is increasing because apps limit the customer experience. And not everyone wants their device cluttered with apps.

While e-commerce took more than 15 years to mature, apps only took four to five years.

How critical is digital disruption?

In August 2016, I gave a keynote at the World Forum Disrupt in Sydney. The keynote that stood out to me was presented by the Australian retailer deli.com.au. They have designed and built a digital business from the ground up: connecting analytics with customer journeys to create a compelling, multi-channel customer experience.

This creates a sustainable competitive advantage. I have launched successful online retailers and know the power of an agile operating model and platform, and I know the disadvantage of running many different systems.

To me, this sums up the challenge of the digital disruption and how critical it is. Or perhaps more aptly; how different it is.

But how is it different? What makes a new economy business like deli.com.au and Airbnb flourish? Because they think differently. Anyone can copy what they do. But not how they think. And this holds the key to their success.

The starting point is not the business you have right now, but the business you want to create if there were no barriers.

You need to ask the question: how does my business need to look like to thrive in change and disruption?

One thing it will certainly not be, it won’t look like the current business. It is not about digitalising more of what is being done. It is not about running faster. It is about re-imaging and re-designing the business to be agile enough to operate in insane change and disruption.

What does this organisation look like?

It takes advantage of the full potential of digital:

• Speed: How fast a process can run. This has been the preoccupation since computers became commonplace.

• Scale: How fast a process can change and collaborate with other processes. The need for scale is a new phenomenon and is connected to the emerging ecosystem economy. The problem in most businesses is the lack of ability to scale. This is a consequence of a continued focus on speed and automation.

Over time, it left businesses with many disintegrated systems with non-agile and hard to change.

Why is scalability suddenly so important?

Because it provides growth at near zero cost. Scalability is about leveraging an ecosystem or network to create multipliers.

In the analogue world, the ratio is 1:1 but in the digital world, it can reach 1000:1.

Yet to achieve and sustain such a ratio requires an agile enterprise platform, purpose-built for the digital world and economy.

This is different to enterprise systems that are designed to meet internal capability requirements.

Developing an enterprise platform

Here are some guiding principles for developing and sustaining your enterprise platform:

• Single source of truth: Core information is continuously updated and normalised.

• Customer value: Customer value propositions are clear and continuously updated.

• Continuous simplification and transformation: Core processes are continuously reviewed, challenged and decomposed.

• Interoperability: Processes and system components can easily inter-operate with other internal and external processes and systems via application programming interfaces.

The time for change is at hand

This is different from the old challenges of picking a new system to solve a problem. Because this time there is no new system to pick.

Indeed, the system is not part of the solution, it is part of the problem.
E very time I speak or train at a different company, I am faced with the same response: “You make presentations sound so simple. I get it, but how can I get buy-in from everyone else?” Sound familiar? The goal of any presentation is to influence your audience to act. Maybe you want your employees to get on board with your new vision or idea, or to motivate your client towards a new outcome. You want to make them feel excited, inspired, and raring to go. Yet nine out of ten times, at the end of a presentation, you’re probably met with blank faces or stifled yawns (if your audience hasn’t fled the room already). So, what gives?

What’s your point?
The problem that most of us trip up on is that you need to think about the behaviour of your audience way before you even start talking. You can only claim that you have a ‘winning presentation’ if your presentation achieves what you wanted it to achieve. If your audience does what you want them to do; that they respond in the way you want them to respond, that’s a winner. That is how you measure whether your presentation has been successful or not.

But all too often when I ask a speaker what the objective of their presentation is, they don’t know what it is. They can’t tell me why they are presenting (other than because they’ve been told to) or what they want the audience to feel, act or do after they’ve seen the presentation. You have to be 100% clear on what your purpose for your presentation is. To identify your purpose, ask yourself:

1. What is your main message? You should have only one. Less than 10% of a presentation is remembered, so if you start jamming in too many messages then you will lose your audience.

As communication expert Dianna Booher once said, “If you can’t write your message in a sentence, you can’t say it in an hour.”

2. What is your objective? Are you trying to educate your audience, share results or sell them something? Again, you should only be doing one of these.

3. What are your audience’s needs? Do you have a clear understanding of whom you are presenting to? What do you want them to think, act or feel after you present? You must assess their beliefs, values and motivations. What makes them tick? Get into their shoes at the start, listen to them as you walk through the presentation and gather feedback at the end.

Be human
The key challenge we face is that the world is more competitive every day. It is harder than ever to stand out and be noticed; to communicate your point of view with the right people in the right way. But there is one thing that is not helping you, i.e. business or corporate jargon.

There is no more B2B (business-to-business) or B2C (business-to-customer) in today’s communication landscape. In fact, it is has created unnatural, overcomplicated messages and solutions that people can’t engage with.

The best presenters are those who can use a combination of facts and emotions to explain a future goal that everyone wants to work towards.

The world needs today – your customers, clients, stakeholders and team members – is H2H (human-to-human): a natural connection through compelling visuals and emotional stories. In business, we’ve been taught to stick to the facts and to leave out any hint of emotion. Yet research proves that our decisions – whether we buy or buy-in to something – are influenced by our emotions.

Remember, people buy from people they like. So, you need to make your audience feel something towards you other than the urge to flee the room.

The best presenters are those who can use a combination of facts and emotions to explain a future goal that everyone wants to work towards.

Use images to create sadness, excitement, inspiration or even anger if it’s appropriate to your cause. Pair these with infographics and diagrams that sum up your main points and data.

I’ve also seen people use videos successfully to create something that moves the heart strings and lingers far longer in everyone’s memory. When you share your vision and goals through compelling stories and anecdotes, you’ll lose your audience.

That’s when they will connect to a future they want to be a part of. De-clutter and simplify

Many of us believe that sharing everything and anything, blinding our audience with numbers, is the best way to be transparent and open when it comes to a presentation. That couldn’t be further from the truth. It will only put off the people you are trying to engage with and make them lose interest faster.

It’s more important to cut out all the clutter from your presentation. A powerful presentation has content that is clear, easy to understand and uses simple language and images that connects and engages your audience through a balance of emotion and analytics. Your audience will leave the presentation feeling different, i.e. inspired or excited to act on what you want them to do.

A poor presentation, on the other hand, has content that is overloaded with facts, statistics, numbers, corporate jargon and dense text. It leaves the audience feeling confused and disengaged. They will leave the room with no idea of what it is they’ve been told to) or what they presented (other than because you are trying to engage with and make them lose interest faster.

The key is to turn things around to minimise loss, and get your team member involved to help with this, too.

Being open and transparent about where you are at right now, and what is involved in the journey to get where you are going, will help.

Leave them inspired, not deflated like it is their fault.

To sum it up
Bad slides and presentations are used like a security blanket to hide things under. So, start with small changes to your content and attitude, and stop hiding and hoping for the best. Your customers, clients and team members will respect you for that. Yes, getting buy-in from your people really is as simple as that.
A Force For Good
5 ways disruption has changed the world

When disruptive companies weave themselves into our daily lives like Apple, Amazon and Google – they become the standard.

Once those brands become established, other companies try to improve their value propositions, carving out their own market share. That’s just the cycle of disruption, and the advantage always goes to the companies that are prepared to sustain innovation over the long-term.

Apple, Amazon and Google have set themselves up for a long run of success because they’ve built disruption into their business models.

I’ve recognised some trends among the modern companies that have baked disruptive thinking into their brand, so let’s take a look at their successes and what that can mean for your business.

1. Redefining subscription as its own business model

While people once paid monthly for newspapers, magazines, and cable, subscription services have touched more parts of our daily lives in the past decade, especially as internet speeds increase.

Some companies have disrupted entire business models by turning everyday necessities into subscriptions and shipping products directly to consumers.

Birchbox led the charge in subscription services by bringing the beauty industry into the homes of women across the United States through monthly boxes of makeup, skincare and haircare products. Dollar Shave Club’s success was turning everyday necessities into subscriptions and shipping products directly to consumers.

2. Capitalising on consumer demand for convenience

As the consumer definition of convenience has shifted, businesses are finding new ways to interact with and serve customers more seamlessly. For instance, anyone who has booked a hotel knows it’s not always an intuitive, cost-effective or pleasant experience.

Airbnb became a disruptor in the industry by improving that experience, offering local rooms in homes or apartments at significant savings for the traveller – and profit for the host.

Meanwhile, e-commerce pioneer, Amazon, has always been focused on making shopping convenient by placing the nearly 500 million products in its marketplace at the fingertips of consumers.

The company has continually innovated and added new subscription services, including Amazon Prime, granting members access to free two-day shipping on millions of products plus streaming video and music libraries. But, Amazon is also bringing its innovative convenience with services like Amazon Go and Amazon Dash to brick-and-mortar space.

Amazon Go is the company’s foray into grocery stores, with a model that allows shoppers to walk in, select items, and walk out, while their Amazon account is charged for the items without friction points like checkout lines.

3. Providing more efficient communication and collaboration

By focusing on the experience first, some disruptors have used disruption to revolutionise entire industries by improving that experience, offering local rooms in homes or apartments at significant savings for the traveller – and profit for the host.

4. Building in gamification helps increase engagement

As new and established companies look to engage consumers, gamification has entered the business lexicon.

Gamification involves integrating elements of gaming into an application or interface – like points, rewards, competition, or an overall engaging experience.

Established companies, like Starbucks, have introduced rewards systems that encourage users to visit the store and buy certain items to earn points for future purchases. Target introduced its Cartwheel app as a way to engage in-store shoppers by making savings more interactive and to build customer loyalty.

Other companies, like Tinder, began with gamification in mind. For those unfamiliar with how Tinder works, it’s the dating app that introduced the swiping phenomenon.

By focusing on the experience first, Tinder built an engaging interface where matching with other singles feels much like any game would on a mobile device, but with the goal of meeting someone new.

That type of disruptive engagement – and pay-off – is what many companies are already trying to replicate in one way or another.

5. Transforming retail leads to changes in transportation

While the transportation industry is slated for huge changes with autonomous driving technologies being developed, some companies have already changed the way we think about getting around.

Through its mobile app, users can request a ride and choose a vehicle based on luxury level and fare for their destination, a vast improvement on the previous taxi model.

And as people are starting to consider whether owning a car is even worth it, Zipcar can give them the benefits of using a car without all of the hassles of owning one.

Almost everything we do in today’s business world involves one risk or another: customer habits change, new competitors appear, markets get saturated and strategies fail. Formal risk analysis can help you assess the risk factors and suggest solutions to minimise disruptions to your business plans. It will also help you to decide whether the strategies you apply to control risks are cost-effective.

Leaderonomics has suitable risk management programmes that can help your business achieve the above. Drop us an email at info@leaderonomics.com to find out more. 

By LAUREN KEYS

Editor/leaderonomics.com

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Take an uncommon stand

Haier was founded in 1984 when the Chinese government took over a nearly bankrupt refrigerator factory, and put Zhang in charge. The company brought in about RM83.5mil in revenue and USD600,000 in its first year with Zhang as the CEO.

But within two years, it was experiencing unprecedented growth, and has continued to flourish ever since.

Today, the company generates over USD30bil in revenue and USD20bil in profit, and employs around 80,000 people.

Haier has managed to consistently grow year after year for more than three decades by doing what its competitors can't or won't: taking an uncommon stand, expanding and diversifying, unleashing the power of employee entrepreneurs, and encouraging internal competition.

Take an uncommon stand

When Haier started, it was one of about 300 refrigerator manufacturers in China, most of which were making low-quality products that they sold inexpensively.

But Zhang believed consumers would be willing to pay more money for high-quality, reliable products. Zhang installed this focus in his employees immediately by handing out sledgehammers and having them personally destroy appliances that didn't meet quality requirements.

“They finally understood that I wasn’t going to sell just anything, like my competitors would,” said Zhang.

“It had to be the best.”

By shifting their focus to quality and dependability – something no other refrigerator maker in China was focusing on at that time – Haier was averaging 83% sales growth by their second year in business.

By the late 1990s, China had an over-saturation of refrigerators. While competitors slashed their prices to compensate, Haier went the other direction and raised its prices – and the risk paid off.

Consumers were willing to pay a premium because by this point, they recognised Haier as a brand that would deliver high-end, quality products.

When your competitors zig, you can only differentiate yourself with a zag.

What uncommon strategic stand is your company taking?

Expand and diversify

By 1991, Haier’s positioning as a quality-focused company was proving successful, as they had become China’s top refrigerator manufacturer. The next step in their growth was to expand and diversify.

By the mid-1990s, the company opened production facilities in Indonesia, the Philippines and Malaysia.

Around the same time, Zhang began to acquire other companies. He looked for appliance businesses in China that had strong products and markets but weak leadership that he believed could be fixed by bringing in excellent managers.

Zhang found what he was looking for, assuming control of an air-conditioning plant, a freezer factory, and a washing machine company.

Haier now has additional factories throughout the United States (US), Europe, Asia and Africa, and is the world’s leading appliance manufacturer.

In 2016, Haier Group acquired General Electric’s appliance division for USD5bil to help build a stronger presence in the US appliance market. After you have proven your uncommon stand is working, how will you expand and diversify?

Unleash the power of employee entrepreneurs

Haier is adopting a model for its enterprise that we believe will define which organisations will thrive in the future.

The company considers itself a platform company. But while standard platform companies – like Li & Yang – coordinate action among outside suppliers, buyers and other stakeholders, Haier has become a platform to its own internal units located around the world.

“After the arrival of the Internet, we realised that under this triangular hierarchical structure, people had a difficult time adapting to the requirements of the times,” said Zhang.

“So, we reorganised ourselves as an entrepreneurial platform.”

Haier’s employees are considered “micro-entrepreneurs” and are broken up into 3,000 “micro-enterprises” that act like start-ups.

Each unit is centred around an innovative idea or product and behaves as an independent business within Haier.

The micro-enterprises are small and nimble, allowing them to quickly respond to customer needs, cultivate new ideas and innovate.

Unit leaders have the power to make big decisions, including hiring and firing their own staff, and are responsible for their own budget.

They propose new ideas to Zhang and other executives, and if approved, receive financial backing to move forward with their venture.

They are required to hit financial targets but are otherwise left alone to manage their unit.

“I want each employee coming to work for Haier to have the sense that he or she can find a place in the company to realise his or her own values as well as creating value for the enterprise,” said Zhang.

Haier is also breaking the rules when it comes to compensation.

Rather than a fixed salary, employees are paid based on the value they create for the company.

This makes strong strategic sense. Companies are, essentially, centralised mechanisms for allocating talent and resources.

But Haier has avoided centralised planning in economies, but not yet within corporations.

In 2013, we interviewed Tony Hsieh, the CEO of Zappos, and he expressed his desire to do the same, to convert his employees into “micro-entrepreneurs.”

How can you transform your employees into “micro-entrepreneurs”? A

Encourage internal competition

In most hierarchical structures, projects are vetted, chosen, and assigned through an orderly process that removes redundancy. The thought behind this is that it’s inefficient to have two groups investing resources on the same idea at the same time.

But at Haier, employees must pit their projects against other teams with similar ones. They must compete to secure projects and then compete further to ensure their projects succeed.

This pushes them to be creative and innovative, and to use their resources wisely.

When Bruno Mars won “Album of the Year” at this year’s Grammys, he addressed the other artists nominated, saying: “First off, to the other nominees in this category – Lorde, Kung Fu Kenny [Kendrick Lamar], Jay-Z [Childish Gambino] – you guys are the reason why I’m in the studio pulling my hair out, because I know you guys are gonna come with the top-shell artistry and music.”

That is the spirit that internal competition can activate.

But it’s not for everyone. And that’s okay, according to Zhang.

“This method helps filter out the employees who can’t cut it in this environment, either because their projects rarely succeed, or because they simply don’t want to work this way.”

People who are entrepreneurial in spirit and thrive on competition will be attracted to Haier, and will ultimately succeed there, and others will be filtered out, leaving behind the cream of the crop.

Do you allow, even encourage, healthy internal competition?

Are you ready to make radical decisions for your own organisation?

Consider the following:

• Take an uncommon stand: When your competitors zig, you can only differentiate yourself with a zag.

What uncommon strategic stand is your company taking? And diversifying?

• Encourage internal competition: Do you allow, even encourage, healthy internal competition?

Almost everything we do in today’s business world involves one risk or another. Customer habits change, new competitors appear, markets get saturated and strategies fail. Formal risk analysis can help companies assess the risk factors and suggest solutions to minimise disruption to your business plans. It will also help you to decide whether the strategies you apply to control risks are cost-effective.

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Hardwired Habits

What’s stopping us from successfully changing our habits?

By GRETCHEN RUBIN
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P E O P L E often ask me, “Why do we struggle to change our habits – why do we so often fail?”

There are a few reasons, but there’s one that stands out: a popular myth about habits that lead people astray.

It makes them accuse themselves of being lazy, self-indulgent, and lacking in will power. It causes them to fail.

The myth

“It’s the myth that there’s a magic, one-size-fits-all solution for habit change. You’ve probably read the headlines:

“The habits that successful people follow each morning!”

“Follow these three secret habits of millionaires!”

“The one habit you must follow if you want to get ahead!”

“The five habits of highly creative people!”

But here’s what I’ve discovered. And you know this too because it’s perfectly obvious from looking at the world around us: there is no one, “best” habit.

Perhaps we shouldn’t be so quick to dismiss this notion. Maybe there is a one-size-fits-all solution: follow the habits that work for you, that help make you happier, healthier, and more productive.

Don’t copy others

Often, people make the case for adopting a particular habit by pointing to a renowned figure who practised that habit, with great success.

For instance: Maybe we should live a life of quiet predictability, like mathematician Charles Darwin. Or maybe we should indulge in boozey reverly, like painter Henri de Toulouse-Lautrec. Maybe we should wake up early, like Japanese writer Haruki Murakami. Or maybe we should work late into the night, like screenwriter Tom Stoppard. Maybe it’s okay to procrastinate endlessly, like psychologist William James. Or maybe it’s better to work regular hours, like novelist Anthony Trollope. Should we work in silence, like composer Gustav Mahler? Or amidst a bustle of activity, like novelist Jane Austen? Are we better off producing work for many hours a day, like satirist Henry Louis Mencken? Or maybe for just 30 minutes a day, like playwright Gertrude Stein?

The fact is, there’s no magic formula, no one-size-fits-all solution – not for ourselves, and not for the people around us.

We must know our own nature, and what habits serve us best.

What works for you might be very different from what worked for your brother or Steve Jobs or Virginia Woolf.

Tailor your habits

In his fascinating book Daily Rituals: How Artists Work, from which the examples are drawn, Mason Currey examines the work habits of 161 writers, composers, artists, scientists, and philosophers.

These examples make one thing perfectly clear: while these brilliant people vary tremendously in the specific habits they follow, they know very well what habits work for them, and they go to enormous lengths to maintain those habits.

This “one-size-fits-all” myth is dangerous, and it makes people feel terrible about themselves.

They think, “Well, you’re supposed to get exercise first thing in the day, and I tried to get up early and go for a run, and I totally couldn’t stick to it. See, I’m a lazy person, willpower.”

Or they think, “The secret is to indulge in moderation, and I’ve been trying to limit myself to half a cup of ice-cream, but each night, I break down and eat the whole container. I’m such a loser.”

When I talk to such people, I say, “No, that’s not true about you! You just haven’t set yourself up for success.”

“There’s a way for you to change those habits, with much better results – because it’s tailored to you.”

Tried and tested

Now, I speak of this one-size-fits-all myth from first-hand knowledge, because for a long time, I believed in it, too.

I used to tell everyone that working slowly and steadily was the best way to produce creative work – because that’s what works for me.

I used to encourage everyone to get up early, to work in the morning – because that’s what works for me.

I used to say that it was better to work in a reasonably quiet, calm, orderly environment – because that’s what works for me.

And I used to say that it was better to give up sugar, cold turkey, and just never indulge – because that’s what works for me.

However, as I worked on Better Than Before, it became increasingly clear that the opposite habits work better for some people.

I’m a Marathoner, but some people are Sprinters.

I’m a Lark, but some people are Owls.

I’m a Simplicity-Lover, but some people are Abundance-Lovers.

I’m an Abluster, but some people are Moderators.

What works best for you

We have to think about ourselves. It’s helpful to ask, “When have I worked well in the past? What did my habits look like then – and how can I replicate them?”

Maybe you work more creatively with a team – or maybe you work best by yourself. Maybe you need deadlines – or maybe you feel strangled by deadlines.

Maybe you like working on several projects at once – or maybe you prefer to focus on one project at a time.

Self-awareness matters

With habits, as with happiness, the secret is to figure ourselves out.

When we shape our habits to suit our own nature, our own interests, and our own values, we set ourselves up for success.

Once you know yourself better, you can figure out how to use other strategies more effectively, and with less frustration.

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BUSINESSES in Asia and Europe are facing a number of challenges in their respective market – but leaders should avoid taking a gloom and doom perspective and look instead to putting solutions in place.

This was the central message offered by Professor Olaf Plötner, dean of Executive Education at European School of Management and Technology (ESMT), on The Leaderonomics Show as he discussed the outlook of global businesses with the show host, Roshan Thiran.

Business approach between Asia and the West

As a renowned expert in business strategy, Plötner believes that one of the biggest challenges facing businesses in the West is growth, which has stagnated while emerging markets are currently enjoying a period of growth and development.

He advises, “If you would like to grow, you have to go to the emerging countries. These countries don’t only look for premium products, there’s also a lower willingness to pay, so you have to think about having products in your portfolio that fit with the low willingness to pay from the customers.”

Another challenge facing businesses across the board comes in the form of data management and technology-driven advances.

Taking the example of jet engines, Plötner talks about how technology is able to tell when a blade within an engine will break. As a result, companies have become less keen on buying engines outright, and instead lease them, paying manufacturers according to the number of hours used – an approach Plötner describes as paying for “power by the hour”.

Commenting on the difference in business approach between Asia (in particular, China) and the West, Plötner suggests that the Chinese government’s approach is one whereby the government invests in businesses who in turn build up their research and development (R&D) in order to grow and expand.

“If you ask them ‘How will you personally change?’ people become very quiet about it.

The European dilemma

Conversely, the European Union is becoming decentralised due to the Brexit vote, which saw the United Kingdom (UK) voters choosing to leave the European Union and, by association, the single market.

“Instead of having the united states of Europe, we go a little bit back to national thinking,” says Plötner.

“If you see this in terms of investment funds, the smaller you are, the less you can invest and bring everyone in the continent together.”

Roshan suggested that part of the reason for the current slow growth in Europe is perhaps due to the notion that developed countries reach a point where there’s nothing more to aim for, and so growth begins to see a decline.

In his response, Plötner acknowledged that growth is slow in Europe, adding, “If you see the market shares worldwide, usually most of the industries are going down. The big winner at this point in time is China, taking the lead in many industries.

“However, in the world there are always ups and downs. If I were to buy shares now, I would buy European, because they’re down... but maybe that won’t be the case in 20 years, and so we’ll see how this goes on.”

“Of course, Europe has to change – we’re pretty much stuck – the structures are not there to be flexible, but that’s always the phase before you change.”

Great challenges instigate change

According to the professor, businesses and economies will have times where they are stuck in difficult situations. However, he believes the experience of facing difficult situations is precisely what instigates change.

When pressed to suggest areas in which Asia could learn from European practices, Plötner qualified his answer by acknowledging that Europe has many issues to overcome, and that issues on both sides are deeply rooted in culture.

“However, he suggested that one area of focus in Asia could be a commitment to quality improvement and control.

Commenting on his native country, Germany, as an example, he said that there exists a “deep-rooted passion for quality,” adding that, “I talk to normal workers and if they produce a product, they are committed to quality.”

“Somebody once told me that in the US you work for your boss; in Japan, you work for your company. In Germany, you work for your task.”

You’re committed that this market will have the highest quality. I’m not sure I would say that this is something for others to learn, but it has given us certain advantages in the global economy, and I’m happy that you still buy German cars.”

Moving forward

With regard to how companies can grow and move forward in today’s market, Plötner says it’s all about having the ability and the willingness to change as the world changes.

He advises chief executive officers to ask this question, “Do you have the right people to do this, based on capabilities and, second, are they willing to change?”

“If you talk to the people, usually everybody says change is needed. If you ask them ‘How will you personally change?’ people become very quiet about it. So it’s about how to motivate people to come with you to change.”

Inevitable Change
Embracing changes and challenges for growth

By SANDY CLARKE
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This bothered you in the past. Now you’re great at it. Way to go.” Explain what you mean.

• Your numbers are improving. (Results)

How might leaders change people?

If you want to change people:
1. help them change themselves.
2. know where they want to go.
3. know who they want to become.
4. give them new information, strategies, or plans.
5. care for them.

You can’t change someone who refuses to change. Everyone else is fair game.

• Don Rockwell is a coach and speaker who is frequently invited in leadership. He is the author of the world-renowned and most society shared leadership blog, Leadership Freak. Not sure when to bring him up or when to let it go, write to us at editor@leaderonomics.com.
Sustainable Future Workforce
Here’s an 8-step process to ensure its success

By REBECCA MORGAN
editor@leaderonomics.com

A more effective workforce is created by continual personal and organisational improvement. This comes from having individuals constantly looking for ways to work smarter – both individually and organisationally. These improvement efforts are often spawned from professional development activities that not only force them to examine their own processes but provide tools and skills for implementation. Long-lasting professional development does not come cheaply or without thoughtful effort. But the alternatives – none or poorly conceived and executed activities – can cost many times more.

For you to get the highest return of investment (ROI), many elements need to be considered – from determining clear, achievable objectives, to a plan for reinforcement. Based on more than 25 years of experience in the professional development field, I’ve seen some programmes that worked, and many that didn’t.

I don’t want you to waste your resources, so I developed an 8-step process to ensure success.

1. Clarify your desired outcomes

2. Determine how much money per person or customer.
How do you want your people performing in three, six, 12 and 24 months?

3. What restrictions must be considered? Is the culture one of resistance to change? Does the culture encourage – or sabotage – professional growth?

4. How is professional development fostered?
How are training opportunities determined? What other development methods are employed?

5. Are the new skills nurtured and reinforced?
How does the organisation support time for development? How is individual professional development tracked and rewarded?

6. Identify gaps
What is the performance of the group or individuals now? What do you want it to be? What performance measures are in place now? Are they sufficient?

7. Measure results
Are they really measuring the appropriate outcomes or do you need to put new metrics in place? How and what measures will be gathered before the plan is launched?

8. Boost profits
Reduce the roadblocks for success. Then focus on enhancing your talents’ skill sets and making their personal processes most effective.

Hard work deserves celebration. No effort is perfect, so celebrate successes along the way.

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Stuck In A Rut?
Muscle up, get out and meet new people!

BY ANDREW GRIFFITHS
editor@leaderonomics.com

If you want to make small changes in your life, a few adjustments will just do the trick. But if you feel that your life is totally out of balance and control, little nudges probably won’t work. The best way to find out if you have the right people in your life is to make the effort to go out and meet others and do a comparison. Break out of the old, safe routines and patterns that have got you to this difficult point and start to expand your horizons. You have to get out of your comfort zone and meet new people. Of course, when you feel like your life is out of control, the last thing you will want to do is spend time expanding your circle of friends, associates and business contacts. You will probably find a million reasons not to break out of your comfort zone, but now is the best time to make the effort to broaden your horizons. Gain some interesting new perspectives – something that generally comes with meeting new people.

The best way to find out if you have the right people in your life is to make the effort to go out and meet others and do a comparison.

Expand your circle
How do you know if you have the wrong kind of people in your life? If they have been around for years, they will feel really comfortable, like a well-worn pair of jeans – even if deep down you know that you don’t look as good in them as you did 10 years ago. The way to find out if you have the right people in your life is to make the effort to go out and meet others and do a comparison.

If you want to make small changes in your life, a few adjustments will just do the trick. To make big changes in your life, a few adjustments might just do the trick. To make big changes in your life, a few adjustments might just do the trick. To make big changes in your life, a few adjustments might just do the trick.

Hope is important because it can make the present moment less difficult to bear. If we believe that tomorrow will be better, we can bear a hardship today.

Thich Nhat Hanh

It didn’t happen overnight
Remember that you don’t just get out of bed one day to find that your life is chaotic and overwhelming, where you feel like your world is collapsing. These problems have built up over time. Many factors in your life will have played a part.

In particular, the people around you have a huge impact on your state of mind and emotional well-being. The big question is: “Have you got the right people in your life?”

The best way to find out if you have the right people in your life is to make the effort to go out and meet others and do a comparison.

If you are experiencing burnout, no amount of external motivation can alleviate your thoughts and emotions. One way out is to adopt self-care strategies that will help you adopt new perspectives. Check out these tips on www.leaderonomics.com/bm.
A Winning Negotiation

Here’s how you can get more without conflict or confrontation

Swiss economist Marc Faber is a world-renowned investor, known as “Dr Doom” in reference to his consistent – yet often accurate – negative outlook on equities. In his appearance on The Leaderonomics Show back in 2011, Faber gave us fascinating insights into his decades-long career, sharing his expertise collected through his sharp analysis of trends and shifts in the markets over time. Check this out: bit.ly/TLMarcFaber

Negotiation isn’t a dispute or a confrontation. Great negotiators don’t fight. When the bully on the boat in Enter the Dragon asks Bruce Lee to describe his kung fu style, Lee says, “You can call it ‘the art of fighting without fighting.’”

That’s a great way to think of a negotiation. Negotiating isn’t really about competing well – negotiating is about communicating well. (That’s especially true if, for example, you’re asking for a raise.)

Want to be a better negotiator? Here are some simple tips.

Use timing to your advantage.

Often the best time to buy a car is at the end of the month; salespeople need to hit their quotas, dealerships are generally weaker in the winter months in the United States, which means owners are more likely to negotiate. And you can also use back-end timing to your advantage.

Say you want to lease a property starting in March. If you sign a 12-month lease, the owner will have to find another tenant next March. But if you ask for a 15-month lease, the property will be open at the start of prime rental season, which means he/she should be happier to accept a lower rent amount.

Find the right way to frame the negotiation.

In Negotiating the Impossible, Harvard Business School professor and author Deepak Malhotra shows how properly framing a negotiation means finding the best perspective from which to view the negotiation. Maybe the frame is money. Or time, delivery schedule, or quality.

In my house-buying example, price was a frame – but so was time, and so was the seller’s risk if I couldn’t come up with the down payment. Frame a negotiation correctly and you can make it easier to negotiate on the points that matter to you.

For example, you need a certain service performed. If you’re willing to wait for that service to be performed – or to be performed more slowly than normal – the provider may be able to accept a lower price, since your job can be fit into the margins of the provider’s schedule.

(Think of it this way: If a customer asks you to perform a rush job, you’ll probably need to raise the price to accommodate the additional work as well as the impact on your schedules and your other customers. The same applies in reverse: Giving additional time should allow the provider to make concessions on other terms.)

Be willing to walk.

Granted, sometimes that’s not possible. If your delivery truck has broken down and you need to make deliveries today, walking away from the truck rental counter isn’t really an option. But that’s a practical need, not an emotional need.

In most cases, your need is emotional. You want this building; you want this car; you want this house. Even though there are other options, you want this one. When you’re negotiating, never ‘want this one’ – at least not unless the price, terms, etc., are also what you want.

How will you know? Decide those things ahead of time. Know your numbers. Know the terms you’re willing to accept. Know the value of what you’re getting – and of what you will provide.

Concluding thoughts

The best way to be a great negotiator is to take emotion out of the equation. When it’s objective – when it doesn’t feel personal – you won’t get hung up on winning or losing. You’ll just calmly work toward getting the best deal you can. And this means, you’re much more likely to ‘win’.

By JEFF HADEN

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What is dialogue?

According to Professor George Kohlrieser, it’s about thinking together. In this video, the Professor of Leadership Behaviour and Organisational Behaviour at IMD Switzerland and veteran FBI hostage negotiator shares his thoughts on how you can dialogue better in the workplace. Check out this short video on Leaderonomics Media YouTube channel: bit.ly/LNYDialogues