

DES DEARLOVE

Co-founder, Thinkers50

certain *uncertainty*



LEADING WITH
AGILITY AND RESILIENCE
IN AN UNPREDICTABLE WORLD



WILEY

certain
uncertainty

DES DEARLOVE

Co-founder, Thinkers 50

certain uncertainty

LEADING WITH
AGILITY AND RESILIENCE
IN AN UNPREDICTABLE WORLD



WILEY

Copyright © 2023 by John Wiley & Sons, Inc. All rights reserved.

Published by John Wiley & Sons, Inc., Hoboken, New Jersey.

Published simultaneously in Canada.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Section 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, (978) 750-8400, fax (978) 750-4470, or on the web at www.copyright.com. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at <http://www.wiley.com/go/permission>.

Trademarks: Wiley and the Wiley logo are trademarks or registered trademarks of John Wiley & Sons, Inc. and/or its affiliates in the United States and other countries and may not be used without written permission. All other trademarks are the property of their respective owners. John Wiley & Sons, Inc. is not associated with any product or vendor mentioned in this book.

Limit of Liability/Disclaimer of Warranty: While the publisher and author have used their best efforts in preparing this book, they make no representations or warranties with respect to the accuracy or completeness of the contents of this book and specifically disclaim any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives or written sales materials. The advice and strategies contained herein may not be suitable for your situation. You should consult with a professional where appropriate. Further, readers should be aware that websites listed in this work may have changed or disappeared between when this work was written and when it is read. Neither the publisher nor authors shall be liable for any loss of profit or any other commercial damages, including but not limited to special, incidental, consequential, or other damages.

For general information on our other products and services or for technical support, please contact our Customer Care Department within the United States at (800) 762-2974, outside the United States at (317) 572-3993 or fax (317) 572-4002.

Wiley also publishes its books in a variety of electronic formats. Some content that appears in print may not be available in electronic formats. For more information about Wiley products, visit our web site at www.wiley.com.

Library of Congress Cataloging-in-Publication Data is Available:

ISBN 9781394153459 (Cloth)

ISBN 9781394153466 (ePub)

ISBN 9781394153473 (ePDF)

Cover image(s): Paul McCarthy

Cover design: © GETTY IMAGES | OSAKAWAYNE STUDIOS

*This book is dedicated to the memory of Alessandro Di Fiore,
whose insights and friendship continue to inspire.*

About Thinkers50

Thinkers50 is the world's most reliable resource for identifying, ranking, and sharing the leading management and business ideas of our age. Since 2001, we've been providing access to ideas with the power to make a positive difference in the world.

The Thinkers50 definitive ranking of management thinkers is published every two years. Its Distinguished Achievement Awards, which recognize the very best in management thinking and practice, have been described by the *Financial Times* as the “Oscars of management thinking.”

Contents

<i>Foreword by Amy Edmondson</i>	<i>xi</i>
Introduction by Des Dearlove	1
 I FUTURE THINKING	 5
 1 Resilient, Net Positive Leadership <i>Andrew Winston</i>	 7
2 Leading Like a Futurist <i>Lisa Kay Solomon</i>	15
3 The Privilege of Leadership: A Constant in an Uncertain World <i>Sheree Atcheson</i>	23
4 Leading from the Future (Not the Past) <i>Terence Mauri</i>	31
5 Toward Uncertainty Ability: Leading Self and Others to Possibility Beyond the Unknown <i>Nathan Furr and Susannah Harmon Furr</i>	41
 II TRANSFORMATIONAL LEADERSHIP	 49
 6 Leading with the Head and Heart: The Modern Leader Our World Needs Today <i>Kirstin Ferguson</i>	 51
7 The Nine Derailers of Strategy <i>Ben Pring</i>	59

8 Radical Empathy: How to Craft Effective Communications About Change	71
<i>Tamsen Webster</i>	
9 Leading Sustainability Transitions	77
<i>Matt Gitsham</i>	
10 Navigating Paradoxes	85
<i>Wendy K. Smith and Marianne W. Lewis</i>	
11 The WHY, WHAT, and HOW of Leadership	95
<i>Paul R. Carlile</i>	
III ORGANIZATIONAL CULTURE	101
12 Developing a Curious Culture at Work	103
<i>Diane Hamilton</i>	
13 Is Your Company Alive?	109
<i>Mebran Gul</i>	
14 Staying in the Know in Extraordinary Times	115
<i>Maja Korica</i>	
15 Stop Quiet Quitting Your Life	123
<i>Ori Brafman and Rom Brafman</i>	
16 Policy: The Path to Prevent Burnout	131
<i>Jennifer Moss</i>	
IV VOICES OF DIFFERENCE	139
17 Voices of Difference at Work	141
<i>Megan Reitz</i>	
18 Want More Female Leaders? Develop Leadership When It Matters Most	149
<i>Julie Carrier</i>	

19	Servant Leadership, Cooperative Advantage, and Social Sustainability	159
	<i>Leon C. Prieto and Simone T.A. Phipps</i>	
20	Leaders Talk Less and Speak Last	167
	<i>Modupe Taylor-Pearce</i>	
V	TALENT MAGNETS	175
21	Deciding Whom to Promote: Beware of “DEIB Debt”	177
	<i>Gorick Ng</i>	
22	Justice at Work	183
	<i>David Liddle</i>	
23	Personal Branding in a Creator Economy	191
	<i>Kai D. Wright</i>	
24	The Need for High Achievers in the Era of Uncertainty	207
	<i>Ruth Gotian</i>	
VI	RELATIONSHIPS@WORK	215
25	Curve Benders: Quality vs. Quantity of Strategic Relationships in the Future of Work	217
	<i>David Nour</i>	
26	Navigating Ambivalence in Our Professional Relationships	225
	<i>Amy Gallo</i>	
27	How Leaders Can Help Employees Face Uncertainty	233
	<i>Ben Whitter</i>	
	<i>About the Editor</i>	241
	<i>Acknowledgments</i>	243
	<i>Index</i>	245

Foreword

The only certainty today is uncertainty.

I imagine you've read sentences like this too many times to count over the past few years. But when was the last time you stopped to consider the profound implications of this simple observation? For students of management, like me, one implication is that much of what we have long taken for granted about what good managers do to ensure excellence no longer holds true. Management is badly in need of new thinking (and new action). For that, we need a diverse set of ideas and experiments. And for stewarding both with insight and curiosity, we can thank Thinkers50's remarkable founders, Des Dearlove and Stuart Crainer. It is a privilege to be asked to write a foreword for Des's new book—with its engaging, thoughtful, provocative chapters by up-and-coming leaders in the study and practice of management.

Despite their diverse content, these works all share common threads. Notably, you will read more than once that the increasingly uncertain and interconnected world of work calls for us to adopt an agile and flexible mindset. Diversity and connection and conversation also emerge as critical themes. Consider that a primary requirement for today's managers is staying informed, which means constant updating and adapting. Yet the inherently collaborative nature of this activity may be underappreciated. The only way to stay informed is to convene and listen to diverse voices. And the only way to make sense of new information is to approach it with curiosity and rigor—to find the signals amidst the noise. You could say that success in an uncertain world depends upon an ability to make high quality bets. And, high quality bets, in turn, depend upon high-quality conversations. Progress in uncertain times is a team sport!

Research on teaming, to which I have contributed, underlines the importance of being open to new ideas and perspectives. Historically,

management training emphasized control, conformity, and efficiency. Today, the emphasis has shifted to empowerment, diversity, and innovation. It's not that efficiency and reliable processes are completely absent in the new management landscape but rather that their effect on organizational performance is far less. Today's primary leadership task is thus helping people make the shifts in mindset and behavior that support the agility, experimentation, and teamwork that increasingly drive performance. And this brings us to the need for psychological safety.

Perhaps you've long considered meetings to be a waste of time and groups as places where good ideas go to die, but our dependence on others for information, ideas, and concerns is increasingly evident. The success of any organization thus depends on people's willingness to speak up and speaking up occurs in an environment of psychological safety. Without it, the behaviors that underlie collaboration and innovation—but also risk management—are rarely practiced with any kind of consistency. These behaviors have become all the more important as the world becomes more complex and multicultural. This again is what makes this volume so important.

It's natural to be anxious about the challenges that lie ahead. But no leader has all the answers. So long as leaders actively invite others in to help solve the problems their organizations face, a path forward will be found. Navigating uncertainty requires input from diverse sources. Making this happen starts with leaders who are open-minded and transparent, prepared to acknowledge that they don't have all the answers, and willing to listen to and work with others. Even when we fully recognize the intellectual merits of these statements, it can be emotionally challenging to put them into practice. Yet, we still need to act—moving ahead with purpose rather than being paralyzed by indecision. The key is to remain open to changing circumstances and willing to pivot at short notice, motivated by new ideas and possibilities.

In that spirit, this book offers fresh thinking and distilled wisdom from the brightest new management minds. This is a book of ideas with power for practice; its many authors appreciate both the intellectual and the emotional challenges of being a leader. Although they

point to skills and practices that can be difficult to develop, there is much in the pages ahead to help you do just that. The world continues to become more complex and uncertain. And this is why this book is essential reading for leaders everywhere.

Amy C. Edmondson
Cambridge, MA
January 2023

Introduction

Certain Uncertainty

It was the best of times. It was the worst of times. It was the age of wisdom. It was the age of foolishness. It was the epoch of belief. It was the epoch of incredulity. It was the season of light. It was the season of darkness. It was the spring of hope. It was the winter of despair.

The opening lines of *A Tale of Two Cities*¹ seem hauntingly prescient. Charles Dickens could have been writing about our present day. As we emerge from the fog of the Covid-19 pandemic into a world threatened by a previously unthinkable war in Europe and a global climate crisis, and reflect on what we have learned, only one thing seems certain—that we live in an age of uncertainty.

Every year, the *Collins English Dictionary* publishes its 10 words or phrases of the year.² The list acts as a barometer of what's going on in the world. It “reflects our ever-evolving language and the preoccupations of those who use it.” Lockdown and fake news have all featured in previous years, and 2022's list includes the terms “quiet quitting”—the practice of doing no more work than one is contractually obliged to do. But the winner—the word of the year in 2022? “Permacrisis: An extended period of instability and insecurity, especially one resulting from a series of catastrophic events.”

It is this unsettled and unsettling new reality that we must all confront. And yet, it is not all doom and gloom. As Dickens reminds us, with uncertainty comes opportunity: a spring of hope. With ambiguity comes new choices and fresh ways of interpreting our place in the world. Yet, to nurture the green shoots of hope and replenish ourselves and our world we will need to reimagine it. That will take a new sort of leadership.

An Unpredictable World

For much of the last century we have assumed that markets, indeed entire nations, operate in a state of relative stability. From time to time, they are subjected to destabilizing forces—natural disasters, economic depression, war—or, as we have seen lately, disease. But once the threat had passed, the traditional role of leaders was to return society to something approaching the previous steady state.

This was a world where companies could make plans in the belief that they would still be relevant in, say, five years' time, and that business would continue relatively unchanged. Today, however, we live in what has been described as a VUCA world, an environment characterised by *volatility, uncertainty, complexity, and ambiguity*.

In the last few years, we have seen a stream of disruptions to business as usual, most notably Covid-19 and the war in Ukraine. Add in the threat of global warming, oil price volatility, a cost-of-living crisis, rising inflation, plus the ever-present threat of another pandemic, and it is clear that the shocks keep on coming.

In his book, *Fooled by Randomness*,³ Nassim Taleb described shocks to the financial system as “black swans”—unforeseen events that had a disproportionate impact. In his follow-up book *The Black Swan*,⁴ Taleb extended the metaphor to other “undirected and unpredicted” events, including the advent of the Internet, the personal computer, and the end of the Soviet Union. What all have in common, he proposed, is three attributes: rarity, extreme impact, and retrospective (but not prospective) predictability.

First, a black swan event is an outlier—outside the realm of normal expectations. Second, it carries extreme impact. Third, we create explanations for why it happened *after the event* making it explainable and predictable. According to Taleb's definition, then, disruptive new technologies and other as yet unknown events, are also part and parcel of the external environment in which leaders must operate.

Business as usual is a phrase we have become used to, but in the post-Covid world, it seems like a distant memory. Some might yearn

for the old ways and the old certainties—but business was never certain; predictability was always an illusion. Recent events have simply shattered that illusion.

What have the pandemic and other global shocks taught us about leadership? If nothing else, they have shown up the futility of pretending we can control the world around us. The old model of the omniscient leader who knows all the answers has been thoroughly debunked and shown up for the myth it always was.

What we need now are leaders who are humbler; who are willing to admit they don't know what's around the next corner but are ready to respond to whatever it might prove to be. Leaders who we can believe in because they are honest about their shortcomings, and open to challenge. Leaders who are inclusive and recognize that diversity in all its forms is a strength and a necessity. In short, what we need is a new sort of leader who can help us navigate through turbulent and unpredictable times.

To be able to respond better to unforeseen events, we need to build resilience and agility into our lives, including the way business operates. Change is now a constant, disruption is to be expected, and requires an adaptable response.

We can't go back. We must go forwards. So, what do the next generation of leaders need to know about living with Certain Uncertainty? That's the question we put to the select group of business thinkers who make up the Thinkers50 Radar with Community. This book is their response—a curated collection of short essays addressed to the leaders of the present and future, to help them not only to survive but also to thrive in these uncertain times. We hope that the advice and fresh thinking they contain will help you—the leaders of tomorrow—on your journey.

I leave you with the words of one of the all-time-great management thinkers, C.K. Prahalad, who topped the Thinkers50 Ranking in 2009 and 2011. “Leadership is not an extrapolation of the current situation into the future but imagining the future . . . You cannot lead unless you are future oriented. Leadership is about change—and leadership is about hope.”⁵

About Thinkers50

Thinkers50 is the world's most reliable resource for identifying, ranking, and sharing the leading management ideas of our age. It began life in 2001 as a ranking of the world's most influential management thinkers. Today, it publishes four authoritative lists:

- *Thinkers50 Ranking*: the original and pre-eminent global ranking of management and business thinkers since 2001.
- *Thinkers50 Distinguished Achievement Awards*: the “Oscars of management thinking” (*Financial Times*),⁶ presented every two years for outstanding contributions in multiple award categories.
- *Thinkers50 Radar Class*: the 30 management and business thinkers to watch, published annually, every January.
- *Thinkers50 Management Hall of Fame*: the giants of management thinking whose ideas have made a lasting contribution to management and business. New inductees into the Hall of Fame are announced every September.

Notes

1. Charles Dickens, *A Tale of Two Cities* (Harmondsworth: Penguin Classics, 2003, originally published in 1859).
2. *Collins English Dictionary*, <https://www.collinsdictionary.com/dictionary>
3. Nassim Taleb, *Fooled by Randomness* (Harmondsworth: Penguin, 2007).
4. Nassim Taleb, *The Black Swan*, 2nd edition (Harmondsworth: Penguin, 2010).
5. C.K. Prahalad, author interview.
6. *Financial Times*, Not a Dry Eye in the Room, Andrew Hill, November 11, 2013.



Future Thinking

1

Resilient, Net Positive Leadership

Andrew Winston

It was the missing toilet paper that shook the world. The empty shelves that used to overflow with basic necessities finally woke us up to a harsh reality: our economy and our supply chains are fragile. The lack of resilience in the system created massive product losses and waste.

Supply chains are still a mess, in large part because they're not flexible. We built an economy that values efficiency above all, with limited redundancy or back-ups. That certainly keeps costs down and pleases shareholder value purists, but it's completely unfit for a volatile world. The pandemic was (we hope) a once-in-a-century phenomenon, but clearly the world is more uncertain than ever. Sudden shocks to the system are the norm. The only real way to prepare and lead is to build resilient organizations, communities, and economies.

At all scales, from companies to sectors to economies, leaders will need to change how they think about business. With a resilience lens—and I'll argue a sustainability lens as well—a company can greatly increase the odds of surviving, doing better than its peers in the face of deep change, and bouncing back faster from disruptions. From my work and observations of companies (and people) under stress, it seems

that resilience is built on three fundamental pillars: (1) diversity and redundancy; (2) strong networks (i.e., friends you can trust); and (3) purpose or mission.

Before diving into those three areas, it's useful to look at the nature of today's volatility—that is, why are things so uncertain? It's a time when the only thing that's certain is uncertainty. We are in what the US military has called a “VUCA” world (*v*olatile, *u*ncertain, *c*omplex, and *a*mbiguous). Others might call it anarchy. It's also an era of exponential change, which is a challenge for we mortals who think in linear terms and at scales we can get our heads round (go ahead, create a mental picture of a trillion of anything).

Extraordinary forces are rocking the world, but three disruptions in particular—each tied to our greatest challenges—are driving unprecedented uncertainty: (1) biophysical collapse; (2) declining democracy and the breakdown of trust; and (3) rapid technological change.

“Biophysical” means the planet's species and resources which we utterly depend on; not just things we dig up, grow, or cut down, but also fundamental resources such as clean air and water and a relatively stable climate. Climate change and loss of biodiversity are the two greatest challenges we face. Extreme weather, which will accelerate until the world eliminates carbon emissions, is disrupting lives, communities, supply chains, and economies. And as species die off, we risk the collapse of the ecosystems and food pyramids that support our existence.

Second, democracy is in decline all over the world. There are clearly many causes, but the rise of inequality is a key driver. In the developed world, effectively all of the gains in income and wealth over the last 40 years has gone to the top 1% and even the top 0.1%. A 50-year experiment in neoliberal economics and obsession with shareholder value have created rapid growth and helped reduce the percentage in abject poverty. But it has left the middle behind. When people feel unheard or ignored, they become attracted to leaders who say, “I haven't forgotten you and I'll work for you—give me the power to fix it all.” Unfortunately, those leaders are most often autocrats, demagogues, and narcissists who rarely care at all about the masses.

Finally, exponential technological capacity, and the “who really knows what will happen” potential of artificial intelligence (AI), create both radical opportunities and destabilizing risks. The algorithm-led misinformation campaigns feed the other disruptions, giving people reasons to doubt climate change or to fear change and hate the “other.” Misinformation is breaking down trust, without which the world can hardly work on shared challenges. On the upside, technology can help solve our biggest problems. We are on the verge of massive improvements in the efficiency of buildings, transportation and logistics, manufacturing, food production, and waste reduction, and much more.

With this level of change and instability on multiple fronts, it’s little wonder that piling on things like pandemics and the first war in Europe in 80 years can overload the system and leaders’ ability to process and act. How can a leader help ensure near- or long-term success in the face of such unpredictability? Surely, building resilience is at the core. Resilience, most simply, means the ability to survive large swings in fortunes in any one part of a system (think portfolio theory in investments that has generally outperformed every other strategy), plus greater odds of bouncing back quicker than others, perhaps even stronger than before.

So back to the three fundamental pillars of resilience. Let’s look at what they mean in today’s world.

Diversity and Redundancy

It’s a bad idea to have no back-up for things that are valuable—in essence, don’t put all your eggs in one basket. Nassim Taleb, a leading thinker on risk, makes the case in his book, *Anti-Fragile*¹ that nature loves redundancies. Humans, he points out, have two of each of the body’s critical systems (eyes, ears, lungs, kidneys, arms, and legs). That redundancy creates much more resilience.

Our economic systems are anything but resilient. The pandemic created a great irony when the world was short on medical equipment (or PPE). One of the largest producers of masks was in Wuhan, China, and major manufacturers of nasal swabs were based in Lombardy,

Italy—the two regions that were first overwhelmed by Covid and were shut down. From a purely economic perspective, with efficiency (and pleasing investors) at the core of all decisions, it makes sense to produce something in vast quantities in one place; the larger the scale, the lower the per unit cost. That keeps costs low . . . until that one place can't operate because everyone is sent home, or it's literally under water—in 2011, floods in Thailand shut down what was effectively the only source of key parts for hard drives and engines for major automakers. Extreme weather conditions like that are only increasing.

The pandemic exposed many flaws in our system. Even products that seemed to have diverse channels really didn't. Dairy farmers who produced milk for hotels, schools, and other institutions had to dump millions of gallons—they couldn't repurpose production and packaging to shift from bulk to gallon-scale offerings for supermarkets and homes.

Redundancy avoids those problems. But is there a catch? Is there a tension between the diversity that creates resilience and other goals, such as the overall reduction in material use and carbon emissions we desperately need to fight climate change, i.e., isn't it wasteful to have duplication? Maybe. It depends on what the redundancy protects against. In a famous example, after the *Exxon Valdez* oil spill in 1989, double hulls became the norm in the oil tanker world. More metal and expense, but it protects against vast environmental damage and wasted fuel.

Stepping further out, if we think about systems, diversity of all kinds offers strength and reduced total footprint. Having alternative pathways in a supply chain, for example, could make it less disruptive when one channel goes down. If you only have the one supply chain, rushing production elsewhere could produce material waste. Or consider some societal systems. In a city's metro area, having multiple ways to get around—cars, subway, bus, light rail—creates a lot of material production, but it can also greatly reduce emissions by giving people options besides their cars. Similarly, high speed rail can offset short plane journeys.

Finally, on the human side of the sustainability agenda, the case for diversity is more literal and clearer every day. A growing body of evidence² shows the vast business benefits of commitment to and action

on diversity, equity, and inclusion (DEI). We've been talking about organizational level of resilience, but these principles apply on the personal leadership level too. As a leader or manager, it pays to bring in multiple voices with a range of perspectives by race, gender, abilities, and especially age. Listen to younger people who have a longer stake in where the world is heading.

Networks of Support

Modern economics and political systems have been based on some fairly egregious misreading of influential works. Adam Smith, for example, talked about the invisible hand much less than people realize, and when he did, it was in the service of equal distribution of resources, not hands off wealth accumulation. Similarly, Charles Darwin did not coin the phrase “survival of the fittest.” His work pointed to the power of being adaptable (yes, resilient). In the intervening century and a half, the understanding of how nature works has shown something quite the opposite of the dog-eat-dog philosophy so many misread into Darwin.

Forests are not filled with individual trees competing for sunlight, but a much more nuanced dance and cooperation, facilitated by vast, incredibly complex networks of fungi connecting them all.³ These networks, and countless symbiotic relationships in nature, create great strength and resilience. As in nature, organizational resilience comes from having a strong network around you. It's not just a buzzword to talk about serving stakeholders—they are the diverse, multi-faceted groups of people who support a company's existence. Building relationships with stakeholders provides support for volatile times. We all get by with a little help from our friends.

In life and in business, you build networks through genuine engagement, reciprocity, and trust (which is greatly enhanced by transparency). The strongest business for uncertain times will be one that stakeholders know is serving their needs. In a larger sense, it's a business that serves the world and improves the well-being of everyone it impacts. This kind of company, which profits from solving the world's problems, not creating them, is net positive, an idea laid out in the