

Leading in 2022:

Four emerging principles
for effective leadership.

SMG

THE ART OF
LEADERSHIP



Four principles for leading effectively in 2022



Over the last year, the pandemic has dramatically accelerated the shifts in the way we work and in how leaders interact with teams. There are no signs of any let up in this pace of change in 2022, so let's start with a simple truth. There is no universal playbook for leadership in 2022. More so than ever, over the next twelve months, every leader's approach to being effective will be shaped by the reality of their unique context.

At the same time, within this broad landscape of ongoing uncertainty and ambiguity, we know that leaders will need to operate within four important domains of leadership:

- 1. Leading self**
- 2. Leading others**
- 3. Leading within the organisation**
- 4. Leading in the community**

To help leaders successfully navigate each of these domains, we have prepared this special report. In it, an SMG domain expert provides one guiding principle for each area of focus.



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Leading self



Virginia Mansell

Clinical and Organisational Psychologist,
Executive Coach and Mentor,
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Leading yourself will be crucial to staying the course

The pandemic has been a great equaliser — but it hasn't affected everyone equally. For some, it has been a traumatic experience with implications for their mental health. For others, it has been an opportunity for renewal and recovery, a once-in-a-lifetime opportunity to shift towards something different, whether that's a lifestyle change, career change, or a reassessment of values and life priorities. In 2022, as we emerge from this crisis, leaders must recognise where each member of their team sits on this continuum and support them appropriately as they reset.

Developing this level of emotional intelligence begins with understanding yourself and dealing with your own mental and emotional response to the events of the past 18 months. Here are some tips which you might find valuable as you journey through 2022:



Recognition and self-awareness of your reactions, responses, and energy levels are vital for your wellbeing. Understanding your own emotions and acknowledging them can help us reduce the sense of being overwhelmed. As Vincent Van Gogh said, "Let's not forget that the little emotions are the great captains of our lives, and we obey them without realising it."



Once you have recognised how you are responding, the next step is to socialise, share or retell this inner narrative in a safe environment. For example, if you are feeling loss and grief due to the pandemic, the cathartic effect of articulating your experience will create a sense of relief.



Utilise your support networks for sharing, debriefing and dealing with any ongoing stress. Explore questions such as, "How are you feeling right now?" and "What causes you to feel exhausted?" Checking in regularly with how you feel helps identify the early indicators of stress, making it easier to take pre-emptive action early on.



How often do we just do nothing? Constant cognitive engagement, the distraction of digital devices and extended lockdowns has made physical, mental, and emotional rest more difficult. In his article, The Importance of Doing Nothing, renowned psychologist Manfred Kits de Vries' explains that "doing nothing has never really been acceptable. We associate it with irresponsibility, wasting our life. Most of us feel guilty if we don't have something to do." Yet, in 2022 rest will be an essential mechanism to build your energy reserves, ensuring you have enough in your own "tank" to sustain your momentum throughout the year.



Leading others



Christopher Paterson

Business Psychologist, Executive Coach,
Managing Partner, SMG

2022 will be a reset for human connections

Think about the year ahead as if you're starting a new role in a new business because in terms of re-establishing deep connections – you are.

As a social species, we're designed to adapt to challenges and existential threats by connecting and working together. That is largely what has been happening throughout the pandemic.

In our research on leadership during COVID, the most effective leaders:

- a) maintained their connections with staff, really understanding their experiences; and
- b) connected people with each other in and outside the organisation.

While these efforts have gone a long way to maintain social connections, the reality is that the more meaningful emotional connections have been depleted by the prolonged lockdowns and working patterns that have isolated us from each other. While we've been connected all day on screen, we've starved the brain of the critical brain chemical that forms deep relationships, oxytocin.

Oxytocin is produced when we bond socially, and it helps to create an environment of empathy, trust and collaboration. Research shows that when leaders express empathy and trust, the group

experiences higher performance, engagement and talent retention. In flat, highly networked structures, the ability to connect and collaborate within and across teams will be a key success factor for every leader. Both depth and breadth of these connections matter so highly connected leaders will drive higher levels of productivity, resilience, innovation and complex problem solving.

The challenge – and opportunity – for the year ahead is for leaders to find and discover new ways to forge these meaningful connections within their teams and across their organisation.

There are three ways to share good, high-quality oxytocin and build real connection:

1.  **PHYSICAL PROXIMITY**
Being in the room, sharing a handshake or a hug
2.  **EYE CONTACT**
Real eye contact, not the eye of a camera; and
3.  **SHARING A COMMON EXPERIENCE**
A story, a joke and common memory or reflection



HOW TO BUILD DEPTH AND BREADTH WITH AUTHENTICITY

Ask lots of questions and be curious

A mindset of curiosity about the person, their challenges and their aspirations will allow you to ask lots of open question authentically, connect deeply and discover important insights to make good decisions in complex environments.

Get in the room

Regardless of your hybrid structure, be deliberate in bringing people together in a physical location (if you can). You'll find that relationships will develop faster and more naturally in person. Who haven't you met in person yet? Be deliberate about making those connections in person.

Connect with the person, not the task

Connect with people about non work topics: family, sport, food, friends, whatever is most important and interesting to them. It may not be top of your interesting topic list, but as a connected leader or peer, you're interested because they're interested.

Socialise again

Find informal environments to connect and build relationships, from a coffee or a lunch to a walking meeting. Many of us will be rebuilding that social muscle.

You're human

You're not the expert in everything, so find the experts across your network and learn what you don't know. This not only builds your knowledge and situational awareness but also broader and deeper connections.

By connecting with breadth and depth, we'll create the right psychologically safe environment to engage and retain our staff, drive performance and productivity, support resilience and wellness and promote creativity and innovation.

The challenges we face next year are volatile, uncertain, complex and ambiguous (VUCA) and our best chance to responding with calm, poise and confidence is to do this together.



Leading within the organisation



Martin Mercer

Former Tech CEO, Tech Entrepreneur, SMG Mentor and consultant to start-ups

The digital workplace will redefine the role of the manager

The digital workplace isn't simply a set of technologies; it's a way of working.

Digital business pioneers (think Google, Netflix, Amazon, and Haier) have reimagined the traditional workplace operating model, replacing levels of management hierarchies with flat structures. They put the customer at the centre of their organisation and push decision-making to the frontline — the people closest to their customers -- and trust even the most junior employees to make decisions crucial to the success or failure of the business. They also believe in the “team” as an organising principle and in the power of autonomous teams. Within these digital businesses, a manager's role is primarily to be a coach, facilitator and a motivator. That's because the best digital companies are organic, fluid, self-organising entities.

Going “digital” isn't achieved by simply establishing an online store or launching a mobile app. It starts with the technology that enables these ways of working and moves out from there. When looked at in this way,

the pandemic has indeed accelerated the digital revolution. Almost overnight, offices emptied, and we had to re-invent how we worked. Collaboration platforms like Zoom, Slack, Confluence, and Miro moved out of the engineering and product teams to pervade every part of the organisation. Work got done, people came together organically to solve complex challenges, and quickly enough, it became a seamless experience for customers. And the people most challenged by this upheaval? Managers.



LEADING A DIGITAL WORKFORCE

Through my coaching and consulting work, I have observed managers struggling to redefine their roles when work processes and teams are virtual. Some have made a smooth transition to the manager-as-coach-facilitator-motivator model, but it's a work in progress for many. Interestingly, the loudest voices for a return to the office seem to be those of the executives; they long for the certainty and sense of place and position that the office confers.



The shove the pandemic gave to the adoption of digital ways of working is a great stride forward. As we return to the office or adopt a hybrid model, we must guard against the erosion or dismantling of digital operating models. Remote teams have performed astoundingly well during Covid-19. Many people are happier working remotely because they have enjoyed the freedom and autonomy and the absence of “by the clock” supervision that comes with this mode of working. And they’ve enjoyed collaboration and egalitarianism. That is, they’ve enjoyed the best aspects of a digital operating model.



BUILD ON THE LESSONS OF PANDEMIC WORKING

However, remote working is not a nirvana; it has well-documented drawbacks. The challenge for executives in the world of hybrid work will be to solidify these new ways of working and redefine the role of managers in a digital workplace. The part of managers is still essential, but it is different in a digital business than in a traditional business. Let’s not unconsciously discard the progress we’ve made in the desire to get back to the office and back to a place where managers feel at home.



Leading in the community



Mark Devadason

Board Director, Bank First, Chairman CNCF.org and Director themekongclub.org, Executive Mentor and Coach, SMG

Leaders will need to maintain a balancing act of corporate responsibility and sustainability

Priorities have changed for many people and organisations; it is increasingly clear that concepts of “balance” and “sustainability” are critically important to us across the many parts of our lives. Perhaps even more so, since COVID-19 shone a light on the interconnectivity between us as individuals, as part of families and workplaces, communities and as inhabitants of the planet.

This shift has reached the corporate sector too, affecting how companies operate and engage with the broader community. Whilst governments and corporations are scrambling to hold the global economy together in the wake of the pandemic, stakeholders are losing patience with corporations driven by an obsessive motivation to maximise shareholder returns through a pure pursuit of profit.



BEYOND PROFIT

When we look at the economy in the era of late capitalism, it seems things are out of balance. This asymmetry has been caused by companies pursuing short term gains rather than long term sustainability goals for business, the environment, and the community.

But for-profit corporations don't operate in a vacuum. What was once a standard mode of operation has seen the neglect of ethical and environmental standards, human rights abuses, and adverse environmental consequences occurring in how we source the food we eat, the clothes we wear, and the products we buy. Consider the issue of social and economic inequality that confronts so many societies around the world. The level of imbalance in the community is so pronounced that many are calling for a fundamental challenge to the current economic world order.

Stakeholders, consumers, employees and investors have had a waning tolerance for environmental, social and governance (ESG) failings for a number of years. Oxfam reported in 2017, that eight men own more wealth than half the population of the planet; social inequality has led to political calls to action, and people from many nations have been urging G20 leaders to “civilise capitalism” before the model itself is rejected by societies worldwide.



LEADERS OF THE FUTURE

Young consumers and employees expect to see companies taking positive action promoting social and environmental change and are voting through their purchasing power and their decision to work for or leave companies based on their social and environmental efforts.

The corporate winners of the future will get ahead of this trend.

Investors too are becoming more active with their voting. Only last year, Exxon Mobil saw a board-level coupe brought by an activist shareholder with only 0.2% holding win a shareholder motion to expel directors and replace them on the board with new environmental activist directors.

And human rights abuses within modern supply chains are no longer someone else's problem. Through new laws such as Australia's Modern Slavery Act, boards must demonstrate to shareholders, employees and communities their clear understanding of the social and human rights issues deeply embedded in their supply chains and take responsibility for these issues.

I believe in 2022, leaders at every level will increasingly recognise that balancing the pursuit of profit with the triple imperatives of social, environmental, and governance responsibilities is a winning formula.

About SMG

SMG is an executive development firm which partners with individuals and organisations to develop world-class leadership capability and to unlock organisational potential.

For over two decades, we have been providing bespoke executive coaching, mentoring, leadership development and culture change solutions to some of the largest and most successful companies in this region.

The art and science of developing leaders



UNLOCKING ORGANISATIONAL POTENTIAL

SMG is an executive development firm, partnering with individuals and organisations to develop world-class leadership capability and unlock potential.



PARTNERING FOR SUCCESS

For more than two decades, we have delivered bespoke executive coaching, mentoring, leadership development and culture change solutions for some of the largest and most successful organisations across the Asia-Pacific region.



COMMERCIAL MEETS BEHAVIOURAL

SMG's coaches, mentors and facilitators bring the unique combination of strong commercial perspectives gained from previous senior public and private sector roles, and deep credentials in psychological and behavioural science.



PROVEN TRACK RECORD

Our reputation as one of the region's most trusted people and organisational development firms has been forged by our distinguished track record.

SMG offers multi-dimensional support to help organisations and individuals develop world-class leadership capabilities. Contact us to find out more about our areas of specialisation:

INDIVIDUAL

- Coaching and mentoring

TEAM AND GROUP

- High-performance teams
- Coaching PODS
- Leadership development

ORGANISATION

- Talent and leadership consultancy
- Career development
- Culture
- Business transition
- Wellness@Work



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