

2020 IN THE REAR VIEW:

# 5 Powerful Lessons for Leaders



2020 has been an epic test of leadership.

In a strikingly short period of time – and absent a playbook - leaders have been forced to reorient and guide their organizations through a once-in-a-century pandemic that has literally shutdown the world. At the same time, the need to address long-standing inequalities has only grown more pressing, while major violations of the social contract have seen institutional trust levels at all-time lows. And, in what some have described as the "forgotten crisis", the extensional threat of climate change still looms large. As Bill Gates put it, "Covid-19 is bad. Climate change could be worse."

Taken alone, any one of these tests is daunting. Collectively, they provide a suite of leadership challenges that are both mind-blowingly large and complex, and that will extend far beyond the distribution of an effective vaccine. Amidst this reality, the critical question becomes: what type of leadership can truly address these crises, and enable organizations and societies to emerge stronger from them?

Fortunately, there are some answers at hand. As devastating as 2020 has been, it has also been the great educator. Sensing, perhaps, that humanity was veering off course, it has abruptly interjected to drive home some important lessons, many of which have significant implications for the type of leadership required.

Here are 5 lessons we draw from this most annus horribilis, and the leadership insights therein:

#### Lesson #1: We are human, after all

Prior to 2020, the world was boldly preparing for "Industry 4.0" – a technological revolution that was set to fundamentally change the way we live, work, and even relate to one another as humans. The pandemic has accelerated the adoption of many of these technologies, including the introduction of contactless services, 3D printing, and the implementation of remote working on a mass scale.

At the same time, 2020 has highlighted the importance of remaining human in a technology-driven world. As management consulting firm EY observes, "if the pandemic has taught us anything, it's that humans are hardwired to connect", with belonging and purpose fundamental to people's sense of self and well-being. While technological innovation is vital, it is an important reminder of the risks in over indexing on technology at the expense of our basic human needs.

In a leadership context, this requirement for a more 'human-centric' approach is deeply rooted in how leaders relate interpersonally, with self-awareness, authenticity, empathy, and compassion all essential to building deep connections with others, and drivers of trust more broadly.

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### Lesson # 2: We can no longer ignore inequality

The events of 2020 have exposed the deep inequities that exist in every corner of our society, with the health and economic costs of Covid-19 being borne disproportionately by certain groups (e.g., racial and ethnic minority groups and women). On the other hand, the pandemic has been a bonanza for the ultrarich, with research by UBS and PwC finding that global billionaire wealth climbed 27.5% to \$US10.2 trillion between April and July 2020.

While calls to address inequality (e.g., racial, gender, wealth) are not new, the events of 2020 have propelled these disparities into the collective consciousness, with large citizen-led protests demanding justice, and other adverse social, economic, and political consequences (e.g., institutional distrust) growing too big to ignore. In response, global movements to evolve our economic systems are underway (e.g., the World Economic Forum's Great Reset), with the goal to deliver more equitable, sustainable, and resilient outcomes for society alongside the more capitalist ideals of innovation and growth.

At an organizational level, disrupting patterns of inequality will require leaders with strong egalitarian views and a belief in the value of difference, who behave fairly and with integrity, and who seek to identify patterns of systemic bias and make the structural reforms needed.

### Lesson #3 We must reclaim the art of constructive disagreement

"The world seems to have become very volatile in the way we converse with each other," observed revered Australian interviewer, Andrew Denton, back in 2018. Fast forward to 2020 and the climate of tribalism, hostility and misinformation remains, with our ability to

engage in constructive debate - and learn from it - becoming more frayed.

It's a reality not lost on US President Joe Biden. "It's time to put away the harsh rhetoric, lower the temperature, see each other again, listen to each other again and to make progress," pleaded Biden following his election win. It was a call to action that was desperately needed, given the challenges at hand. As New York Times columnist Bret Stephens argued, "intelligent disagreement is the lifeblood of any thriving society" with the rational and respectful debate of different views prerequisites for innovation, problem solving and social cohesion more broadly.

In a powerful reminder of the "tone at the top", enhancing the quality of public conversation will only occur when leaders across all our institutions role model constructive disagreement. This requires leaders who are intellectually humble, curious to understand and learn from different viewpoints and who demonstrate a commitment to preserving an implicit set of civic norms, including dialogue based on facts and mutual respect.

### Lesson #4 We can innovate rapidly under the right conditions

It is said that "necessity is the mother of invention" and, in 2020, this adage holds true. For example, the pandemic has seen distilleries shift their production to hand sanitizers, Dyson design a ventilator in 10 days and schools move entirely online to enable distance learning for millions of students worldwide. As Wharton professors George Day and Gregory Shea observe, "the intense innovation activity ignited by the global pandemic shows that some elephants can dance when they must."

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Innovation is essential for growth and competitor advantage – both for organizations and nations alike – and we are in fertile ground. In an April 2020 survey of 200 organizations by McKinsey & Company, more than three-quarters of the executives surveyed agreed that the pandemic will create new opportunities for growth, while solutions for a raft of other significant climate, health and social problems need to be found.

To achieve this, leaders must take note of the conditions and leadership behaviors that have driven rapid innovation in 2020, and continue to apply them after the Covid-19 crisis passes.

For example, the pandemic has seen the large-scale deployment of agile teams – i.e., small, multidisciplinary units focused on high-value, project-based work – which need a psychologically safe environment to succeed. This requires leaders who emphasize shared purpose, de-stigmatize failure, encourage orthodoxies to be challenged, proactively seek the diverse perspectives of all members, and employ frequent feedback loops to promote rapid learning.

#### Lesson #5 We are all wildly interconnected

The final lesson is, arguably, the most sweeping and underpins all four lessons above. 2020 has underscored how inescapably interconnected we are and the folly in ignoring as much. As renowned American scholar, Amy C.

Edmondson, reflected: "More than 50 years ago, the 20th-century visionary futurist,

Buckminster Fuller, pointed out that we are all crew members on Spaceship Earth – our finite, profoundly interdependent planet that is badly in need of devoting its collective energies to working for the good of everyone. No ship sails on for long if the starboard side is busy trying to sink the port side. We are in this together, but we have not been acting like it."

Tackling the world's most complicated challenges – such as climate change, inequality, the ethics of artificial intelligence and disinformation – will require teamwork on a massive scale. No single entity (or nation) has all the answers, with an ecosystem of partners – across business, government, academia, and the not-for-profit sector – needed to accomplish what can't be done alone.

At the most senior ranks, this will require leaders who understand that they have shared interest, both moral and economic, to address these challenges. It will require a preparedness to work beyond organizational and national boundaries, to extend their own capabilities and create bold and novel solutions. It will also require the ability to rebuild the trust of people who, having been left behind, have often retreated inwards, and to help them believe in the prospect of a better world for all.

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Taken together, these 5 lessons crystalize into one clear insight for all organizations: if they are to meet 2020's ongoing challenges, as well as those yet to come, they must have leaders who lead inclusively.

Inclusive leaders view diversity, inclusion, and equity as a moral and economic imperative, and exhibit the attributes of integrity, authenticity, humility, and curiosity. They see people through a very human lens, treating others fairly and respectfully and showing genuine concern for their well-being. Moreover, inclusive leaders are skilled collaborators, focused on uniting diverse groups, creating a psychologically safe environment, and facilitating the informed and respectful exchange of different viewpoints to solve complex problems. Importantly, they use their power to make changes to the status quo, ensuring systems and policies are designed to support desired outcomes, such as equality and innovation.

#### Closing remarks

As we close the chapter on 2020, we must remind ourselves of the opportunity to emerge from it a better world. To achieve this, there must be a commitment to developing and rewarding inclusive leaders who will help build more equitable, sustainable, and resilient organizations and societies in its wake.

#### About us

Bernadette Dillon is a founder of the Inclusive Leadership Compass (ILC) and passionate diversity and inclusion advocate. Prior to founding the ILC, Bernadette worked at Deloitte for almost 15 years, where she consulted, researched and wrote extensively on inclusive leadership and diversity and inclusion more broadly.

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