Leadership Traits for Future Readiness

Five years ago, the Institute of Leadership produced a short paper entitled 'Leadership Essentials: Future Readiness in which it highlighted six traits required of leaders who could steer their organisations into the future. These were the ability to be action-orientated, agile, analytical, inspirational, resilient and tolerant of ambiguity and risk.   A recent article in their magazine has added three more traits to the list:

Trendspotting – This is a trait that is very much linked to scenario planning, which is one of the 'new' traits highlighted below. However, when Trendspotting, the use of AI should come with a 'health' warning. I would be very careful in the use of Gen AI when it comes to Trendspotting in the external environment. At least it could result in time wasted when Scenario Planning or, at most, send the organisation in a direction that could prove costly.

Digital Leadership – AI is not new and many people should have seen the likes of remote/hybrid working coming long before the COVID Pandemic. The Pandemic did not introduce remote/hybrid working – many organisations, especially those employing people in other countries, had already introduced a Network Structure that relied on good communication and collaboration leading to both staff and organisational development. My question here is: Why has remote/hybrid working been so poorly managed – given the availability of digital systems that are capable of providing the communication that is needed to support a move to new ways of working?

Another question might be: Why have we seen so many well-known businesses, especially in retail, go 'to the wall'? It would appear that it is those that have utilised AI, to bring their wares to the marketplace on-line, that have managed to move forward. Much of this could have been foreseen if those in leadership positions had utilised the third trait that has recently been highlighted by the Institute – Scenario Planning.

Scenario Planning – Again, this is not new. I was utilising Scenario Planning (Oxford Approach) in my role with the Ministry of Defence from 2007 and have been writing articles on the subject since 2017. When talking to many business leaders and even other consultants on this subject, their reaction has often been one of 'rabbits in headlights'. They have found the subject interesting but it would seem to have had little impact. So, what is Scenario Planning and how is it connected to 'trendspotting'?

To start: Perhaps we need to look at what Scenario Planning is not. Scenarios are not based on continuity and are not comprehensive or static views of the future. The past will only show the present position of the organisation (the 'NOW') – it cannot be used to plan the future in times of ambiguity and uncertainty as the future does not yet exist and is likely to be based on a number of factors that might bring about different outcomes. So, now let's take a look at Scenario Planning (what it is).

Scenarios are internally consistent views of the future that focus on discontinuity and change. It involves exploring how the under-lying systems in the business environment may generate change, whilst also viewing how competitive players (existing and new) might react to change. They contain a series of views (pictures) of the future based on trends (some

known and some anticipated by picking up, amplifying and interpreting weak signals in the environment). Scenarios are not about creating abstract pictures of the future - they show players in the market doing specific things and behaving in specific ways.

In short, it is a way of having plans in place that can be easily manipulated to react to certain changes in the environment – albeit that this is likely to require a number of plans based on different scenarios that might bring about interactions between customers, competitors, suppliers and other key players in the industry.

Although many managers understand change, they are often bemused by the idea of discontinuity (a major break between the past and the future). For this reason, Scenario Planning requires a different thought process compared to making projections based on past trends.

I hope that you have found this both of interest and a help in preparing for the future.