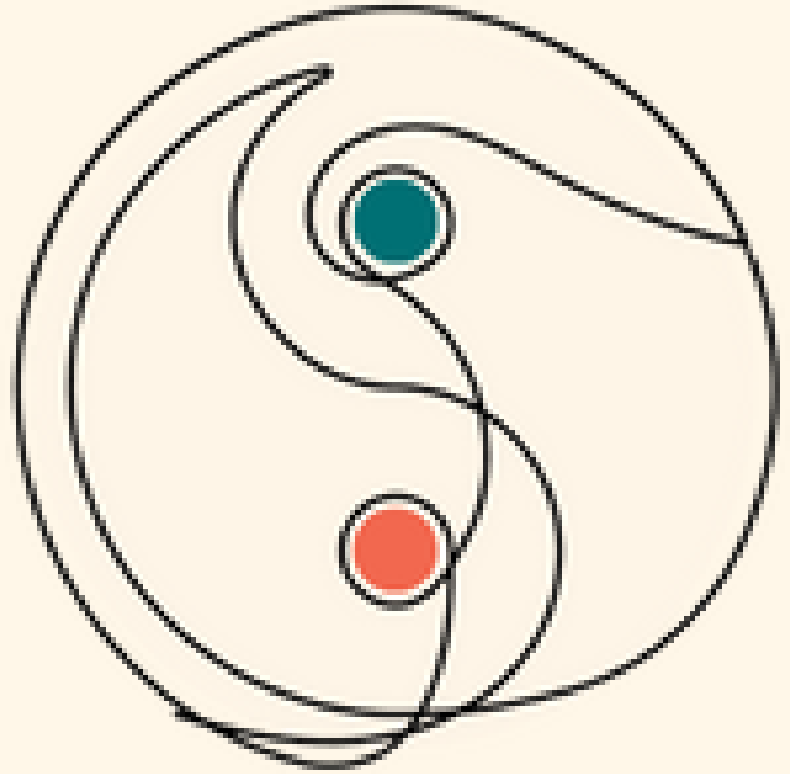


Leadership of the Future

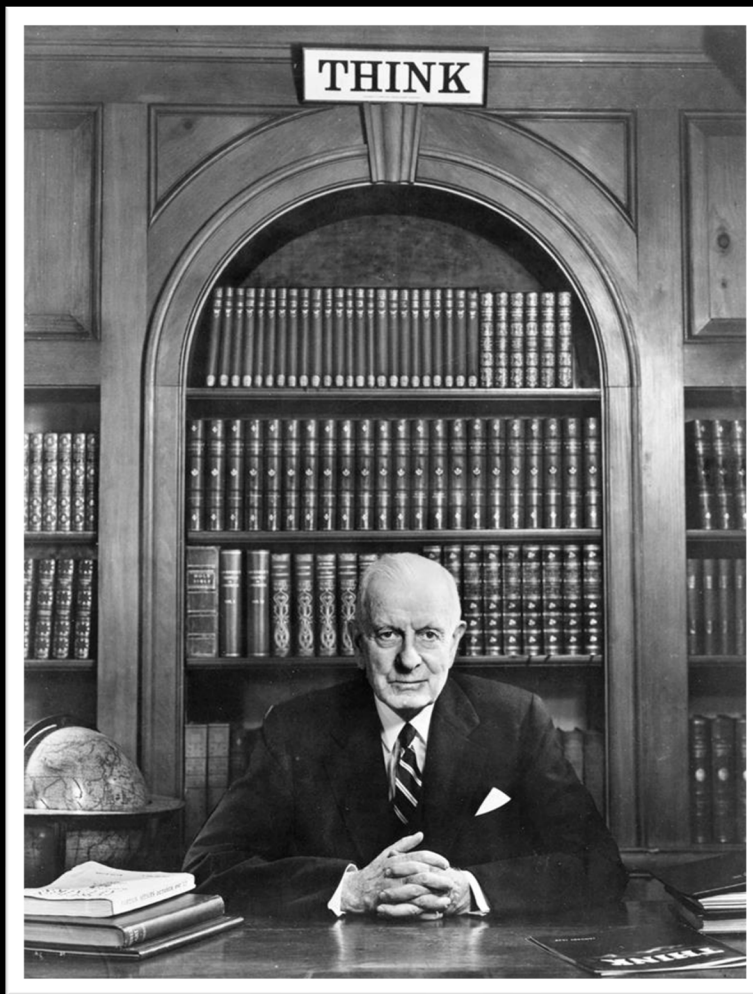
The Power of AND

Wendy Smith, Ph.D.
The Wexner Foundation
2024



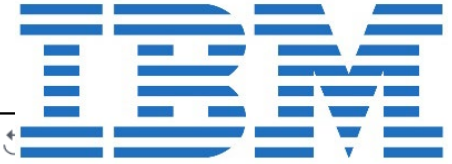


The challenge is
not **IF** we face tensions,
but **HOW** we do so.

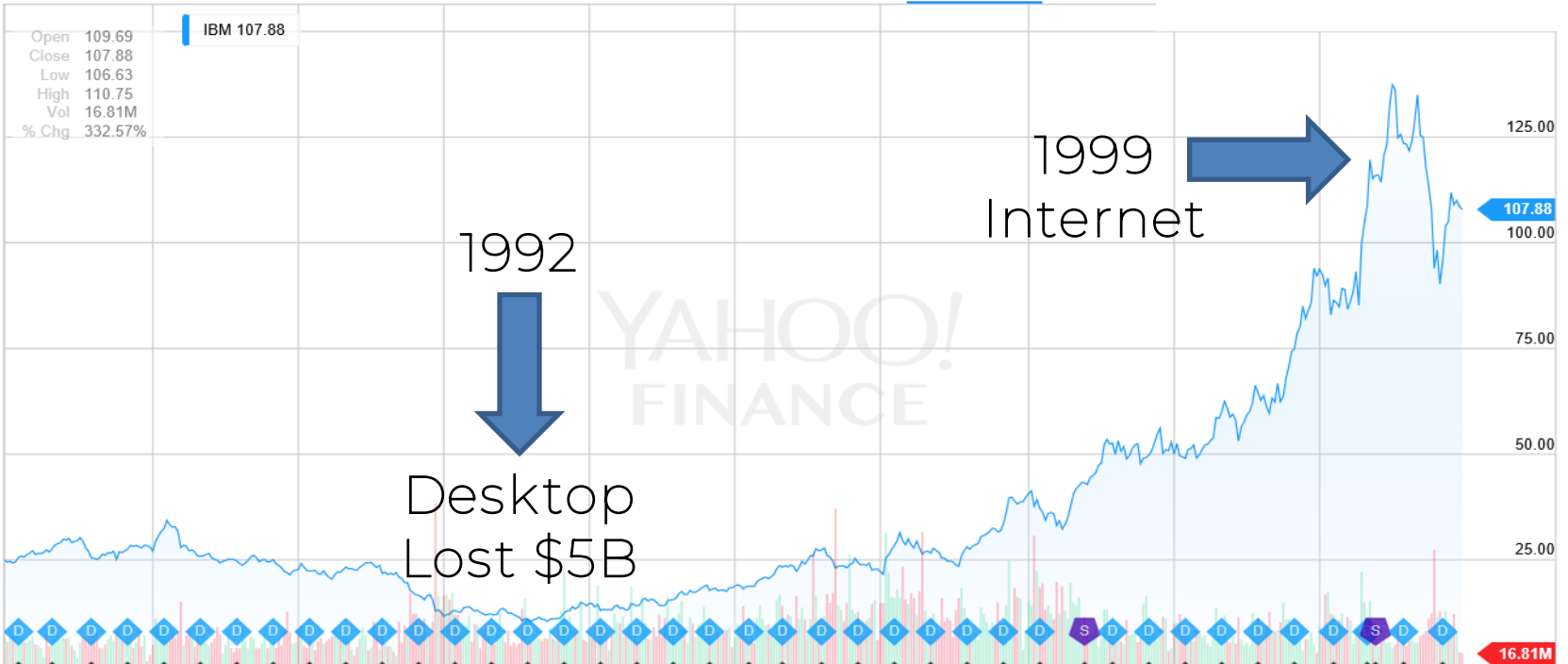


International Business Machines Corporation (IBM) ★ Watchlist

173.06 -0.20 (-0.12%) NYSE - As of 4:00PM EDT



+ Indicator + Comparison 1d 5d 1m 3m 6m YTD 1y 2y 5y 10y Max Linear



Contradictory

Explore

Tomorrow

Long Term

Divergence

Experimental

Learning

Uncertainty

Organic



Core

Today

Short Term

Convergence

Efficiency

Performing

Certainty

Hierarchical



Tensions

alternative expectations, demands, priorities
in competition with one another

a tug of war






Conditions that spark increased tensions

- Change
- Plurality
- Scarcity

Smith and Lewis, Academy of Management Review, 2011

Tensions

Strategy	Leadership	Personal	Yours?
Short-term vs Long-term	Performing vs Learning	Passion vs Stability	
Inclusion vs Excellence	Head vs Heart	Work vs Life	
Global vs Local	Courage vs Vulnerability	Trust vs Control	
In person vs At home	Competency vs Compassion	Cooperative vs Competing	
Time vs Cost			
Polarizing Politics			



Your Tensions

A tension that I am experiencing in my life/leadership is... ..

Stay or Go?

You are the leader of a team tasked with accomplishing a high-profile project. In the past month, you recruited other team members and believe that you have an all-star team. In recruiting and developing the team, you stressed the value of teamwork, respect and commitment to one another and to the team. Your team has the potential to be a high performing team, but still relies heavily on your leadership and guidance. You have another two months left to deliver the project.

In the meantime, you have been offered a promotion into a new job. In some ways, the new job could be your dream job, with greater responsibility, challenge and authority. There are also uncertainties to this job, especially whether you would be working with supportive colleagues. These opportunities are infrequent, but someone just left the job unexpectedly. As a result, this new job would require you to leave your team and start in the next two weeks.

What do you do?





Question

What would YOU do? (pick one)

- 1) Stay with the current job
- 2) Go – move to the new job

Stay

- XXXX

Go

- XXXXX



Traditional Approach (Both/And)

Framing

A OR B?

Analysis

Separate and Analyze

Emotions

Minimize Discomfort

Outcomes

Make a Choice



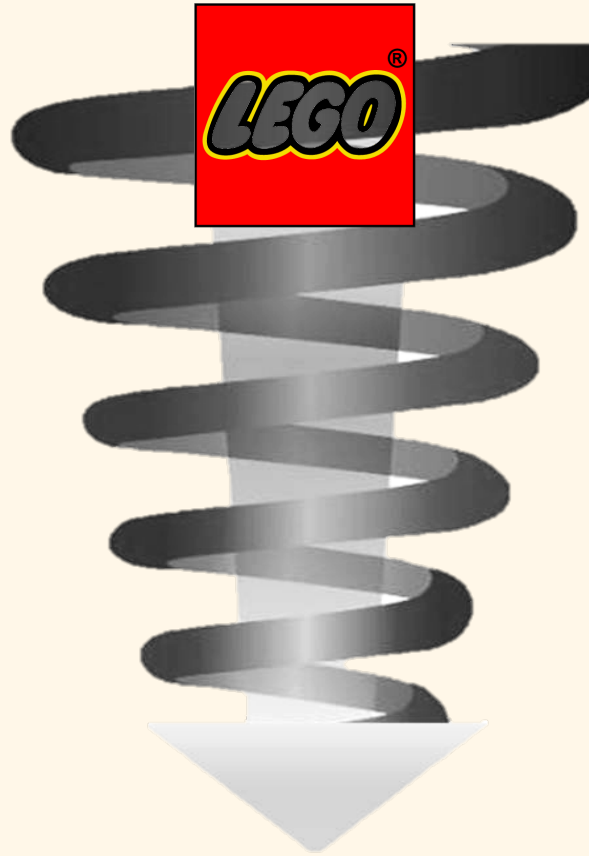


our typical response

natural approach

but

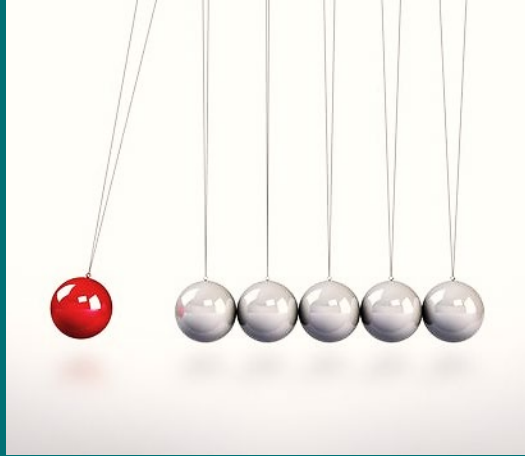
limited or detrimental





rabbit holes

we get stuck
and can't change
course



wrecking balls

we change course
and swing in the opposite
directions



trench warfare

we defensively dig into
our own position and fire
at the other side



Question

Which type of vicious cycles do you tend to experience as you navigate tensions?

- 1) rabbit holes (intensification)
- 2) wrecking balls (overcorrection)
- 3) trench warfare (polarization)
- 4) none

Contradictory

Core
Today
Short Term
Convergence
Efficiency
Performing
Certainty
Hierarchical



Explore
Tomorrow
Long Term
Divergence
Experimental
Learning
Uncertainty
Organic



Interdependent



Today creates *resources* for tomorrow
Tomorrow creates *energy* for today
Sustainability depends on *both* today *and*
tomorrow






Paradox

contradictory
interdependent
persistent

Smith and Lewis, *Academy of Management Review* 2011; 2022

Tensions

Strategy	Leadership	Personal	Yours?
Short-term vs Long-term	Performing vs Learning	Passion vs Stability	
Inclusion vs Excellence	Head vs Heart	Work vs Life	
Global vs Local	Courage vs Vulnerability	Trust vs Control	
In person vs At home	Competency vs Compassion	Cooperative vs Competing	
Time vs Cost			
Political Polarization			

Paradoxes

Strategy

Short-term *and*
Long-term

Inclusion *and*
Excellence

Global *and* Local

In person *and* At
home

Your side *and*
My side

Leadership

Performing *and*
Learning

Head *and* Heart

Courage *and*
Vulnerability

Competency
and Compassion

Personal

Passion *and*
Stability

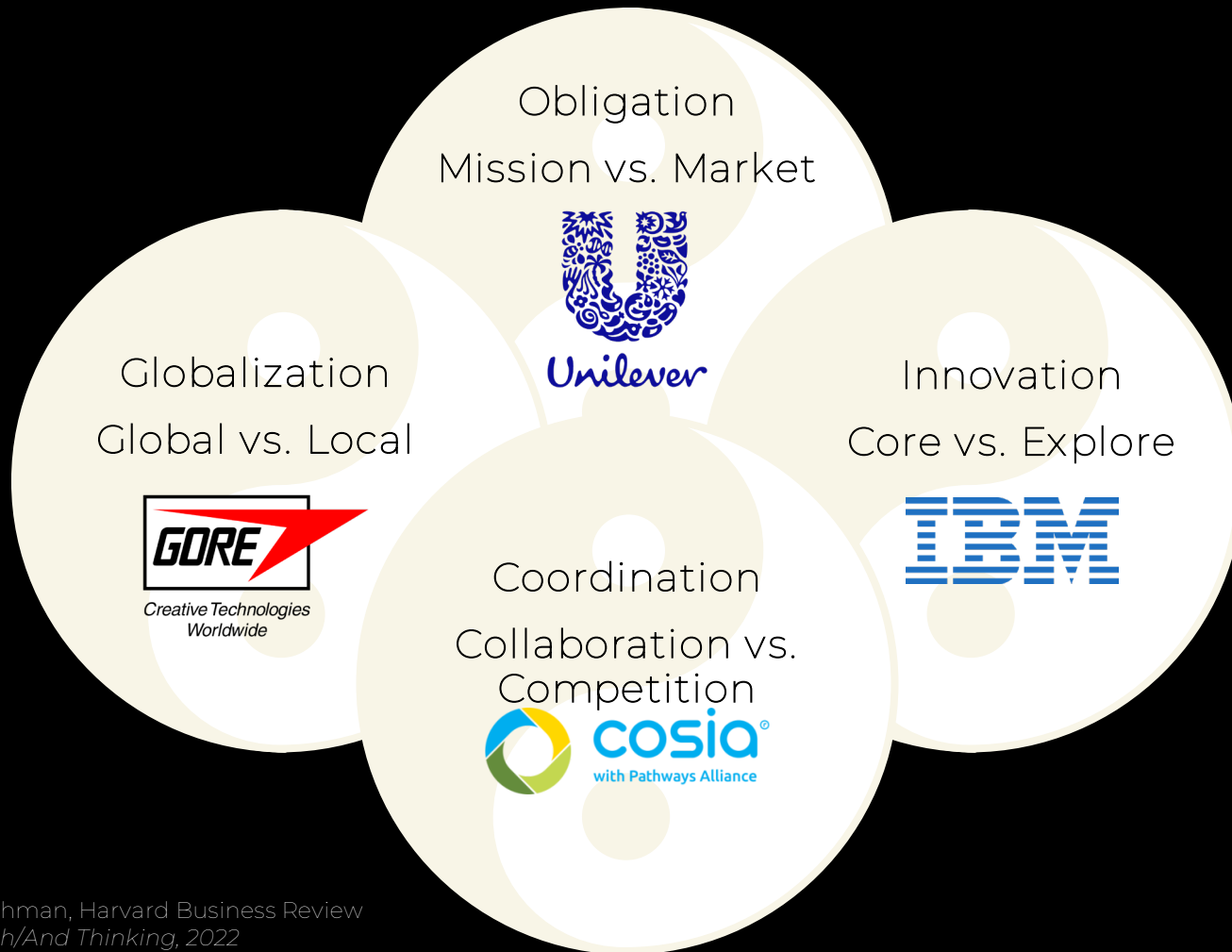
Work *and* Life

Trust *and*
Control

Cooperative *and*
Competing

Yours?







Questions

The word paradox makes me think of:

- 1) Something good
- 2) Something bad
- 3) Something neutral
- 4) Something else



What opposes unites, and the finest attunement stems from things bearing in opposite directions, and all things come about by strife. - Heraclitus



All things are born of being
Being is born of nonbeing
-Tao Te Ching, Chapter 40

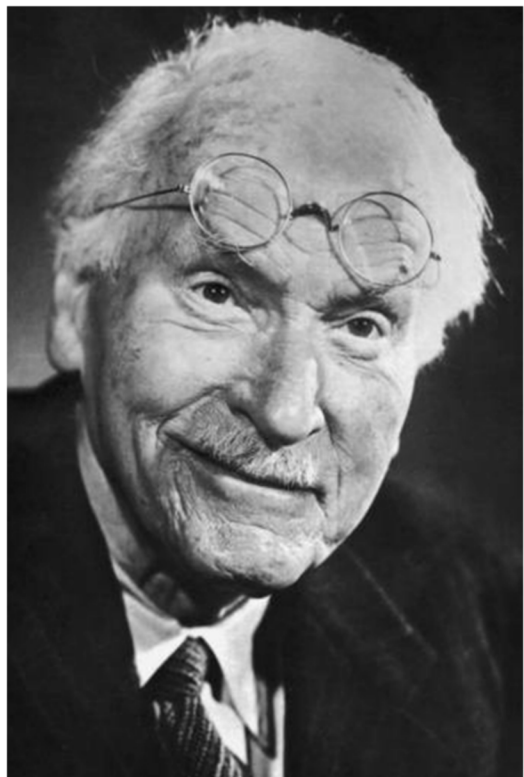
..... and the halakha is like the House of Hillel." A question was raised: Since the heavenly voice declared: "Both these and those are the words of the Living God," why was the halacha established to follow the opinion of Hillel? It is because the students of Hillel were kind and gracious. They taught their own ideas as well as the ideas from the students of Shammai. Not only for this reason, but they went so far as to teach Shammai's opinions first.

These and these are the words of the living God...
- Eruvin 13b:10-11

psychoanalysis

Only the paradox comes
anywhere near to comprehending
the fullness of life.

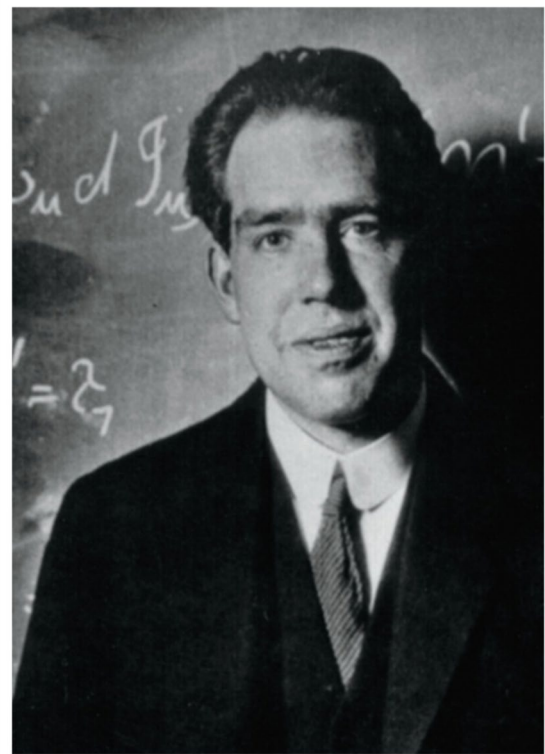
- Carl Jung



physics

How wonderful that we have
met a paradox.
Now we have some
hope of making progress.

-Niels Bohr



Presenting dilemmas

Challenging problems
that can be solved with
an either/or

Underlying Paradox

Persistent
interdependent
contradictions



Either/Or



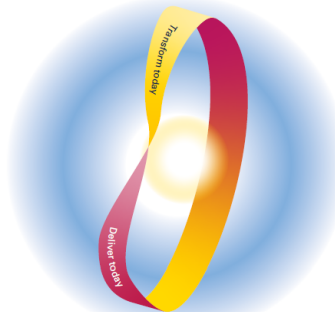
Both/And



The CEO Report

Embracing the Paradoxes of Leadership and the Power of Disruption

As you read them you will see that both sides of these paradoxes, while seen necessary in a transformation journey. They're like Möbius strips, loops with non-orientable surfaces without boundaries. If you draw a line along the center line seems to run along both sides of the loop. Similarly, organisations that through this half twist, with each paradox building on the other to create a Organisation that are unable to work through these paradoxes are in for underperformance and even failure.



Paradox 1: Deliver today, transform today. Leaders are under constant pressure to deliver financial results – to shareholders, investors and the markets. At the same time, the pressure of constant disruption is challenging leaders to shake their organisations out of stasis. Leaders need the courage to challenge the status quo – to understand the areas of the organisation that are fit for purpose and which areas are in need of radical disruption so that the organisation can thrive in the future.



Paradox 3: Create alignment, learn from dissent. Most organisational theory suggests that a key task for leaders is to quickly get alignment across their organisation and ensure that everyone is working towards a common goal. To assure alignment, leaders need to overcome resistance. While alignment is important, transformation requires leaders to learn and learn from dissonance rather than suppress it quickly. Leaders will achieve true alignment through dialogue and listening. When transformation appears on the horizon, leaders and workers have opinions and questions: 'What decisions do I need to make? How will this affect me? How will this change our culture? The emotions behind these questions can include anxiety, excitement, anger and calmness. The questions and emotions can be as diverse as the number of people and will often change on an individual basis over time. Leaders need to listen to the questions of an individual level before they can build a collective to transform those of dissenters – leaders can begin listening with empathy can come through one-on-one conversations, small groups or town halls. Leaders will also benefit from creating a leadership culture by investing in digital platforms that allow leaders to listen and respond to large groups of people. It is through the exploration of all emotions – positive and negative – that transformation happens, and individual voices emerge into a collective endeavour.



Paradox 4: Disciplined delivery, freedom to create. Leaders are tasked with getting from point A to point B quickly. They need to set an ambition and get the organisation to deliver within a prescribed timeline. They set a clear direction and then push resources at the goal to get there. The challenge is that transformation, by its very nature, is not a linear process. It's more of a corkscrew, with ups and downs and twists and turns. Leaders need to allow opportunities for experimentation around failure and create a culture of acceptance and new ideas, learning, and foster a mindset of adopt versus adapt. By giving workers the freedom to create (within clear boundaries), transformations can often achieve their objectives faster than travelling from point A to point B.

Six paradoxes of leadership defined



Globally-minded localist

How do you navigate a world that is increasingly both global and local?



High-integrity politician

How do you navigate the politics of getting things to happen and retain your character?



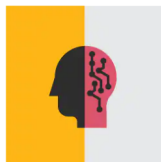
Humble hero

How do you have the confidence to act in an uncertain world and the humility to recognise when you are wrong?



Strategic executor

How do you execute effectively while also being highly strategic?



Tech-savvy humanist

How do you become increasingly tech savvy and remember that organisations are run by people, for people?



Traditioned innovator

How do you use the past to help direct your future success?



Hedge Fund

Disciplined

Disciplined in setting, measuring and meeting our targets and financial/operational goals in a risk-minded and compliant way

Caring

Caring for our Clients, advisors and employees is our greatest strength. We put them first.

Globally Aligned

Connected and aligned on global standards, capabilities and priorities

Human Connections

We focus on the emotional connections that make Clients for Life

Collaborative

We are united and work together to achieve our goals



Global Bank: Compliance

Leading	AND	Managing
Resourcing compliance	AND	Keeping costs down
Performing your day to day job	AND	Fighting fires
Advice (trusted advisor)	AND	Veto (police)
Taking calculated risks	AND	Avoiding risk
Openly recognising failures and errors	AND	Covering errors and mistakes
In tough times... leaving the organisation	AND	Staying to contribute to resolving issues
Working for your own interests	AND	Working for [the organization's] interests
Doing the right thing today	AND	Doing the right thing tomorrow
Focusing on the short term	AND	Focusing on the long term
Enforcing employment contracts	AND	Nurturing the psychological contracts
Enabling planned change	AND	Reacting to change
Focusing on efficiencies	AND	Focusing on effectiveness
Using emotion and intuition	AND	Relying on data and evidence
Communicating to reduce uncertainty	AND	Communicating despite risks of being misunderstood
Communicating to reduce uncertainty	AND	Communicating despite risks of being misunderstood



Toyota Production System: Managing Paradox

- Moving gradually and also taking big leaps.
- Cultivating frugality while spending huge sums.
- Operating efficiently as well as redundantly.
- Cultivating stability and a paranoid mindset.
- Respecting bureaucratic hierarchy and allowing freedom to dissent.
- Maintaining simplified and complex communication.

- Extreme Toyota, Osono, Shimizu, Takeuchi

"We are constantly confronted with ~~two opposing propositions~~. It is a way of deliberately introducing a positive level of tensions into the workplace on a regular basis.... The process ensure that we come up with the best solution."

- Akio Matsubara, Senior Management Director of HR

Traditional Approach (Both/And)

Framing

A OR B?

Analysis

Separate and Analyze

Emotions

Minimize Discomfort

Outcomes

Make a Choice



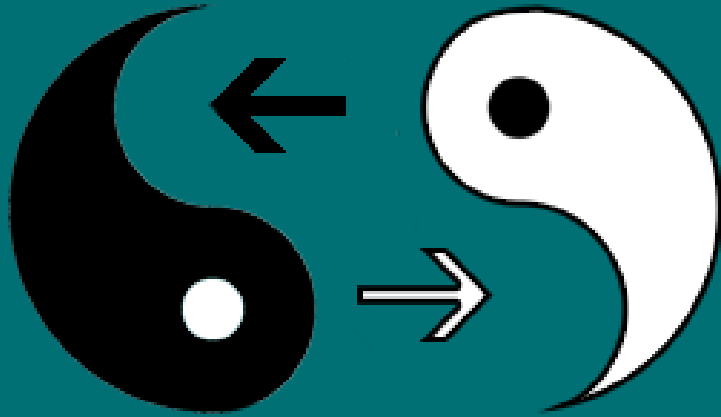
	Traditional Approach (Both/And)	Paradoxical Approach (Both/And)
Framing	A OR B?	A AND B?
Analysis	Separate and Analyze	Higher Purpose Separate and Connect
Emotions	Minimize Discomfort	Find comfort in the discomfort
Outcomes	Make a Choice	Choosing Mules and Tightrope Walkers



Assumptions: Change the Question



Boundaries: Separate and Connect



Separate

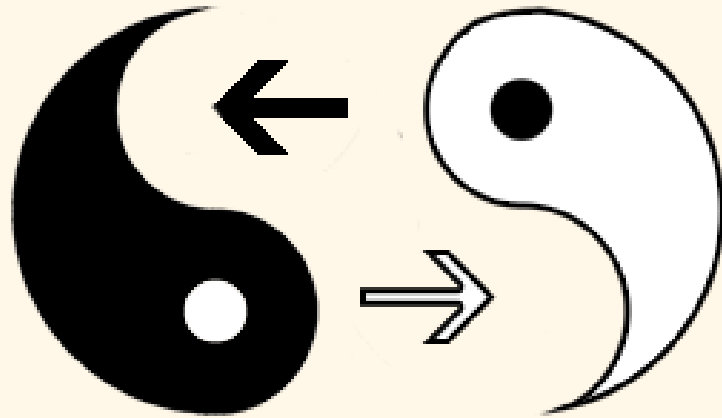
Pull apart options to
understand and value
each



Connect

Seek points of
integration and synergy

Separate



Stay

Today

Short Term

Loyalty

Teamwork

Commitment

Go

Tomorrow

Long Term

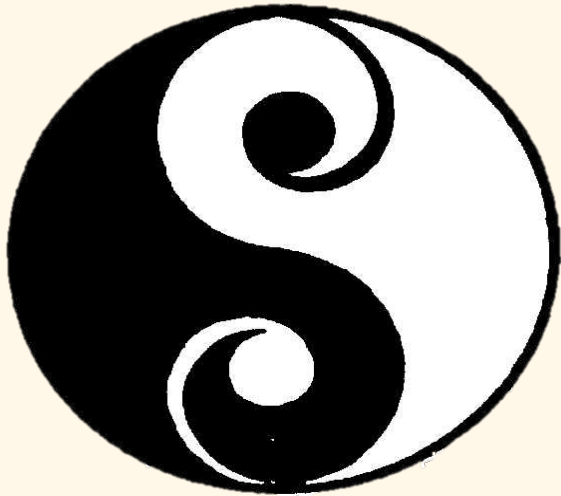
Growth

Individual

Achievement



Connect



How could completing my current campaign impact the new campaign?

How could allowing myself to move forward create new opportunities for my existing team and its members?

How could my existing team inform the work on my new team?



Comfort

Finding comfort in the discomfort

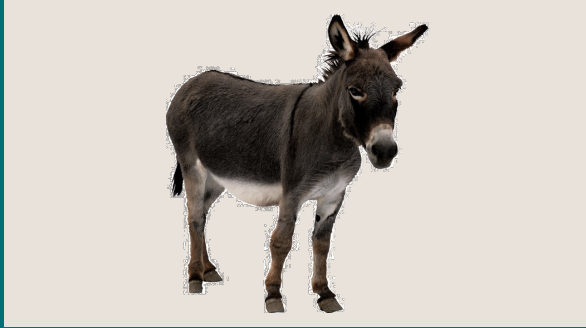
- Surfacing anxiety
- Talking through uncertainty
- Creating connections



Dynamics: Rethink the Outcome

Creative integration

The mule



Take the new job and bring some of my current team along

Use the new job offer to negotiate with my current organization to move into a more senior role

Consistent Inconsistency

The tightrope walker



Delay my start date in order to spend more time to ensure succession planning to take over my current role

Consult to the old job for a period of time until they have trained a new leader

Paradoxical Approach

(Both/And)

Framing

Change the question

A AND B?

How can I...

Stay and go?

Be loyal to others and achieve for myself?

Analysis

Separate & Connect

**Higher Purpose
Separate and Connect**

**My life goal is impact.
Separate and Connect**

Emotions

*Comfort in the
Discomfort*

**Find comfort in the
discomfort**

Say “YES” to the discomfort

Outcomes

Choosing

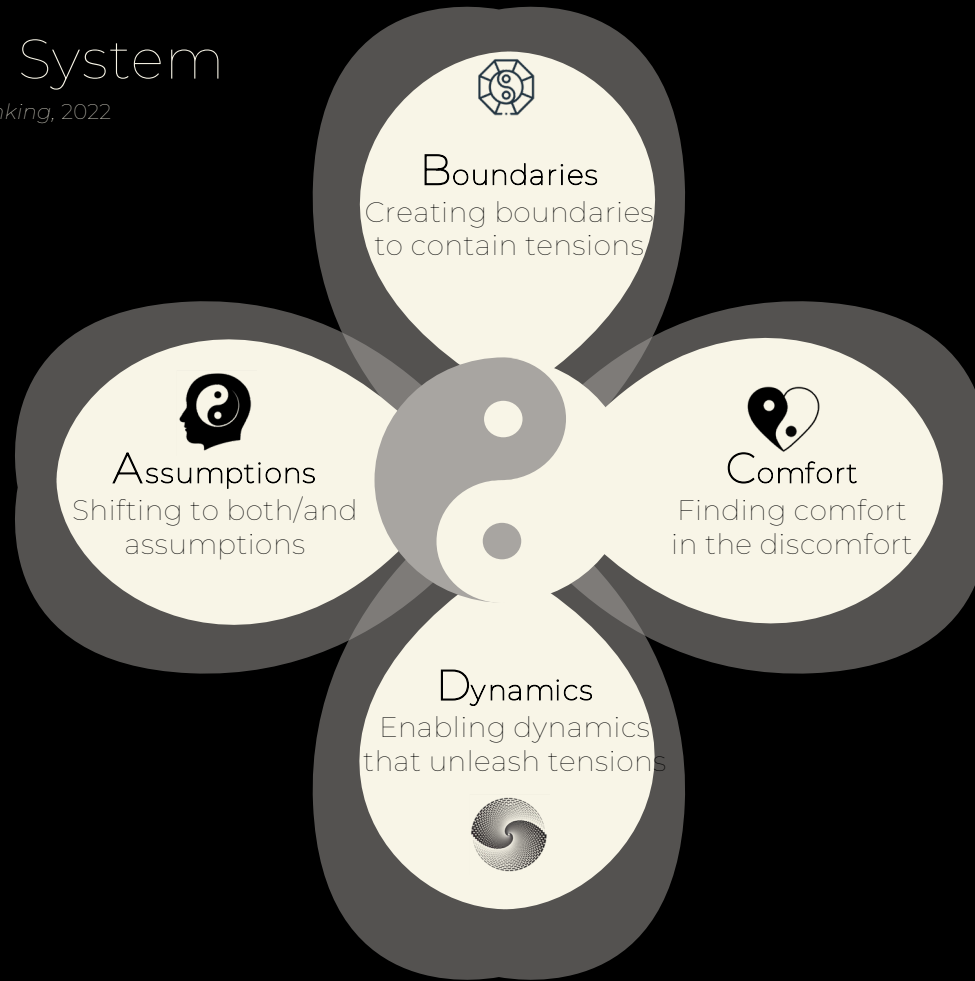
Choosing

**Mules
Tightrope walking**



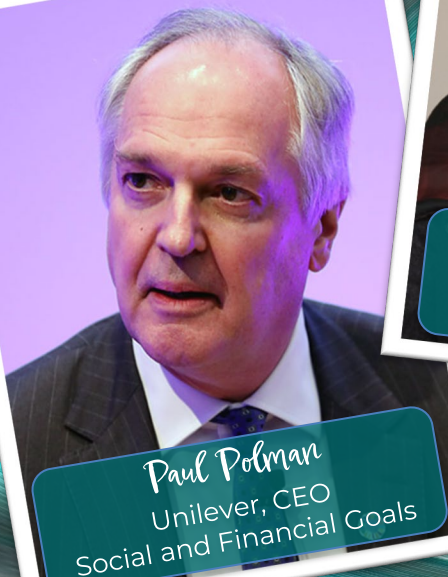
The Paradox System

Smith and Lewis, *Both/And Thinking*, 2022



	Traditional Approach (Both/And)	Paradoxical Approach (Both/And)
ASSUMPTIONS <i>Change the question</i>	A OR B?	A AND B?
BOUNDARIES <i>Separate & Connect</i>	Separate and Analyze	Higher Purpose Separate and Connect
COMFORT <i>Comfort in the Discomfort</i>	Minimize Discomfort	Find comfort in the discomfort
DYNAMICS <i>Choosing</i>	Make a Choice	Mules and Tightrope Walkers





Paul Polman
Unilever, CEO
Social and Financial Goals



Indra Nooyi
Pepsi, CEO
Health and Profits



Satya Nadella
Microsoft, CEO
Tradition and Innovation



Mary Barra
General Motors, CEO
Tradition and Innovation



Your turn

Consider your dilemma. Turn to the person next to you and explore a both/and option.

Problem-solving happens when people, in the spirit of bridging differences, embrace the tensions that arise from opposing forces....

Instead of insisting on "either X or Y," I've seen how much more is achieved when we consider "X and Y."

It's tempting to run from conflict, but it's more effective to face it...This is true for people, for organizations, and for countries.

Ginny Rometty
Good Power
CEO, IBM 2012-2020

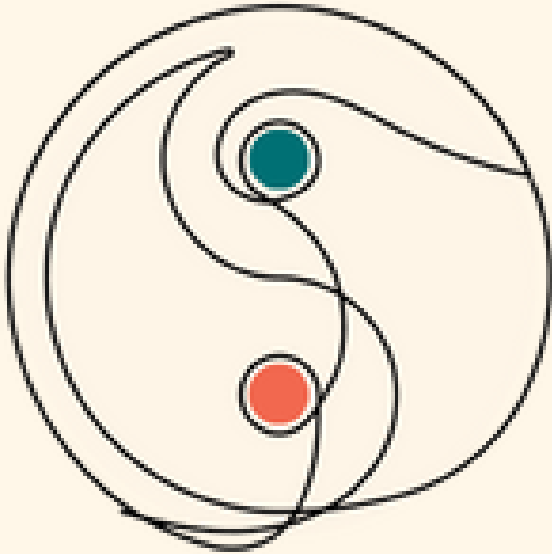




*Instead of shutting out what is
different, we should welcome it >
because through difference we will >
make a richer content of life' >*

**Mary Parker Follet*

Questions?



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