How to See Your Current Leadership Reality*

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Without a common understanding of where leadership stands today and is falling short, a forceful case for change cannot be made.

Do you know how people currently experience leadership in your organisation? Is your organisation on the path to creating a step change in leadership strength fast and at low cost, the focus of blue ocean leadership? Or do your leaders engage in acts and activities that hinder employees' performance and motivation? Here's how to find out. It's the first step of the blue ocean leadership process. In our previous two posts, we explained how the concept of blue ocean strategy can be applied to the challenge of leadership and explored the four key pillars of blue ocean leadership that set it apart from conventional leadership development approaches. In this post, we shift gears and zoom in on how to put blue ocean leadership into practice by diving into the first step of the four-step blue ocean leadership process, namely, "See Your Leadership Reality."

A common mistake organisations make is to discuss changes in leadership before resolving differences of opinion over what leaders are actually doing. Without a common understanding of where leadership stands today and is falling short, a forceful case for change cannot be made. Achieving this common understanding is the objective of the first step.

Blue Ocean Leadership Series

I. FROM BLUE OCEAN STRATEGY TO BLUE OCEAN LEADERSHIP

II. THE FOUR PILLARS OF BLUE OCEAN LEADERSHIP

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Begin by drawing the current or As-Is Leadership Canvas. To obtain a common understanding, we've found that asking managers to draw what we call the Leadership Canvas is highly effective. The Leadership Canvas is an analytic visual that shows the acts and activities leaders currently undertake and invest their time and intelligence in as perceived by each leadership level's customers. An organisation should therefore begin by drawing the As-Is Leadership Canvas for each level of leadership. For small organisations, that often means drawing only one Leadership Canvas. However, for larger organisations as we will discuss here, this typically means drawing three Leadership Canvases; one for frontline, middle, and senior managers.

^{*} This article is an outgrowth of Kim and Mauborgne's study on Blue Ocean Leadership originally published in Harvard Business Review, May 2014.

Have senior managers spearhead the process. To get started, a team of 12 to 15 senior people is typically selected to spearhead the process. For smaller organisations, the team can be as small as three senior people. Irrespective, the people chosen should ideally cut across functions and be recognised as good leaders in the company. For large organisations, the team is then broken into three smaller teams, each focused on one of the three leadership levels. Each person on the team is charged with interviewing people in one's assigned level. The objective here is to identify the key acts and activities – both good and bad – that actually absorb managers' time so the As–Is Leadership Canvas can be drawn. This uncovers how people experience current leadership.

While there is usually a variety of views on the current leadership, only the acts and activities that capture what most of the organisation is saying most of the time for that level gets qualified as a leadership factor. This is to keep the team focused on the common actions that capture the majority of leaders' time at each level to avoid leadership profiles becoming everything and nothing.

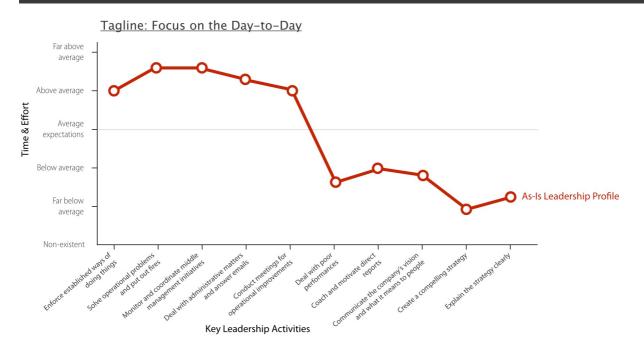
Understand the good and the bad of how people currently experience leadership. The beauty of this step is that it begins to create a company-wide conversation on what actions actually absorb leaders' time at each level and if these make sense given what needs to get accomplished. In this way at the same time that engagement is raised, leadership begins to be directly anchored in the organisation's specific market reality and performance goals. If employees' comments are vague about what actions absorb leaders' time, they are probed until an appropriate level of specificity is realised so that leadership actions are put in clear terms. It is not uncommon to find that 20% to 40% of leaders' time is clogged with bureaucratic tasks and low value acts and activities. It is also not uncommon to find that leaders are under-investing in 20 to 40% of the acts and activities that interviewees cited as important at their level.

Stay focused on leaders' key acts and activities. Teams are given between four to six weeks to complete the interviews. Once all the interviews have been completed, team members come together to pool the results of their interviews and group similar action statements to determine, based on frequency of citation, the dominant acts and activities people experience by leaders at each level. To reinforce the focus on key acts and activities, a cap of 10–15 leadership acts and activities per level is imposed, making this task both challenging and lively.

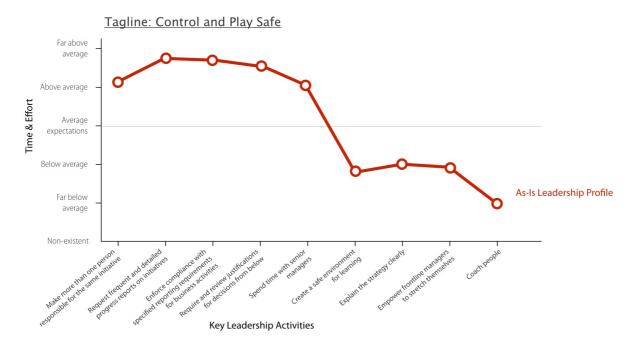
See your leadership reality. The result is almost always an eye-opening wake-up call. Exhibit 1, "The As-Is Leadership Canvases of BRG," depicts how the leadership profiles of each management level of a British retail company that we'll call British Retail Group (BRG) are drawn. As shown in the exhibit, senior managers' time was largely absorbed doing what were essentially middle management actions. Middle managers' time was principally seen as being absorbed in upholding processes either outdated or not and blocking frontline leaders' ability to expeditiously serve customers by enforcing red tape. Finally, frontline leaders' time was absorbed figuring out how to please middle managers and deferring customer queries to them though the queries all too often came back unsatisfactorily answered.

Exhibit 1. The As-Is Leadership Canvases of BRG

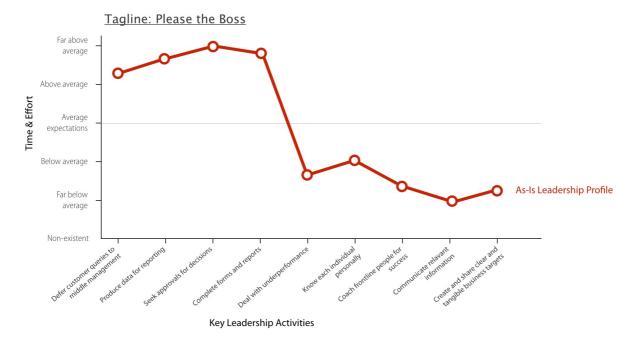
The As-Is Leadership Canvas of BRG's Senior Management



The As-Is Leadership Canvas of BRG's Middle Management



The As-Is Leadership Canvas of BRG's Frontline Leaders



But the biggest ah-ha for the teams was that if all of this were true, it meant that there was scarcely any time for senior managers to do the real job of top management — thinking, probing, and identifying the next challenges on the horizon and gearing the organisation up to capitalise on them. No wonder the company was repeatedly called on to put out fires. Without much exaggeration, the taglines for the three Leadership Profiles could have easily been 'Please the Boss' for frontline leaders, 'Control and Play Safe' for middle management and 'Focus on the Day to Day' for senior management. In three simple pictures, the leadership canvases captured the primary reasons for the organisation's ocean of unrealised talent and energy, which was constraining leaders' ability to drive high performance.

A strong case for change is revealed. Faced with direct evidence of the shortcomings of leader acts and activities that they heard firsthand and repeatedly, the BRG teams could not defend the current Leadership Profiles. Drawing the As-Is Leadership Canvases made a strong case of the need for change at each of the three levels and it was clear that people throughout the organisation felt the same. At this point the teams are usually chomping at the bit to explore what effective Leadership Profiles would look like at each level and to gain agreement on them. That is the focus of the second and third steps of blue ocean leadership and the subject of our next article.

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IV. How to Develop and Select Your New Leadership Profiles

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W. Chan Kim and Renée Mauborgne are Professors of Strategy at INSEAD and Co-Directors of the INSEAD Blue Ocean Strategy Institute. They are the authors of Blue Ocean Strategy, which has sold over 3.5 million copies, is being published in a record-breaking 43 languages, and is a bestseller across five continents. They are ranked No. 2 in The Thinkers50 listing of the World's Top Management Gurus and are the recipients of numerous academic and management awards including the Nobels Colloquia Prize for Leadership on Business and Economic Thinking, the Carl S. Sloane Award by the Association of Management Consulting Firms, the Leadership Hall of Fame by Fast Company, and the Eldridge Haynes Prize by the Academy of International Business among others. Kim is an advisor to several national governments and Mauborgne is a member of President Barack Obama's Board of Advisors on education.

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