

Te Ara Kahurangi - Our Leadership Philosophy

The Context

It has become something of a cliché to say that we live in a (VUCA) volatile, uncertain, complex and ambiguous world. It is nevertheless true. We are living through a period of profound disruption that has no end in sight. Indeed, some futurists now use the term “permacrisis” to describe our era as one in which disruption is the rule rather than the exception.

Impact on Leaders

Given the demands of VUCA environments, it is not surprising to find that business leaders globally are reporting significant increases in “overwork”, “stress” and “burnout”. As the global surveys indicate, this can result in burnout, cynicism, and a loss of the passion and purpose that once animated the leader. In our experience, it also has consequences for their organisations. Notably, it manifests in a lack of overarching vision and purpose, as well as the loss of the collective vitality and responsiveness that is crucial in navigating VUCA environments.

Outmoded Change Methodologies

Amidst the pressures of their VUCA environments, it is not unusual for leaders to respond with change methodologies that manifest their internal disorientation. For instance, it is common for business leaders to respond to complex challenges by doubling down on control. This type of leadership can meet a ready response when people are anxious for more certainty. This is one reason why “tough-minded agents of change” and “disruptors” are so often sought after and celebrated. The challenge here is further amplified by the proliferation of change models that originate in a different era and emphasise linear, top-down, step-by-step approaches to change.

Well-articulated, “simple answers to complex challenges” can sound appealing, but they are rarely successful. One meta-analysis of change initiatives in 128 large multinationals (2016-2020) found that only 22% were considered “successful,” and failure rates of 60-80% are commonly cited. Not only do many change initiatives fail to meet their stated objectives, but they can also create disruption and internal systems congestion that frustrates learning and adaptation at precisely the time when they are most needed.

In part, the high failure rate of change initiatives can be attributed to the application of leadership and change methodologies that are no longer fit for purpose. Complex VUCA environments call for stewards, not tough-minded disruptors. Stewards appreciate and refocus energy on the core purpose, strategy and strengths of the organisation rather than imposing radical reinvention. This is not to suggest that effective organisations are static, but that they undertake continuous change and innovation around their core purpose and strategy rather than periodic upheaval. All of this suggests a deep understanding and honouring of the whakapapa, spirit and capabilities of the organisation, while simultaneously catalysing continuous adaptation, innovation, and change. These are not

trivial leadership requirements and call on leadership qualities that are particularly difficult to develop and sustain in the pressures of VUCA environments.

The “Interior Condition” of Leaders

Inadequate change methodologies explain part of the widespread failure of change initiatives. However, the real heart of the issue lies in the intrapersonal state of the leaders. “What counts”, argues Otto Scharmer, “is not only what leaders do and how they do it, but their interior condition, the inner place from which they operate, or the source from which all their actions originate.” The failure of so many change initiatives suggests that all is not well within the inner lives of many leaders. Given the predominance of overwork, stress and burnout discussed above, this is hardly surprising.

The interior deficiencies described by Otto Scharmer manifest as disorders of listening and attention in which leaders become disconnected from their own sense of purpose and the deeper purpose and collective possibilities of their organisations. This disconnection can be fatal to their ability to lead in VUCA environments.

Te Ara Kahurangi

In keeping with this perspective, the focus of Te Ara Kahurangi - Executive Leadership in Aotearoa is on the leader’s “interior condition.” It draws on the wisdom of Te Māori to take leaders on on a journey to reconnect them with their core purpose and reimagine the kind of leaders they aspire to be and the kind of organisations they want to help create. With this foundation, they can return to their lives and work with an awareness and energy that makes them a vitalising force in their organisations and communities.

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