# Redesigning Organisations For The Cyber Physical Age – Webinar 3

Presented by Mark Priede

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# Slide 1:

## Redesigning Organisations For The Cyber Physical Age

Hi, I’m Elise from National Disability Services, and I’d like to introduce Mark Priede from Bendelta, who is here to present the third webinar in a series of three on redesigning organisations and leaders for the cyber-physical age.

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## Leadership & Capability Development

### Mark:

Hi. Well, thanks Elise. Well, welcome to the third webinar in the series. The focus of this one is on leadership and capability development.

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## Your Host

Again, a brief introduction for myself. My name is Mark Priede. I’m a principal consultant with Bendelta. We’re an organisation whose purpose is helping to realise the full potential of individuals, organisations and teams.

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## Outcomes for today

So in this final webinar in this series, we’ll be discussing how to best develop those critical human capabilities that will be required to survive and thrive in the cyber-physical age. I’ll talk about outlining the business case for investing in leadership and capability development, and then working on helping you understand how to get the best return from your investment in development at an individual, team and an organisational level.

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## We believe realising the full potential of your people requires two areas of focus

So just a recap on the previous webinars: The realisation that human potential requires focus on both organisational architecture and on development.

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Now, we’ve also highlighted there are six critical capabilities we believe are universal, those being capacity, connectedness, creativity, collaboration, choice, and change agility.

## Elise:

Many of the organisations navigating through NDIS are facing multiple challenges and having to focus on all aspects of their business. Why should they make development a priority at this time?

## Mark:

Well, because fundamentally it’s good for business. Now, I’m going to focus on leadership development today as opposed to broader staff development, as it’s critical that those who are in leadership roles in their organisations through the NDIS transformation have the right capabilities. And I think this is one of those things, we all just get it intuitively, however it is useful to recap on some of the evidence for investing in leadership development and the outcomes that organisations get from that, and particularly for those of you in organisations who are looking to build a business case for investing in this area.

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## Why focus on leadership development?

The first part of research I’m going to cover off starts with the work done by Jim Collins, who wrote the book **Good to Great**, and in that book he identified through rigorous research that leadership is the first and foremost driver of outstanding business success. Now, his views have been validated by an overwhelming number of research studies, which have found that effective leadership is consistently associated with higher results on the following dimensions: Firstly, business financial performance, staff engagement, innovation, creativity, productivity, and staff initiative. Now, there’s a very strong, again, strong correlation between organisations making that investment in leadership development and the outcomes. And some of the data supporting that showing that organisations that rank in the top third for their focus on leadership development experience some of these figures here:

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## What’s the return on investment from developing your leaders?

An average increase of 5.2% in employee productivity, increase in sales, average increase of 16.3% in cashflow, increase in market value, decreases in turnover, and increased company profit wide margins by as much as 47%.

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## Development – benefits to employees

Now, from a staff perspective, developing the leaders has the following benefits: Greater trust in leaders, high responsiveness to change initiatives, reduced intention to leave, reduced cynicism, and a greater identification with the leader, group and the organisation. So as Steve Reinemund, former CEO of PepsiCo said, “If your people don’t grow, the company doesn’t grow.”

Now, I’m sure we’d all like to realise some of these benefits or some of these results within our organisations.

### Elise:

Given how important this is, how do you make sure that you get a good return on your investment?

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## Why do so many leadership development efforts fail to deliver?

### Mark:

Well, that’s a very good question and one that many organisations grapple with, because unfortunately a lot of the research shows that most of our development experiences fail to deliver on their promise. And it’s probably worthwhile just talking about some of those elements there, and these could be particularly useful for you when considering your leadership development efforts in terms of ensuring, when you embark on an investment there that you’re setting yourself up for success. So some of the reasons why they fail to deliver.

Firstly, overlooking context, and essentially this means being careful to avoid having cookie-cutter approaches to development, to leadership development, for example, sending all your people off on a particular leadership program that covers a broad range of topics but actually fails to understand the context in which those leaders are operating, because as we again know, and particularly for those people who’ve worked in different organisations, sectors, even different times in organisations, we know that an effective leader in one situation doesn’t necessarily perform well in another.

The second element that gets in the way is it can just be too theoretical, so insufficient application to real projects, business issues, challenges and opportunities.

The third, underestimating mindsets, so change in behaviours actually require getting what I call below the waterline and changing beliefs and assumptions and mindsets that actually drive the behaviours that people have.

And the fourth is a failure to measure results, not actually getting clear on what are the outcomes you’re looking to achieve through the program and how does that translate into tangible measures that will give you an indication of whether the development has been successful or not.

So again, I’m sure many of you can relate to those particular experiences.

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## Effective development

Now, if I talk to people about, again, one of the questions around what does effective development look like and what are the best experiences they’ve had, often they aren’t that standard going along to a workshop experience. There are certain principles or certain elements to those experiences that were particular that made those things memorable and more likely to be effective from a development perspective. For a long time there was a view that learning had to adhere to the 70/20/10 principle to be effective, which talked about the benefits of making sure that 70% of the learning was on-the-job learning, 20% was related to things like coaching and mentoring, and 10% to workshops.

Now, whilst useful in emphasising the importance of putting learning into practice and utilising coaching and mentoring, it was founded on the assumption that 10, the workshop experience, isn’t particularly effective. What we’ve found is a more sophisticated view is warranted, and we’ve identified nine principles which we believe underpin the most effective learning. I’m going to go through each of those in turn.

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## Enhancing your success – Nine principles

So again, for when you’re setting up or looking to invest in development, having these in mind can be a useful framework for you to consider.

### So the first element

…and we can go back to webinar 1 where it talked about the critical capabilities – is focus: Making sure that you are focussing on the few most critical capabilities that are required for delivering on your purpose and executing on your strategy. Again, it’s not about setting – not about having long laundry lists of capabilities that you’re looking to develop, which often means that you can only develop those to a superficial level. It means focussing on those specific capabilities that are going to be most important. For example, it might be if you’re looking in your organisation to move from a command and control to providing more autonomy at the front line, it might be around building that coaching capability within all your leaders so they can take more of a role in coaching their staff rather than having a directive management approach.

### The second element is data.

Make sure that you’re clear on what your baseline level of competency is. Know what your starting point is so then to understand what is the actual shift that you’re looking to make, and then being able to measure what that is.

### The everyday:

So again, the most beneficial learning experiences are those where people feel that it’s actually being able to immediately and repeatedly apply it in business-as-usual. It’s no good going along to a particular program and then it’s six months later before you’ll have the opportunity to put that capability into practice. The best program is the ability where people can see the immediate benefits post-attending.

### Depth:

So depth we talk about resting on the deep understanding of what world-class looks like, just to be clear on what actually is that capability when it’s developed to a mastery level look like. What does great look like for that, so that you can be aiming for that from a development point of view. So clearly developing resilience, for example, as a capability is going to be very different developing that capability working with severely disabled than it would, for example, than to somebody in a corporate environment might experience. So being really clear on what it is and in the particular context.

### Discomfort:

Again, many of you will be familiar with the terms hearing about the learning zone and the comfort zone and the like. It’s important for learning that people do feel stretched, and that programs are designed to actually take people out of their comfort zone for the majority of the time while they’re in that particular program.

### Evaluation:

Evaluation links to data and impact. Make sure that you actually have robust processes for evaluating and ensuring that you’re getting the outcomes that you’re looking for.

### Experts:

That the people delivering your programs actually have the capability and the expertise to deliver the programs to the highest standards.

### Feedback:

That participants are provided with rapid and ongoing high-quality behavioural feedback, so they have the opportunity to learn and adjust in the moment.

And finally, that technology is used where appropriate, so where and how it’ll have the greatest impact.

So they’re, if you like, nine principles to consider for your leadership development to enhance the prospects of the learning being effective.

Another framework I’ll just talk briefly through is drawing on research from neuroscience, and it’s called the AGES model.

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## Enhancing your success – “Sticky Learning”

Now, this particular model, developed by Devachi, Kiefer, Kiefer [sic] & Rock is again another useful frame of reference for considering whether you have enough of these elements in your particular programs.

The first element is attention – sorry, this particular model is referred to as the sticky learning model, because it goes towards the science of what it is that creates – enables us to create and retain memories.

So the first element is attention, which is adults learn best when they’re fully attending, so keeping adults present. Now remember, the average attention span before people start wandering is around 15 minutes, so having effective learning approaches that incorporate multiple modes of learning – content, videos, reflective practices, scenarios, multiple facilitators – all are things that can reduce distractions.

The second element is generation, so that’s finding ways to generate memories, and the best way to do that is connecting those learning to your own experience through reflection and application, making those associations between the content and the real life experiences.

The third bit is emotion, and again, adults learn best when there’s a moderate level of emotion involved in the learning process. The reality is we will often not recall content, but we will recall things that made us feel something in a different way, so being able to do things like associating positive emotions with learning, e.g. through storytelling, use of music et cetera can be a way to enhance the prospects of people – the memorability of the learning.

And the final element is spacing, which is the opportunity to continue to revisit and reinforce the learning over time. So if you just do a one-off learning program, there are various numbers that are bandied about in terms of retention of learning, but commonly people say you can lose up to 80 to 90% within a fortnight or so of attending the learning, which is a huge leakage of learning and a poor return on your investment if you’re only retaining 10 to 20% of what you’ve invested in people learning.

### Elise:

Can you tell me how you’ve seen these principles applied?

### Mark:

Yes, there’s lots of different ways, so I’ve had, both in programs that I’ve worked on and developed and programs that I’ve been part of over my career.

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## Development – Applying the principles

I’ll talk a little bit about the Leading for NDIS Transformation program. As I’ve mentioned earlier, this program now has been running for a number of years, and we’ve designed the program looking to apply as many of these principles as possible.

So one of the things about this program that was core to the program was ensuring that as much as possible we were providing opportunities to immediately apply models and content to participants being able to work on their business. So given the target audience was CEOs and executive leaders, we provide them models around a strategic planning framework, or something that allowed them to review their current business model, or to develop a change plan, to consider and think about their current client demographics and how they might like to shift that. So as much as possible there was immediate application throughout the program, so it felt for participants that they were actually, rather than – they were attending a learning program, but they were actually working on their business while they were in the particular program.

Another key element of some of the programs was we made a residential program, and the idea behind that, you take people out of the workplace and out of the constant distractions that they have and get them into a space where they can spend time outside of the formal parts of the learning, whether it’s networking, talking with their peers about their different experiences, and really giving them the opportunity to broaden the conversations beyond the actual course content itself.

And the third element for those programs is we included a diagnostic tool, because a critical element of any program is helping develop self-awareness and providing people with tools or diagnostics that give them an insight into how they show up as leaders, what might be some of their blind spots, and also what are their strengths that they want to continue to work on.

Another program – another particular effective learning programs are those that involve immersions in different experiences, so taking people on perspective-changing programs where they go out of their sector and either interact with people from another sector, and just to get a different point of view, if you like, another way of looking at the same problems from different angles.

Seen application of human-centred design, so on some programs bringing in human-centred design so that within a particular program participants will actually get to work on a problem or an issue that’s relevant to them that they’re looking to resolve.

Use of technology to assist with learning and programs, so in resilience programs, for example, we’ll often use biofeedback to give people a sense of what are some of their – when they’re placed under stress, what are the physiological responses that they have within those particular scenarios.

Another useful way can be incorporating nature into the program, so whether that’s taking people off-site into another environment, but there’s an increasing amount of research which talks to the benefits of nature for helping to boost focus and creativity, which is something you want to experience as part of your learning program.

And there’s a whole range of other techniques that we use. Some of these don’t actually require a significant financial investment. The important thing is to keep those core principles in mind, and then get creative with the particular approaches.

### Elise:

Mark, can you tell me how you approach development differently for individuals, teams and organisations?

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## Application at all levels

### Mark:

Yeah, look, it’s very important to be clear on what the development approaches are for – what development’s required at each level and then applying the different approaches. Obviously there’s going to be some overlap, because as you seek to develop consistency of behaviour across an organisation, you may be looking to work at all levels, but sometimes you’re looking to address unique capabilities for individuals or teams to address.

So if we just look – break these down, and we’ll just kick off with the individuals. So for individuals, as I talked earlier, I think there’s a lot of value I believe in having some diagnostics to provide self-awareness and really help people understand what their strengths and development needs are. And this can then be followed up with methodologies, particularly using coaches and mentors to assist in development. And it may be appropriate to send off to external programs for them as well.

At the team level, again diagnostics can be useful, and particularly team diagnostics to provide an assessment of what might be a capability across the team and understanding where the team sits with that at the moment. It could be application to team-specific businesses and challenges. Again, it can be very useful for teams to work together on a particular problem or issue, and taking them out of the daily work context, but actually have them spend time on – and it could be on the strategic plan or a particular issue that they’re grappling with. It may be workshop experiences, or maybe also providing opportunity for them to engage in immersive experiences as well.

And finally, at an organisational level, again this could take the form of workshops, but clearly you need to determine whether it’s something, in terms of an investment point of view, whether that’s actually realistic. Sometimes it can be beneficial to use online learning for particular capabilities, making use of collaboration and networking platforms in the organisation to assist staff being able to share knowledge and share learnings broadly across the organisation. Or it can even be, in some organisations we’ve done activities, similar to almost town hall activities where we bring people together and have them work on organisational-wide business issues or challenges.

Now that can be, again, face-to-face. It can also involve the use of technology, as we’ve done with one organisation that was looking to define its future culture, and we used some online – what we call online jams to bring people together and share their ideas around what they saw as the desired behaviours for their future culture.

So there’s lots of different ways. The important thing is to identify what level is the need for, and then to consider the various approaches, and obviously what fits within your organisational constraints to develop that capability.

### Elise:

Before we finish this final webinar, Mark, what would you like to leave participants with?

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## What now?

### Mark:

So again, encouraging reflection and to start a conversation with your peers and those in the organisation, so first really interrogating your current reality in relation to leadership and capability development. Firstly, who are you developing? What development approaches are you applying, and how effective are they? And how do you know? And I think the more rigour that can be, or the more evidence in terms of understanding the outcomes that you’re looking to achieve are more likely to get you a better result. So, again, it’s something I encourage organisations to look in, being clear on firstly what those key capabilities are, and then really evaluating the effectiveness of those against tangible measures as much as you can.

### Elise:

Thank you very much, Mark.

### Mark:

And thank you.

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## National Disability Services

NDS is the peak body for more than 1,000 non-government disability service providers and is the only organisation that represents the full spectrum of disability service providers across Australia.

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