EgonZehnder

CEO Insights

Be Real: The Renewed Focus on Authentic Leadership

— Volume 38, April 2023

By Pree Rao, Martha Williams, and Ashley Harding

At a time when many leaders are working through return-tooffice policies and potentially facing significant cuts, they are also focusing on how to keep their teams empowered and motivated. What so many are telling us is how important it has become to shed postures of detachment and to communicate and connect often and more directly. The pandemic transformed the way we work and how we relate, not only physically, but emotionally and collectively. By their own admission, leaders in the past would often avoid uncomfortable topics or sugarcoat things. That has changed. Having led from "the trenches" the past few years, leaders have learned that the forward momentum that both they and their organizations need isn't to be gained by avoidance or denial. Much the opposite: Through acknowledging and sharing the very real challenges facing them, leaders and teams have found the strength to persevere and the pathways upon which to grow. "We are living in the age of authentic leadership," stated Alison Lewis, the Chief Growth Officer at Kimberly-Clark, in her recent keynote address at the Kellogg Marketing Leadership Summit, an annual gathering of senior executives we co-host at the Kellogg School of Management. "People are more open to truth-telling, in particular, truth-telling with a solution," she explained.

Authenticity generates respect and builds loyalty, and it invites the sense of belonging and inclusivity so needed to attract and retain top talent today. What we are hearing across all business types, industries, and functions is how essential transparency has become in ensuring that teams are motivated and empowered. For example, in a new global study that Egon Zehnder conducted with Kearney of 8,181

workers across all generations (from Boomers to Gen Z), we found that they all prioritize leaders who are "transparent and open" in their decision-making and able to "listen to and empower others." And at the Kellogg conference, an MBA student panel emphasized that leadership transparency and openness are the top qualities they are seeking in their future job placements. Further, they aspire to become genuine, proactive future leaders themselves. "At the forefront of it all is authenticity," explained one student. "And it becomes very clear when authenticity in leadership is not there."

To continue steering their organizations through the radical shifts they are facing, leaders can tune in to their authenticity in ways that inspire their teams, namely through increased connectivity and tapping into their growth mindsets.

Increased Connectivity

Leaders now need to get closer to the problems, as well as the sources of the solutions, by being more physically (and virtually) present with their employees and engaging them—something much more complicated in a world where the interaction among people is in flux. Much of the time, employees know more about the problems than the leaders do. Making these connections is often how vital sources of knowledge and insight are discovered. By emboldening others and listening more, leaders learn. "Problems shared are problems solved," Lewis pointed out. Often this entails exposing vulnerabilities and addressing topics that have habitually been avoided. The need for transparency in

EgonZehnder

enabling teams to feel empowered to take action has become so important, stressed Denise Karkos, the Chief E-Commerce Officer of Dick's Sporting Goods. Another leader added, "I always tell people to just ask. Ask the difficult questions. Now, I am very comfortable with uncomfortable conversations. You get to the root of an issue."

A Growth Mindset

Leaders have learned that their own willingness to evolve is necessary for organizational growth. Especially across environments of vast disruption and uncertainty, they must go outside their comfort zones and embrace experimentation as well as whatever criticism and setbacks may come with that. This requires "unlearning" old practices and creating the conditions for new ones. It means leaning in with curiosity and adopting the intellectual humility needed to unmoor from old ideas and venture into the unknown for something new. They look for people, insights, and tools that challenge them. They continually ask themselves, "What else could be true? What else could I learn here?" "It's about stretching yourself to learn something new. Developing yourself," writes Carol Dweck, the psychologist credited

with developing the concept of the growth mindset. "It is about learning that failure is really about not growing, not reaching for the things you value."

A growth mindset lays the foundation for a dynamic work culture no longer based on limited success/failure dualities. Focus on continual improvement and augmented learning are becoming the backbone of evolving organizations. The commitment to "emerge stronger" is bringing people together to gain the resilience to power through and keep realizing opportunities for growth.

"People today are looking for leaders worthy to follow," affirmed Tracey Brown, former CEO of the American Diabetes Association and now Executive Vice President and President of Walgreens Retail. People want to stand behind the ones doing the hard work of shedding pretense and posture, of telling it like it is, and demonstrating an active commitment to learning and growth. Leading companies is just too challenging and too unpredictable to entrust to anyone not willing to do so.

Preetam (Pree) Rao co-leads Egon Zehnder's Global Marketing and Sales practice with a focus on helping CEOs and their teams drive topline transformation. His areas of expertise include executive search, leadership assessment and development. A trusted advisor to senior leaders, Pree is a core member of the Consumer Practice and has played a key role in driving widespread cross-sector adoption of Egon Zehnder's Accelerated Integration program in the U.S.

Martha Williams, based in Boston, advises companies in the retail and consumer sectors. She is a valued partner to leading national and global clients across executive search and talent leadership and advisory, with a focus on customer-facing roles. She is also active in Egon Zehnder's CEO and Board practice.

Based in New York, Ashley Harding is active in Egon Zehnder's Consumer and Chief Marketing Officer practices. She is valued by digital and media-focused companies for her insightful support and deep marketing experience across brand, engagement and conversion driving initiatives.

Egon Zehnder's global CEO Practice has applied its own future–oriented, proprietary approach to help guide over 2000 CEO mandates: https://www.egonzehnder.com/functions/chief-executive-officers. The practice is committed to becoming trusted thought partners in the important and challenging work of identifying and developing the best leaders for our diverse and evolving world.