

WE ARE ALL TRANSFORMATIVE LEADERS NOW

PART 1 OF A 6 PART SERIES

The essentials of leading through crisis to transformation

With every crisis, the worst of the impacts eventually ease. People strive to recover from the chaos, losses, and destruction, and go on with life.

That's what is happening now with the COVID-19 pandemic. Lockdowns and quarantines are being lifted. Many people are coming home from hospitals after waging a brutal battle against the virus. Those who lost loved ones to the disease are grieving, and yet they're venturing forth to try to resume living and working.

Organizations in every industry and sector will face similar challenges of navigating in the postpandemic recovery period. Those that can surmount the challenges will stand the best chance of making themselves stronger, healthier, and more resilient. Some will actually transform. Those that fail could face the specter of ruin.

Under such conditions, success will require a decidedly distinctive form of leadership: transformative leadership. Transformative leadership is vital for unleashing the full potential of an organization's human capital. And it's crucial for fostering a performance-minded organizational culture that enables a company to achieve its most-rigorous financial and nonfinancial targets.

HOW TO RECOGNIZE TRANSFORMATIVE LEADERS? THEY EXCEL AT:



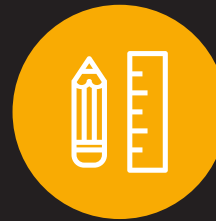
Anticipating unfamiliar problems and leading people to implement innovative solutions to those problems



Being authentic, empathic, and inspiring



Defining and communicating a compelling vision of the future



Sparking creativity and innovation in others by soliciting a range of views to inform their decisions



Viewing their employees—and themselves—as works in progress and naturally coaching and mentoring their teams to always be improving

“[In true leadership], leaders and their followers raise one another to higher levels of morality and motivation.”

— James McGregor Burns, American historian and political scientist

A TIME-TESTED LEADERSHIP MODEL WHOSE TIME IS NOW

The notion of transformative leadership isn't new. James McGregor Burns wrote about elements of it over 40 years ago. He maintained that a fundamental characteristic of transformative business leaders is that they set a positive example by behaving in ways that demonstrate their own good character and unassailable integrity. They also motivate and inspire others to foster cultures of creativity and accountability in their companies while driving more-open and more-inclusive approaches to learning and development.

The concept of transformative leadership is more relevant than ever during times of crises and rapid evolution. Building on Burns's model, we see that transformative leaders possess four core competencies. Such leaders always:



LOOK AHEAD

They are usually visionaries, constantly seeking to understand where the business is headed. They relentlessly challenge long-held assumptions and view problems from counterintuitive angles to gain insights into fresh solutions. They stimulate thinking in their people to unleash even more creativity and innovation. They don't punish others for making mistakes but even celebrate missteps made in the service of innovation. They encourage constructive, respectful debate. And they appreciate smart people who disagree with them.



COMMUNICATE A SENSE OF VALUES AND PURPOSE

Transformative leaders motivate and inspire employees to give their best on the job. They articulate why the organization exists, its core values, and how its purpose and values connect with making life better for others. Such leaders help employees see how the work they do every day brings those values to life and enables the organization to serve all of its stakeholders.



DEMONSTRATE AUTHENTICITY

In actions small and large, transformative leaders show authenticity. They convey that quality through their integrity—by being consistently truthful and doing what they've committed to do—and through their humility by not claiming to always have the answers. They serve as role models and culture carriers for their followers. People look up to them and view them as honest, persistent, determined, and trustworthy. People don't question such a leader's intentions, even if they don't agree with the leader's decisions. Equally important, people consciously strive to develop those same qualities in themselves.



CONTINUALLY LEARN

For transformative leaders, personal and professional development is woven into every assignment, every project, and every conversation. They continually ask themselves and their teams, "What did we learn from this experience?" And they strive to motivate others and help others constantly develop new skills. For instance, they regularly encourage employees to take on stretch assignments that push the employees beyond their comfort zones. Moreover, they hold up a mirror to the organization and encourage others to say what they see.

LEADING IN THE NEW NORMAL—AND BEYOND

As we venture into a new normal, transformative leadership will matter more than ever because companies will have to transform and adapt. In countries and businesses around the world, we've already seen such leadership literally save lives.

CASES IN POINT: TRANSFORMATIVE LEADERS IN ACTION

New Zealand Prime Minister Jacinda Ardern: Noted for her empathy-focused leadership style, Ardern has been praised for empowering her nation to largely succeed in meeting its goal of not just controlling COVID-19 outbreaks but eradicating them.

Stanley Bergman, CEO of healthcare products company Henry Schein: At the helm of Henry Schein for more than 30 years, including during the AIDS scare and the Ebola outbreak, Bergman has led the company to develop resilient medical supply chains that can execute a surge in production when a crisis strikes. Fortune president and CEO Alan Murray's description of Bergman as "the most interesting CEO you've never heard of" speaks to the humility that characterizes Bergman's leadership style.

Business leaders are realizing that nothing today is as certain as uncertainty. To guide their organizations successfully through this new normal and beyond, they will need abilities to quickly adapt to new problems, tolerate ambiguity, and thrive on challenges—all while bringing others along with them. By understanding what a transformative leader does and by building those competencies in themselves and others, executives and managers will stand the best chance of transforming their organizations and helping them emerge stronger as humanity begins recovering from the pandemic.

"The only constant in life is change."

— Heraclitus, Greek philosopher

Just as crucial, they will position their enterprises to prevail in the face of new and unanticipated threats that may come in the future.

Truly transformative leaders know that businesses today must work toward ongoing improvement—not only to weather periodic crises but also to continually adapt to disruptions reshaping their industries—from forces such as technology advances and shifting customer preferences. Thus, organizations will always need transformative leaders.

No matter how successfully a leader guides the organization through a crisis, the imperative of transformation will inevitably come knocking again. The best leaders stay focused on transformation, resisting the completely understandable temptation to take a break from it once a crisis eases and exhaustion sets in. By staying focused, they avoid getting trapped in a repeating cycle of

knee-jerk crisis response and instead remain prepared at all times to help their companies tackle the next challenge. They even go beyond that by knowing that the transition out of a crisis presents their companies with what may be a tremendous opportunity to gain valuable advantages over their competition. They therefore understand that if the crisis was the battle, the new normal will be the war. Those who can recognize and manage their own and others' commitments and resilience—while keeping everyone focused on the future—will succeed at making transformation an inherent part of running a market-commanding business and of sustaining their success.

TRANSFORMATIVE LEADERSHIP IS THE CRITICAL LINK BETWEEN RAPID ADAPTATION AND SUSTAINABLE CHANGE

The good news is that every executive, manager, and employee in any organization can strengthen transformative leadership skills. But it takes some work. Building those capabilities requires mastering what we've identified as the five essentials of leading through crisis to transformation.

Transformative Leader

FIVE ESSENTIALS OF LEADING THROUGH CRISIS TO TRANSFORMATION

- 1 Leading from a distance
- 2 Building high-performance teams
- 3 Responding to crisis with empathy
- 4 Earning and keeping trust
- 5 Sustaining the transformation



By excelling at all five areas, transformative leaders can drive the changes needed to help their organizations recover from immediate crises while also equipping them with the resilience and innovation to keep adapting long into the future.

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ABOUT US

For nearly forty years, AlixPartners has helped businesses around the world respond quickly and decisively to their most critical challenges – circumstances as diverse as urgent performance improvement, accelerated transformation, complex restructuring and risk mitigation.

These are the moments when everything is on the line – a sudden shift in the market, an unexpected performance decline, a time-sensitive deal, a fork-in-the-road decision. But it's not what we do that makes a difference, it's how we do it.

Tackling situations when time is of the essence is part of our DNA – so we adopt an action-oriented approach at all times. We work in small, highly qualified teams with specific industry and functional expertise, and we operate at pace, moving quickly from analysis to implementation. We stand shoulder to shoulder with our clients until the job is done, and only measure our success in terms of the results we deliver.

Our approach enables us to help our clients confront and overcome truly future-defining challenges. We partner with you to make the right decisions and take the right actions. And we are right by your side. When it really matters.

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