

THE LEADERSHIP CUBE

WHITE PAPER





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INTRODUCTION

People are naturally conscious beings who sometimes, somewhere along the way, appear to have lost their ability to openly and fearlessly connect with other humans. Every now and then some of those very same people find themselves in management positions where they are expected to lead others towards a successful future. With their human connection being weak or even lost, the fast-paced and fear-based business world then often turns them into tough and cold decision makers who function more like management machines than conscious human beings.

So, I thought to myself, why not bring the art of human consciousness and strategic business acumen together? After all, studies show that people who feel recognised feel more at ease, are more engaged, more creative AND more productive. And truly conscious managers seem to effortlessly create a working environment where people do feel appreciated and like they belong. These leaders are strongly connected to their own humanness and are not afraid to demonstrate this in their lives. Does that mean they cannot have strong strategic business acumen at the same time? Does that mean that they are somehow weak and can't cut it in the business world? I was convinced that a higher level of consciousness was the key to developing more sustainable leadership and it made sense that a strong sense of strategic awareness would secure the business value of the approach.

It seemed clear that a clever strategy, built on the foundation of a purpose driven vision and lead by a conscious leader, could be a recipe for a more sustainable and successful world.

The number of business people who are actively looking for higher levels of consciousness, and are eager to use it to shape and drive their business strategy, is beyond my most optimistic expectations. They immediately see the business value in connecting with people on a deeper level and using that engagement to design and execute a winning business strategy together with those people. They are daring and determined to be human in their approach to people and firm, strategic executives in their approach to business.

All we have to do is to know who we are, where we want to go and why this important to us. Then we join forces with likeminded people and strategise on the best way forward. As we start to make progress, we structure our work, become more efficient and stay focused on what matters.

Having a conscious approach to strategic leadership leads to higher levels of engagement, productivity and loyalty among employees, while at the same time strengthening competitive advantage and driving profits.

Harness the energy of the Leadership Cube for your role and be a highly conscious and purpose driven leader of people, with strong strategic acumen.

Become a Leadership Cube leader.

Thor Olafsson



02

LEADERS ARE MADE

At some point, you are likely to have seen someone complete a Rubik's cube in a matter of minutes or even seconds. And it probably seemed so easy for them. I know it always mesmerises me. With barely a moment's hesitation at every third or fourth move, they seem to be in a flow-like state. As if they are solving it through intuition rather than knowledge. But that is in fact rarely, if ever, the case. These people have studied the basic mechanics of the cube and have subsequently spent hours, days, weeks or even more, practicing how to master those mechanics. And they worked on it until mastering it had become second nature to them.

The same happens in leadership development. Leaders are not born but made. You could say that they observe the cube of life and learn from making countless conscious moves over an extended period in their lives.

The Leadership Cube works in the same way. If you use your inner compass to consciously navigate your journey through the cube you will soon understand its true inner workings. You will understand its dynamic nature and how you, being a fully conscious version of yourself, can be its effective operator. With practice, you too can reach a flow-like state and harness the power of the Leadership Cube. Not only is it likely to give you a winning team of committed and loyal people, but strategic agility in a turbulent marketplace as well.

Ready to learn how to master the Leadership Cube?



The energy of the Leadership Cube, when released by the leader, connects people and business to create sustainable synergy

03

UNDERSTANDING THE LEADERSHIP CUBE

We will explore the Leadership Cube and how its six different sides come together.

The cube's holistic approach to leadership aims to make you a conscious leader with a clear vision of where you are headed together with a strong sense of purpose behind the journey. It aims to make you someone that people are drawn to because of your ability to be your true self. Someone they feel they can trust with their time, their effort AND their future.

At the same time, it aims to make you someone who uses this solid people platform to execute an effective business strategy, supported by reliable structure and processes and focused on the right performance indicators. In summary, Mastering the Leadership Cube is a path to becoming a conscious leader, one who unites people in their effort to drive a worthwhile strategy.

The cube's inter-connected leadership framework is built on six clearly defined perspectives with a certain dynamic at each connection. Mastering them results in a competitive advantage based on:

- a) The attraction and retention of intrinsically motivated and loyal people
- b) The development of an exceptionally engaged and committed culture
- c) The necessary engagement, focus and agility to drive a sustainable strategy.

3.1 SOFT & HARD FACTORS

One way to understand the Leadership Cube is that it is composed of three people-focused “soft factors” and three business-focused “hard factors”. In this way, it represents a balanced approach to both people and business.

In the case of the Leadership Cube, the soft factors are the starting point. Being conscious of the people who make up the organisation and in particular of their growth and wellbeing, is what allows a sustainable approach to the hard business factors.

In the pictures here to the side, we see what we call ‘the handshake’ between the soft and the hard factors. The soft factors interestingly form the spine that carries the organisation. It provides a visualisation of the importance we give to the soft factors above and beyond the hard factors.

Make no mistake though, the Leadership Cube needs both factors to work. The argument is that without reasonable mastery of the soft ones, the harder more business focused ones - will simply not deliver sustainable success.



The soft factors of the Leadership Cube

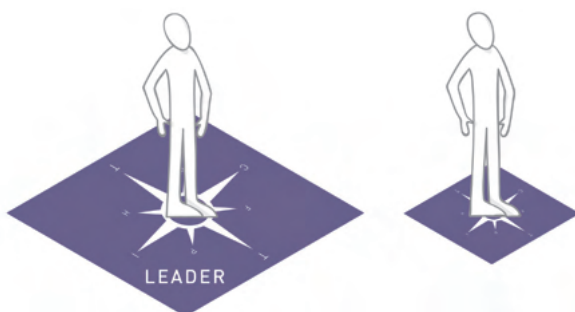


The hard factors of the Leadership Cube

3.2 THE LEADER

The floor of the Cube represents the leader themselves. This means the human being they bring to the game and their knowledge and awareness of that person. Are they numbers driven? Are they thinkers? Conflict shy? Communicators? Aggressive? Are they aware of who they are? Are they aware of their effect on others? The floor of the cube holds all of this information.

Assuming for a moment that the size of each cube-side depends on our level of mastery of it, one can easily visualise how for example the greater the self-awareness level of a leader is, the larger the floor. Mastery makes the cube more stable in times of trouble.



The sides of the Leadership Cube sizes vary depending on level of mastery

Equally, one can then see how the Leadership Cube of a person with low self-awareness has a smaller floor space and is less stable in challenging times.

The journey through the Leadership Cube begins here, with us directing our attention to our own self-knowledge and self-awareness. I would like to emphasise that the goal here is not to gather self-knowledge so that one can systematically work on becoming someone else’s idea of “the perfect leader”.

The journey is about gathering knowledge for the purpose of knowing who we truly are and how we impact our environment. Rather than trying to change aspects of who we are, the journey is about accepting what is and only working with what we can reasonably impact. It is about awareness, acceptance and taking action in the context of those two.

REFLECTION QUESTION:

IF EMPLOYEES AT MY WORKPLACE HAD ABSOLUTE FREEDOM OF CHOICE, WOULD ANY OF THEM ACTUALLY CHOSE ME AS THEIR LEADER? WHY?

3.3 VISION & PURPOSE

The next side of the Leadership Cube is its ceiling. It stands for the concepts of vision and purpose. This side of the cube is about the alignment of the leader's personal vision and purpose to those of the company they work for - and the people they lead.

Here is an example of what is meant by alignment:

Imagine a leader who sees herself as being a passionate developer of people and finds great purpose and fulfilment in trying to manifest this vision. For synergies to be created by her efforts, the company itself also needs to believe in the development of people and be ready to back her up. If the company places no value at all on people development and repeatedly denies the leader both the budget and time to fill that vision with life, the leader is left unfulfilled and dissatisfaction may start to develop. In a worst-case scenario, a leader who is a capable and passionate developer of talent, takes her efforts elsewhere.

In organisations where a leader's vision and purpose are clearly aligned with those of the company itself, energy and momentum are created when a human being feels they are doing meaningful work in an appreciative environment. This energy is called intrinsic motivation. This is for example why people in smaller start-up companies often report having fun at work and seemingly endless energy, while at the same time working insane hours.

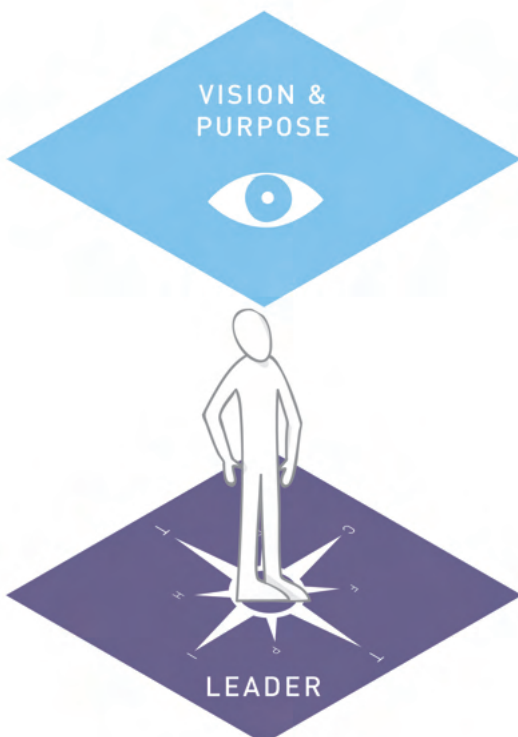
On some level, everyone in that small business knows where they are headed and why this journey is important to them.

So, when it comes to the vision, we should be prepared to answer powerful questions such as:

- In what ways does my leadership role appeal to my better self?
- In what ways do I strive to grow and become something more?

As these questions are not necessarily easy to answer, it helps to have a clearly defined purpose behind them. And essentially, the key to the power of purpose is the following: when we know what our purpose is, we know WHY we put ourselves through the hard work of crafting a vision and actually bringing it to life. The stronger the WHY, the more we are willing to apply ourselves fully to realising the WHAT.

When all stakeholders are motivated by the same "what & why", intrinsic motivation is harnessed for the entire team of stakeholders. This provides a significant and sustainable source of energy to the forward momentum of the organisation. Knowing how to achieve this momentum makes the work of the leader a lot easier.



Vision and Purpose sit above the Leader

REFLECTION QUESTION:

WHY AM I IN A LEADERSHIP ROLE?

3.4 A STRONG TEAM

The third side of the cube represents the team behind the leader.

- Can they relate to the leader as a person and are they motivated by the same vision and purpose as the leader and the company?
- Are they as individuals and as a team, mature enough to be a fully functional team?
- Will they e.g. freely share their opinions in all situations or will they at times hold their cards close to their chests and play safe?
- Will they admit weaknesses and ask for help when they need it, or will they attempt to cover up and look strong?
- Can they co-create in an ego free way? Is their outcome greater than the sum of their parts?

Without a fully functional team, the leader simply will not be able to master the remaining sides of the cube. This may sound radical, but it is a fact. A very important one at that. So, please make a note of it!

Fully functional teams are the lifeblood of organisations. Not only do they get regular work done, but they can grow their performance beyond everyone's expectations and achieve things that previously seemed impossible. But bringing a group of individuals together into a room and calling them a team does not make them one.

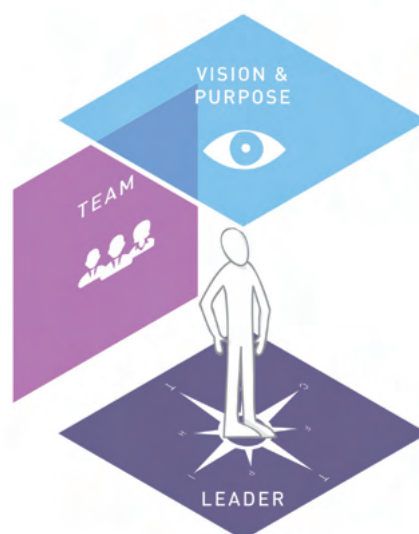
They must learn how to have an open and meaningful dialogue. They have to align on the WHAT to sharpen their common focus and have a strong WHY to fuel their common effort. And no matter how much we would like the HOW to take care of itself, experience shows that winning teams work in a pretty self-directed way on designing structures, processes and ways of working, to maximise their output.

This means that team leaders need to be good communicators who can sharpen the team's vision and purpose to the point where alignment has been maximised. They need to be able to lead a discussion on something like a values-based team agreement where people agree on how they will treat each other. The leader then needs to be a role model on these issues and be brave and firm enough to deal with those who do not hold themselves accountable to the agreement.

The aim is to make you highly conscious of each of your team members and how they are composed, how you yourself connect with each of them and how all of you come together to form a genuinely synergistic team.

REFLECTION QUESTION:

WHAT IS MY CURRENT, CONSCIOUS, CONTRIBUTION TOWARDS MAKING MY TEAM A "WINNING TEAM"?



A strong team stands behind their Leader

3.5 STRATEGY

The front side of the Leadership Cube displays the strategy. By placing this topic on the front the idea is to signal the importance of strategic focus and agility to modern leadership - it always needs to be in view.

Strong leaders lead in the context of their strategy, seeing their business environment and their strategy at the same time. When executed properly, this side of the cube is the strategic game plan that moves the leader and their team closer to their vision, while at the same time allowing them to live in sync with their purpose. Please note that vision, purpose and strategy all need to be in sync for maximum output to be reached.



Strategy is placed at the front of the Leadership Cube

The reason why Strategy follows the Team perspective is that people tend to support a world they help create. Co-creation is at the heart of the cube's leadership philosophy. The leader needs to give the team the chance to co-create their strategy with them, at least partly, for maximum buy-in and support.

The element we are seeking in strategy design is a more unique and valuable offering to the customer and this is why management teams struggle on this topic. According to research, being strategic is a highly valued skill among executives. It is however surprisingly uncommon, with only about 10-20% of managers having strong strategic acumen.

Another core element in strategy design is the importance of understanding the true nature and quantity of resources available in the organisation and how they can contribute towards the competitive advantage.

This second core element is not only about financial resources, but much rather about less obvious, less tangible resources such as specialised knowledge or patents, or even certain attitudes and behaviours among employees that form a unique company culture.

A third core element to be considered in strategy design is the market environment. Developing a unique offering that then turns out to be a "me too" offering and ends up fighting for survival on price only, happens because the people responsible for the strategy design didn't understand the market well enough.

The challenge here is that ALL managers need to play an active role in the strategy execution. But not all managers are good at keeping a strategic focus. They may be good at daily operations, but a new strategy often means doing things differently in some way and leading the resulting change is very different from leading routine work.

If a leader has a team that has a clearly defined shared vision and purpose and has been actively involved in designing the strategy, this team will back that leader up more strongly. This is because they feel a sense of ownership in the strategic plan and because they feel "we're in this together". When it now comes to the messy part of executing the strategy with all the change leadership that it possibly requires, the leader and their team form a united front that has a much greater chance of succeeding than a lone ranger who thinks they can do it all.

And if the united front of leader and team is committed to the same vision and purpose, where everyone on the team is mature enough to be candid in their communication and humble enough to admit mistakes quickly, they will be hard to beat.

REFLECTION QUESTION:

WHAT IS IT ABOUT YOUR COMPANY'S OFFERING THAT YOUR CUSTOMERS LOVE & YOUR COMPETITION FINDS HARD TO IMITATE?

3.6 STRUCTURE & PROCESSES

Ok, here comes a tough one - and deceptively so. The left side of the Leadership Cube stands for the Structure, Processes, and in fact the systems that make an organisation work efficiently. In order to successfully execute a new strategy, adjustments often need to be made to both structure and processes, so that they are guaranteed to support the strategy rather than hinder it. As this includes the possible restructuring of organisational charts and re-defining decision-making authority, this aspect of the cube can quickly become a power struggle. The leader and their team need to be mature enough and strong enough to do what is right for the organisation they serve, in any given situation, rather than giving into "political" pressure.



A strong Leadership Cube leader understands the importance of adjusting both structure and processes to fully support the execution of their business strategy. They and their team are open, honest and purpose driven enough to transcend the dangers of the ego's focus on protecting structure and process centred power bases. When people get away with defending old structures and processes for the protection of individual agendas such as maintaining power rather than what is best for the company (I know, I know, not always easy to detect) and its growth and prosperity, leaders are not doing their jobs.

The cube helps you to understand the human dynamics at work in organisational structure and processes, so that you can lead the people involved in the right strategic direction. The aim is not to make you a lean process designer, but rather a leader of strategy focused lean process designers.

REFLECTION QUESTION:

TO WHAT EXTENT ARE YOUR CURRENT STRUCTURE AND PROCESSES ACTIVELY SUPPORTING THE EXECUTION OF YOUR STRATEGY?

3.7 KEY PERFORMANCE INDICATORS

The right side of the cube represents the key performance indicators needed for the successful execution of the corporate strategy.

Ask questions like:

- How well do all stakeholders manage monitoring and prioritising the most strategy relevant KPIs in their work?
- How well do they balance these vs. the operational ones in their own respective silos?
- How have the leader and their team adjusted the company's compensation system to secure that the strategically right KPIs stay in focus?
- What else do they do to keep the whole organisation focused on the measuring criteria that matters most for successful strategy execution?

Designing the right balance between operational, developmental and profit related KPIs requires leaders to have enough strategic acumen to maintain future competitiveness and at the same time they need to generate enough profits to satisfy owners and fund future growth plans.

This needs to be a sustainable mechanism that is built on a foundation of an informed, engaged and loyal workforce. It then requires the dashboard of strategy relevant KPIs to also include ones on employee satisfaction, talent retention etc. The ideal combination of KPIs according to the Leadership Cube measures conscious, strategy focused and profitability related leadership factors.

REFLECTION QUESTION:

WHAT TOP 5 KPIs RECEIVE MOST ATTENTION IN OUR DAILY WORK, WOULD MY TEAM SAY?



04

SUMMARY

The Leadership Cube consists of 6 areas that in the last few decades have received a lot of attention from university professors, coaches and business people. Personal growth, team development, strategy, processes and even purpose have been studied vastly. However, relatively limited work has been conducted on holistically understanding how they connect and how we can develop our awareness of their overall dynamics to improve our leadership.

As you read the questions, try to visualise the answers:

- What if all leaders had more self-knowledge and a higher level of self-awareness?
- What if they not only knew their own core values but were aware of the extent to which they are living those values everyday?
- What if all leaders used self-knowledge as a foundation for a clear personal vision and a purposeful reason for going after that vision? What if they aligned the vision and purpose with the organisation they work for and their team?

- What if the same honest approach allowed them to develop a highly functional team that is open, engaged and committed to the common vision and purpose? What if being candid is valued and each team member feels they can state their opinion and even disagree with others without things going awry?
- What if the leader used that highly functional team to co-design a strategy with them that propels them towards their common purpose driven vision? Where everyone not only understands the strategy, but how all colleagues actively contribute to its execution?
- What if the leader, together with their team could design both the organisational structure and processes to support their strategy execution... one where egos don't drive the organisation's structure and processes, but purpose and strategy do?
- What if everyone knew which key performance indicators were most important to the execution of the purpose driven strategy and kept their focus on them? What if silo KPIs are important, but still *secondary* to the overarching ones that indicate the strategic progress of the entire unit?
- What would it take to make this vision a reality? What would the impact be on our world?

Even if we need to transcend certain ego aspects of our organisations to take such a deep and meaningful approach to leadership, this is the task of a Leadership Cube leader.

If enough of us rise to the occasion and create pockets of leadership excellence where people join forces to execute purpose driven and visionary strategies, I believe we can transform the world.

GET IN TOUCH:

INFO@STRATEGICLEADERS.COM

WWW.STRATEGICLEADERS.COM