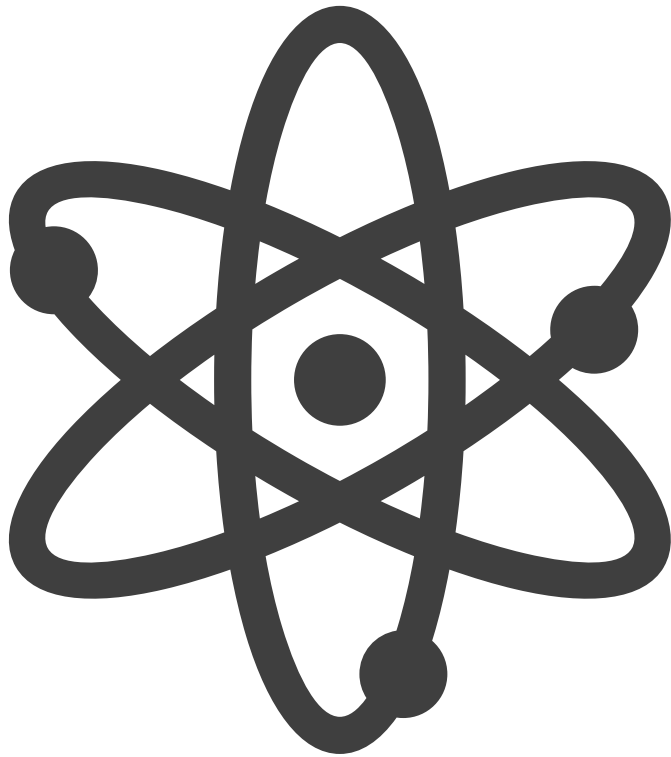


ICMIF Advanced Management Course

Universal Challenges and Key Tools



Summary of Universal Challenges & Tools #1: Tuesday

Leading in A Complex World With an Energy-Saving, Predicting Brain

1. People Aren't Rational



"When we think we think less than we think we think"

2. Energy-Saving, Predicting Brains



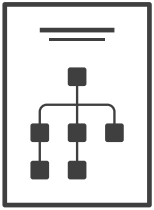
"Your brain's most important job is predicting energy needs so you can efficiently move and survive"

3. The Real World is Complex



"The most common leadership failure stems from applying technical solutions to adaptive challenges"

4. Rules Fail In Complex Worlds



"For every complex problem, there is an answer that is clear, simple and wrong"

Diagnose Before Treating



Because 90% of decision errors are are errors of perception

Work As A Team



Complex situations require multiple perspectives because each is unique and no-one can see the whole system

Use Models And Tools Not Rules



Single rules fail in complex worlds, but a combination of many models makes complex problems tractable

Lead Eternal Renewal



"There's no end. There's no goal. It's infinite". Lead eternal renewal via new solutions to new challenges

Leading Mutual Insurers With Purpose in A Complex World

5. The Principal-Agent Problem



"[Without shared purpose], self-interest causes the goals of the principal and agent to diverge"

6. Overlooking Motivating People



"80% of strategies fail, because we forget the most important factor in executing strategy: people"

7. Ignoring What Drives People



"Without knowing what drives the people around them, leaders struggle to connect people to the purpose"

8. Defaulting To A Finite Mindset



"It's easier to focus on a fixed, finite goal, but the real-world is complex, with no rules and no finish line"

Lead With a Clear, Shared Purpose



"An authentic purpose delivered with clarity has a positive impact on performance"

Listen, Learn Then Lead



Listen to understand what drives colleagues before seeking to connect what you ask of them to the purpose

Connect People to the Purpose



Clarify how the shared purpose also delivers your people's goals and how it translates to their day-to-day tasks

Lead With An Infinite Mindset

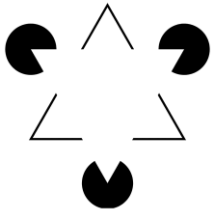


"To succeed long-term, leaders need an Infinite Mindset which sustains trust, cooperation & innovation"

Summary of Universal Challenges & Tools #3: Wednesday

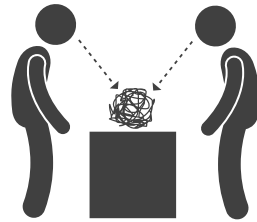
Leading Teams in a Complex World

9. We Do Not Perceive Reality



“The universe is odourless, colourless and silent. The brain generates its own reality”

10. No Two People See Alike



“Reality is constructed differently in different heads”

11. People Avoid Interpersonal Risk



“The workplace must be one where people feel able to share their knowledge”

12. We Snap and Stick



We look for all the reasons why our first conclusion is right and filter out disconfirming evidence

Harness Collective Intelligence



Independently capture perspectives; take turns to share; only then collectively decide what is true

Psychological Safety



Establish norms so Chimps feel safe to take interpersonal risks and confident to share concerns & ideas

Challenge Before Acting



Ask “what must be true?”, “what else could it be?”, seek outside views, look away and conduct a Pre-mortem

Challenge-Based Strategic Thinking

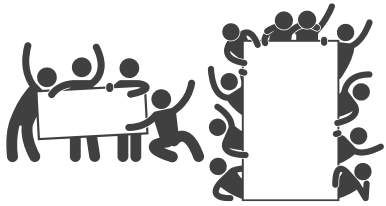


Diagnose where you are and want to be, identify the crux (main obstacle); design coherent actions then review

Summary of Universal Challenges & Tools #4: Thursday

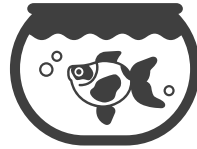
Leading Across Cultures

13. Cultures Fit their Environment



“Groups get feedback: if beliefs, values and actions accomplish its purpose, they become taken as read”

14. Our Own Culture Is Invisible



“Just as fish don't know they're in water, we find it hard to see our own culture until we compare it to others”

15. Culture Defeats Strategy



Culture, the sum of all habits, is driven by the Computer; strategy requires deliberate Human behaviour

16. Willpower is a Scarce Resource



“You have a finite amount of willpower that becomes depleted as you use it”

Unlock Curiosity and Motivation



Unless we want to avoid cultural traps, we are easy prey to conflict, misunderstanding and failure

Culture Maps Diagnose Traps



Diagnose potential culture traps with the Culture Map before treating by specifying critical few key behaviours

Agree Your Critical Few Behaviours



Agree the critical few team behaviours for the desired culture and to avoid potential cultural traps

Be Humble Across Cultures



“Group cultures are neither good nor bad so be humble when working across cultures”

Summary of Universal Challenges & Tools #5: Friday

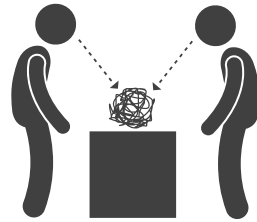
Building a Purpose-driven Learning System

17. Can't Forecast Complex Systems



“Every strategy is an intervention in a complex system which inevitably delivers unintended consequences”

18. We Confuse Failure With Fault



We can confuse the preventable deviation from agreed processes with the inevitable failure when innovating

19. Chimps Grow to Fear Debriefs



Chimps fear debriefs if Computer entries include prior blame for the inevitable failure from innovation

20. Resilience Has Too Clear a Cost



Resilience comes from diversity and redundancy. These carry clear costs, but uncertain and distant returns.

Lead a Portfolio of Experiments



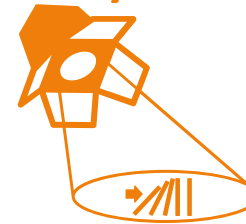
“Think of strategy as a portfolio of experiments, rather than a single plan built on predictions of the future”

Psychologically Safe Experiments



Build psychological safety by approaching failure differently for innovative versus repetitive tasks

Lead Chimp Friendly Debriefs



Make debriefing routine, hold nameless & rankless debriefs for active participants only

Resilience Drives Eternal Renewal



To lead with an Infinite Mindset prioritize resilience in your strategy just as much as cost and efficiency

Summary of Universal Challenges & Tools #6: Friday

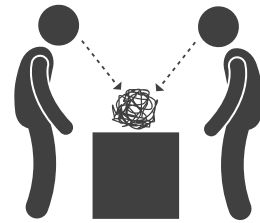
Using Habit to Make Behavioural Change Easier

21. Habit Loop Drives Our Lives



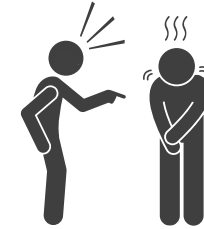
Habits follow a habit loop: a cue triggers a craving which triggers a routine response in pursuit of a goal

22. Habits Arise From Prior Goals



"Habits are the legacies of prior goals which were once useful, but may persist until they are unhelpful."

23. Willpower Is Not Sufficient



Change requires willpower, which is a scarce resource and typically insufficient to override existing habits

24. We Focus On Dreams Not Steps



"Winners and losers have the same goals." You don't rise to your goals' level, you fall to your systems' level."

Make it Obvious



Clearly identify the cues, routines and rewards of the current behaviour to avoid & new one you wish to adopt

Make it Attractive



Motivate your Chimp by making explicit the contrast between life before and after the change

Make it Easy



Plan: if [cue] then [desired behaviour]
Stack: after [current habit] I will [new habit]. Shrink the change.

Make it Satisfying



Work with a partner. Together celebrate progress and success for your Chimp; mastery for your Human