

The **Great Leadership Rethink** **2023**

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The Great Leadership Rethink

Talented people want different things from the firms they work for today, and the old models of leadership are looking increasingly unstable. To thrive, leaders must rethink their approach and put equity, collaboration, and listening at the core of everything they do.

The pandemic accelerated trends that threw both the way we work and what's expected of our leaders up in the air. Until then, the professional services sector had been dominated by traditional models of leadership, with women still a minority in top positions in partnerships. Ahead of International Women's

Day 2023, we interviewed six senior leaders to get their take on what's changed, what's stuck, and what still needs to happen.

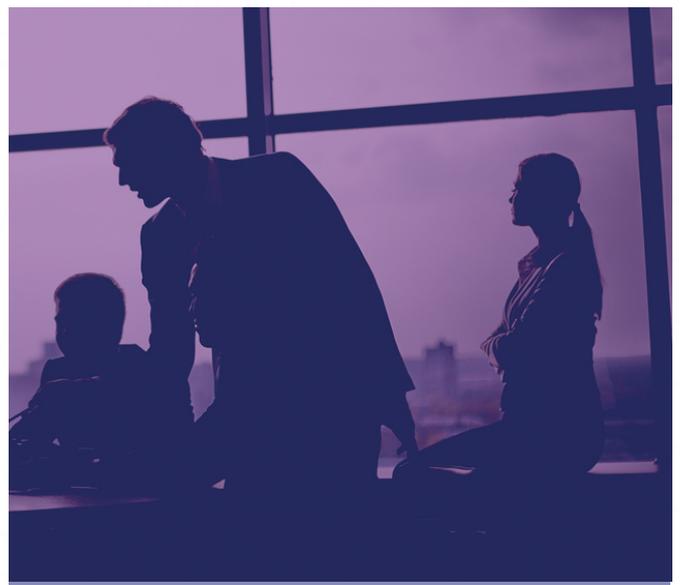
The leaders we spoke to all put people at the centre of the changes that must take place.

Here is what they said:

Purpose is more important than ever, and leaders must put this at the heart of how they work

The pandemic was a period when people reassessed what was important to them. And at work, many decided they wanted something more. While the topic of purpose was already on the leadership agenda, COVID sent it soaring.

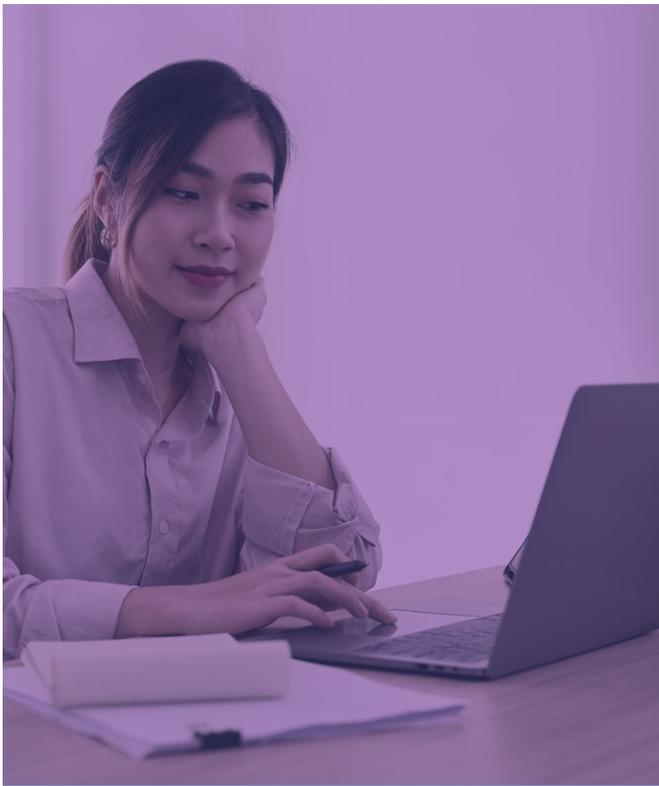
This shift in what matters has stuck, and to attract and retain talent today, firms must put purpose at the centre of their organisations. Georgina Harley, Group MD at Sheffield Haworth says, "Purpose is not just corporate meaning. It's making sure the employees understand and can connect with that. They just need to be able to relate."



This means firms can no longer count on old ways of leading. Driving better performance will need a more persuasive narrative behind it. It won't be enough to set your employees a financial target and then task them with delivering it. They'll want to know why, and whether there is a clear societal purpose behind it.

Successful leaders are using remote and hybrid tools to amplify new voices

Hosting a Zoom call during the pandemic, most leaders would have got to know their people more intimately than ever before: their children, their pets, and—in many cases—their less-than-ideal working spaces, all popped up on our screens. For many professional services leaders, comfortable in their smart offices, this deficit of equity will have hit home.



While technology spotlighted inequalities, it has also offered greater opportunities for people with different character traits and working preferences to contribute to the discussions that matter. Amy Brachio, Global Deputy Vice Chair, Sustainability at EY, says virtual interactions enable new, perhaps quieter, voices to be heard.

"If you're in a meeting and there are people who are real drivers, and super outgoing, they're going to get their point across the entire time," Brachio says. "If you are an introvert, you are not going to get a word in; you might walk out of that meeting wishing that you had said the three things that could have made a big difference. Whereas on Teams, if you have a point to make, you raise your hand, and then you are heard."

Beyond this, hybrid working is also tapping into a whole new reservoir of potential leaders. "In some ways the virtual world has levelled the playing field," Brachio says. "It used to be that if you're not in New York or London, how will you advance? Well, we have leaders now from all over the world, and part of it has been increased visibility."

In-person interactions will continue to be valuable, but it's about using them when they will be most impactful. Adrian Bettridge, Managing Partner at Baringa, offers examples including project kick-off sessions, times when collaboration is most needed, and when working through "gnarly issues." He believes this ultimately enhances the time people spend together: "Face-to-face meetings are improved, because we're now meeting intentionally, not just by default," he says.



Leaders must earn respect through behaviours, not hierarchy

Old models of leadership are crumbling, and the right to lead now has to be earned, not inherited. Authority of title was already being dismantled pre-COVID, but the process accelerated in the pandemic and has disrupted the hierarchy.

Harley explains: “What I would say is that you have to keep earning respect, you can't expect it to come with positional power any longer.

Which means you have to demonstrate it in various way to different cohorts in the organisation—this is hard work and takes time.”

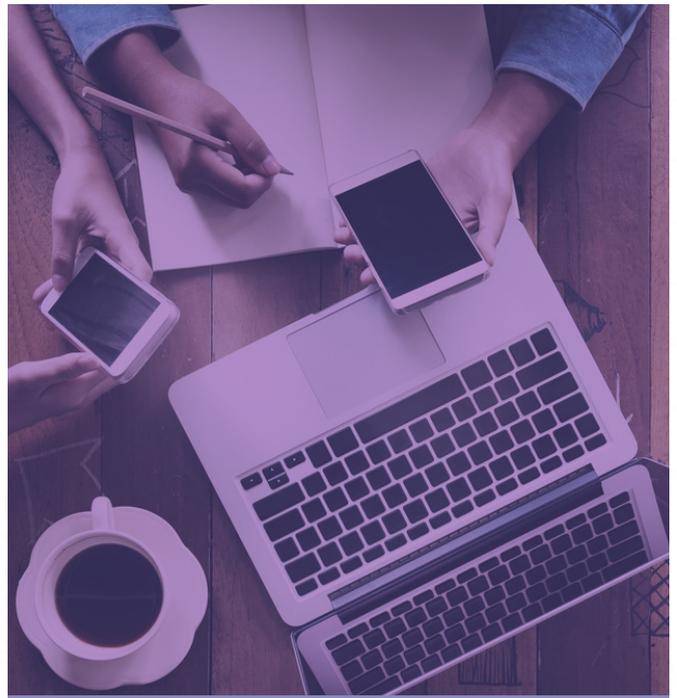
Authenticity is a crucial piece here. The new breed of relationship that the pandemic created between leaders and the wider organisation—where both parties were able to bring their whole selves to the virtual table—is here to stay. There can be no backpedalling; authenticity is now expected from our leaders.

Leadership is about doing more listening and less telling

The new models of leadership highlighted by those we spoke to were varied, but they all touched on putting your people at the centre of your model and treating them as individuals. Harley explains: “Leaders are now [being] called to account to have a deeper level of understanding of the people who work for them. The younger generation will not put up with being treated as a cog in the system for too long,” she says.

Getting this right means listening to your people. Lorraine Mackin, a former senior Big Four partner, describes what this looks like. “There needs to be a lot more thoughtful, genuine approaches to really listening. Being authentic and honest in terms of what you can affect and can't affect.” For Mackin, that means supporting your people when they need you most. “It's being thoughtful as a leader, not just in terms of what's happening within the organisation but with external risks or threats too. What does that mean, not just for the business, but for our people? How are they feeling about the leadership they need to support them through difficult situations?” She cites the war in Ukraine and the murder of George Floyd as situations where leaders may need to step up in this way.

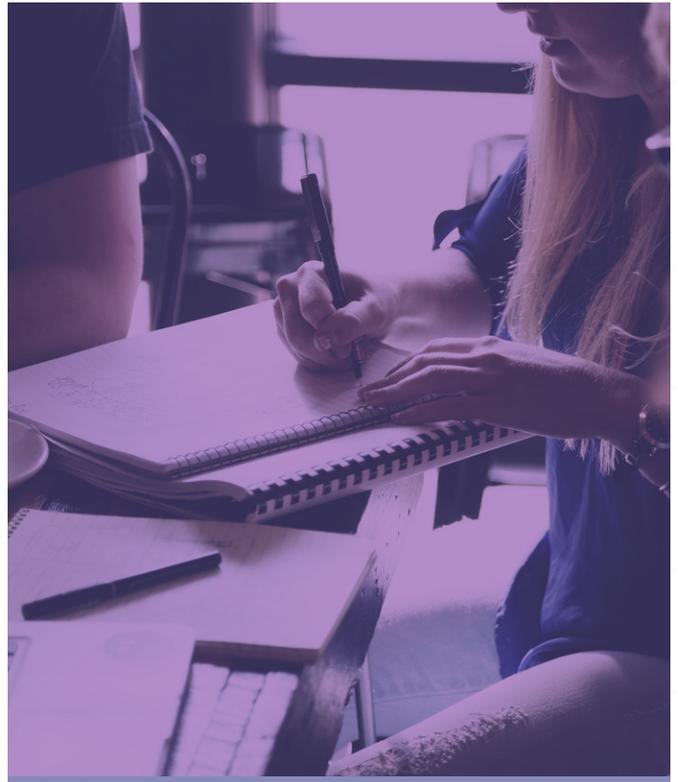
Henriette Divert, an experienced executive adviser and CEO of Bcc:, a boutique management consultancy based in Denmark, builds on this: “Leadership is first and foremost a conversation,” she says. “Leadership is an action that takes place all the time, and the trust in the leadership community of any given company is constantly being created and recreated—or [even] destroyed—due to the trust that evolves during conversations.”



Firms need leaders who share their power and collaborate

This breaking down of hierarchies and investment in people will lead to talented teams working together and making decisions at all levels of a firm. Empowerment will be key. Power is shifting from the individual to those who collaborate effectively. There is a move underway towards shared P&Ls, shared sales targets, and shared metrics for things like performance & inclusion.

Today's leaders must also make time to pass on their skills and teach with a spirit of generosity. This is something that has been prioritised at Baringa, Bettridge says, as they move towards a coaching style of leadership. "You need to coach people to be the best version of themselves, given the circumstances that they face into," he says. "We have put all of our



partner team through coaching qualification courses [...] because we see our role now as enabling and coaching people to do their best work with the client team."

What is measured and rewarded must change

These new models of leadership will need different measures of success. And there is still work to do here. “There are a lot of conversations around the traits of great leadership in terms of empathy, listening, and staff engagement,” says Mackin. “But you still don’t see reward structures linked to [those things] enough, in the way they are to traditional traits, such as being on top of detail, sales, and the numbers. You still don’t see the same concern if you don’t hit diversity targets or close a pay gap [as you would] if you missed your revenue or profitability targets. But it’s getting better.”

Firms also need to be more open about what they are measuring and rewarding. Divert says,

“You have to run your professional services firm in a transparent way, where your key figures and your KPIs are accessible to anybody at any given time.”

It is clear that the disruption of the past few years and today’s ongoing uncertainty have forced a change in what great leadership looks like. However, there is no one-size-fits-all solution. Firms must listen to their people and get creative.

This greater focus on purpose, more interconnectedness, and the shift towards a people-centric, tech-enabled approach, may now be opening up space for different leaders and more diverse voices at the top table.

Thank you to the contributors, both anonymised and publicly quoted for giving their valuable time to be interviewed for the white paper, including Georgina Harley, Group MD at Sheffield Haworth, Lorraine Mackin; Adrian Bettridge, CEO of Baringa; Amy Brachio, Global Deputy Vice Chair, Sustainability at EY.

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If you would like to continue this conversation or contribute your insight to future work in this area, please do get in contact with [Frances Wright](#)

