

Welcome to “How to develop a change mindset for Leaders

“How do we transform our organizations in this age of Rapid Change?”



When I hit 40, my eyesight became weird, I suddenly could no longer see near objects. I freaked out... but apparently that is normal according to my doctor



...And so did my metabolism. Now, I get fat just by breathing! ...Ok lang, cute pa naman daw ako sabi ng asawa ko Lol!



But while we tend to think of change as “Linear” or one step at a time, there are actually 3 Dimensions of change now.

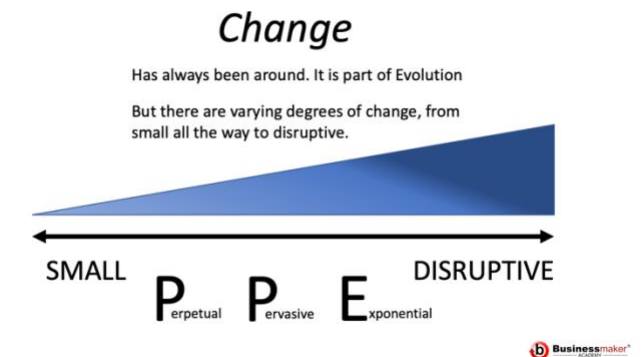


To remember it faster, it is P.P.E. No, not Personal Protective Equipment hehe, but rather it is:

- **Perpetual** — occurring all the time in an ongoing way.
- **Pervasive** — unfolding in multiple areas of life at once.
- **Exponential** — accelerating at an increasingly rapid rate.

Change has always been around. It is part of Evolution but there are varying degrees of change.

From small all the way to disruptive change all of which are perpetual, pervasive and exponential.



Let’s focus then on “Disruptive Change” How can we better prepare for it?



We have to have awareness of “Soft Trends Vs. Hard Trends”

Do you remember the TV sets in the past?
 What purpose did it serve?



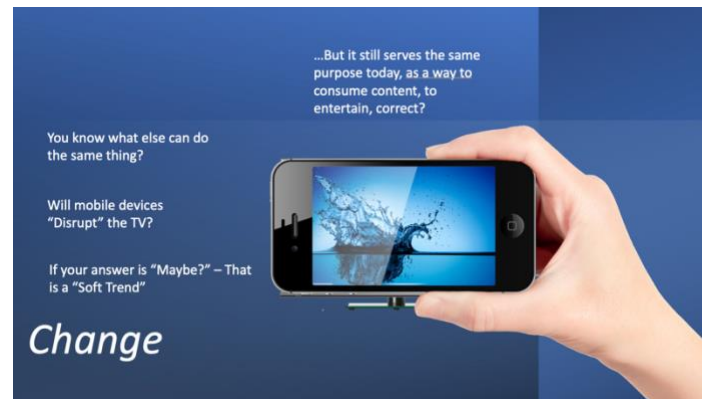
The TV has changed dramatically since then.



I can now buy a 4K Ultra-Thin 65” Flatscreen today for only P29,000. But it still serves the same purpose today, as a way to consume content, to entertain, correct?

You know what else can do the same thing?

Mobile devices.



Do you think mobile devices will “Disrupt” the Flat screen TV?

If your answer is “Maybe?” Then that is a “Soft Trend”

A soft trend is a “possibility”. It can happen, it may not.

There are equal arguments for and against it, only time will tell if the flat screen tv, as an example will get obsoleted, or not.

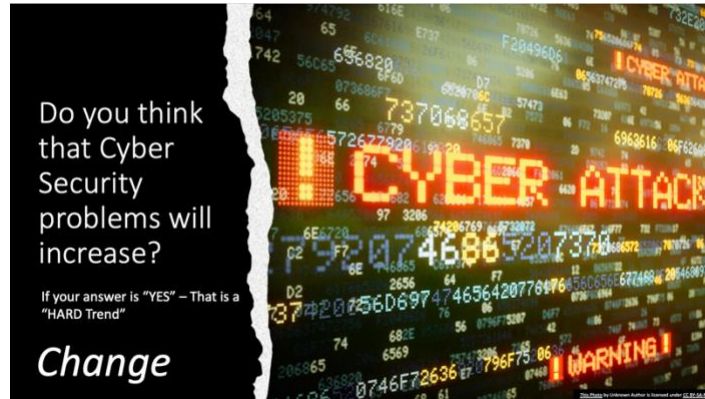
Let’s try some more examples:

Do you think that Remote Zoom Meetings are here to stay?



If your answer is “Yes” that is a “Hard Trend”

Do you think that Cyber security problems will increase?



If your answer is “Yes”, another “Hard Trend”
 Let’s try one last one.

Do you think Online/ Cashless Payments and transactions are here to stay?



¹ <https://medium.com/@aa3749/adaptive-leadership-for-our-times-85c59fcf7912>

If you answered “Yes”, again, another “Hard Trend”

It is the “Hard Trends” that have the potential to become “Disruptors”

“Soft Trends” are a possibility, a “Maybe”
 “Hard Trends” are a certainty, a “Definitely”

As Leaders, we need to influence our organizations look seriously at the “Hard Trends” that are ongoing today.

This is how we try to keep up with Change and prepare for potential Disruptions.

The question is “How?”



3 Key Areas:

1. BE AWARE OF THE HARD TRENDS
2. UNDERSTAND THE DOI Theory
3. ADAPT AN INVESTOR’S MINDSET

These 3 Key Areas combined is what I will define as “Adaptive Leadership”.

The term “Adaptive Leadership” is a “framework” that emerged in 1994 from Dr. Ronald Heifetz book “Leadership Without Easy Answers”¹

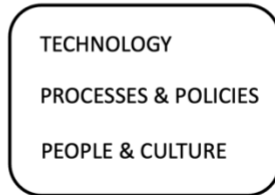
Like many other business leaders, he realized that the single-figure, top-down leadership model is outdated and impractical. No single person can solve all of a company’s problems, which brings in the need for adaptive leadership.

However, while this talk will use the term “Adaptive Leadership” it will have a different approach. I will be incorporating other concepts and talk about a more localized approach to the brilliant work of Dr. Heifetz

1. BE AWARE OF THE “HARD” TRENDS

“ADAPTIVE LEADERSHIP”

1. BE AWARE OF THE HARD TRENDS
2. GET COMMITMENT NOT JUST COMPLIANCE
3. HAVE AN INVESTMENT MINDSET



Undoubtedly, one area of our lives where exponential change is taking place is in Technology.

As such, I am including a link to Daniel Burrus Research that outlines the top 25 Hard Technology Trends for 2023 and beyond.

[CLICK HERE](#)

But as mentioned, change is Pervasive which involves other aspects of our lives, including our professional roles as leaders.

There are likewise hard trends occurring right now in our organization, affecting our processes & policies, our people & organizational culture

Republic Act 11165 or the Telecommuting Act for example is introducing change into our organizations in quite a big way.

Some of you have organizational policies to deal with this, while others require 100% in-office attendance and others are still working on it.

Needless to say, this will change our processes, our people and of course our organizational culture.

“ADAPTIVE LEADERSHIP”

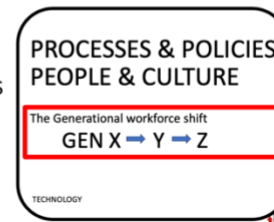
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Another hard trend would be the shift in the Generational work force from Baby Boomers to Generation X to Y to Z

“ADAPTIVE LEADERSHIP”

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With the younger generations being naturally more technologically adept, they will bring major cultural change not just in organizations but society as a whole.

2. GET COMMITMENT NOT JUST COMPLIANCE

Let’s say you have focused on a hard trend and now want to enforce an organizational wide change. Let me oversimplify it to 2 ways you can execute it.

- A. Command everyone to comply
- B. Get Commitment from the people you lead

There is a big difference between compliance and commitment.

Compliance - people have to do it or else, but when it no longer suits them, or when the going gets tough, they will leave the organization without a second thought.

Commitment on the other hand is about getting the people not just to have the same goal, but to be “excited” and willing to sacrifice with you to achieve something **on their own**.

Organic commitment is the real reason why things get done and how adaptive teams are made. When the going gets tough, it is commitment, not compliance

that will make people stick around. Furthermore, if you get commitment, you will naturally get compliance.

How do you get commitment?

Simply put, it's about having a "Win-Win-Win" mentality. Yes, three Wins, not just 2.

Answer the questions:

- "What's in it for MY PEOPLE?"
- "What's in it for MY ORGANIZATION?"
- "What's in it for ME?"

"ADAPTIVE LEADERSHIP"

1. BE AWARE OF THE HARD TRENDS

2. GET COMMITMENT NOT JUST COMPLIANCE

Be true to your word and make sure that everyone gets their share.

3. HAVE AN INVESTMENT MINDSET



Businessmaker ACADEMY

"Adaptive Leadership" is about aligning the common interests of everyone involved. It is about finding the

² <https://sphweb.bumc.bu.edu/otlt/mph-modules/sb/behavioralchangetheories/behavioralchangetheories4.html>

acceptable compromise that everyone can really commit to

Once you have done that, now comes the harder step. --Be true to your word and make sure that everyone gets their share.

Adaptive leadership is about "Collaborating" not "Commanding"

But our organization is Huge, how can I "Collaborate" with hundreds if not thousands of people?

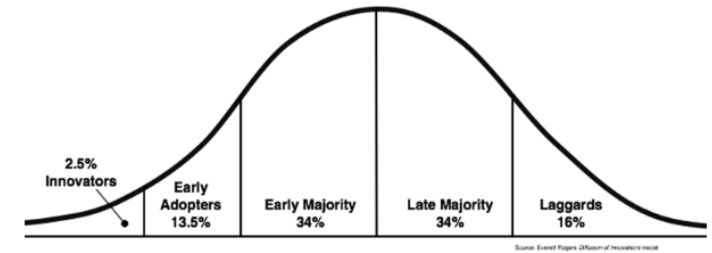
Simple answer, you don't have to.

You start with your direct reports, then they do it with their direct reports and their direct reports and so on.

There is actually a social science behind this, it's called the Diffusion of Innovation Theory.

"In 1962, EM Rogers developed the Diffusion of Innovation Theory...It originated in communication to explain how, over time, an idea or product gains momentum and diffuses (or spreads) through a specific population or social system. The end result of

this diffusion is that people, as part of a social system, adopt a new idea, behavior, or product."²



Source: <http://blog.leanmonitor.com/early-adopters-allies-launching-product/>

Basically, if you want an idea to gain momentum within your organization, you have to understand the Diffusion of Innovation theory which maps out how "buy-in and commitment can be achieved."

Please note that these percentages are not meant to be precise but an approximation.

At the start you have the innovators, this is approximately 2.5% of the population, this is you and your leadership team.

Then comes the Early adopters, the direct reports of your leaders, then their direct reports which is about 13.5% of the population that you lead. They are the

ones who will test, critique, improve, influence, even promote the commitment you are seeking.

Then the Early Majority. These are the people who will commit as soon as they see results.

Then the Late Majority who will start committing once they know that it is safe and not too risky anymore.

Then the Laggards, those that are really not willing to change but have no choice because everyone else has. Either that or they choose early retirement Lol!

Simply put, if you want to get your team / organization ready for change, face and adapt to disruptions, start with your leadership team and let the Diffusion of Innovation Theory run its course.

Simon Sinek, one of the highly sought after thought leaders today uses this DOI theory to effectively change the culture of huge organizations.

He says that when you are able to effectively reach and influence 15 to 18% of your organization, you would have reached the tipping point where the culture of change will have a life of its own.³

3. HAVE AN INVESTMENT MINDSET

³ <https://youtu.be/N9d0NqSztWA>

Having an “Investment Mindset” is crucial to being an Adaptive Leader.

But exactly what are we investing in again?

- Processes & Policies
- People & Culture
- Technology

But as an “Adaptive Leader” leading Change, If I had to prioritize one over the others, I would start with People & Culture

“Invest in your people”

As Co-founder of Businessmaker Academy, I used to be a contributing writer for Manila Bulletin in the early 2000’s.

In one article I wrote 10 years ago (March 12, 2012). I talked about the most profitable investments for Entrepreneurs (which applies for Leaders as well).⁴

PEOPLE

People are the most profitable investments anyone can make. --It is also the hardest investment anyone can make.

⁴ <http://wealthflowproject.com/business-management/how-to-make-money-run-after-you-part-13/>

While I wrote the article in the context of business and making money, my meaning and purpose goes well beyond that.

Investment in your people means investing in them first, not the organization first.

Perhaps it sounds romantic and naïve.

It is not.

We cannot overlook the fact that an organization is only as strong as the people who comprise it and who leads it now and into the future.

That is fact.

During the start of the 2020 Pandemic, I released this video to my team and also posted it on social media.

I showed this a few times already in my talks here at the Civil Service, but I believe it’s worth showing again as an example of what I mean by investing in your people first, your organization second.

“Take care of your people, if your people survive, your business survives.”

However, a lot of times, we as leaders are also limited by the authority we have and the resources available to us.

During the Pandemic, a lot of organizations big and small closed up and had to let go of people.

There is no judgement there from me at all.

As a Businessman and a leader, I know the pressures and the tough choices we faced all too well.

However, let me get back to the meaning of having an Investment Mindset some more.

Having an Investment Mindset brings with it Risks and Rewards. It is a tough choice whether to continue to keep the business open or to cut your losses now and live to fight another day.

Bottomline, most Leaders make their choices, based on the Risk and reward concept. "I'll do this because the reward outweighs the risks" or "I won't do that because the risks outweigh the rewards".

For us, we didn't dwell too much on the risks, we also didn't dwell too much on the rewards to be honest.

We focused on doing what we thought was the right thing to do --which was to protect our most valuable assets. --Our people.

Instead of "Divesting" in my people, letting them go, closing shop, waiting for the pandemic to end, and possibly losing more money, we simply "Invested" in them.

We managed our finances, and we personally infused more capital even when sales were down 90%.

But you see, having an investment mindset doesn't just rest solely on the leader, it also rest on the people you lead.

We all shared in the burden because in response, my team all agreed to cut their salaries by as much as 50%. They were also taking a risk and we all knew that we had to "Commit" or else this would not work.



In the end, I believe that there will always be a return when you do what is right.

Because in the next 9 months, the team pulled together and generated a 598% Revenue Gain.

As of this year, 2022, a little over 2 years later, we have recovered all our Losses and as a team, have grown closer and stronger together more than ever.

But more than that, we have groomed Leaders who are grateful to us, and us to them and until today we continue to hone them to be Adaptive Leaders and constantly preparing them for the future.

This leads me to the last piece of having an investment mindset. – **Invest in constantly updating yourself and the team on the 3 areas of "Adaptive Leadership"**

To summarize: To transform our organizations in this age of rapid change, concentrate on 3 Key Areas:

- 1. Be Aware of the Hard Trends**
- 2. Get Commitment not just Compliance**
- 3. Have an Investment Mindset**

That is what Adaptive Leadership is all about.

Today is indeed a GREAT DAY! Thank you very much.