PRESSURES ARE CONVERGING ON THE C-SUITE

Disruptors through the eyes of the C-suite increasing in impact and intensity...

85% Say disruptive impact of new technologies has increased

74% Say disruptive impact of constantly shifting customer demands has increased

72% Say disruptive impact of new market entrants has increased

62% Say investors are among their most disruptive stakeholders

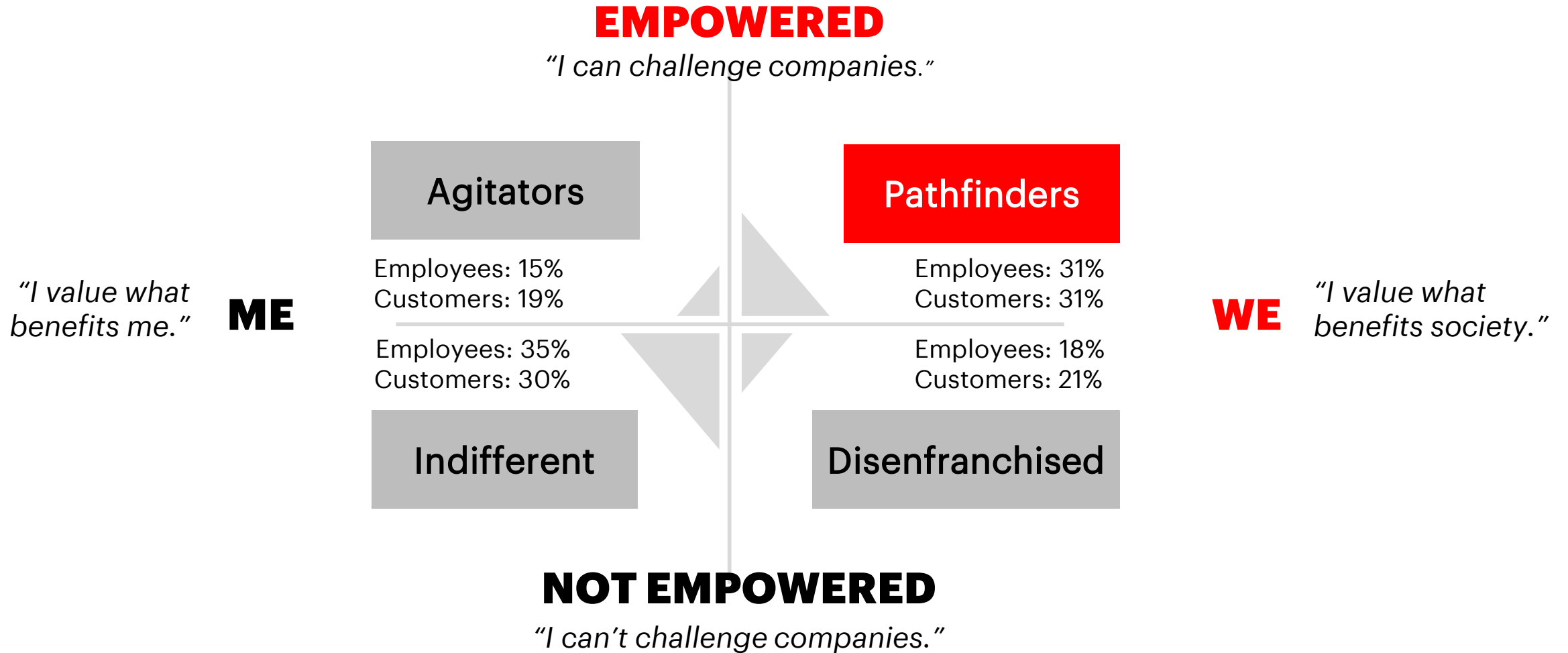**49%** Say employees are among their most disruptive stakeholders

...and creating a combinatorial effect.

"Today's operating environment is more complex...I think there is a **compounding effect** of market conditions, political stress, and regulatory intervention that takes the **complexity to a considerably higher level** than we operated in let's say 10 or 20 years ago."

— *Board Member, Banking /* **UK**

ADDING PRESSURE: ENTER THE PATHFINDERS

EMPOWERED

"I can challenge companies."

Agitators	Pathfinders
Employees: 15% Customers: 19%	Employees: 31% Customers: 31%

"I value what benefits me." **ME**

WE *"I value what benefits society."*

Employees: 35% Customers: 30%	Employees: 18% Customers: 21%
Indifferent	Disenfranchised

NOT EMPOWERED

"I can't challenge companies."

A SUPER GROUP WITH SUPER POWERS...

Their composition defies conventional wisdom

Not gender specific

52%
Female

48%
Male

Not generation specific

48%
40+

52%
>40

Both customer & employee

49%   **51%**

A group you cannot afford to ignore

>2x

...as employees more likely to be on the **fast track to leadership** and possess **critical skills**

84%

...as consumers more likely to be in the **top 10% of household incomes**

Have clear and different expectations of leadership

57%

...as employees more likely to place a particular emphasis on **working for companies** who have a **clear purpose** they can relate to

67%

...as consumers more likely to place a particular emphasis on **buying from** companies who **contribute to society**
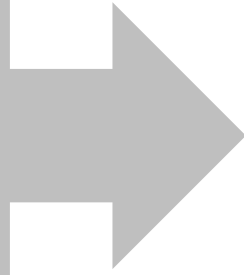
…AND THEY HAVE CLEAR EXPECTATIONS OF THE C-SUITE

Pathfinder view of importance of a whole-brain skillset for C-suite

Ability to influence, coach and empower others

Creative thinking and experimentation

Ability to synthesize divese thinking and viewpoints

Creating an inclusive team environment

Being vigilant to the external environment

Empathy and self-awareness

Willingness to embrace and enact change

Intuition

Ability to lead others

Data analysis and interpreation

Critical reasoning

Results orientation

Understanding of new tech & having the right tech skills to advise…

Having a clear vision and strategy for the team

Making tough decisions effectively

MANAGE THE RISK BY CLOSING THE GAP

View of key skills required of leadership:
— Pathfinder
— C-suite

Radar chart categories:
- Ability to influence, coach and empower others
- Creative thinking and experimentation
- Ability to synthesize diverse thinking and viewpoints
- Creating an inclusive team environment
- Being vigilant to the external environment
- Empathy and self-awareness
- Willingness to embrace and enact change
- Intuition
- Ability to lead others
- Data analysis and interpretation
- Critical reasoning
- Results orientation
- Understanding of new tech & having the right tech skills to advise teams
- Having a clear vision and strategy for the team
- Making tough decisions effectively

C-SUITES RECOGNIZE THEIR OWN ORIENTATION

89%

of the C-suite have formal training in left-directed degrees
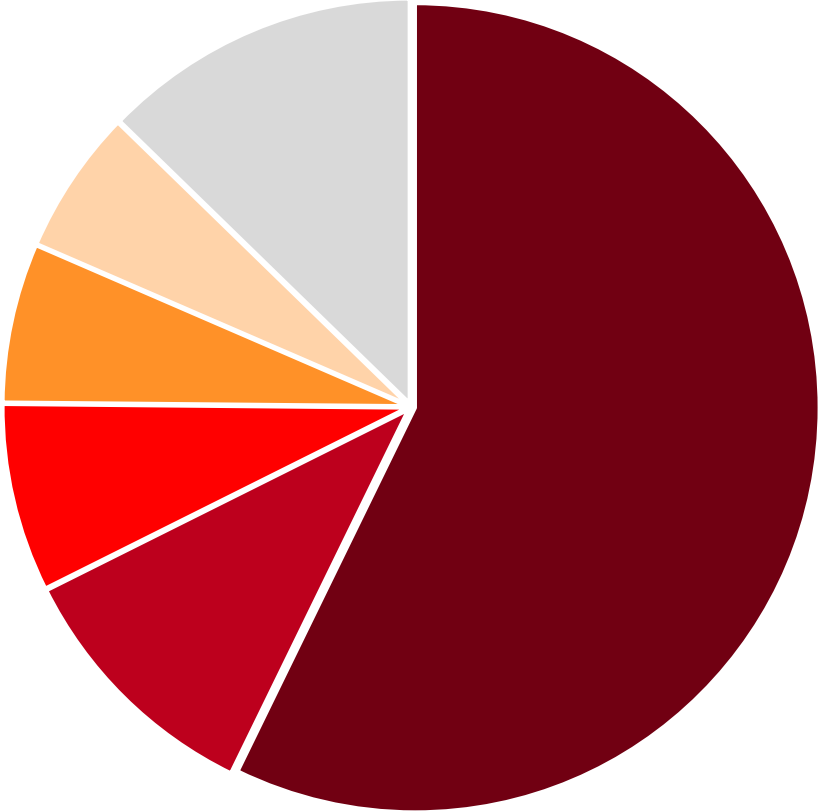
- Business, Finance, Economics
- Science
- Technology
- Engineering
- IT
- Other

THE C-SUITE'S SELF-DESCRIBED GAPS CLEARLY DEFINE THE STARTING POINT
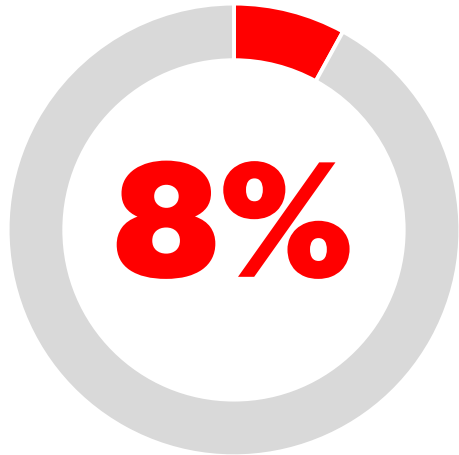
65%

of the C-suite say a right brain skill is their weakest

- **Intuition**
- **Empathy & self awareness**
- **Vigilance to the external environment**

...and compounds the impact of a continuing left-brain weakness: **Understanding of new technology & having the right tech skills to advise teams**

IT'S WORTH THE EFFORT: THERE IS EVIDENCE OF A BOTTOM LINE IMPACT
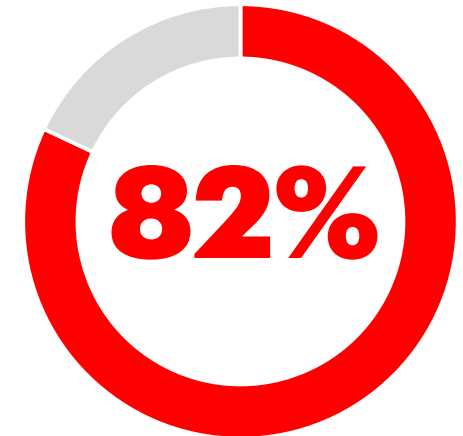
8%

Use a whole-brain approach today...

+22%

avg 3-yr **Revenue** growth

+34%

avg 3-yr **Profit** (EBITDA) growth

...and they report stronger average growth & profitability

82%

Intend to use a whole-brain approach in the next 3 years

MAKE THE PLAN, WORK THE PLAN: SEIZING THE OPPORTUNITY

1. Change the mix by diversifying the C-suite's strengths.

2. Relinquish some traditional leadership to gain currency and relevancy.

3. The enterprise potential of whole brain: greater than right + left

#1. CHANGE THE MIX

Diversify the C-suite strengths

9 in 10
of C-suite executives are already addressing current skills gaps

55%
re-skilling C-suite members

46%
bringing in new talent from outside

SIGNS OF RECOGNITION + ACTION

Deutsche Telekom levels up its executive team

Deutsche Telekom launched a unique, year-long training program for its executives worldwide, to give them the leadership skills and methods required for the complexity and ambiguity of today's operating environment.

> " Managers today are facing truly unprecedented pressures to make changes. The pace of digitization is producing organizations that are more agile. As a result, leadership methods and behavior are being redefined.

Christian P. Illek, Chief Human Resources Officer

#2. RELINQUISH SOME TRADITIONAL LEADERSHIP **FOR RELEVANCY** AND CURRENCY

HIGH RISK

5x
more likely to take action in numbers against their employer

61%
have already taken disruptive action, voicing their disappointment as a customer

HIGH REWARD

2x
more likely to be completely motivated to give their best for their employer

2x
more likely as a customer to choose a more expensive brand because they prefer what it stands for

HARNESSING THE POWER

Airbnb harnesses an ecosystem of stakeholders

" What makes Airbnb so different is the fact that we're a community...there's many home rental websites, there's not many communities.

Airbnb co-founder and CEO Brian Chesky

In that vein Airbnb has employed local mobilizers to organize home sharing clubs for hosts in cities around the world. Airbnb uses these as an opportunity to educate hosts about regulatory and political challenges, and to facilitate letter-writing campaigns, media interviews, public rallies, and meetings with politicians.

#3. THE ENTERPRISE POTENTIAL OF WHOLE BRAIN: GREATER THAN RIGHT + LEFT

Applying new, richer depths of the left...

- ◉ Data science
- ◉ Analytics
- ◉ Visualization
- ◉ Machine learning
- ◉ AI
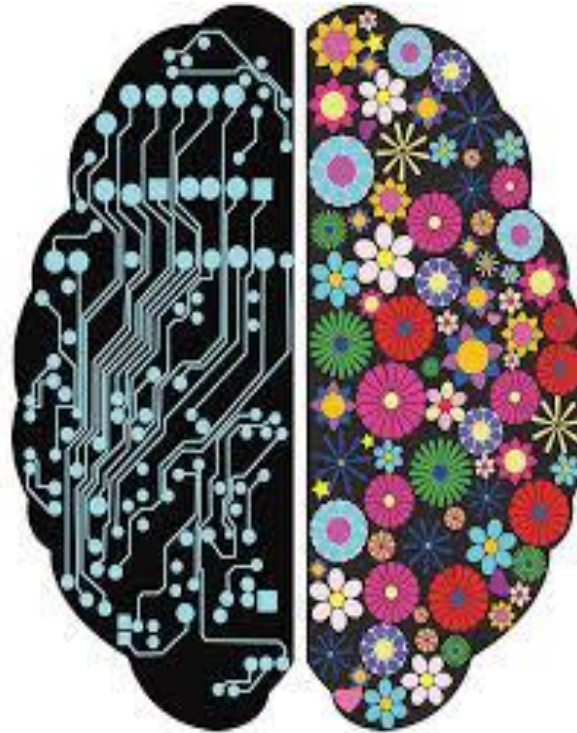
...with more tangible applications of the right...

- ◉ Creative thinking
- ◉ Experimentation
- ◉ Innovation
- ◉ Empathy
- ◉ Intuition

...to solve the highest value problems with data-led and human centric design approaches

WHOLE BRAIN LEADERSHIP AT WORK

How Microsoft's CEO built a growth mindset and culture across the company

> " The CEO is the curator of an organization's culture. Anything is possible for a company when its culture is about listening, learning, and harnessing individual passions and talents to the company's mission. Creating that kind of culture is my chief job as CEO.

Microsoft CEO Satya Nadella

To overcome the company working in siloes and to ultimately drive a growth mindset, Nadella began with deep listening, and focused on gaining his people's trust. It took time, patience, and emotional intelligence, but eventually Nadella won them over.