BUILDING THE WORLD'S BEST POST-PANDEMIC LEADERS

Four Trends That Will Shape the Next Normal in Leadership Development

THE REGIS COMPANY

GUIDE

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EVERYONE HERE HAS THE SENSE THAT

— STEVE JOBS

RIGHT NOW IS ONE OF THOSE MOMENTS WHEN WE ARE INFLUENCING THE FUTURE.

A LOOK AT WHAT'S ON THE OTHER SIDF

FOUR TRENDS THAT WILL SHAPE THE **NEXT NORMAL IN LEADERSHIP DEVELOPMENT**

By now, you've hit your stride in operating under bizarre and unprecedented circumstances. But we won't be just coping forever. This guide will help you plan for what comes next as we move beyond the grips of a pandemic and turn our thoughts to growth and development once again. You'll learn four key trends that are shaping the learning and development landscape, what they mean for your organization, and how you can address them in order to strike the ideal balance between nurturing your leaders, fulfilling executive mandates, and spurring renewed growth and innovation in your business.

Read on to explore the following trends and guestions:



<u>A GLOBAL RESET</u> ∋

2020 has significantly changed the shape of leadership development, surfacing challenges and opportunities in budgeting, communication, employee wellbeing, and program efficacy.

HOW CAN YOU WEATHER (AND SHAPE) THE CHANGING FUTURE THROUGH **LEADERSHIP DEVELOPMENT?**



Companies are emphasizing diversity, inclusion, and social good in business strategy and training.

HOW CAN YOU SUCCESSFULLY IMPLEMENT THESE COMPLEX OBJECTIVES?



THE NEGLECTED SIDE OF $\underline{\mathsf{LEADERSHIP}} \ni$

The industry is now recognizing the need for skill in the human aspects of business, including mental, emotional, relational, and physical wellbeing.

HOW CAN YOU SUPPORT AND PREPARE YOUR PEOPLE FOR DEMANDS ON THE 'SOFTER' SIDE OF LEADERSHIP?



A 21ST CENTURY RENAISSANCE \supset

In spite of the hardships of the last year, there is significant optimism that the pandemic will drive innovation and positive change in operational efficiency and learning technology.

HOW CAN YOU BALANCE THE NEED FOR SCALE, AFFORDABILITY, AND EFFICACY IN THE LEARNING ECOSYSTEM?

A GLOBAL RESET

2020 has significantly changed the shape of leadership development, surfacing challenges and opportunities in budgeting, communication, employee wellbeing, and program efficacy.

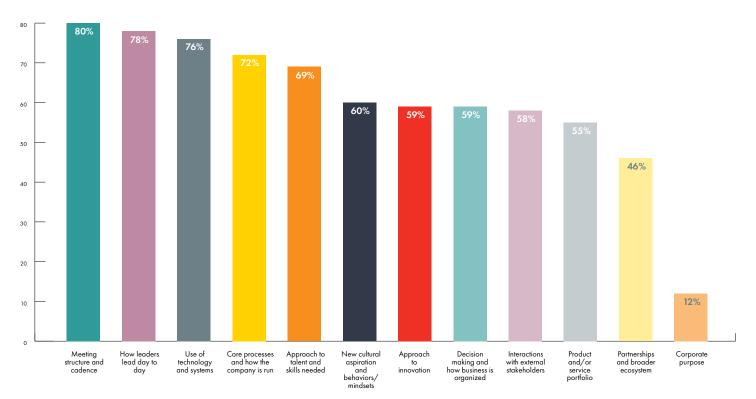
A global pandemic. Economic crisis. Natural disasters. Social and political unrest. Our organizations and our people have endured extraordinary challenges in 2020. In the aftermath of this life-shaking storm, leaders collectively agree that "we're not in Kansas anymore." In fact, like Dorothy stepping into the technicolor dream-world of Munchkinland, suddenly everything is different. Could this be a better world after all we've withstood? Only time will tell.

NAVIGATING CHANGE CALLS FOR EXTRA SUPPORT

According to <u>McKinsey research</u>, leaders expect large-scale changes in nearly every facet of their organizations in response to COVID-19. Even under normal circumstances, employees require guidance and training to navigate business transitions. Thus, it comes as no surprise that organizations need strong leadership and training now more than ever.

In our 2020 State of Business and Leadership Development Survey, The Regis Company asked customers across the globe about the impact of COVID-19 on learning and development at their organizations. Nearly 87% of respondents agreed or strongly agreed that the pandemic has made effective leadership more important in 2020 and 2021 than in previous years. Additionally, 66% felt that leaders need additional support to cope and succeed after the events of 2020.

Respondents who say their organizations are considering Source: McKinsey Research



Respondents who say their organizations are considering or implementing given change in response to COVID-19

HELPING LEADERS FIND THEIR FOOTING AGAIN

The disorienting effects of the last year have left all of us seeking a sense of safety in our lives. While our careers normally offer a steady stream of security and esteem, 2020 has upended this bedrock of comfort. Understandably, employees are concerned about the security of their organizations and their place within it. In fact, over 70% of the learning leaders we surveyed ranked clarity and training on performance factors that help them demonstrate value and keep their jobs as very important or extremely important. An even higher proportion, 82%, said it was very important or extremely important to have reassurance that the business can withstand current struggles and thrive again.

ADAPTING LEADERSHIP **DEVELOPMENT TO NEW REALITIES**

Learning and development professionals are beginning to emerge from survival mode and prepare for the Next Normal. Much of what they face is a heightened version of the usual hurdles. However, 2021 will usher in added complexities and challenges: balancing the need for synergy with scalable virtual solutions; nurturing leaders as both an employee and a human to boost workforce resilience; making real cultural change that aligns with emerging social values; and accomplishing each of these goals through more effective leadership development.

How Do Learning Leaders See the Industry in 2021?*

TOP CHALLENGES

- Budget
- Virtual and remote deployment
- 3 Culture
- **4** Rapid change and uncertainty

TOP PRIORITIES

- Soft skills and wellness
- Diversity and inclusion
- 3 Adapting work and culture to virtual environment

TOP INVESTMENT AREAS

- Online learning
- Learning journeys
- 3 New learning technologies

* Based on The Regis Company 2020 State of Business and Leadership Development Survey, including customers and learning leaders across the globe

PUT THESE INSIGHTS INTO ACTION

HOW CAN YOU WEATHER (AND SHAPE) THE CHANGING FUTURE THROUGH **LEADERSHIP DEVELOPMENT?**

Make time for wellbeing.

Address employee concerns about the stability of the business and their role within it head on, with empathy and honesty. Reducing uncertainty and acknowledging the human need to feel safe and secure can help employees compartmentalize their anxiety and focus on the task at hand.

Combat uncertainty with predictable support. The pandemic has accelerated the pace of change and the ambiguity of what's next. Set up a regular cadence with your team to discuss the factors driving fear of the unknown and how it impacts them and their work.

Modernize your learning landscape.

Oops! So you've realized you're behind in starting your digital learning shift. Today is the best time to begin planning, and even get ahead of the curve, because global changes are driving new solutions. Redefine your digital ecosystem and learning needs, and seek out leadership development partners that offer adaptability, scalability, engagement, and human-centered design.





TREND 2 THE NEGLECTED SIDE OF LEADERSHIP

The industry is now recognizing the need for skill in the human aspects of business, including mental, emotional, relational, and physical wellbeing.

Leaders are clearly rattled and looking to their workplaces for support. As home life and work life become more intimately intertwined, the stressors associated with each realm are following suit. One curious side-effect of our universal guarantine is the discovery of one another's humanity. We suddenly see beloved pets, hear babies crying, and even spy dirty dishes in the background of conference calls.

74% of leaders feel it is very important to extremely important to receive support in coping with major organization transformation*

* Based on The Regis Company 2020 State of Business and Leadership Development Survey, including customers and learning leaders across the globe.

WE'RE ONLY HUMAN, AFTER ALL

Employees have traditionally been viewed, trained, and compensated on the basis of their business performance. But, the past year has catalyzed a strategic imperative to see employees as humans first - and worker bees second.

Maslow's Hierarchy of Needs illustrates the point well. The model tells us that humans must have a fundamental sense of safety and security in order to engage in higher pursuits. That is, when employees' basic needs are threatened, productivity can plummet.

Maslow's Hierarchy of Needs and Employee Productivity

Productivity rises as we progress through Maslow's Hierarchy of Needs. The more basic the need that's threatened, the greater effect it has on our productivity in the office.

Highly Engaged

"I'm a top performer that inspires others and loves working for my company."

Engaged

"I'm a productive achiever and feel valued in my role."

Almost Engaged

"I'm fairly productive and on board with the mission but not compelled by development opportunities."

Not Engaged

"I'm minimally productive but disconnected from my team and not looking to go the extra mile. '

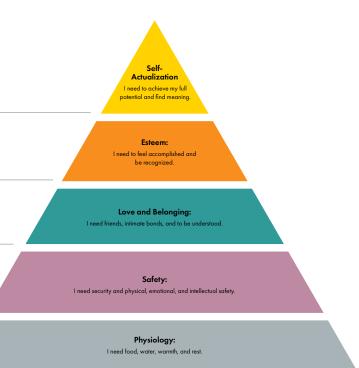
Disengaged

"I'm disengaged and unproductive - just here for the paycheck!"

"People aren't worried about putting up big numbers right now. They're worried about food on the table and keeping their family safe."

- Mark Haenel

European Business Director, The Regis Company



SUPPORTING EMPLOYEES THROUGH CRISIS

By now you've seen how leaders' personal needs and struggles intersect with their professional responsibilities and pressures in our post-COVID world. It is partly up to our organizations to help leaders navigate these blurred lines, rapid changes, and effects on their mental and emotional lives.

Three-fourths of the leaders we surveyed agreed that getting support in managing personal health, wellness, and work-life balance while working remotely is very important to extremely important. Also at top of mind for leaders is the collective wellbeing of their organizations, with nearly 78% reporting that it's very important or extremely important to maintain culture, connection, and community while working remotely. This trend is illuminating the need to provide human skills training alongside traditional technical and strategic capacities across leadership development curriculum.



A WELL-ROUNDED LEADER IS A STRONGER LEADER

Human skills are not just for a crisis, however. What we often consider 'soft skills' and 'self-regulation' skills actua play a huge part in leadership effectiveness. We've all experienced one-sided leadership: a director who was a brilliant technical operator but lacked the skills to connect and inspire, or a manager who set sound strategies but wouldn't trust the team to execute them.

We intuitively know that the most effective leaders are well-rounded – possessing a high degree of both business and human competencies. While we can easily sense this in our interactions at work, it's harder to articulate (and teach) the human skills that spell success in leadership. Yet, the importance cannot be overstated. Seven of the top ten most critical leadership skills for 2021, rated by customers and learning leaders in our survey, are classified as human skills.

Top 10 Critical Leadership Skills*				
н	UN	AAN SKILLS BUSINESS SKILLS		
ب	1	ADAPTABILITY		
	2	STRATEGIC THINKING	\bigcirc	
Q	3	PROBLEM SOLVING	φ	
00	4	DIVERSITY/EQUITY/INCLUSION	000 000 000	
$\langle \rangle$	5	EMOTIONAL INTELLIGENCE		

* Based on The Regis Company 2020 State of Business and Leadership Development Survey, including customers and learning leaders across the globe.

ally	– Learn about Human Dynamics in
a ct	this eBook that helps you address the mental, emotional, physical, and relational aspects of leadership.
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skills.	READ the Intro to Human Dynamics eBook.

- **6** VIRTUAL COMMUNICATION
- 7 WELLNESS/RESILIENCE
- **8** GROWTH MINDSET
- 9 GALVANIZING AND MOTIVATING TEAMS
- 10 TECHNICAL SKILLS MASTERY

EMPLOYEE WELLBEING IS GOOD BUSINESS

Support for these skills is not just what the industry is clamouring for; it's good business. <u>The Institute for Corporate Productivity</u> has found that commitment to wellbeing pays off – literally.

"The behavior of an organization's leaders (at all levels) has a direct effect on the type of culture the organization has and on the overall level of workforce well-being. Leaders who believe that investment in employee well-being is not only a sound business move, but also the right thing to do, are critical to setting the tone of the culture to optimize both wellbeing and bottom lines. Conversely, leaders who aren't committed to well-being can impede results. Low-performance organizations are **2x more likely than their high-performing counterparts to have leaders (at all levels) who do not understand the business value of wellness/wellbeing programs**."

<u>McKinsey research</u> echoes these findings through the lens of opportunity cost, revealing that "the pandemic and its effects are forecast to cost the global economy up to 8% in real gross domestic product this year alone. But each year poor health costs twice as much, around 15% of global real GDP from premature deaths and lost productive potential. Now consider the flip side: Investing in better health can boost the economy and increase productive capacity now when we most need it." Want more information on how to create well-rounded leaders with business savvy and high emotional intelligence?



READ about The Regis Company's Whole Leadership philosophy

PUT THESE INSIGHTS INTO ACTION

HOW CAN YOU SUPPORT AND PREPARE YOUR PEOPLE FOR DEMANDS ON THE 'SOFTER' SIDE OF LEADERSHIP?

Lead by example with self compassion.
 Sometimes humans need permission to be empathetic

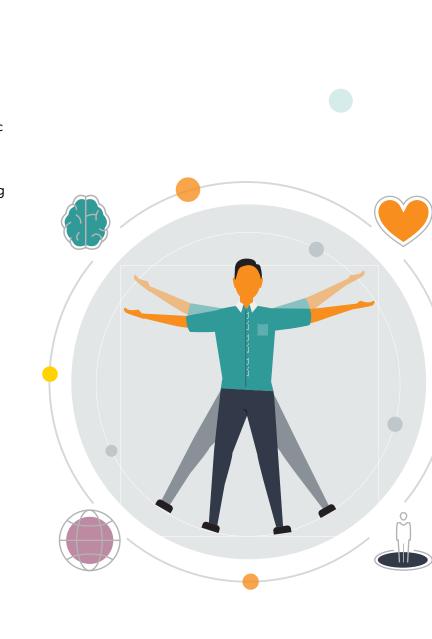
 especially toward themselves – in the workplace.
 Set the tone by openly showing self compassion.
 Share with your teams the little ways you're practicing self care, prioritizing personal wellness, or coping with stress, and invite them to do the same.

• Invest in your leaders' personal learning journeys.

Find ways to support and inspire the desire for professional growth, and you'll notice a positive change in morale and mindset among your leaders. This can look like developing an immersive program, or can be as easy as sharing accessible learning opportunities like LinkedIn Learning or Coursera.

• Focus on building a brand community.

Combat cultural disconnection and maintain a supportive presence for your employees. Add some short virtual events to the calendar that promote community and wellbeing: Try a 15-minute mindfulness session or a weekly exercise challenge.



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TREND 3

QUEST-FOR THE UTOPIAN WORKPLACE

Companies are emphasizing diversity, inclusion, and social good in business strategy and training.

There's no shortage of research demonstrating the value of diversity in the workplace. From creativity to recruitment, diversity and inclusion have become the elusive secret sauce for achieving outsized outcomes. A recent study by innovation guru Josh Bersin found that "inclusive companies are 1.7 times more likely to be innovation leaders in their market." As a corollary, most leaders believe working ethically and making a positive social impact are very important or extremely important, as reported by almost 74% of our survey respondents.

WHERE DIVERSITY AND **INCLUSION HAPPEN**

Diversity, inclusion, and social impact are noble goals, but notoriously difficult to define and operationalize. It has long been said that success in implementing these values starts at the top, but individual leaders must also be trained to incorporate these principles into their thinking and behavior.

According to the Society for Human Resource

Management, leader education is the instrumental first step in creating diverse and inclusive work environments. Dianne Campbell, vice president of global diversity and inclusion at American Express in Washington, D.C. asserts, "At the end of the day, it's the leader who's on the front line with our employees. It's the experience that the leader is creating that is going to make or break [your D&l initiatives.]"

WHAT TO THINK

There is only one right way to solve this problem.

No one has ever shown me how to solve this type of problem

I know how to do this, I can do it on my own.

I was raised to understand the world in one way and I don't accept other points of view.

Teaching how, not what, to think is an open door for diverse points of view to be acknowledged and elevated. Above are examples of how leaders can move from 'what to think' to 'how to think' with appropriate training, enhancing creativity, empathy, and inclusiveness.

FROM LIP SERVICE **TO REAL CHANGE**

Diversity in race, ethnicity, gender, age, and background can advance innovation and invite creativity. But the brunt of the initiative cannot solely be borne by the recruitment office. Learning and development professionals must take the baton and prioritize diversity in thinking – a skill that can be learned by any employee from any background through leadership development training.

Most training teaches leaders what to think instead of **how** to think. Employees become proficient in process and rote application of skills, but still suffer from limited thinking due to habitual thought patterns and biases. When leaders learn how to think, they first examine how they view the world and work to lift the veil of bias and myopic thinking. This new way of relating to the self and others encourages flexible, inclusive, and strategic thinking.

HOW TO THINK

There are many ways to solve a problem and I have the strategic expertise to choose the wisest path.

I have the resources and skills to find similar examples of this type of problem, then tackle it appropriately.

Asking for help is not a weakness; working collaboratively can lead to an even better outcome.

My view is valid, and so are the views of people from different backgrounds; we likely have overlapping values.

PUT THESE INSIGHTS INTO ACTION

HOW CAN YOU SUCCESSFULLY IMPLEMENT THESE DIFFICULT-TO-ACHIEVE OBJECTIVES?

• Educate yourself through your people.

Learning about the array of lived experiences among your employees and clients is the best starting point for creating a culture of diversity and inclusion – as well as surfacing innovative ideas.

• Create opportunities for service.

Making community service a key tenet of organizational culture helps align leaders with their natural desire to help others. Be a conduit for their giving spirit by creating opportunities for service; you'll add to their personal fulfillment and your brand's goodwill.

• Incorporate the right training.

To cement diversity and inclusion in your culture, choose leadership development curriculum that drives real behavioral change by examining thoughts, habits, patterns, and biases.

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CARE, FORGIVENESS, PATIENCE, AND LISTENING ARE AMONG THE MOST IMPORTANT NEW TOPICS IN BUSINESS. MANY OF THE HR LEADERS WE MEET WITH TELL US WE ARE CREATING A NEW MODEL FOR LEADERSHIP, ONE BUILT ON TAKING CARE OF OTHERS.



LEANING INTO A NEW NORMAL

But the news is not all bad. Across the board, the pandemic has spurred purpose-driven innovation. Over 89% of our survey respondents agreed that events of 2020 have surfaced opportunities for innovation, creativity, and operational efficiency.

In fact, the way we define innovation has even been changed by COVID-19. The <u>Brookings Institute</u> credits the pandemic with bringing widespread "frugal innovation" to the United States - a tack already embraced by developing countries, like India, which converted train cars to COVID care facilities. The US picked up the trend with do-it-yourself cloth masks, 3D-printed ventilator multipliers that provide life-saving therapy for up to seven patients per machine, and more. This is the type of adaptability and flexible thinking that leadership development must cultivate in 2021.



TREND4 A 21ST CENTURY RENAISSANCE

In spite of the hardships of the last year, there is significant optimism that the pandemic will drive innovation and positive change in operational efficiency and learning technology.

Though perhaps not a 'Dark Age,' 2020 will certainly be known as a time of uncertainty and isolation. Live learning came to a screeching halt. Many learning programs were paused indefinitely. The World Economic Forum noted that "hard-to-digitize and peopledependent sectors" are the least resilient in the post-COVID landscape. And indeed, more than one-third of the learning leaders we surveyed said they were not adequately prepared to address leadership development in a strictly virtual environment.

"During World War II, an amazing amount of innovation, including radar, reliable torpedoes and code-breaking, helped end the war faster. This will be the same with the pandemic."

– Bill Gates

Innovation vs. the Corona Virus



22% of companies were ready for

mass remote working prior to the outbreak according to the World Economic Forum pulse survey.

A NEW PERSPECTIVE ON LEARNING

While workforces remain remote for the foreseeable future, when it comes to business growth and employee development, the show must go on. This requires leadership development that's made accessible and scalable through technology.

The most powerful solutions will be deployed via immersive virtual platforms that leaders can access anytime, anywhere – with true-to-life content designed to engage leaders at every level. Simply put, the crux of leadership development now lies in the richness and reach of technology-enabled solutions.



Just as we are redefining leaders as holistic humans with multi-faceted strengths and challenges, so too must we redefine learning to fit the Next Normal. The next generation of learning technologies will structure learning across a holistic, long-term journey, where varied tools and experiences come together to form a complementary and adaptive learning ecosystem.

PUT THESE INSIGHTS INTO ACTION HOW CAN YOU BALANCE THE NEED FOR SCALE, AFFORDABILITY, AND EFFICACY IN THE LEARNING ECOSYSTEM?

Use technology to enhance learning.

The only way to solve for all variables in the Next Normal is to rely on technology for richness and reach. Virtual solutions hold the promise of immersiveness, affordability, and adaptability - so you'll want to seek out leadership development partners with proven history in delivering engaging digital learning experiences.

Design learning with a holistic lens.

There's no silver bullet in leadership development. To grow well-rounded leaders, you'll need a robust ecosystem of learning resources to address leaders' changing needs over time. As you construct your ecosystem, look for solutions that treat learning as a long-term journey, provide multiple learning modalities, and address both human and business aspects of leadership.







RECOMMENDATIONS FOR ADAPTING LEADERSHIP DEVELOPMENT

You've explored four key trends that will shape the Next Normal in learning and development and learned a few actionable steps to take to ensure your business and your people are ready for what's ahead. Use this summary of our recommendations as a reminder of how to translate each trend into action in your organization.

HOW CAN YOU WEATHER (AND SHAPE) THE CHANGING FUTURE THROUGH LEADERSHIP DEVELOPMENT?

- Make time for wellbeing.
- Combat uncertainty with predictable support.
- Modernize your learning landscape.

HOW CAN YOU SUCCESSFULLY IMPLEMENT THE COMPLEX OBJECTIVES OF DIVERSITY, INCLUSION, AND SOCIAL GOOD?

- Educate yourself through your people.
- Create opportunities for service.
- Incorporate the right training.

HOW CAN YOU SUPPORT AND PREPARE YOUR PEOPLE FOR DEMANDS ON THE 'SOFTER' SIDE OF LEADERSHIP?

- Lead by example with self compassion.
- Invest in your leaders' personal learning journeys.
- Focus on building a brand community.

HOW CAN YOU BALANCE THE NEED FOR SCALE, AFFORDABILITY, AND EFFICACY IN THE LEARNING ECOSYSTEM?

- Use technology to enhance learning.
- Design learnng with a holistic lens.

DO MORE WITH LESS IN THE NEXT NORMAL

All signs point to learning and development taking on a leading role in helping leaders and organizations move past the pandemic. However, significant obstacles may lie ahead. We found that 72% of leaders agree or strongly agree that COVID-19 has fundamentally changed the way their organization will execute leadership development in the future. But about 41% of respondents said their budget would likely stay the same, and 21% reported theirs would likely decrease. How can learning leaders deliver on their biggest challenge yet without additional resources?

Top Factors Affecting Leadership Development Decisions*

- **1** BUDGET
- **2** EXECUTIVE PERCEPTION
- **3 PARTICIPANT SATISFACTION**
- **4** ABILITY TO DELIVER VIRTUALLY AT SCALE

* Based on The Regis Company 2020 State of Business and Leadership Development Survey, including customers and learning leaders across the globe.

60% of leaders agree or strongly

agree that the pandemic has exposed organizational weaknesses which we must address in 2021 in order to thrive.*

HOW TO DO MORE WITH LESS IN 2021 AND BEYOND

The Regis Company's human-centric virtual solutions are a critical part of any learning ecosystem that values scalable technology, engaging learning experiences, and a balance of business and human skills training that builds holistically successful leaders.

What does it mean to get more out of leadership development?



MORE REACH AND SCALABILITY

Learn about our immersive virtual learning journeys (\rightarrow)

See how we nurture <u>Whole Leaders</u> \rightarrow

MORE HOLISTIC TRAINING





MORE ENGAGEMENT AND ENHANCED EFFICACY

Explore the Experiential <u>Learning Toolkit</u> (\rightarrow)

ABOUT THE REGIS COMPANY

The Regis Company is the industry leader in creating personalized leadership development solutions across the world's most progressive organizations. Our targeted design methodology results in impactful and transformative learning experiences that enhance critical thinking skills, improve decision making, and build leadership capabilities for leaders at all levels. No matter where they are in their development journey, our award-winning solutions enable organizations to transform their leaders, drive change, and achieve business results. With extensive experience in more than 25 unique industries, The Regis Company has created and implemented hundreds of leading-edge programs across the globe.

TO LEARN MORE, VISIT WWW.REGISCOMPANY.COM.

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