

## Leadership challenges: learning to embrace paradoxes

The test of true leadership is the ability to manage contradictions and the first step is to identify what these are

[Guardian Professional](#), Monday 10 September 2012 14.25 BST



Today's leaders often encounter contradictions in their work and must learn to embrace paradoxes. Photograph: Elmtree Images/Alamy

It's Friday evening and you are starting to think about a relaxing weekend ahead when suddenly the challenges you are facing as a leader come to mind: achieving growth in economically difficult times, continuously innovating to stay ahead of the competition, embracing change in an increasingly complex environment, being a visionary and engaging leader.

While all of these represent big challenges, there is another challenge that runs through them all and is bigger than any of them. This is that leaders need to do things simultaneously that are commonly considered to be contradictions. Therefore, the biggest challenge facing those who want to succeed in the complex and fast-moving world, is learning to embrace paradoxes.

### **Paradox 1: growth versus sustainability**

In the past, when asked about their ambition for their organisation, a successful CEO would have responded with grow, grow, grow. Year-on-year growth remains the measure of worth and value of an organisation. Growth as it is currently defined tends to result in an unquestioned and unchecked consumption of resources. Sustainability considerations are generally considered to put a major strain on growth ambitions. The way forward is [innovation](#), but another paradox is inherent within this.

### **Paradox 2: innovating versus operating**

Is innovation one of the top values or priorities in your organisation? If it is not then it should be. It is not all about the big, radical innovations, it is also about small, incremental changes; it is certainly not all about products but increasingly about service , process , business model and social innovation.

However, focusing on innovation does not mean ignoring operations. Effectiveness and efficiency, cost reductions and streamlining remain critical aspects of doing business. The tricky bit is that the skills, structures, measures and processes that allow operations to thrive can seriously get in the way of innovation and vice versa.

### **Paradox 3: change versus continuity**

If you are setting your organisation on course for innovation, what you are fundamentally doing is seeking change. The questions become innovation and change where? How much? In what areas of the business and why? What kind of innovation (product, process, service, business model) and what level of innovation (incremental, radical, transformational) should you be aspiring to? What should stay the same? If you try to innovate too many things at once you will end up with chaos, if you do not change at all your organisation will decline. What is the right balance?

**Paradox 4: [collaboration](#) versus competition**

Business is inherently competitive, competing for customers, market share, employees, finances and other resources. However, today collaboration is common, with most companies having collaborated with their suppliers and their customers. Beyond this, leading companies are going a step further and promoting collaboration through crowdsourcing or with competitors.

**Paradox 5: complexity versus simplicity**

Collaborate, compete. Change, remain stable. Innovation excellence, operational excellence. Growth and sustainability. All of these demands on leaders result in increasing levels of complexity, arising less from the number of options and possibilities, but rather from the number of possible, unpredictable interactions between these. Leaders must find ways to deal with this complexity and embrace and manage it to achieve simplicity.

**Paradox 6: heart versus mind**

On one hand there is the hard-nosed business world where decisions are based on facts and figures. On the other, there is complexity, change and innovation where predictability is hard to come by. Decisions need to be made in the face of incomplete analysis, unpredictable outcomes and changing circumstances. Gaining buy-in cannot be achieved using facts and figures that are truly reliable. People must be brought on board through other means such as vision, inspiration, engagement. The foundations for analysis and factual arguments differ from emotional and visionary engagement; people who excel at one are not necessarily particularly good at the other and yet both are needed.

In the next article I will explore these challenges in more detail, propose questions to be asked and assumptions to be challenged and share some examples and insights on how these paradoxes might be reconciled.

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