Reimagining leadership

Steering India's workforce in 2030

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Foreword

> *The function of leadership is to produce more leaders, not followers."*
>
> **- Ralph Nader**

At a time when disruptive change is the only constant and is demanding the full attention of leaders across the board, it is natural for organisations to seek a degree of predictability vis-à-vis the future of work.

In view of the rapid pace of technological advancements, the sustainable edge for organisations comes from their 'talent pool'. Even as technology is making human beings redundant, it is, ironically, the same human beings who can bring in the most relevance to their evolving role in organisations. In this context, leadership ability is a differentiator. A leader is expected to be a 'ten-handed demigod' who will predict the unpredictable, think courageously, do the impossible, act fast and effectively, and get things right in the first attempt.

This is the next level of the 'Human Age', where businesses are being led by human beings, their capabilities amplified by technology to deliver non-linear growth and by adopting an adaptive mind-set for growth. The pivot that organisations need to leverage is the talent of their workforce and their leadership bench strength.

While an understanding of the importance of leadership is firmly entrenched in the corporate world, the challenge lies in equipping leaders to deliver on the multiple expectations that they are required to deliver on.

Given the enormity of this ask, we thought it would be pertinent to understand the dimensions of high-impact leadership for the future. Although the future remains steeped in some ambiguity, we have brought together multiple strands to articulate a perspective on what the leadership will need to do differently in order to succeed and build organisations of consequence.

Our white paper is an attempt to connect three critical dots related to leadership for organisations in India:

- **The future scenario:** The intersection between the India's growth paradigm (which we articulated at length in our 2014 report 'Future of India: The Winning Leap') and the workforce of the future (which our recent global report 'Workforce of the future: The competing forces shaping 2030' charts out in-depth)
- **Critical capabilities for the future:** The non-negotiable leadership capabilities that leaders will need to succeed in the workplace of the future in India
- **Development ecosystem for the future:** The development models, capabilities, commitment-building mechanism and organisation ecosystem that are needed to develop the future leaders within corporations in India

Our white paper, **Reimagining leadership: Steering India's workforce in 2030,** reflects PwC India's commitment and hope to build leaders who can take on the unprecedented challenge of building sustainable organisations in India that stand the test of rapid change and restructure, regrow and reorganise for relevance and success.

Finally, this white paper seeks to clarify the purpose of leaders in organisations. Put simply, this refers to the organisation's ability to embrace the past and build leaders and organisational capabilities that contribute to the future. It is our hope that this white paper will help leaders understand the capabilities and mechanisms that they need to adopt today in order to build successful organisations that endure.

Shyamal Mukherjee
Chairman, PwC India

1 Introduction: India in 2030

> *People who change after change, will survive.*
> *People who change with the change, will succeed.*
> *People who cause the change, will lead."*

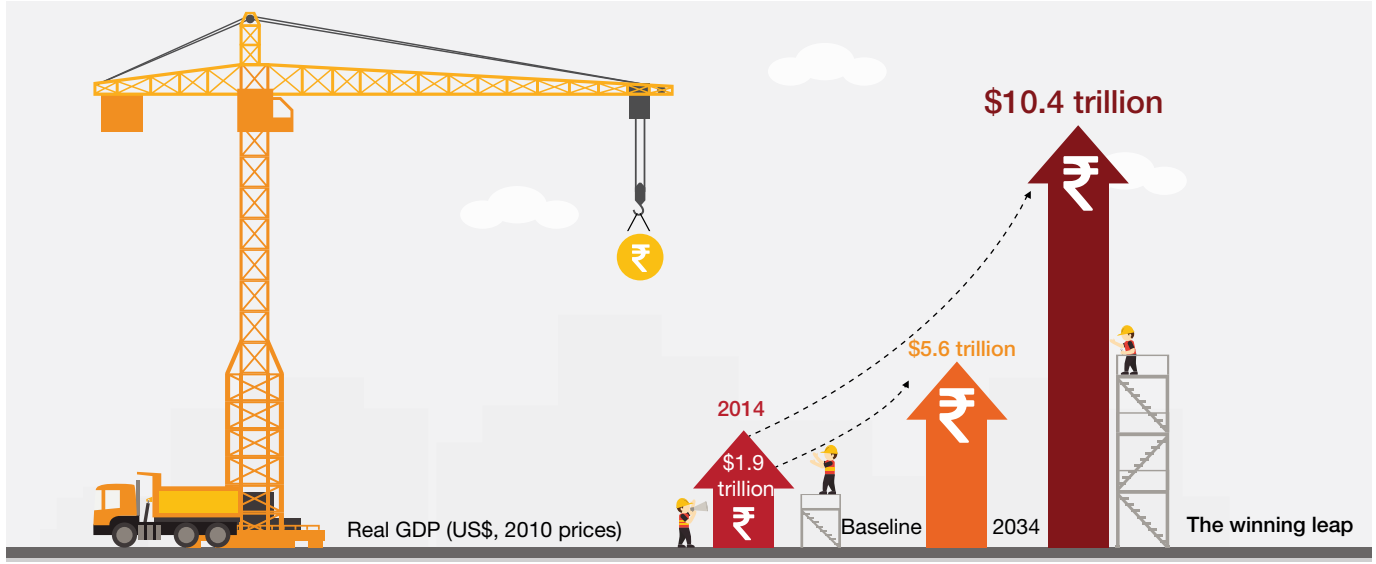
- Narendra Modi
Prime Minister of India

In the eighth decade of independence, India stands at a fascinating crossroads. On the one hand, we are in the throes of a digital revolution which is re-engineering the world of work in India. Every day, we leverage the principles of design thinking to re-imagine outcomes, leading to widespread innovations and changes in systems, processes and ways of working. At the same time, at the national level, we continue to grapple with the socio-economic disparities of our people and look at ways to improve the economic realities of the masses.

1.1. The national ambition

In our report 'The future of India: The Winning Leap', we noted that over the last two decades, India's gross domestic product (GDP) has risen by more than 1 trillion USD.[1] This growth has given rise to a new cohort we call the emerging middle class. The young Indians in this cohort—which is likely to be a billion strong by 2034—have rising aspirations. They are also more empowered to demand change, thanks to greater access to the Internet and mobile connectivity. The government's focus on development is a strong indicator of the population's desire for growth and for the benefits of this growth to be extended to all members of society.

If India continues on its present growth course, it could have a 5.6 trillion USD economy by 2034. To create a 10 trillion USD economy, India will need to accelerate its growth significantly. Linear thinking will not be enough to help the nation achieve its growth ambitions.



Source: PwC analysis

To do so, the nation has to leverage its significant population advantage, which is set to reach nearly 1.5 billion by 2030 (an increase of 15.6% from 2015).[2] While the absolute population growth is slowing down, India's youthful age structure ensures that population gains remain strong, with the country expected to overtake China and have the largest population in the world in 2028. Further, India will have three megacities by 2030, although the country will remain predominantly rural up to that year. All of these developments provide a sustainable supply of talent that can be effectively leveraged for organisations to grow in India.

[1] PwC. (2014). Future of India: The Winning Leap. Retrieved from https://www.pwc.in/assets/pdfs/future-of-india/future-of-india-the-winning-leap.pdf (last accessed on 21 September 2017)

[2] TNN. (23 June 2017). By 2030, world will have 8.6 billion people, 1.5 billion of them in India. The Times of India. Retrieved from http://timesofindia.indiatimes.com/india/by-2030-world-will-have-8-6-billion-people-1-5-billion-of-them-in-india/articleshow/59277566.cms (last accessed on 21 September 2017)

1.2. Demographic opportunity

Even as India grows, it continues to remain a young nation. In 2010, the average age of the population was 25 years.[3] As we approach 2020, this is expected to rise to 29 years[4] and in 2030, to be between 31–32 years.[5]

By contrast, the age of 'leadership' appears to be increasing. The average age of Indian CXOs has gone up by at least five years.[6] In the banking, financial services and insurance (BFSI) sector, the average age of Indian CXOs has increased from 42–47 years to 47–50 years and in consumer goods companies, from 48–53 years. In the case of the manufacturing sector, including pharmaceuticals and engineering, the age bracket for CEOs has risen from 48–53 years to 58–62 years and in the case of the technology and software services sectors, from 36–40 years to 47–50 years. While there are Indian entrepreneurs who are in their 20s and 30s, 'hands-on experience' and 'proven perspective' are still largely favoured.

Globally, the trend with respect to the age of CXOs is similar to that in India. However, the average age of populations across the world is rising and remains significantly higher than that of India. In a time of volatility and unprecedented change, these are important factors to consider.
The demographic dividend is a tremendous advantage that India can harness well into the future. The question to ask, therefore, is how we can create appropriate development platforms that channelise the power of our youth and, at the same time, imbue our future leaders with the 'depth' required to manage the volatility, uncertainty, complexity and ambiguity (VUCA) world.

1.3. Ecosystem for driving growth

While India seems geared for superpower status by 2030, the key to the nation's growth is the creation of a network of capabilities that will unlock the full spectrum of potential.

Three broad categories of organisations exist in the private sector:

- **Multinational corporations (MNCs)**

Armed with a global presence and non-India headquarters, this category of organisations has begun to view India as a critical market for skills and revenue. The volume of investments being made by MNCs in their Indian businesses is testimony to the long-range potential they associate with the nation.

- **Indian diversified companies**

With a sound blend of pride and confidence in the nation's growth strategy, these organisations are using a strong implementation focus combined with quick decision making to drive organisational and national growth. They are creating opportunities to generate and spread wealth by operating in the heartlands of India. This category of organisations spans a wide spectrum in terms of scale and scope. On one side of the spectrum, there are small and medium enterprises with a strong regional and national presence and potential to scale. On the other side are large Indian business houses who have multiple businesses as part of their portfolio and are national/global in their scale and reach.

[3] Knoema. (2017). India - Age - Median age of the total population. Retrieved from https://knoema.com/atlas/India/topics/Demographics/Age/Median-age-of-population (last accessed on 21 September 2017)
[4] FE Online. (26 March 2017). With an average age of 29, India will be the world's youngest country by 2020. Financial Express. Retrieved from http://www.financialexpress.com/india-news/with-an-average-age-of-29-india-will-be-the-worlds-youngest-country-by-2020/603435/ (last accessed on 21 September 2017)
[5] PopulationPyramid.net (https://www.populationpyramid.net/india/2030/) and National Bureau of Asian Research (http://www.nbr.org/research/activity.aspx?id=195)
[6] Biswas, S. (25 April 2009). Average age of Indian CEOs up 5 years. Retrieved from http://economictimes.indiatimes.com/news/company/corporate-trends/average-age-of-indian-ceos-up-5-years/articleshow/4446471.cms (last accessed on 21 September 2017)

- **Entrepreneurial start-ups**

This set of organisations symbolises the new blood and thought process of the new generations in the workforce. Fuelled by a global mind-set and supported by the realities of the 'platform economy', these organisations are creating a new paradigm for the future by blending alternative thinking and the ability to visualise opportunities.

These three distinct organisational types have their own strengths, capabilities and challenges. Given the realities of change, they will need to focus on their core strengths and, in parallel, drive value by co-opting with each other. While they continue to compete for talent, scarce resources and customers, they will collaborate to build the larger ecosystem and drive innovation. This paradox will be a key characteristic of the new market economy structure.

Two entities will have to play a significant enabling role in this diverse ecosystem:

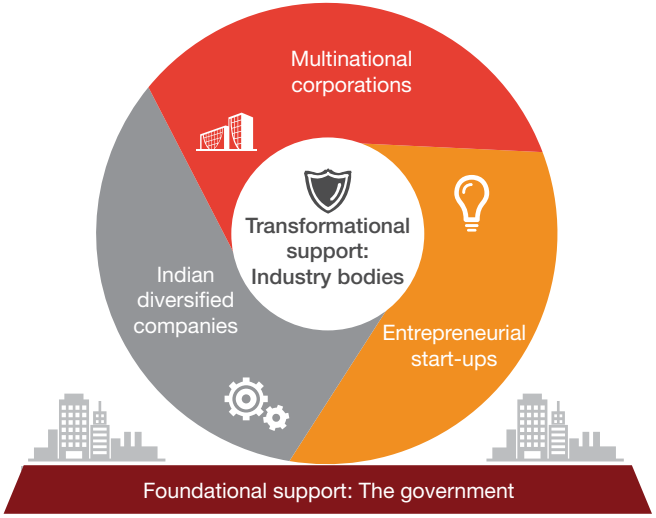
- **Government – foundational support**

Through a combination of policymaking and infrastructure building, the Indian government acts as opportunity creator and assimilator. It is also responsible for taking big bets, driving the growth agenda and making operations in India viable. Thus, the government has the ability to bring together all the players in the ecosystem and ensure a safe environment for growth.

- **Industry bodies – transformational support**

Industry bodies and partnership forums help organisations to build specialist capabilities and harness the power of collaboration in order to drive growth and differentiation. Given the growing focus on deep expertise, these bodies will be key to revamping capability-building approaches so that 'industry evolution' can be driven meaningfully.

It is the interplay between this network of entities that will be vital for accelerating growth.



The ecosystem defining the world of work in India comprises three organisation types supported by the government and industry bodies.

1.4. Objectives of this study

The above discussion shows that leadership in corporate India is uniquely positioned to drive organisational growth as well as contribute actively to nation building.

This study aims to explore the various dimensions of the new leader and provide insights into the following areas:

- Which capabilities of high-impact leadership are critical for success in corporate India in 2030?
- Which paradigms of leadership and leadership development do we need to rewrite?
- How do we go about building leaders of consequence in corporate India?

In the chapters that follow, we have provided perspectives on these areas. These perspectives have been crafted based on inputs received during interviews that we conducted with board members, CEOs, CHROs and other C-suite leaders across a wide range of organisations in India, as well as those obtained from the academic world. In addition, we crowdsourced inputs from CXOs through a targeted survey on 'The Future of Work in India' and gathered inputs from millennials through a series of focus group discussions.

2 Future of work in India: 2030

> *The greatest danger in times of turbulence is not the turbulence – it is to act with yesterday's logic."*
>
> - Peter Drucker

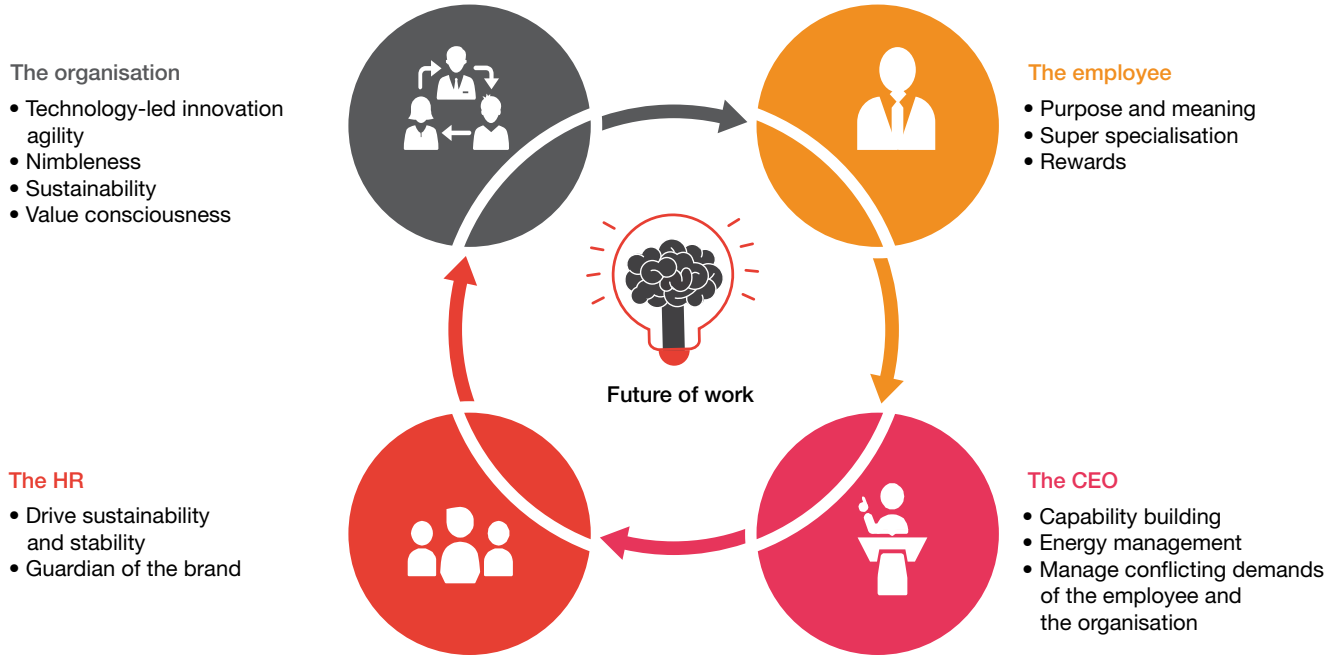
2.1. Sneak peek into India's future of work model

Given the multiple variables at play, it is challenging to precisely define how the future will look a decade from now. The definitions of various constituents of the workplace as we knew them 10 years ago have also changed and are constantly evolving. Any exploration of the future is thus a continuous journey.

In our study, we asked leaders to rank the possible scenarios that they believed would define the future of workplace in India across five aspects: business drivers, culture, workforce composition, distribution of rewards and challenges. We also explored how the roles of the CEO and HR would evolve to meet the demands of these alternative futures.

The findings from our 'The Future of Work in India' survey revealed that the world of work in India is likely to be characterised by the competing and often conflicting priorities and demands of its key constituents—the organisation, the employee, the CEO and HR. This results in a 'work model' which is not only complex but also interdependent.

Future of work model: Competing forces at play



The future of work model for India through the lenses of the four constituents who will play an instrumental role in shaping India Inc.

Managing these competing demands and navigating through the paradoxes will be the key task faced by the CEO and HR in order to propel the organisation on the growth trajectory of the future and to achieve success. Each of the constituents, especially the CEO and HR, will need to reinvent themselves in order to succeed in the new world order.

2.2. Competing forces shaping the future of work in India

Our survey revealed a complex mix of opposing forces which we have detailed below:

Changing expectations of the organisation:

The organisations of the future in India will be defined by new business models, where fast-paced technology-led innovation and nimbleness will occupy one end of the spectrum, while sustainability, collaboration and value consciousness with an emphasis on corporate social responsibility will lie at the other end. Humans will be aided by technology platforms and organisations will increasingly value human employees who bring in super-specialist skills to the table by rewarding them differently. The key challenges facing the organisation will be managing the high-risk environment on the one hand and maintaining trust, fairness and transparency across the value chain on the other. These business drivers and workplace nuances also comprise the organisation's expectations of its CEO in navigating the path to the future.

Changing expectations of the employee

Employees of the future in India will seek meaning and purpose in their work. They believe that super specialists will be sought after and will dominate as everything that is routine can and will be automated. They also believe that the organisation will be willing to pay higher rewards for these super-specialist skills.

Changing role of the CEO

The role of the CEO will evolve from solely being the 'Executive Officer' driving growth to being the Chief Enablement Officer or Chief Energy Officer. While innovation-led growth will remain important from the organisation demand perspective, differentiating human capabilities and managing energies will be central to the CEO agenda. Increasingly, CEOs will find themselves tested by the need to strike the right balance between humans and machines/bots in meeting the needs of the future. Balancing these competing expectations of the organisation and the employee will make the role of the CEO more challenging than ever.

Changing role of HR

HR, which is today largely seen as the function managing the workforce, will cease to exist in its current shape and form. The role of HR will undergo a complete shift and take on new meaning. HR will become the guardian of the brand, focusing on creating the right culture and protecting the organisation against sustainability and reputational risks in the new work order of the future. HR will use advanced analytics to predict future talent demands and to measure and anticipate performance and retention issues. They will also assume an influential position, with the Chief People Officer (CPO), sometimes known as the Head of People and Productivity, being inducted into the board.

In sum, the expectations and roles of the key stakeholders are divergent, and the future work model is likely to pose significant challenges for leaders. Navigating through an uncertain future will require a great degree of courage coupled with the vision and ability to manage paradoxes.

58% say that the workforce will comprise humans aided by technological platforms.

48% say that innovation with a few rules, new products and business models will be the key.

50% say pivotal people with specialist skills will command higher rewards.

31% say that employees seek purpose and meaning in their work.

64% say that continuously building capabilities within the organisation to stay relevant in the future will be the single most important contribution of the CEO.

3 Leadership capabilities for the future of work in India

> *There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order of things."*
>
> - Niccolo Machiavelli

3.1. Portrait of a leader in India in 2030

Let's drop by an organisation of the future in India.

This is 2030. Vinita, the 45-year-old CEO of Stark Industries (SI), one of the largest Indian MNCs, has just finished a virtual reality (VR) meeting with leaders from the UN. Together, they are driving a global energy efficiency project, which is going to be another accomplishment in terms of Vinita's vision for sustainable development. She had taken over the reins of the business from her father about seven years back and has since been navigating her way through the constantly changing dynamics of both the workplace and the industry. She is still in the VR zone and reflecting upon her journey when certain pivotal developments cross her mind:

'Governments across 20 large markets have agreed on unique "borderless" work arrangements for their employees in a ground-breaking tax treaty. Humans and machines work in tandem to arrive at decisions, with a majority of them being made solely by the AI systems. Energy conservation is an important element of an organisation's valuation, with sustainability being a key item on the agenda globally. The boundaries between customers and partners are blurring. India still enjoys a demographic advantage (age is just a number, literally!) and the life span has increased significantly, allowing people to re-skill and work longer.'

Vinita heads a firm that boasts over 7,000 bots and machines and 53 humans, serving a customer base of 8,00,000 spanning 32 countries. Having been through her fair share of successes and failures, she's never been one to quit and has greeted both with the same fervour. She has led large transformational projects, including three acquisitions in the last 5 years, thus underlining her ability to understand a situation from multiple perspectives and chalk out a strategy for an uncertain future.

Her core team includes Aman, a 25-year-old consumer intelligence expert; Susan, an 18-year-old emotional intelligence expert; 'Bob the bot', the Analytics Head; and Bhushan, her 71-year-old uncle who is an advisor to SI and also on the board of the Energy and Environment Conservation (EEC) body in India. It was Vinita's childhood dream to make a significant contribution towards energy conservation, and she has been dutifully invested in the energy project jointly led by the EEC and the United Nations.

Vinita is a thought leader and has inspired the youth and her peers across the globe with her vision of energy conservation. In the past, some of her core team members worked with her on the mega UN project on the 'Ethical Charter on Human Enhancement'. Her meteoric rise in the global arena, coupled with the effortless synergy between her words and actions, has lent her impeccable credibility. What differentiates Vinita from her peers is her ability to connect and forge strong partnerships and navigate through complex situations involving a broad set of stakeholders.

She has yet to meet any of her core team members in person, as all their meetings take place in the VR space. Most of her team members are working with different corporations in India and across the globe and thus benefiting from the tax treaty signed between key markets on the employment front. Vinita's coach is Ria, a 17-year-old material scientist, who is also on the Advisory board of SI. It is Vinita's firm belief that this core team is constantly learning and evolving, which makes it essential for her to keep re-inventing herself.

The above description of the leader of 2030 may sound almost unrealistic. However, given the unprecedented change that the world and India are witnessing, the uncertainty around the future and the unintended consequences of actions taken, the future leader will be of a totally different order. The results of the study conducted as part of this white paper reinforce the idea that the future leaders will make a clean break with the past. Courage will take centre stage as leaders will be required to take big and bold decisions for the future, while self-awareness and personal credibility will form the bedrock of a leader's existence.

> ***"The future requires leaders to be able to practice data centricity and adopt a scientific approach towards decision making. A table or graph is worth a thousand words."***
>
> **- Perspective of an industry shaper**

3.2. Leadership capabilities for 2030

Our study identified nine leadership capabilities which will help leaders navigate through India's world of work in 2030:

Our study adopted a three-pronged approach—expert interviews, a survey and focus groups—to define the critical leadership capabilities required to succeed in India in 2030 (for details on the research methodology, please refer to Annexure 1). Nine critical leadership themes emerged during the expert interviews. To gather further views on these nine themes, we reached out to a larger group of leaders through a survey and asked them to rank these nine themes in order of criticality. Deeper analysis of the themes in the context of the future of work revealed three sets of capabilities:

- Emerging or new capabilities
- Core or foundational capabilities, and
- Adopting simultaneities: Decision-making capabilities to balance competing business scenarios

3.2.1. Emerging or new capabilities

These capabilities are critical for the future of work in India in 2030 and will be the ones that differentiate successful leaders. The six capabilities that fall under this category are disruptive envisioning, orientation towards institution building, managing multidimensional diversity, personal credibility and talent magnetism. Five of these six capabilities also emerged as the most critical leadership capabilities amongst the leaders interviewed and surveyed. Their selection indicates an acknowledgement of the tectonic shifts that are under way in the workplace, making it complex than ever. Embracing these new capabilities will be extremely critical for leaders to make a leap into the future and will be career defining.

1. Disruptive envisioning

Mental courage and perspective to cut through the noise of today to challenge paradigms and plan for multiple futures for the organisation of tomorrow

2. Multidimensional sense-making

Ability to make sense of the context in a complex environment (VUCA world) and constantly challenge old mental models and assumptions

3. Orientation towards institution building

Ability to place an organisation's mission and purpose above everything, including personal wins and achievements

4. Managing multidimensional diversity

Ability to lead a workforce compromising multiple generations, cultures, employment models (part-time with multiple employment contracts, full-time) and compositions (machines, bots, AI, humans)

5. Personal credibility

Consistently displaying authenticity of thoughts and actions, leading to the creation of a strong personal brand of excellence and dependability

6. Talent magnetism

Ability to lead without authority, inspire trust and rally people towards a common purpose/vision

3.2.2. Core or foundational capabilities

These capabilities are 'core' or 'foundational' to leadership even today and will assume greater significance in the future on account of their impact on the emerging capabilities. The three core capabilities are self-awareness, curiosity to learn and evolve, and building and nurturing networks. In our study, leaders gave preference to emerging capabilities, while the core or foundational capabilities were considered to be more of a given or threshold. As we take a closer look at the capability themes, we realise that they are not independent and are in fact correlated. More specifically mastery in one capability positively reinforces the other, whereas the absence of some of the core capabilities can inhibit the development and full realisation of the emerging capabilities in a leader. For example, a leader will not be able to truly master disruptive envisioning unless s/he has a curiosity to learn and evolve. Likewise, orientation towards institution building will be sub optimally realised if leaders are not capable of nurturing relationships and networks and have a heightened degree of self-awareness.

7. Curiosity to learn and evolve

Ability to learn continuously and evolve in order to stay relevant

8. Building and nurturing networks

Ability to work with a range of traditional and non-traditional partners/stakeholders in a constantly evolving network

9. Self-awareness

Ability to be brutally honest about oneself and the impact created on the ecosystem/environment

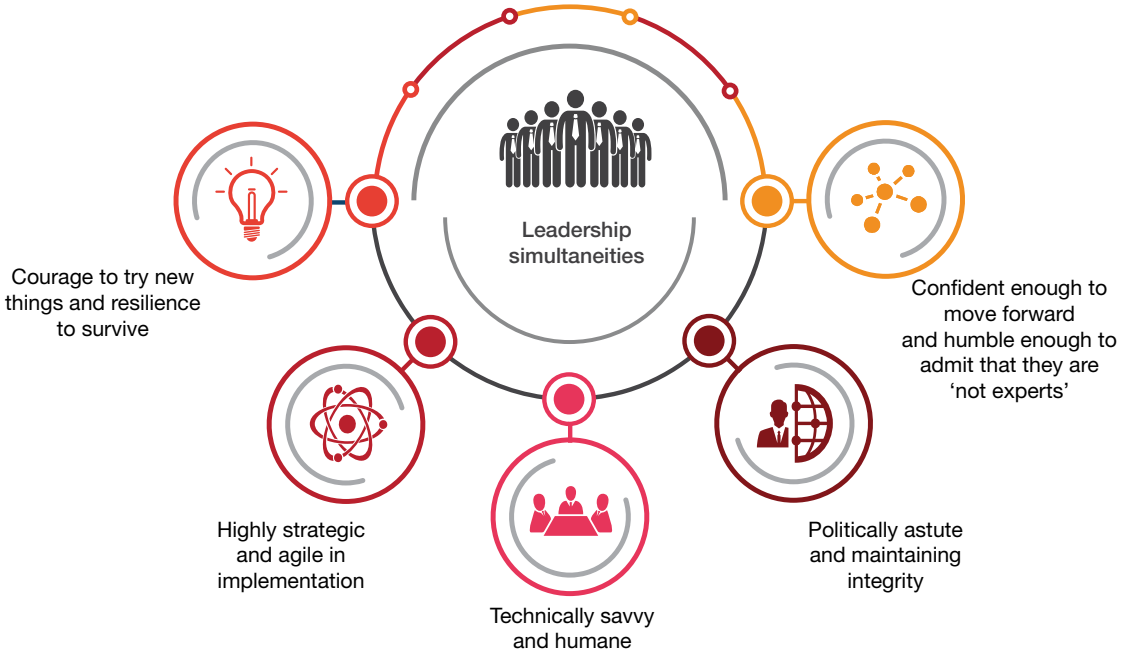
3.2.3. Leadership simultaneities

The leadership simultaneities were another important dimension of our study, under which we tested the decisions and choices that leaders would need to make to navigate through the future. These simultaneities are characteristics sitting at the two ends of a spectrum and will test the leader's ability to move across the spectrum in order to successfully lead.

The simultaneities reflect the business of the future, the evolution of India as an economy, and the changing paradigm of leadership as leadership styles change from 'following the developed economy approach' to our own indigenous approach.

In our study, we asked leaders to rank the simultaneities they believed were most significant in the context of the future of work in India.

The top five simultaneities are:



3.3. Decoding the leadership capabilities

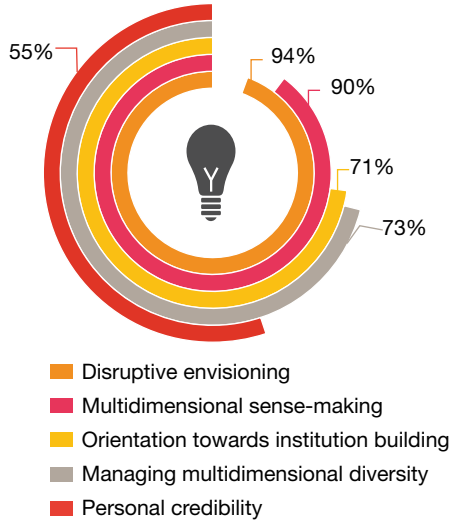
In this section, we will deep dive into each of the nine leadership capabilities and discuss the findings of our survey.

Question: What according to you are going to be the critical leadership capabilities required to succeed in the future workplace in India?

The top five critical leadership capabilities vary depending on the nature of the organisation; however, the top two remain the same.

In our study, **disruptive envisioning** emerged as the most critical leadership capability required to succeed in the future workplace in India.

Leaders are increasingly realising that their role in this changing business environment in India will be complex and that driving the next phase of organisation growth will be very different from managing business as usual. A successful stint managing business as usual in the past may not automatically qualify leaders to lead in a world that's characterised by instability, uncertainty, disruption and a new workforce order. A great degree of unlearning and learning will have to happen and many of the conventional leadership practices will give way to new ones. Here, **disruptive envisioning** refers to the courage to challenge the status quo to stimulate disruption, perspective to cut through the noise of today and look into the distant future, and vision to connect the dots to create multiple possible future scenarios.



It refers to the leader's ability to **simultaneously zoom into a future that's hazy and completely different from the present, gaze into the possibilities** that may exist from a customer and customer's customer perspective, **balance these with the relevance** for their own business and, finally, **demonstrate 'leadership courage' to take a leap of faith** along with an openness to experiment and **lead the organisation into that future.**

Multidimensional sense-making emerged as the second most critical leadership capability in our study. This suggests that leaders can no longer claim to be experts on everything and 'know it all'. Yet, making sense of possibly everything that is happening around their businesses and ecosystem will be of paramount importance for executing with speed today and securing the future. Multiple variables such as automation, AI, changing demographics, worker sentiments, consumers, regulations and changing business boundaries, along with others that are constantly evolving and those we don't see or know, are making the world far more complicated. When so many complex forces are at play, a linear approach to thinking and trying to connect each of the variables and trying to find a 'one-to-one' correspondence and responding to them will just not work.

> ***"Sense-making in chaos is crucial: The ability to see patterns and look at multiple data points because there will be so much cognitive load management that one can shut down and get lost."***
>
> **- A noted academician**

Multidimensional sense-making is a test of the leader's ability to connect multiple unknown variables and stakeholder expectations while keeping the business 'right and centre' and, at times, redefining the connections amongst the data and dependencies. However, the more challenging aspect of multidimensional sense-making would be taking decisions based on these connections in an environment and in situations that didn't exist in the past. Leaders will need to reflect a lot more in order to make sense of the context, time travel to the future, create new mental models and bring all of this information back to the current and apply it to a number of situations where the outcomes are unknown.

This particular capability will require leaders to have a much higher order of comfort with transposing connections between discrete and unconnected information and data, draw relevance from factors and conditions that seem unconnected and, above all, feel comfortable with data points as they simultaneously zoom in on and zoom out of the various threads forming the complete picture.

Orientation towards institution building emerged as the third most important leadership capability required to succeed in the future. Until now, Indian leaders have been successful in leveraging opportunities for creating value and growth. The leaders we surveyed acknowledged that the next phase of growth would be propelled by balancing the short term and the long term while keeping the organisation at the centre. This would in turn mean working towards a defined mission and thinking about sustainability. This is a paradox that Indian leaders will need to manage as they will have to continue to focus on meeting the short-term goals and shareholder expectations. Leaders will have to rise above their personal aspirations and outgrow their own vision, and place the organisation's purpose and well-being above everything else.

An institution-building mind-set requires leaders to manage multiple variables, namely the ability to think about the organisation's success before individual success, prioritise 'what's in it for the organisation' (WIIFO) over 'what's in it for me' (WIIFM), along with the ability to think through variables into the future without getting caught in the present or the near term. As thinking about the organisation and thinking long term are closely aligned, the impact on success drivers, performance measurements and organisation structures needs to be repurposed.

> *"A leader will have to lead from the front and engage with all stakeholders. The passion will have to be very high, and in tough times your ability to make sacrifices will count. Leaders who are too much in the spotlight – and like that – can't build trust for long. Be appropriately out there, don't make the organisation a mere vehicle for your brand. It has to be about the mission, not about you."*
>
> **- Chairman of one of India's foremost public sector banks**

Technology advancements, including robotics and AI, have already begun making inroads into the Indian workplace, with bots carrying out various jobs. While leaders in global markets are debating the man versus machine question, Indian leaders believe that the coexistence of man and machine will fuel their next phase of growth. As per PwC's 20th CEO Survey, 56% of the CEOs in India are exploring the benefits of humans and machines working together.[7] While it is difficult today to exactly predict the pace at which India will embrace or be compelled to embrace this change, one thing that is clear is that the workforce order will change significantly and increasingly, leaders will be required to work with and manage a workforce which is very different from them and very different from the one today. The teams are going to be more heterogeneous than ever—comprising humans of different age groups, ethnicities, bots and machines, and AI, and different employment models, with people working remotely for two to three different organisations at the same time. In keeping with these trends, our survey respondents rated **managing multidimensional diversity** as the fourth most critical leadership capability. This ability requires leaders to embrace the diversity of their workforce and drive unemotional and unbiased inclusivity.

The key here is not to get caught in the 'definition of diversity' and to look for the intent of diversity. This will enable leaders to build teams that are truly diverse.

72% of the respondents ranked managing multidimensional diversity as the fourth most critical leadership capability required to succeed in the future workplace in India.

Managing the younger workforce in India will be a much bigger need and opportunity in comparison to any other place in the world.

> *In organisations of the future, pyramid structures will get replaced by differentiated skill-focused structures."*
>
> **- Shyamal Mukherjee**
> Chairman, PwC India

[7] PwC. (2017). 20th CEO Survey. Retrieved from https://www.pwc.in/publications/ceo-survey/20th-ceo-survey.html (last accessed on 21 September 2017)

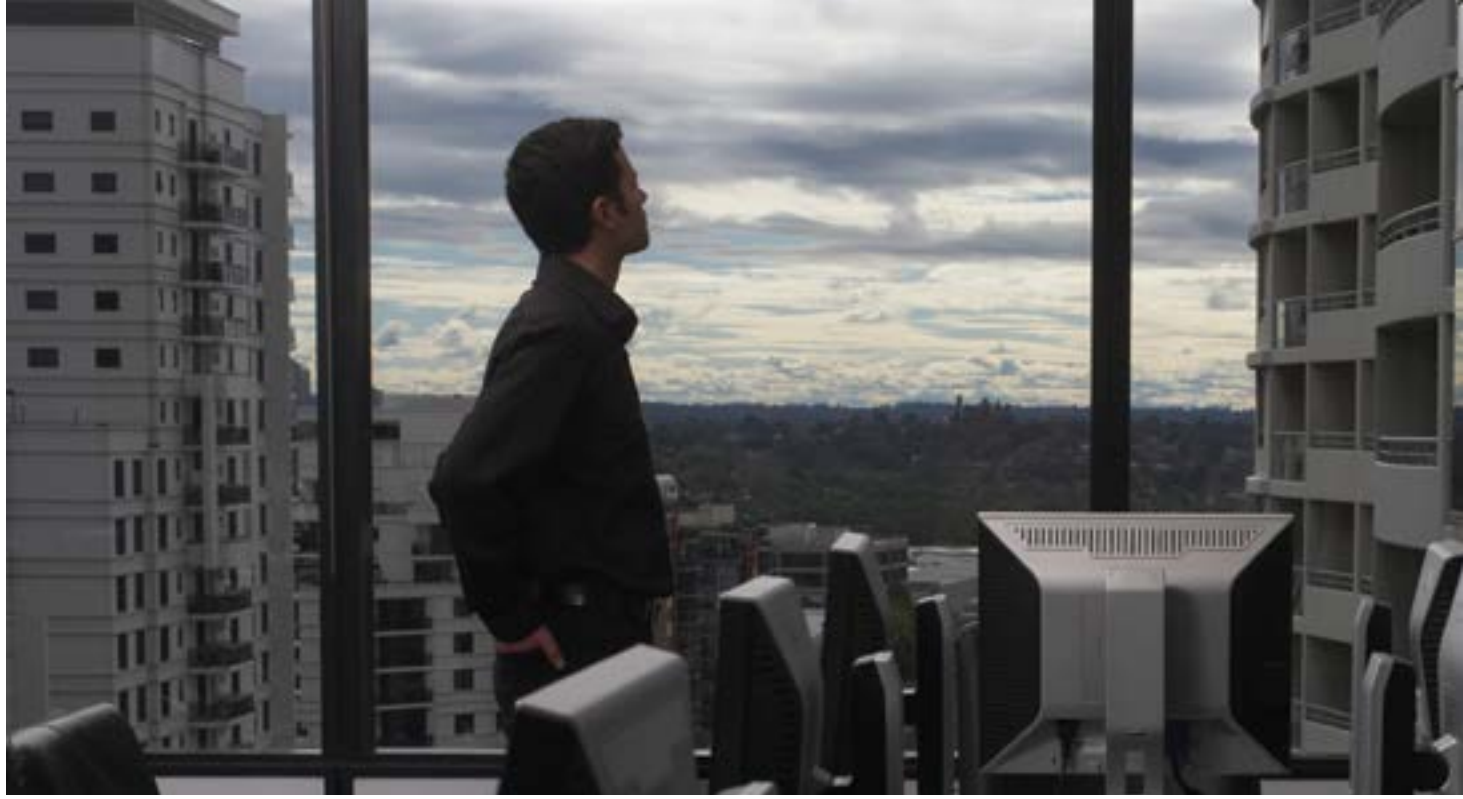
Personal credibility emerged as the fifth most critical leadership capability in the Indian context. The leaders interviewed and surveyed as part of this study recognised that given the pace at which the business landscape is changing, past experiences would have limited bearing on the ability to make decisions for the future and move forward with agility. With the advancement in open communication channels and evolution of the employee-employer relationship, leaders are increasingly going to be in the spotlight, being watched by a varied set of stakeholders at all times. In a situation like this, the single most important factor that will enable leaders to gain the trust of their stakeholders will be their personal credibility. Personal credibility will have three elements: consistency in words and actions; credible decision making when faced with novel situations in a high-speed environment and sustaining these decisions; and, most importantly, communicating and connecting with all the stakeholders at a deeper level. Communication will be the multiplier for building personal credibility, and leaders will have to rid themselves of the illusion that communication is already happening and work towards actually making it happen. This theme of leadership will be foundational for India Inc. and will be mainspring of trust during difficult and challenging times.

> *"Ensure there are no exceptions…consistency starts with me; culture starts with me; spending time with the front line is extremely important."*
>
> **- CEO of one of the largest global family-run spirits companies**

As more and more jobs are taken over by machines, the importance of human beings and the unique value they bring to organisations will only increase. The talent war will further intensify as the human skills required will be different from those today and fewer humans will be needed. Super specialisation will be the norm and workplaces will get redefined, with the employees of tomorrow being more connected and more mobile, yet virtually available and more decentralised and independent than ever. Employees will no longer be loyal to one organisation but will seek individual purpose and enter into alternative employment contracts, moving in and out of organisations and working for shorter periods.

These changes will require leaders to be **talent magnets** who can attract the right skills they need, influence and inspire the talent without exercising direct control, and manage them effectively so that they deliver their best while maintaining the performance and productivity of the organisation.

> ***"Leadership is not about running the present. Leadership is about thinking about the future. A leader can be true to this future-oriented role only if and when s/he has the right set of operational managers who can take care of the present well. Thus, from this perspective, the ability to spot and draw the right talent is important."***
>
> **- Shyamal Mukherjee**
> Chairman, PwC India



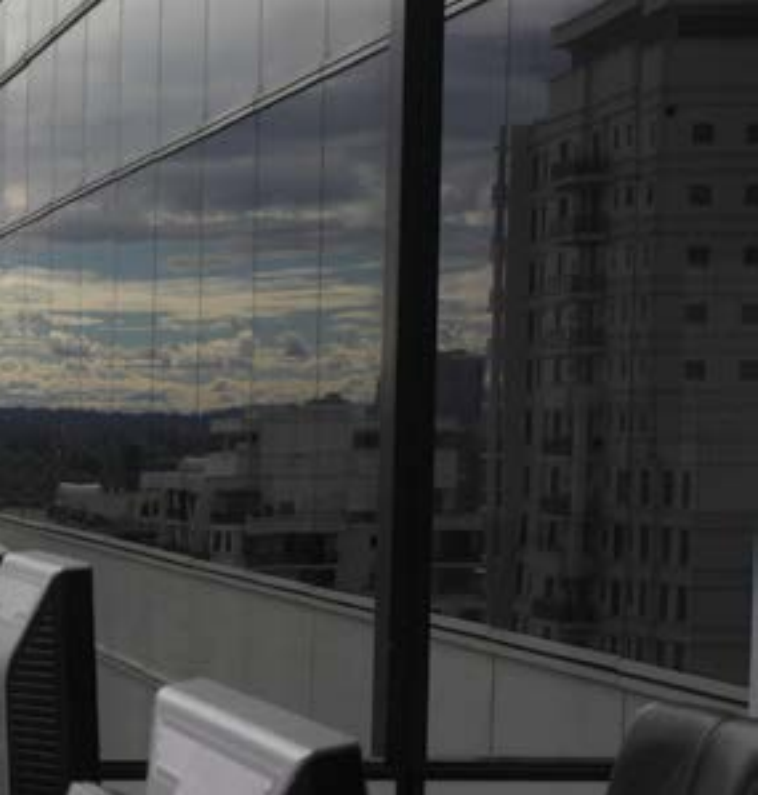
> *Nostalgia can be dangerous for leaders of the future."*
>
> **- A millennial**

As human beings find themselves pushed to the wall by the advancement of their own inventions, the human core will be the biggest edge to success. That edge is the human being's ability to 'outdo her/himself' by **continuously learning and evolving.** This is another foundational leadership theme which will impact the way leaders demonstrate new skills. Although, 'curiosity to learn and evolve' was selected by a minority of the survey respondents, it will be foundational and important. The journey of learning and unlearning for the leaders of the future will start by acknowledging the need to learn. The focus of learning will shift from content to context. Learning will also mean the courage to experiment with new ideas in a new context, as well as engaging with a wider audience ranging from employees to machines, and from customers to the extended ecosystem. It will require leaders to absorb experiences and interactions and to train their mind to think the unthinkable and do the undoable.

Although **self-awareness** received a low ranking, we believe that it is the fountainhead of all the other capabilities. These capabilities cannot be nurtured and will not be realised to the fullest without awareness and acceptance of the self and the gap. The continuous journey of learning and unlearning will require leaders to have a deep understanding of the self and to be brutally honest about their impact on their ecosystem. While courage and vision will help the leader to leap ahead into the future, the self-awareness dimension will be critical for leaders to step back, reflect and acknowledge the need to continuously learn.

Self-awareness is not just about acknowledging the gap. It will also be about understanding at a deeper level the impact of that gap on the environment and thereby internalising the need to change.

> *It's important for leaders to take a break, basically reflect, when they go into oblivion and come back. They come back more aware/reflected."*
>
> **- Chairman of one of India's foremost public sector banks**

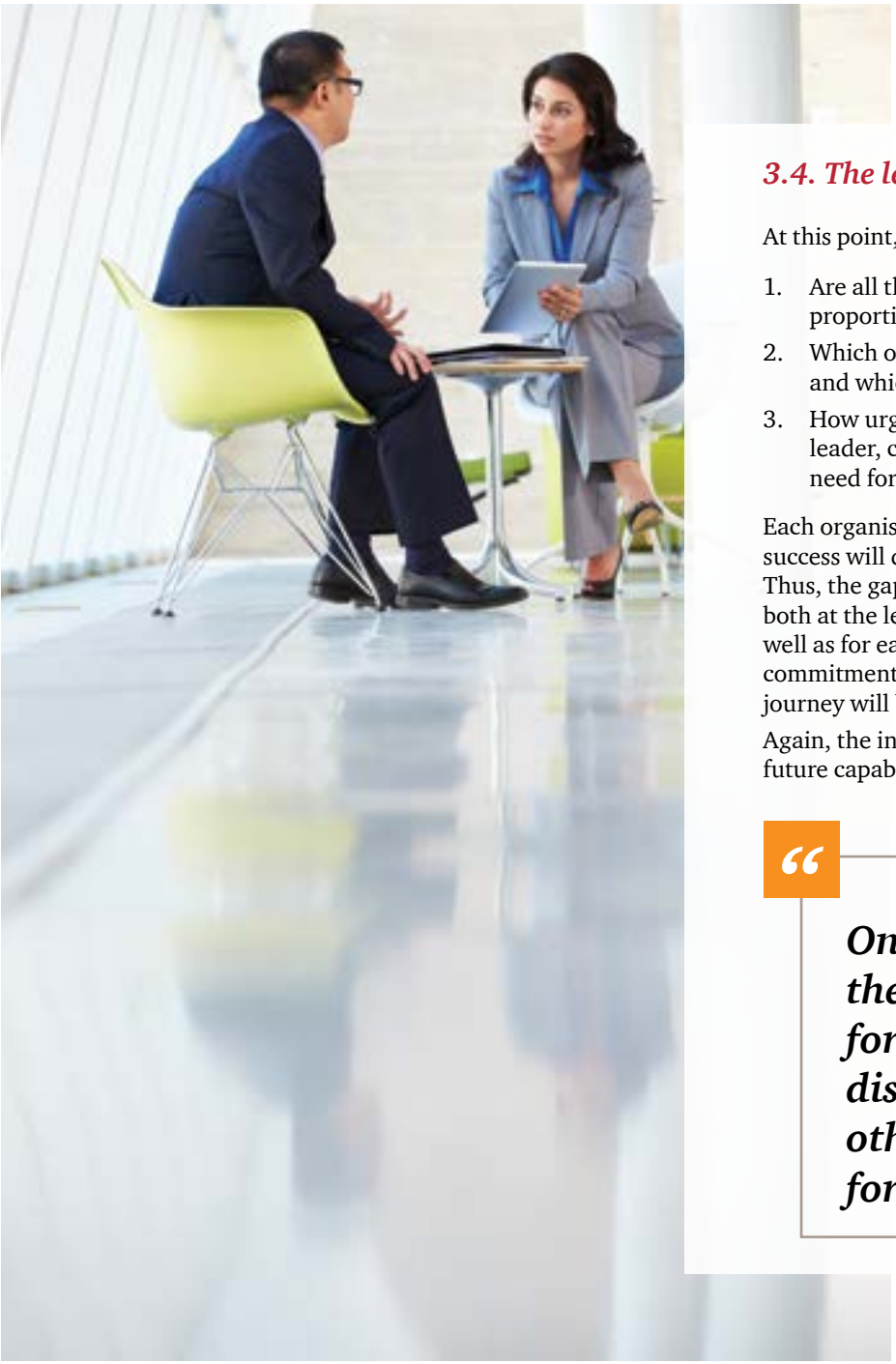


Building and nurturing networks was another critical leadership capability that emerged through our study. Increasingly, leaders will be working with networks which are complex, involve multiple traditional and non-traditional stakeholders, and are evolving at a very fast pace. Leaders' ability to develop, build and nurture such complex networks will be of paramount importance. We believe that in the Indian context, this capability will assume greater significance, given that CEOs are being forced to collaborate with a more diverse range of partners who can provide access not just to new markets and consumers but, crucially, to the new and emerging technologies and innovation that they consider essential for growth. CEOs are thus required to build new and diverse collaborative networks that embrace not just traditional partners but also customers, academia, NGOs and even competitors. Managing these networks will be increasingly important for future success.

It may seem nearly impossible for one leader to have all these capabilities which are critical for success in India in 2030.

> *"Leaders need to be increasingly good at managing a wide range of constituents. They have to be able to articulate a singular, compelling vision, which requires huge creativity to design, but to do so in a way that engages multiple viewpoints in the process to ensure that vision is collectively held."*
>
> **- Blair Sheppard, Global Leader**
> Strategy and Leadership Development, PwC

> *"The world is going to be very volatile and our leaders' capability to deal with ambiguity and balance relationships and performance will be critical. The ability of leaders to be ambidextrous—deal with the private sector, the government and civil society—and balance all the three is going to be key. Leaders will not be able to create true shareholder value by being unipolar."*
>
> **- Shashank Tripathi**
> Partner, PwC



3.4. The leader's development challenge

At this point, the following questions may arise:

1. Are all these capabilities required in equal proportion by all leaders?
2. Which of these capabilities is developable and which are inherent?
3. How urgent is the need to become this leader, considering that it seems like a need for a future that is distant?

Each organisation and each leader's personal ambition for success will define the capability mix and prioritisation. Thus, the gap is something that will need to be understood both at the level of the leader and the organisation, as well as for each leader and the entire cohort of leaders. As commitment building will involve a multifold approach, the journey will be an arduous one.

Again, the interdependencies between the three categories of future capabilities—namely the emerging capabilities, core capabilities and capabilities of managing simultaneities—make their development more complex and individual and situation dependent. In addition, the development ecosystem will play as important a role as development interventions in ensuring progress on each of these three capability categories.

Finally, any journey that starts with the self is never an easy one. Hence, each of these capabilities requires three levels of change: understanding the unique playing field of each leader, mapping the gap vis-à-vis that playing field and, finally, adopting the best path to develop the gap. The traditional path of 'learn, practice, reflect, change' will no longer be applicable in the rapidly changing environment. The new path will have to be 'practice, reflect, change, learn'—and repeat the cycle. This repetition of cycles is perhaps the only tangible opportunity for leaders to hone their skills. Thus, the pace at which leaders adapt to change is going to be the biggest differentiating factor.

> ***"One of a leader's most challenging tasks is to execute against the issues arising today in a way that prepares the organisation for the future. The ability to be comfortable in both strategic discourse and practical execution, and to ensure each informs the other, is a combination of skills that is rarely found but critical for leadership success."***
>
> **- Blair Sheppard, Global Leader**
> Strategy and Leadership Development, PwC

4 Development agenda

> *Where my reason, imagination or interest were not engaged, I would not or could not learn."*
>
> - Sir Winston Churchill

The approaches towards development have evolved over time. As we progressed from the 'Ice Age' to the 'Stone Age' and from the 'Agricultural Age' to the 'Industrial Age', we initially leveraged the principles of adult learning and education to disseminate information and perspective far and wide. This was followed by the creation of widespread, scalable solutions that harnessed the power of technology to share inputs—for example, e-learning modules for content. Over time, the strategy for development was expanded to include the dimensions of exposure (through coaching, mentoring, study missions, networking, etc.) and experience (through critical to business projects, expanded portfolio of responsibilities, etc.).

It is now time to rethink the existing paradigms and reshape our approach!

As the leadership capabilities required to succeed in the future of work undergo a shift, we visualise a significant change in the contours of leadership development at the top of the pyramid. The workplace of the future will require leaders in India to be steeped in 'context'. This necessitates the creation of safe ecosystems that enable introspection, reflection and application.

4.1. The changing needs

Projections on the demographic profile of India show that we continue to be a young nation. In 2020, our average age is expected to be around 29 years. In 2030, this average is not likely to change significantly.

The implications of this young population are twofold. On the one hand, we have a mature crop of leaders who will continue to be at the helm of affairs in roles of increasing complexity. On the other hand, there is a strong possibility that many of the leaders of 2030 are just entering the workforce or may even be completing their education today. Therefore, it is imperative for us to adjust our thinking on development approaches to suit the spectrum.

The Future of Work in India survey conducted by PwC as part of this study has highlighted interesting trends in the thoughts of today's leaders with regard to development:

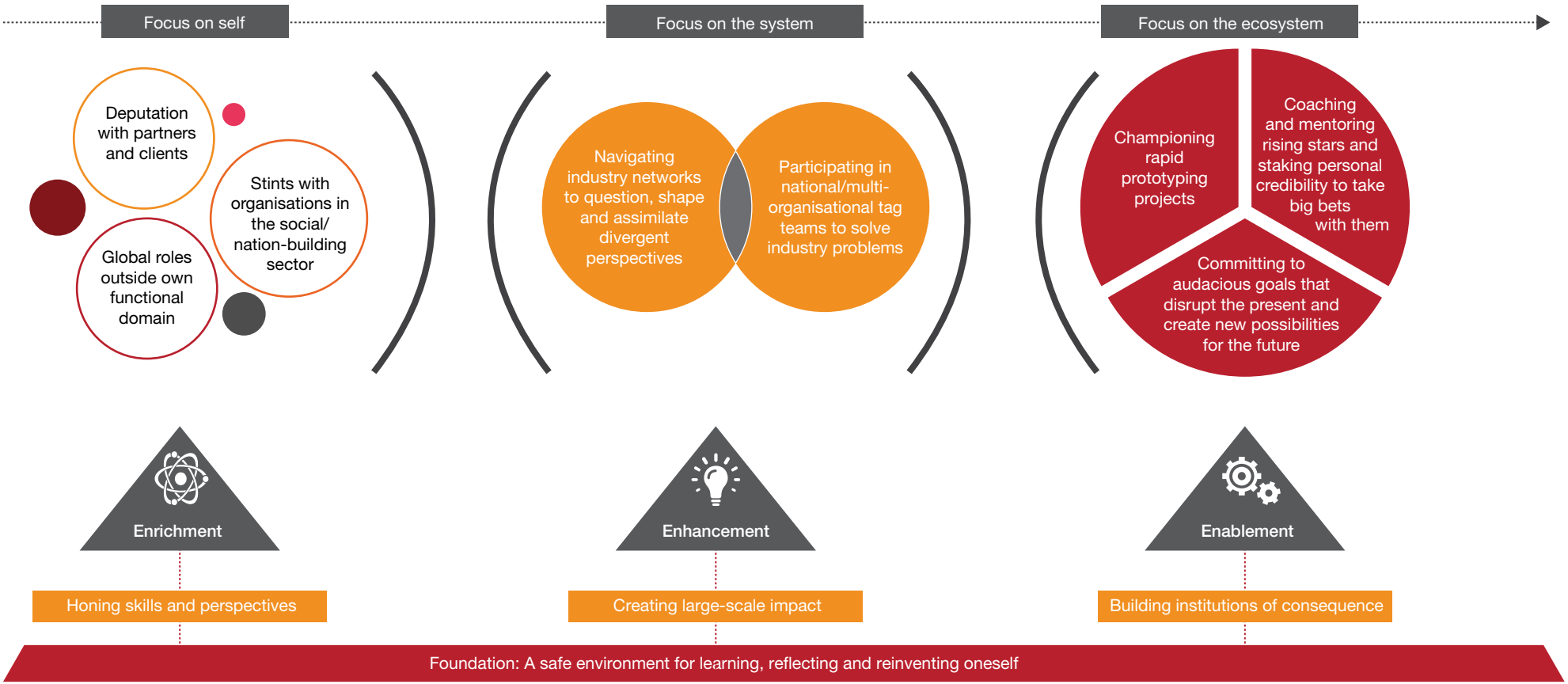
- 66% of the respondents believe that the onus for building the capabilities for the future lies with the individual. In particular, for start-ups, 85% of the respondents believe that the individual is responsible, while for MNCs and Indian conglomerates, this stands at 60% and 62% respectively. The role of the organisation is to provide an ecosystem that champions and supports this agenda. This includes iterating/reiterating the capability edge for tomorrow and identifying opportunities for individuals to actively experiment and learn.
- 61% of the respondents believe that critical exposure is necessary to shape leaders and we need to leverage the larger ecosystem to hone skills and perspectives. One example of how this can be done is hand-picked leaders being deputed to work with partner or client organisations for defined periods of time to get exposure as well as contribute to specific areas which could lead to co-innovation and other benefits. Another example is of leaders working with NGOs and the government to participate in and drive critical mandates at the national/regional level. Further, 74% of the respondents from MNCs believe that this is one of the top three approaches for development at the leadership level, while 54% and 53% of the respondents from start-ups and Indian conglomerates share this view.
- 50% of the respondents believe that experiences need to go beyond the day job of an individual and should be oriented towards disrupting the status quo. Examples include capstone projects that lead to dramatically different results and rapid prototyping. Further, 62% of the respondents from start-ups believe that this is a primary method for development at the leadership level, while 46% and 44% of respondents from MNCs and Indian conglomerates view it as being amongst the top three development approaches for leaders.
- 34% of the respondents believe in the criticality of leveraging diverse networks, both internal and external. Further, 41% of the respondents from Indian conglomerates view this as an important approach to development, while 38% and 28% of the respondents from start-ups and MNCs view it as one of the top three approaches for development at the leadership level.
- Only 2% of the survey respondents view building perspective and skills through classroom learning as one of the top three approaches for development at the leadership level. Interestingly, all these respondents are from MNCs—and none of the respondents from start-ups or Indian conglomerates consider it as a key approach.

All these findings point to a higher need for self-awareness and experimentation.

4.2. The new development paradigm for leadership: Enrichment, enhancement, enablement

We view thoughtful action as the cornerstone for leadership development going forward. Leadership capability building is a platform—it combines the richness of diverse experiences with the fluidity of an ecosystem that fosters safe and continuous introspection, leading to heightened self-awareness and the openness to reinvent oneself in order to create impact.

The new learning paradigm for leadership: PwC's perspective



In the proposed development model, the focus on the self, the system and the ecosystem is driven through three pillars of leadership capability building:

- **Enrichment** is all about honing one's skills through multiple experiences that take the individual beyond the known. Working with partner and client organisations, performing global roles outside one's own functional domain as well as undertaking stints with the social sector/national organisations are new ways for leaders to broaden their horizons.
- **Enhancement** is about magnifying the scope of impact and adopting an industry/societal perspective to create impact. Partnering with industry bodies or national teams to challenge paradigms and drive projects that reshape thinking and action are critical to staying ahead of the curve and creating large-scale impact.
- **Enablement** is about energising and invigorating the ecosystem. It is about leaders using their discretion, engaging with their organisations and contributing to institution building. Enablement is driven by championing rapid prototypes for driving changes in the ways of working/thinking/relating, coaching and mentoring rising stars, staking personal credibility in a bid to stay ahead, and committing to audacious goals that require recalibration of thoughts and actions. Through these efforts, leaders can build institutions of consequence.

This framework will be successful in an environment where it is safe for leaders to fail fast, look beyond the rule book and engage in active experimentation. In the Future of Work in India survey, 30% of the participants spoke about the criticality of driving self-awareness through multiple channels, including a well-rounded feedback mechanism, as an important ingredient for building leadership capabilities for the future.

The 3 Es of learning, namely enrichment, enhancement and enablement, require a very different approach towards how learning is driven and managed within organisations. One of the most important factors for driving learning interventions under this new paradigm is a focus on the development of the individual as well as that of the organisation.

At the level of the individual/leader, the capability 'enhancement' interventions could include:

- Critical exposure to discrete and unrelated environments, including grass-root level work, to develop perspectives and help leaders practice connecting the dots as well as drawing inferences from the ecosystems to appreciate and develop comfort with the unknown and unpredictable
- Creating hands-on experience opportunities within the relatively safe environments of the organisation to try, fail and reflect, all within shorter experience cycles, so that learnings can be taken back to work
- Providing ample opportunities to work within diverse networks, so that employees can learn from different perspectives; building ecosystems of diverse networks within the organisation to drive different thinking

The above interventions will drive appreciation as well as opportunities to build the capabilities of the future. The core capabilities will continue to follow some of the traditional forms of development, including coaching and mentoring. The locus of control for the core capabilities is more internal and hence, the only way to move the needle on these would be by practicing the process of reflection and acceptance, along with a greater commitment towards action. More importantly, organisations need to realise that the development of both the emerging capabilities and core capabilities will need to be driven simultaneously, as one set of capabilities will support the other.

The enrichment interventions will deliver disproportionate outcomes when the opportunities for enhancement and enablement are created and built within the process.

Although enhancement of the leader's capabilities will need to be driven at the individual leader level, this is where the organisation and the rest of the ecosystem of industry and other allied bodies can play an important role. An example would be opportunities for co-creation with suppliers and customers to solve complex problems of the future. The important differentiator here would be not running these opportunities like projects and instead building 'learning pit stops' so that regardless of the success or failure of a project, the leaders emerge more learned from that experience. Another example of creating enhancement opportunities within the organisation could involve the creation of 'dynamic structures' that cut across customers, suppliers and internal teams to build solutions and products of the future.

Finally, none of the capability-building interventions will deliver the desired results if the commitment of the top leadership and the belief in the process and in the development of leaders from within the system are not shared and reflected in the culture of the organisation. Small and subtle actions such as not looking at development as a cost but as an investment may make a world of difference. These smaller elements, complemented by some bigger decisions (on treating development as an equally important investment agenda as new product development, technology enhancement and employee engagement), will be extremely important. Clearly, the systems, processes and metrics for success measurement of learning and development will also need to change from training man days and budget utilisation to more business-focused goals, with the objective of driving short as well as mid- and long-term goals. It will be important to adopt a 'product development and innovation' mind-set towards 'development enablement'. After all, it's the talent within the system that will drive and deliver any innovation.

Moreover, organisations need to understand that an inability to focus on the development of talent at the top of the pyramid will always keep them in the 'hunting for talent' mode. Like talent development, the process of developing large clients is difficult and time consuming but key to maintaining sustainable business, rather than being on a continuous journey of seeking new clients. Simply put, viewing employee experience from the same perspective as customer experience and integrating it into the development enablement life cycle will be key.

4.3. Learning intelligence and quotient: The new leadership edge

Given this context, it is more critical than ever before for organisations to identify, incentivise and build leaders who have a high level of learning intelligence.

We define learning intelligence as a combination of the following three elements:

- Openness to learning continuously, which would depend on the leader's attitude for learning
- Understanding macro and micro business variables and continuously prioritising what to learn, which would depend upon a leader's ability to continuously evolve her/his focus of learning in tandem with the changing business needs
- Trying different approaches to learning and identifying what works for oneself, which would depend upon the leader's openness to different learning styles

Self-paced learning for acquiring new skills and knowledge (through a combination of online platforms, certifications, reading) is foundational. Leaders who epitomise these behaviours and go beyond to create awareness of the bigger picture as well as the organisational purpose and their individual purpose are the ones who will stand tall in a crowd.

Just as emotional intelligence and cognitive intelligence have proved to be critical to leadership success in the past, in the future workplace, being able to appreciate the leader's learning intelligence will be critical to predicting the success of the leader in continuing to being relevant. The learning intelligence quotient will need to be understood, measured and also incentivised within organisations. This will be critical to building a culture of appreciation and value towards learning intelligence.

The learning quotient of leaders is going to be an important consideration for organisations while choosing their 'A team' and driving succession strategies.

5 Conclusion: Leadership invigorated

> *Arise! Awake! And stop not until the goal is reached."*
>
> - Swami Vivekananda

As the world evolved, it went through various transitions depending upon what was important for the survival and success of the human being. It started with the Stone Age. The Stone Age was all about the physical strength of the human being and that served as the means of livelihood. Hence, leadership was about having the best hunting and war capabilities. Then came the Financial Age. The Financial Age was all about money and financial power. Leadership in the Financial Age was more about building critical financial skills that enabled employees and organisations to drive financial success. Most engagement factors were linked to financial goals and hence led to the implementation of a set of finance-focused employee practices. This in turn promoted rewards, benefits and other programmes, thus laying further emphasis on financial recognition.

However, in the Human Age, with a young workforce that has varied expectations vis-à-vis the workforce in the earlier stages of human evolution, financial rewards have become the bare minimum that organisations have to provide. Employees are expecting way more from organisations, and their expectations are centred on the set of leaders they work directly with. Leaders at the top three to four levels in an organisation, thus, has an important responsibility of setting personal examples of the 'right leadership'. It's important for this set of leaders to graduate beyond just delivering business results and create an inspirational impact by living their organisation's mission, values and direction.
For these Human Age leaders, it is going to be important to connect the leadership dots at the individual as well as organisation level. The leadership dots at an individual level are the ones that are within the control of the leader, and the leader has to take personal ownership to move the needle on those. The organisation dots are those systems, processes and practices that are not within the direct control of the leader. They are what the organisation makes available to the leader. The ability of leaders to connect their individual development needs with the ecosystem of the organisation and create the most relevant and impactful journey for themselves in the context of their organization will be the test of leadership versatility.

Again, a very important and unique aspect of the evolution of Indian leadership over the past 25 years and for the future is participating in growth versus building growth. Since the opening of the Indian economy, our leaders had the unique opportunity of tapping many new opportunities as there were few competitors in the market. As a result, many organisations enjoyed a first-mover advantage, which allowed them to grab new opportunities as they arose. It also led to 'astute execution capability' becoming the single most important differentiator for leadership and organisation success. As change cycles were slower, leaders had enough time and opportunities to adjust, change courses and do things in a new and different way. This enabled leaders to see a lot more success than failures in their careers. It also allowed a huge section of leaders to grow rapidly because they were at the right place at the right time, despite having limited exposure to handling grave issues and challenges. A lot of these leaders, though not all, may have thus succeeded not because of, but in spite of, their capabilities.

The situation for the leaders in the future is expected to be quite different. As we see from all our conversations and experiences with leaders in India, the three critical differences in the business scenario in the future vis-à-vis today are as follows:

1. **Pace and degree of change:** The order, magnitude and frequency of change have increased unpredictability and the pace is only expected to increase. Along with this, the challenges that are being faced and the business environment in which organisations have to manage this change are also dramatically different. This is pushing organisations to think and act both fast and simultaneously.

2. **Global environment and undefined or constantly evolving competitors:** Organisations today as well as in the future cannot afford to have a local plan that's completely insulated from what the global market has to offer and say. Again, an understanding of the global environment and limited exposure to the global market could be a real challenge in building a perspective on what needs to be done in a new and different way.

3. **Unforgiving attention to failures and soaring expectations from teams:** In a highly connected and constantly evolving market, failures and successes in the future work environment will be constantly reviewed and may also get magnified because of the constant attention. Moreover, as the new breed of leaders, teams and stakeholders are going to be very clear about their expectations and purpose, the role of a leader of the future will be more even complex.

Connecting the leadership dots within the organisation

To ensure that the three Es of development—namely enrichment, enhancement and enablement—are implemented in tandem, there is a need to connect the 'inside-out' dots of development, which are within the leader, with the 'outside-in' priorities for development, which are beyond the control of the leader and exist in the ecosystem in which the leader exists. These connections are to be made at multiple levels within the organisation as well as with the external environment to ensure that development remains relevant.

The development agenda for individual leaders

The inside-out dots in the leadership agenda focus on clarifying the organisation's agenda for development at the individual and organisational level.

At the individual level, how a leader balances her/his appetite for disruption while balancing the goals of the organisation and executing current plans will be critical. To achieve this, it is important to ensure leaders are not on this journey alone. Building commitment and bringing together diverse leaders will lead to success. However, the alignment of the individual goals of the core team with an organisation's goals will be the single most important motivator. Disruptive vision will get executed only when it is accepted by each team leader as her/his own personal dream. Thus, communication of an organisation's purpose is as important as the purpose itself.

In the future, leaders will have to understand and value their leadership brand, own it and ensure they practice it consistently. One of the aspects that would be put to test for the leaders in the future is their ability to exhibit leadership courage. Leadership courage will be tested not only based on what a leader thinks, how the leader implements the bold idea and guides the team, but also by 'how' the leader leads in difficult situations. The environment will have an important role to play in building a unique brand of leadership.

Connecting the above leadership dots requires the organisation and the individual to put all their forces and abilities together. The development of these capabilities across the rank and file is not just a development phenomenon, but a larger transformation agenda towards building a culture for growth. It would thus require not just development interventions to be done differently, but also systems, processes and practices to be redefined to drive these behaviours.

Finally, each leader will need to take charge to make her/himself future ready. While the development journey may be similar within organisations with some common interventions, depending upon the development goals and strengths, each leader has to take personal accountability to improve, strive to make her/his personal contribution and take away from the journey.

The development agenda for organisations

The outside-in agenda for development is about making organisations development ready.

One of the biggest struggles that organisations are going to continue to face is balancing responses to three critical questions: 'Whom to develop?' 'What to develop?' and 'How to develop?' The three questions are linear in order and remain fairly interconnected in terms of driving leadership relevance for the future.

Deciding the audience

For organisations, one of the first steps towards making an investment in development is deciding whom to spend their dollar on. This is a struggle that organisations face even today and is likely to only get worse in the future. While today, there is a scope to drive return on investment (RoI) by making development investments over a three- to five-year time frame, going forward, development needs and changing demands will reduce RoI opportunities even further. We have covered the 'what' and 'how' in our earlier sections. However, both the requirements will not give the desired results if they are not mapped to the right audience.

The response to whom to develop will involve the following considerations:

1. **Leadership level and role:** It will be important to clarify the expectations the business has from its leaders to be able to plan what to develop the leader for. For instance, organisations need to be clear on what kind of roles they envisage the leader to take on and what kind of capabilities are expected from the leader in the future. While most organisations look at quick fixes and patchwork development, the fact remains that leadership development, like brand development, is a long-term investment and only investing in the right leader with the right intent will yield the desired results.
2. **Super specialists versus plug-and-play talent:** The choice between developing super specialists and developing generalist leaders flows directly from an organisation's strategy. Taking into consideration its capability requirements, every organisation will have to strike a balance between the two categories of talent. The development investment decision could be governed by who will stay relevant for the organisation for longer and/or who will drive disproportionate RoI in a shorter time frame. Again, the current development gap in the organisation will be an important factor behind this choice as there are 'developable gaps' and 'non-developable gaps'. Further, there are development needs that an organisation can address and some that might not be within its purview.
3. **Development of employees versus development of the ecosystem of talent:** A big shift that organisations may need to consider from a development perspective is their investments in skill and quality improvement. Organisations should consider whether they want to focus on the development of only their full-time employees or also that of freelancers and super specialists, who are not directly employed by them but invest in building their business goals.
4. **Leader's commitment to development:** Finally, the motivation and alignment of the goals of the leader with those of the organisation will continue to be the single most important factor to be considered while taking a call on development.

Some tips for organisations to tackle their development challenges on a long-, mid- and short-term basis are discussed below:

Long-term development: In organisations of the future, talent will be the only long-term investment. At a time when people are not looking at pursuing lifelong careers, organisations will have to continue to think even more long term in order to retain talent, not from a full-time job and commitment perspective but from the perspective of continuing to operate with the firm and delivering RoI. The more an organisation empowers its talent, the more its talent will be able to give back to the organisation even when they are not directly employed by it.

Mid-term development: Organisations will also have to bet on talent at the middle level and will need to take a long-term view of them and develop them for future roles. A big change that organisations will need to consider is that unlike in the past, the development of the middle management may not need talent to follow the same path of 'deputation for long periods'. With the fast pace of change, it will be easier to crunch experiences and exposure for talent to scale up. However, providing a new leader with a solid mentor or a coach, who ensures that the new leader has time to reflect on his/her actions and doesn't burn out, will be key to ensuring that these leaders succeed.

Development needs essential to map the right horses for different courses:

Build, buy and 'borrow' talent across all levels.
This may help in managing the talent balance sheet of the organisation.

Short-term development: For critical skills that are not available within an organisation and whose development seems difficult, organisations will have to consider the 'buy or borrow' option. This will provide them with the skills and internal talent that can shadow or complement the new or 'external' leader in terms of internal culture and nuances of the organisation.

Finally, no development agenda of an organisation can be complete if it does not get the 'buy' strategy right. There is only so much that one can do with talent within the realms of the organisation.

Hence, it is important that the threshold level of expectations and the key capabilities required from employees are well defined right at the time of hiring, and the organisation needs to ensure that the threshold expectations are absolutely non-negotiable. With the cycles of change becoming shorter and more frequent, the tolerance and capacity of organisations to absorb the consequences of wrong hiring will diminish. Further, going forward, multiple wrong hires may dilute the leader's personal credibility.

From a hiring perspective, the skills required for a particular role will continue to change at a dramatic pace. Therefore, it will be critical to look for traits such as learning intelligence and the ability to change tracks and take courageous calls instead of hiring a leader based on a narrow set of specific skills. Attitude is the biggest asset any employee brings to the table, and compromising on this will create disproportionate challenges that can't be offset by any development interventions.

Hire right every time without compromises and without giving up on short-term pressures.
Hire for the organisation of the future—the present is in a state of flux.

Redesigning organisations and roles for the future

One of the most important elements for preparing the development ecosystem would be to adjust the critical roles within an organisation to enable development for the future. The changing roles of CEOs and HR in the wake of a changing world of work will be a key factor in driving sustainable development in organisations.

With the role of the CEO changing from that of Chief Executive Officer to Chief Enablement Officer or Chief Energy Officer, there is a greater thrust on the CEO to build a team of execution-focused leaders, with the CEO himself/herself focusing on building talent and their engagement. While it may not be entirely possible for CEOs to take their eyes off execution completely, it's clear that to build a sustainable organisation with a long-term focus, they will have to pull themselves out of execution in order to drive growth. However, this will not be possible without a strong and credible leadership team.

The other interesting change envisaged in the future is the changing role of the Chief Human Resources Officer (CHRO) in India, with a shift towards making the CHRO accountable for sustainability. Thus, the need to focus on the long-term viability of an organisation through talent and capability is becoming the single most important expectation of the CHRO.

Commitment building is the new form of leadership development

The final point in the leadership development agenda of organisations is the focus on building commitment rather than capability. In fact, with changing skills, the unpredictability of businesses, and employees as well as leaders looking at alternative modes of employment, it will become impossible to thrust the development agenda on anyone. The ownership for and focus on participating in development will thus have to be driven internally. This is the toughest change to manage.

Hence, one of the biggest changes that organisations will need to make is to abandon the myopic view of leadership development as skill enhancement. Leadership development will be the highest and most complex form of change and transformation since it can't be woven around any external trigger such as a change in technology or strategy. Leadership development will hence require the highest amount of commitment building and will need to be managed like any transformation and cultural change initiative of an organisation.

In fact, at an organisation level, commitment building will be the single most important lever for driving success and ensuring that impactful results are delivered for development investment. This would mean that even before the development journey begins, there will be a need for a fair amount of communication and stakeholder alignment to be undertaken by none other than the CEO or the business leaders. Given the critical benefits of the leadership development agenda, the highest order of commitment needs to be tied to it.

6 Call to action: Preparing leadership and organisations today with the future in mind

> *Change will not come if we wait for some other person or some other time. We are the ones we've been waiting for. We are the change that we seek."*
>
> **- Barack Obama**

None of us know for certain what the world will look like in the future. In these uncertain times, a leader's role in creating the conditions in which their organisation and people can thrive is more important than ever.

Success depends on how leaders choose to respond to the urgent challenges of today. In view of the level of uncertainty and dynamism that exists, this is a more complex requirement than ever before. The only certainty that leaders can create is to build the circumstances in which their organisation can excel. In order to do this, I believe they should have three imperatives in mind:

- **Solve today's problems with the future in mind.** There are urgent issues with far-reaching consequences that are having a significant impact on organisations. The ability to execute in this environment is both difficult and crucial. It is the responsibility of leaders to look into the future when making decisions today, to ensure they are solving the immediate problems while also preparing their organisation for the future.
- **People are at the heart of the organisation.** There is plenty of uncertainty resulting from the competing forces which are shaping India. These create anxiety for employees and stakeholders. It is the responsibility of leaders to hold that anxiety, expose their people to the optimal level to drive success and to navigate this situation with courage, empathy and decisiveness.
- **Remember your roots.** Leaders need to understand why their organisation exists, what mandate is being fulfilled by their presence and what makes them successful. This provides the connection to their organisational purpose which in turn should guide their growth.

The trends shaping India and the evolving business context mean that organisations are full of paradoxes which leaders need to navigate. The leadership capabilities we have identified would require a superhuman to succeed and yet we demand this from our leaders. It is going to be increasingly important that they find the space to build the capabilities required to rise to the opportunities available in India now and towards 2030.

In order to do this, the role of developing leaders is becoming more demanding. As highlighted in the paper, traditional models of development are no longer sufficient so we have to find new ways to nurture and support their development. Our findings tell us that leaders require intense experiences which put them at the edge of their comfort zone, but this is not enough. At the same time, they need leadership space, time for deep reflection and connection to who they are; building resilience and insight. Successful leaders need to find a way of getting these opposing development needs.

As I reflect on this paper, it is incumbent on leaders to be focused on creating and nurturing the conditions for organisations to excel, rather than being overly concerned with how to maximise their own effectiveness. Those who do all this will have the future in mind while being informed by traditions of the past. They will make the necessary decisions and leadership acts which enhance the organisation's health, and nurture the context in which their people can thrive.

Blair Sheppard
Global Leader, Strategy and Leadership Development

Appendix I: Research methodology

The 'reimagining leadership' study involved a multidimensional approach to gather data and gain insights.

1. Visionary interviews with members of boards, CEOs, CHROs, other CXOs and academicians

The team conducted 30+ detailed one-on-one interviews with industry shapers, board members, CEO, CHROs, other CXOs, and eminent academicians. These interviews were focused on understanding their viewpoint on aspects such as the changing work of world in India, implications for leadership and approaches for leadership development to build capabilities for the future.

2. Crowdsourcing CXO inputs through a survey questionnaire

100+ responses were gathered through a targeted survey process that was digitally conducted for selected participants at the CXO level across 100+ organisations in India.

3. Focus group discussions with millennials

The team engaged with 50+ millennials (the generation that follows Generation X, with birth years ranging from the early 1980s to the early 1990s) to gather their expectations from the workplace of tomorrow and the leaders they wish to work with.

4. Discussions with PwC leaders

Besides external validation, the core team also worked in deep coordination with subject-matter experts within PwC, both from India and the global network firms. Multiple brainstorming sessions were conducted with these internal leaders to understand their perspectives. Annexure III provides a list of the people who participated in these discussions.

5. PwC thought leadership

Apart from gathering primary and secondary data, the core team leveraged existing PwC thought leadership that has been published over the last three years. The primary points of reference included the following PwC studies:

- 18th, 19th and 20th CEO Survey reports [2015, 2016 and 2017]
- The future of work 2030 [2017]
- The future of work: A journey to 2022 [2014]
- Future of India: The Winning Leap [2014]

6. Secondary research

Lastly, the team conducted detailed secondary research for each section of the report, keeping a major focus on the evolution of India, implications for leadership and approaches for leadership development.

Appendix II: List of external interviews

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Associate Vice President, Talent of the Future
Mindtree

Anupam Sirbhaiya
Head – Group Learning Academy
Bajaj Finserv

Anuja Ghosh
Head – Human Resources
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Chief – HR, Administration, Global Learning Academy
Bajaj Finserv

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Genpact

Ira Gupta
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Microsoft India

Krish Shankar
Group Head – HR
Infosys

Mahesh Madhavan
CEO
Bacardi (Global)

Papiya Banerjee
CLO and Global Head – Talent Management
Airtel

Piyush Mehta
Senior Vice President and Chief HR Officer
Genpact

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Haas School of Business, Berkeley

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Mahindra and Mahindra Ltd

Ravi Venkatesan
Chairman, Bank of Baroda
Co-Chairman of the Board, Infosys

Rohit Sawhney
Managing Director and CEO
India Ratings and Research (Fitch Group)

Rostow Ravanan
CEO and Managing Director
Mindtree

Rudratej Singh
President
Royal Enfield

Samarth Masson
Founder and Director
Dockabl

Sanjeev Babel
General Manager – Corporate Strategy and Sales Excellence
Mindtree

S Sandilya
Chairman, Eicher Group
President, SOS Children's Villages of India

Satrajit Ray
Executive Director and Group CFO
Endurance Technologies Ltd

Sowjanya Reddy
India HR Head
HP

Soumen Basu
Former Executive Chairman
Manpower India

Srikanth Balachandran
Global Chief HR Officer
Airtel

Vikram Bector
Group Chief HR Officer
Piramal Group

Appendix III: PwC contributors

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