

1) What is Exploring Leadership?

We have high expectations on our employees at NCAB. We expect everyone to – not just get the job done – but to also be an **active** participant in **developing** the company.

For this, we need exploring in all parts of NCAB, because change and growth – especially in blue oceans – require us to find **our own** way forward, rather than following a predictable path.

We have chosen this symbol to remind us that even if we know in which direction we're going, it will take some exploring to find our way.

That calls for a more advanced leadership style than just telling people what to do. This course in **exploring leadership** is an introduction – or a reminder, depending on your experience – of how **your** leadership can raise NCAB's capacity for change and growth, by helping employees find enough knowledge and motivation to **level-up**. Of course, there are also regular leadership tasks, but this course is focused on change and growth.

So, we expect people to be high on the **initiative ladder**, to have a **learning mindset**, to **paddle** into a Blue Ocean, to **level-up** from thought to action, to **explore** so often that it becomes a **habit**, and to help colleagues get through the **change** phases and to be in the **learning zone**. If you can't recall the meaning of these words, please refresh the **Level up** course, because these are not just words – the thinking behind them builds our level up culture.

In times of growth and change, it's helpful to have a common language for development skills, so that we can discuss what's happening. And it makes it easier to cooperate across borders. Every time you, as a leader, use these expressions or refer to this thinking, you are a role model for NCAB culture.

Exploring leadership is a bit of a paradox. As a leader, you want to set the direction, monitor progress, drive change – things that hold you together – and still encourage independent thinking, initiatives, and paddling. You want people to feel safe enough to dare explore – and still hold them accountable for their performance. Maybe you've done this all your life and think it's a piece of cake, but... I find myself struggling sometimes.

And people start from different places too. Danish philosopher Søren Kierkegaard said that *"If one is truly to succeed in leading a person, one must **find him where he is and begin there**".* So, wherever employees are, you have to meet them **there** to coach them to a point where they can start paddling.

Exploring leadership is multi-layered, just like most of our products.

- **Explore your employees' potential**
Where are they now? What is their next level?
- **Encourage employees to explore**
How can you help them get ready for it? How can you nudge them into action?
- **Do some exploring yourself**
What needs to be improved? How could you do that? How could you test your ideas?

Your work is **so** important for our employees to develop their skills. and for us all to reach our goals. Thank you for learning about exploring leadership.

2) Employee motivation

Let's talk about motivation.

A person can be anything from demotivated to highly motivated. Employees get demotivated when they feel unfairly treated or disrespected, for example if they get paid less than their peers, or have a dangerous work environment. Satisfying basic needs - like fair pay and a safe workplace - will

cure the demotivation, but interestingly, once it's neutral, adding more pay or more security won't raise motivation. People will be happy, but **not** likely more motivated to work. To move from neutral to highly motivated, people need **other** things, such as appreciation, mandate to do things, knowing their work is meaningful to somebody – things like that.

This gap is important to understand, because an employee's rise in motivation beyond neutral can lead to a huge rise in productivity and creativity. The same employee becomes more valuable – and happier, most likely.

So, there are two sets of motivational factors—one at the bottom of the scale, and a different set of factors at the top. In academics, this is called the **2-factor theory of motivation**. The basic needs are called **hygiene factors** and top factors are, quite reasonably, called **motivators**. Hygiene factors alone won't get people highly motivated, but you can't ignore them either – you need both. Even enthusiastic employees will quickly become demotivated if they feel disrespected.

Most **hygiene factors** are **outer**, or **extrinsic** motivation, meaning they come from outside the person; they are controlled by others. Most **motivators**, on the other hand, are **inner**, or **intrinsic**, meaning that they come from inside the person and are more about finding the work meaningful in itself. Inner motivators can be summarized as **autonomy** (feeling independent), **competence** (just being good at your job) and **purpose** (that the work has a meaningful outcome).

What motivates your team? Before answering, please be aware that usually, for some reason, humans find **inner** motivators **much** more important to themselves, but believe that **outer** motivators are the **most** important to **other** people.

Another common misunderstanding is what psychologists call the **Fundamental Attribution Error**. Humans tend to believe that when **other** people make a mistake, it's because of '**how they are**', as opposed to when I make a mistake **myself** - then it's an **exception**.

This is a dangerous error for leaders to make because it can make us blind to employees' potential. Potential is not always obvious; some exploring may be needed to uncover it.

So, what does all this mean for exploring leaders?

- First, highly motivated employees are **much** more likely to level up and explore, so to encourage inner motivation is a central part of exploring leadership. Autonomy, competence and purpose.
- Second, be aware of the common traps – believing that people are best motivated by outer factors, and that they can only do what they have shown so far.

But can all employees level up? My suggestion is that you start by assuming that they all can.

So, explore! Maybe they can do more than they know.

3) *More control, or less?*

In motivation, hygiene factors have to be in place before employees can move from neutral towards highly motivated. The same principle is true for any levelling up – some things have to be in place first. People won't take initiatives and start exploring until they know what they're doing on a basic level.

So, as a leader, you first want to help them develop their skills and provide them with things like context and information. To do that, you need to **be in control** of the situation.

So, the hygiene factor for a leader is to be in control.

You will remember that what gets you to neutral won't get you any further, so what changes when employees level-up? Well, they take more initiatives, so they need **less control** from you and to **to lead themselves more**.

This is a leadership dilemma that has no parallel in motivation or football. In motivation, when you move towards enthusiastic, there is **no harm** in raising salaries, it's just not the most important thing to do. In football, when you learn how to read the game, there is **no harm** in running faster, it's just not the most important.

But in leadership, if you keep increasing control, you will **stop** all exploring. **Enough control is a hygiene factor. Too much control is a risk factor.**

This is the big challenge in exploring leadership. First you need to get control, then you need to give it away. First you give them instructions, then you must stop because instructions will stop them from thinking. The logic isn't hard: First, you teach them skills in a controlled environment; then you back off to give them room to fully use those skills. Emotionally, it's very hard; you have to let go before you know if they can handle it, but you will never know if you don't let go.

You **can't instruct** a person to come up with an interesting thought or take an initiative, they have to think for themselves. The moment you give them an instruction they will do as you say and stop thinking independently. You can nudge, suggest and encourage, but in the end **the person has to decide to make the effort and level-up**. If you stay in control, they can't level up - you will block the ladder.

Let's remind ourselves why we are talking about exploring leadership when it's so much easier to lead by instruction.

When people level up they enjoy their work more, they get more done and they push the company forward. With a learning mindset, they keep raising their competence and with a mandate to explore, they can put all that competence to work. It's a true win-win – it's good for employees, it's good for leaders, it's good for customers and it's wonderful for NCAB.

So, the exploring leader's role is not to make all the decisions for the team, it's **to help employees make good decisions**.

To level up your leadership, you have to go from being in control to learning how to nudge your employees **towards more self-leadership**.

4) Knowing where to go

So, how can you help employees make good decisions? What do they need to know?

Well, they need to know where they are going. You don't want random paddling. So, please take every opportunity to talk about where we are going and what the next step is – for the company and for the team.

When employees are only expected to get-the-job-done, they only need information about what they need to reach their goal. But when the company is in rapid development, the direction of progress is more important than the exact target. And when people explore, they will need to know a lot more about things outside their everyday tasks.

That's why we package information for everyone about strategy and gross margin, and why we invite to meeting & sharing with people from different countries. Understanding other functions and markets is good for creativity and improves chances that our exploring becomes useful all over NCAB.

Still, your team also needs to hear it from you. Most people need help understanding how their efforts bring value to customers, and how to best contribute to NCAB's development. How often do you talk about that with your team? Help them connect the dots – what are we trying to achieve locally and globally?

One way to start such a conversation is to discuss priorities. It's especially useful in a time-crunch, or during a change project, to get a common view of what the priorities are, and why.

A tool you might find helpful is the Eisenhower matrix, after the American president who made it famous in the 1950s. The purpose is to think clearly when there is a lot to do, and it can be done individually or as a team. This is the team version:

A task can be more or less important, and it can also be more or less urgent. Our nervous brains trick us into believing that these two are the same, but they are not. So, you place your tasks into these four corners:

Things that are important and urgent, of course you *do* them, no question. But things that are urgent, but less important that all of **you** do, they go to this corner, to be *delegated* to someone, inside or outside the team - maybe a supplier.

This is a corner you don't want to lose sight of – important but less urgent; it's so easy to let these things slide. This is where you think, explore, and prepare for the future. Eisenhower says to *decide* when to do this, make an appointment with yourselves, and keep it. Some of your most valuable work will be done here – if you allow yourselves the time. If you do, that may lead to less urgent work in the long run, or that your team is better prepared to handle it.

And finally, this corner – with some luck you'll find things here that no one needs to do. What a relief!

So, in a level up culture, people need to know the direction of progress. They need more information, more contacts around the company, and a better grip on priorities. Don't allow everything to end up in the fire-extinguisher corner.

5) Monkey Management

So, how can you nudge people to **level-up**?

“A monkey on my back” is a metaphor for a task to do or a problem to solve. The monkey management model (by William Oncken) is used to remind managers not to take over their employees' monkeys.

A typical dangerous situation looks like this:

You (the manager) are in a hurry. An employee, Marie, stops you: “What should I do about this problem?” You don't have time for this, so you say: “I'll look into it and get back to you.”

OK, we'll stop right there. See how easy that was? And veeery dangerous. Now you have one more thing to do and Marie can't do anything until you get back to her. Not only that – maybe you don't know all that much about this problem, so you have to check the facts and options, which takes even more time. Maybe Marie knows everything, but you just told her, basically, that she is not allowed to do anything until you get back to her. So, in a second, because you were in a hurry, you damaged both your calendar and Marie's self-confidence. It's a lose-lose-situation, let's not do that, OK?

According to monkey-management-principles, there are only two possible answers to Marie's question:

1. **“Just go ahead and solve it Marie, you know what to do. Tell me what you decided, I’m interested to hear.”**

This is what you say if you know her and trust her judgement in this situation.

2. **“Please drop by my desk and tell me what you believe the best options are.”**

This is what you say if you don’t know Marie very well, or if the problem is very difficult.

Can you see how brilliant this is? None of the answers give you extra work to do. None of the answers insult Marie’s competence. The monkey stays with Marie, where it belongs.

Going back to the initiative ladder, you can see how the first answer nudges Marie to **level-up now**. The second answer prepares Marie to **level-up soon**. Her suggestions will give you an idea of how good she is at solving things herself – if she’s ready to level-up – or what she needs to get ready. Both answers help you **explore Marie’s potential**. Maybe she has a **better** idea on how to solve it than **you** do! Naaahh...

People tend to remain in the **ask** and **suggest** longer than necessary because there is little risk there. There is usually time to save by nudging employees to **level up** sooner than they are totally comfortable with.

Let monkeys stay with their owners – **they** will learn more, **you** will learn more about **them**; they will get more **done**, **you** will get more done; they will improve their problem-solving and **exploring**, and **you** will have **time** for your own exploring. **Exploring leadership**.

REF: Oncken Jr (1987): Managing Management Time

6) When people bring ideas to you

Before a habit of exploring is established, some employees will bring all their ideas to their manager. This may sound innocent, but it’s often an attempt to hand over a monkey. There are two typical situations:

The first one is when people bring ideas that they want **other** people to explore, often group-functions. Then they get disappointed when their idea is not used, and they complain how ideas are not well received ‘in this company’. You need to deal with this right away before the idea takes hold that exploring is hopeless. **Giving monkeys to others is not exploring**.

The second one is more innocent, but also tricky:

Imagine that Boris just came up with an idea that we ought to hand-write all our quotes to make them more personal. Since we send thousands of quotes every month, that would be a lot of work, but Boris believes that customers will love us for it and give us more orders with a higher gross margin. And now he has presented this idea to you, his manager, and hopes you will understand how smart it is. What should you do?

You could just say no. But if you want people to do more exploring, you should know that saying “no” to a couple of suggestions, or having a negative opinion, will be enough to stop any exploring in your team. Since you know about monkey management, you won’t say: “I’ll look into it and get back to you”, good for you. So, you say “Interesting!” to avoid having an opinion. Remember:

Evaluating an employee’s idea is a monkey that belongs to the employee. Your job as an exploring leader is to **help** the employee get better at exploring, not to do the exploring for them.

The exploring process questions (from the level-up-course) are helpful here. By inviting Boris to think about the **next step**, you help him make progress without taking over his monkey.

The opportunity 1) is to increase sales, the idea 2) is to hand-write quotes, so the next step is 3) “How can you test key factors of this idea in a simple, inexpensive way?”. And the person to answer this question is Boris. If you answer the question, you take over the monkey.

If you think he needs more help, you can ask him who he wants to involve. Also, you can advise him to come up with at least **three ideas** on how to do the test, and then pick the best one (not bring them to you). This will improve his idea-skills; most people stop thinking when they have their first idea.

Of course, it saves time to just say no – in the short run. But it’s a quick fix, it doesn’t prepare Boris to get any better at exploring. On the other hand, by leading him to the next step you hold him accountable, let him keep his monkey, and teach him the exploring process. **Exploring leadership.**

And there is another thing: an important part of learning to explore is to not get **too** discouraged when ideas don’t turn out to be as brilliant as they looked in the first enthusiastic moment. Many (maybe most) ideas end up in the bin for one reason or another: that’s the nature of exploring. If idea-givers find the faults **themselves**, it’s much **less** discouraging compared to if you tell them. **And they learn more** in the process.

7) *Leading change*

The change curve in the level up course is a checklist to understand a change progress – from the negative ‘Why?’ and ‘What-about-ME?’, over the more neutral ‘How?’-phase, to the enthusiastic ‘If.. then!’-phase. It also explains what can happen when change is initiated from the top. Let’s look at an example from another company:

The CEO had a great idea and told it to the management team. The managers said: “**Why?**” and “**What about me?**” and saw no benefits. The very patient CEO explained and talked and motivated and nudged until the management team saw possibilities and got enthusiastic – the “If-then!” phase. This took about six months, so now they were in a hurry to implement. Time to tell the employees.

But first the middle managers should be informed – that’s only fair. So, the management team met with middle managers in the morning, and with employees in the afternoon. The middle managers said: “**Why?**” and “**What about me?**” and saw no benefits. The management team were surprised at this ‘resistance to change’, because they had forgotten that their own reaction was exactly the same at first and that it took them six months to get over it.

Of course, with the employees waiting, there wasn’t much time to let middle managers process the change, which made the curve steeper. And when employees received the information, they thought “**Why?**” and “**What about me?**”, but they didn’t say it to the management team, they waited until they got back to their office and asked their manager – one of those middle managers who just learned about the change and was still in the “**Why?**” phase.

This put the middle managers in a terrible position. Either they could be loyal to the company and fake enthusiasm in front of their staff, or they could be disloyal and honest and say: “I don’t understand this either, but orders are orders”. Either way, they risked making employees more suspicious of the change. Which made the curve steeper.

Even if everyone is trying to do a good job, a process like this will make change slower and more difficult than it has to be. The management team must now handle both the change, and the resistance to change. **But all that is needed for a smoother change is to involve people early and give them influence.**

An early dialogue gives employees a chance to see the intentions behind the change, to warn about risks, and to discuss options and priorities. **When they know what’s going on, they can level**

up and make implementation smoother. This process takes some time in the beginning but can dramatically shorten the time it takes to get the change done.

All the things described in the level up course – initiatives, learning mindset, exploring, cooperation, **all** of them - will make changes easier to implement. **If** you involve people early.

There will always be unexpected problems and opportunities in a change process, but if people are used to exploring, they will try to **deal with them as they occur**, instead of everything unplanned being sent to managers while everyone else is waiting.

So, by encouraging people to level up, you prepare them to handle change effectively. Exploring leadership.

8) *Leading difficult change*

In the previous lesson, we talked about how **early involvement**, and **early influence** make a quicker, smoother change possible. It also helps, obviously, if the change is seen as an **improvement**. But now and then, you'll find yourself leading a change where these three factors are not where you want them to be (downsizing is a special case, we'll leave that for now).

Early **involvement** is difficult in acquisitions, for example, where you can't release information too early. Not knowing makes people careful and the change curves steeper. **Influence** becomes limited if most decisions have already been made, such as changes in global systems. Sometimes it's even hard to see that the change will bring **improvements**. I'm sure you have your own examples. So, what to do? Well, there is actually a lot you can do to make difficult changes easier.

Even if it's too late for **early involvement**, you can start involving as soon as possible. It's insulting for people to learn that they have been kept in the dark, so tell them everything you can as soon as you can. Don't wait until you have all the information, a plan, an agenda, or all the answers. If you wait, they will start guessing – and that's usually a bad thing.

Even if it's too late for **early influence**, try to help the team stop focusing on what they **can't** influence, and start looking for what they **can** do. Can you ask them to analyze risks and prevent them? Can they investigate options, or prepare for the next step? Put them to work! Influence is especially important in turbulent times, because if people feel that they have influence, they can be more flexible and relaxed, even if the future is a bit uncertain. If they have no influence, they feel insecure, so they will be less flexible.

What is there is no **improvement**? Well, there must be **some** reason for the change; will it make customers happy? NCAB-colleagues? Showing people how much your team are helping others can make them feel a lot better. Also, there are always some hidden opportunities in a change, and if happy customers and colleagues can get people past the first part of the change curve, then they will help you find, or create, opportunities in the **If... then**-phase.

All these actions involve dialogue. So be available, meet with them often, even if they are being difficult. Encourage their questions; ask for their ideas and their help.

In big change projects, it can be helpful with a step-by-step process. This is a famous one by John Kotter, 8 steps:

1. **Increase urgency** Make it clear what can be gained by starting on this day.
2. **Build a guiding team** Don't do everything yourself – it's no fun and you'll become a bottleneck. Bring on a mix of people.
3. **Get the vision right** Why are we doing this again? (Visions are seldom clear from the start.)
4. **Communicate for buy-in** Information is a start, dialogue is more effective, but involvement and influence, that's what gets the buy-in.
5. **Empower action** Encourage levelling up and exploring.

6. **Create short-term wins** In long change projects, visible steps forward and small improvements are important to boost energy. Celebrate!
7. **Don't let up** Usually, you have to keep driving the change longer than you think! Be prepared for setbacks, or people just running out of energy.
8. **Make change stick** Most changes need some adjusting – they seldom come out exactly as planned. If you prepare for follow-ups and adjustments in advance, people will be less surprised and disappointed.

So, there is a lot you can do to make difficult change easier. **Involvement, influence and improvement.**

9) Psychological safety

In this lesson, we look at what you can do as a leader to help your team feel safe when changing and exploring.

There are two perspectives to be mindful of. One is the everyday team spirit - are people comfortable talking about problems and mistakes, asking questions and sharing thoughts? The other is when someone makes a mistake – how is that handled in the team?

Let's look at them one at a time, everyday team spirit first. What can you do?

1. Be generous with **praise** – why are they all, individually, important to the team? There is nothing like praise to build trust, and it prepares people for mentally tough situations.
2. **Include** the team when solving problems. Invite questions, opinions and ideas.
3. **Admit when you don't know** or when you've made a mistake. This allows others to do the same.
4. **Ask for feedback** and don't argue when you get it. Be interested!

These things are not difficult. The challenge is remembering to do them **all the time**. Then you can nudge the others to start supporting each other, but **you** have to go first.

Now to the handling of mistakes. When leveling-up, people will occasionally mess-up. The way you handle their mess-ups is crucial for if they – or others in the team – will find the courage to level up again. So, what can you do?

5. **Show your support** when someone is in trouble. Take care of the person first, then the problem. Treat the problem as the team's problem - don't let people carry the load themselves.
6. Focus on the **learnings** from a mistake, that's where you can capture some value from the experience. Evaluate without blaming.

You can't stop people from making mistakes – that would stop all exploring - but if you can reduce their fear of messing up, they will explore more and be less tempted to cover up mistakes.

In the level-up-course, the learning zone model shows how people feel psychologically safe in the comfort zone. To explore, they have to level up from there, but you don't want anyone to slip into anxiety. **When the psychological safety grows as quickly as the ambitions** – that's the combination that brings your team to the **learning zone**.

Nudging your employees to level-up will be **so much easier** if they feel reasonably safe when exploring the unknown.

Summary

Time to conclude this course. Thank you for staying to the end, well done.

We have talked about finding people where they are, about inner and outer motivation, about more or less control, direction and priorities, monkeys, and how to make sure they stay with their owners. We have talked about change and about psychological safety. There is certainly a lot more to exploring leadership than just telling people what to do.

So, let's remind ourselves why we are doing this. Exploring leadership encourages employees to level up, to be active participants in developing the company. This is important in times of change and growth when new problems and opportunities keep turning up – too many to be handled by managers alone. In a level up culture, more people are noticing, thinking and doing, which makes NCAB more flexible, more resilient, more creative. We should be able to translate all that into more value for customers.

There are also advantages for you as a leader. When your employees improve their levelling up skills, you may find yourself less involved in day-to-day problem solving, with more room for your own exploring, for strategic thinking, and for cooperating with colleagues around the globe.

I believe that we are also doing something good for our employees with this. Exploring leadership provides an environment where people can learn more, have more influence over their work, and find their inner motivation.

These are big benefits, well worth – in my opinion – the extra level of difficulty. But as with all difficult tasks, it's tempting to relax the ambitions after a while. Fortunately, there is a simple way of keeping an eye on yourself – the pipeline.

There should **always** be some exploring in your team's pipeline. If you don't have anything now, it's not likely to start without a nudge from you. Can you do something together with the team, for practice? You can always start with something very small and silly, just to get to know the process. Should you have an office garden gnome? How could you test the idea? What would you evaluate?

We have very high expectations on you and the work you will do in NCAB. Imagine how proud you will be in a couple of years, when you look back at everything you and your team have accomplished.

So, where will you start? Next time we talk, be sure to tell me what's in your pipeline.