



Digital leadership in Asia Pacific

The long way to digitally sustainable leadership.

KORN FERRY
Institute

Introduction

Organisations are facing a cultural revolution of a magnitude never before seen. Creating and sustaining change on this scale requires a new profile of leader— a leader for the digital age.

With disruption now the norm, future success depends on the ability to continuously adapt and change. There's no set-and-forget solution; organisations must transform into flexible networks designed to act with agility and speed. For large corporations, this means dismantling the complex, matrixed structures built on hierarchical decision-making power and static teams to exploit efficiencies.

It's not just about changing the business model; this is culture change on a grand scale. It means radically changing structures and mobilising people to embed the ability to continuously adapt into the DNA of the business. We call this becoming digitally sustainable.

CEOs understand the need for change, but find themselves facing a paradox: one that demands both continuity and rapid change. While today's reporting cycle demands continued returns from the core business, failure to cultivate innovation at the same time risks undermining future growth.

Successfully managing this tension won't come simply from resourcing a technology function or installing a Chief Digital Officer: it requires a new way of doing things and a leadership mindset to champion the change.

This paper explores the central role of leaders in the digital sustainability journey, setting out the traits, competencies and drivers necessary to becoming a great digital leader. It also explores the situation on the ground in the APAC region, focusing on the attributes of leaders in eight countries and territories and comparing these to Korn Ferry's digital leadership profile. This analysis highlights the significant challenge ahead for APAC organisations and offers solutions on how to develop leaders for future success.



A stylized, handwritten signature in black ink, appearing to read 'Michael Distefano'.

Michael Distefano
Chief Operating Officer, Asia Pacific
Korn Ferry

Fit-for-future

Leaders know they need to embrace change, but they struggle to create the conditions required to thrive in a disrupted world.

Organisations have built complex, fit-for-purpose structures to execute efficiently and deliver predictable results with precision. But in a volatile and ambiguous environment, these strengths can become weaknesses. Fit-for-purpose is no longer good enough. Organisations and leaders need to become fit-for-future.

CEOs believe in the importance of digital business, but overwhelmingly they rely on investing in technology and tangible assets as the salve, while drastically underestimating the value of their people (Crandell et. al., 2016). At the same time, efforts to introduce innovative thinking tend to happen on the fringes, rather than being woven into the organisation and scaled.

Research highlighted by the Harvard Business Review backs this up, showing that the greatest challenges facing companies aren't access to superior technology; they come from top-down structures, an inability to experiment, limited change management capabilities, legacy systems, a risk-averse culture, and an inability to work across silos (HBR, 2016).

There's no easy fix; the change required is fundamentally about building a new culture and engendering a new mindset that will support the process of ongoing change. **Organisations must disrupt legacy systems and hierarchies to become digitally sustainable, transforming into open, interconnected networks populated by a fluid workforce and led by a new profile of leader.**

“Fit-for-purpose is no longer good enough. Organisations and leaders need to become fit-for-future.”

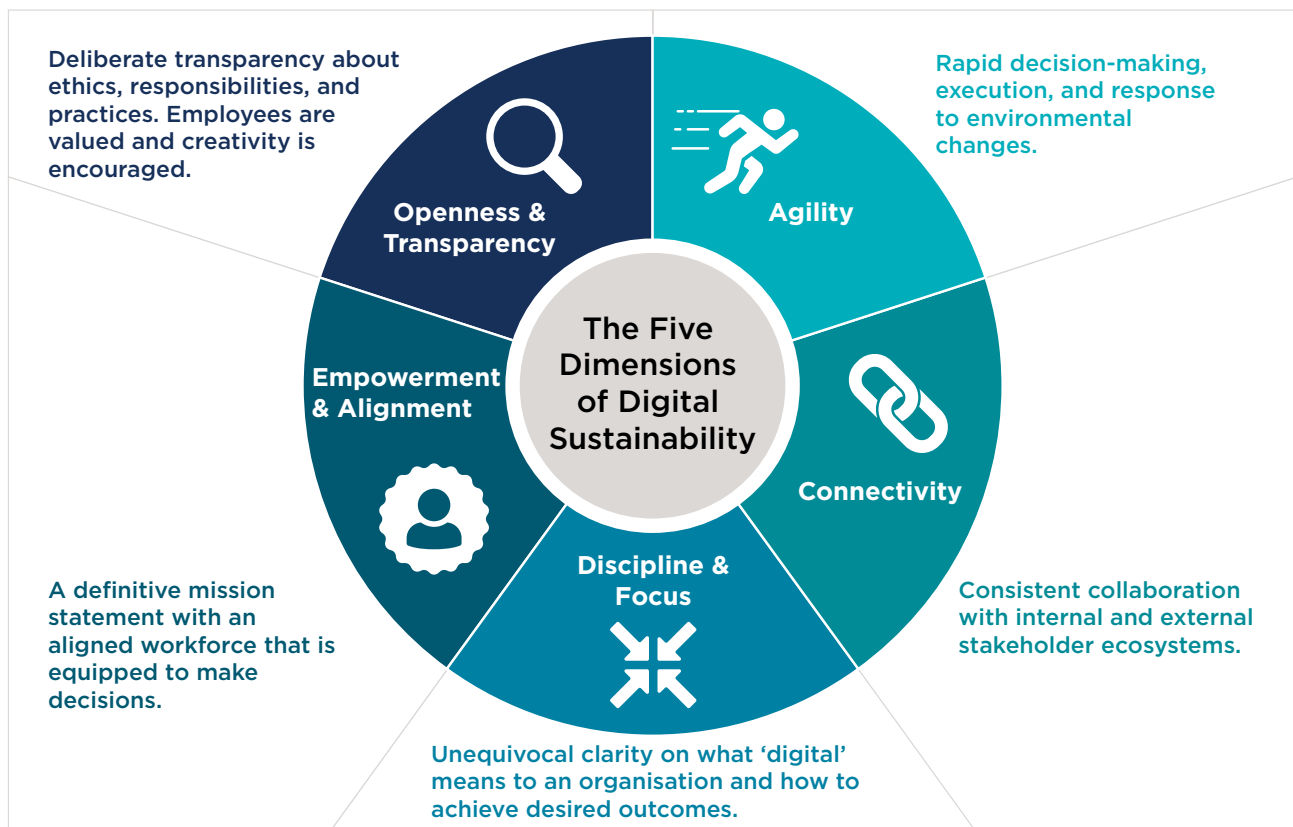
Melissa Swift
Global Leader for Digital Solutions,
Korn Ferry

What is digital sustainability?

Digital sustainability: *An organisation's ability to continuously adapt and thrive in the digital economy*

The Korn Ferry Digital Sustainability Index (DSI), ranks 362 organisations across five industries and 14 countries on the five dimensions of digital sustainability. Each industry and country is ranked based on its DSI score out of 100 — reflecting its overall digital sustainability and performance in each dimension.

Korn Ferry developed the Digital Sustainability Index to support leaders as they navigate the journey towards building a fit-for-future business. Based on a meta-analysis of nearly five decades' of experience and data, the DSI redefines transformation in the context of significant and ongoing digital change by establishing the five critical dimensions of digital sustainability: discipline and focus; agility; connectivity; openness and transparency; and empowerment and alignment. These five dimensions create the organisational conditions for businesses to thrive through ongoing change.



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The digital leadership imperative

While the need for change is digitally driven, it can only be achieved through people. The role of leaders is therefore pivotal. To become digitally sustainable, businesses need leaders who embody the agile mindset needed to lead and sustain seismic cultural change and who can engage their people in the journey.

These leaders are comfortable in ambiguity, as both the internal and external business conditions rapidly mutate. They engage and persuade their people in the change vision and cultivate new ways of thinking and working to support the process. And they do this again and again by deploying strong situational and emotional awareness to anticipate and address business and interpersonal challenges, powered by agile thinking.

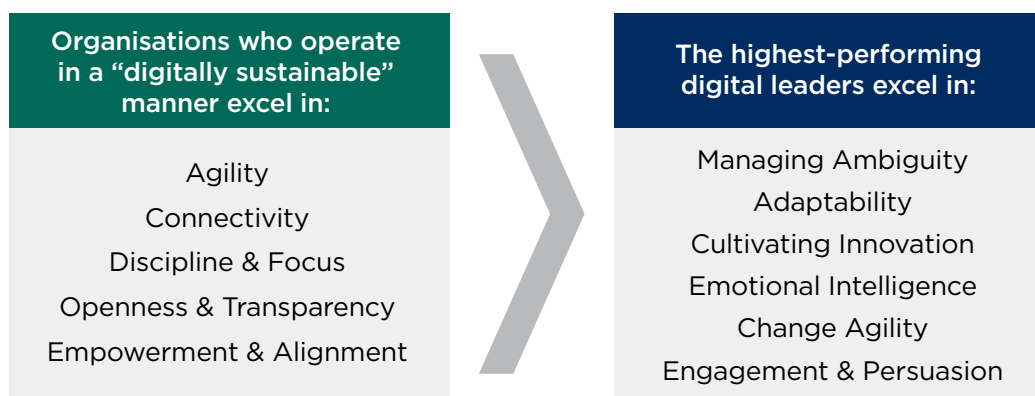
It's tempting to think that this leadership profile can be found fully-formed among today's leading digital businesses. But Korn Ferry research suggests that leaders of such firms—'born digital' leaders—can be too narrowly specialised (Vickers, 2016).

Instead, businesses need to cultivate this mindset, rather than buying a set of experiences. It's the same mindset displayed by great leaders of innovation, agile leaders and leaders who leverage diversity through inclusion. But while businesses once saw these leaders as a "nice to have", the digital imperative has established the business case for investing in developing this type of leader.

Korn Ferry's DSI research quantifies the compelling commercial advantages of digital sustainability: the index proves that high performers in the dimensions of sustainable transformation see a 5.6 percentage point increase in profit margin (earnings before interest, tax, depreciation, and amortisation — EBITDA¹) versus the low performers.

People are the key to unlocking these benefits; the DSI dimensions describe the essential organisational conditions but great digital leaders must operationalise them for success.

Digital sustainability at organisational and leadership level



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¹ This figure is calculated controlling for industry, inflation, and differences in GDP growth rate.

What do great digital leaders look like?

Developing great digital leaders requires a rebalancing of expectations. It means embracing a more nimble and curious leader and letting go of the “heroic operator”.




Korn Ferry’s research shows the strengths that have seen leaders excel in legacy structures can now actively derail digital sustainability initiatives. Leadership styles that emphasised precision and excellence of execution through hierarchical decision-making now pull against the flexibility and inclusiveness leaders need to empower the digital-age workforce.

Drawing on the Korn Ferry Four Dimensions of Leadership and the Korn Ferry Assessment of Leadership Potential, we analysed the traits, competencies and drivers of more

than 500 digital leaders, and compared them against population norms from our 4.5 million data point assessment database to create a distinctive profile of the qualities needed for the digital age. Traits guide an individual’s behaviour, but can at times be difficult to observe, whereas competencies are observable skills and behaviours required for success at work. Drivers are the deep internal values, motivations, and aspirations that influence a person’s choices.

The great digital leader archetype is someone scoring very high (84th percentile) on a carefully crafted composite scale that includes individual success, such as compensation, and company-level success, such as profitability, and peer and/or media recognition.

The unique characteristics of high-performing digital leaders

| Traits  | Competencies  | Drivers  |
|--|--|--|
| Curiosity Tackle problems in a novel way, see patterns in complex information and pursue deep understanding | Cultivate innovation Create new and better ways for the global organisation to be successful | Independence Prefer an entrepreneurial approach and limited organisational constraints |
| Risk taking Are willing to take a stand, or take changes based on limited information | Manage ambiguity Operate effectively even when things are not certain or the way forward is not clear | Structure Prefer asymmetric, unstructured work environments |
| Adaptability Are comfortable with unanticipated changes of direction or approach | Strategic vision See ahead to future possibilities and translate them into breakthrough strategies | Challenge Are motivated by achievement in the face of tough obstacles |
| Tolerance of ambiguity Are comfortable with uncertain, vague or contradictory information that prevents a clear understanding or direction | Engage and inspire Create a climate in which people are motivated to do their best to help the organisation achieve its objectives | |
| Confidence Believe that they can influence positive outcomes | Drive results Consistently achieve results, even under tough circumstances | |

Mental dexterity

The rapid pace of change in the digital economy has changed what's demanded of leaders. Challenges will never again be "solved" in the traditional sense as conditions keep shifting. Instead, leaders must dexterously oscillate between long- and short-term thinking, create trade-offs and make decisions in imperfect situations, quickly.

Great digital leaders are energised by these conditions, confidently working through unstructured environments and motivated by the tough situations they encounter. They're willing to live in the grey areas as organisations straddle the traditional-digital divide.

Their curiosity and willingness to take risks is regulated by their capacity to continue to deliver results. While almost contradictory, great digital leaders manage these competing priorities with great mental dexterity which allows them to assess and make choices in short cycles and continue with confidence when those decisions need to change.

A humble champion

At the company level, Korn Ferry's DSI research found that empowerment and alignment, which measures how well employees understand their contributions to the business' journey, was the most important of the five DSI dimensions. Its prominence underscores the critical role of people in creating digital sustainability.

It also necessitates a reversal of the structured decision-making practices and complex hierarchies of matrixed organisations. For leaders, this means stepping back from the role of heroic leader, characterised by knowing all the answers and relying on direct lines of accountability.

In contrast, great digital leaders exemplify humility; they're accessible and courageous enough to admit they don't hold all the answers. The new leadership modus operandi engages other perspectives to mobilise and empower people and catalyse solutions.

The 360° leader

Hierarchical thinking and cultural precedents can stifle connectivity, but in the digital age, leaders must nurture higher, wider and deeper connections.

Strong leaders have always built these networks, but they've tended to be internally focused. This is now the baseline expectation. Great digital leaders also cultivate cross-function and cross-level internal connections. They also build and maintain 360° connectivity outside the organisation, balanced by internal focus and discipline.

Finding the right combination

Can these traits, competencies and drivers be found all in one person? Do they need to be?

Our profile of a great digital leader aggregates data, so in some ways it does present a picture of the "unicorn" leader. Even if you can find that one-in-a-million individual, one isn't nearly enough. Instead, organisations will need to activate a new generation of leaders that complement each other's strengths and weaknesses.

When developing and recruiting digital leaders, business leaders should ask two key questions:

1. When building teams, how can we make sure all of these qualities are represented?
2. How can we develop and recruit for the right mindset to support the cultural change required?

Focus on APAC

While our research shows that there are some bright stars, much of APAC, like the rest of the world, is struggling with the scale of change required and looking for a way through the complexity.

The APAC region has some of the world's leading digital success stories, from China's Alibaba to Singapore-based ride-sharing and logistics organisation Grab, which now operates in six countries across Southeast Asia. There are successes in legacy businesses as well, like Australia's big 4 banks and Discovery Media, both of which are reinventing their structures to become more agile.

Many other businesses recognise the need for change, but are wrestling with pressure to maintain current performance while putting in place the foundations for future success.

The challenges are many, but they are matched by the opportunities for organisations willing to start the cultural revolution. The competitive advantages are currently there for the taking. But are APAC leaders ready to take on the challenge of leading their people and their organisations into a digitally sustainable future?

Korn Ferry analysed the leadership profile of eight APAC countries and territories and compared these profiles against the traits, competencies and drivers of great digital leaders. The analysis shows that there is a great and pressing need across APAC for leaders to embrace a more open and agile mindset.

Korn Ferry's analysis compares the profiles of more than 9,000 leaders from the following countries and territories against the great digital leader profile:

- Australia
- China
- Hong Kong, China
- India
- Japan
- Malaysia
- Singapore
- South Korea

Australia: The push for true digital sustainability

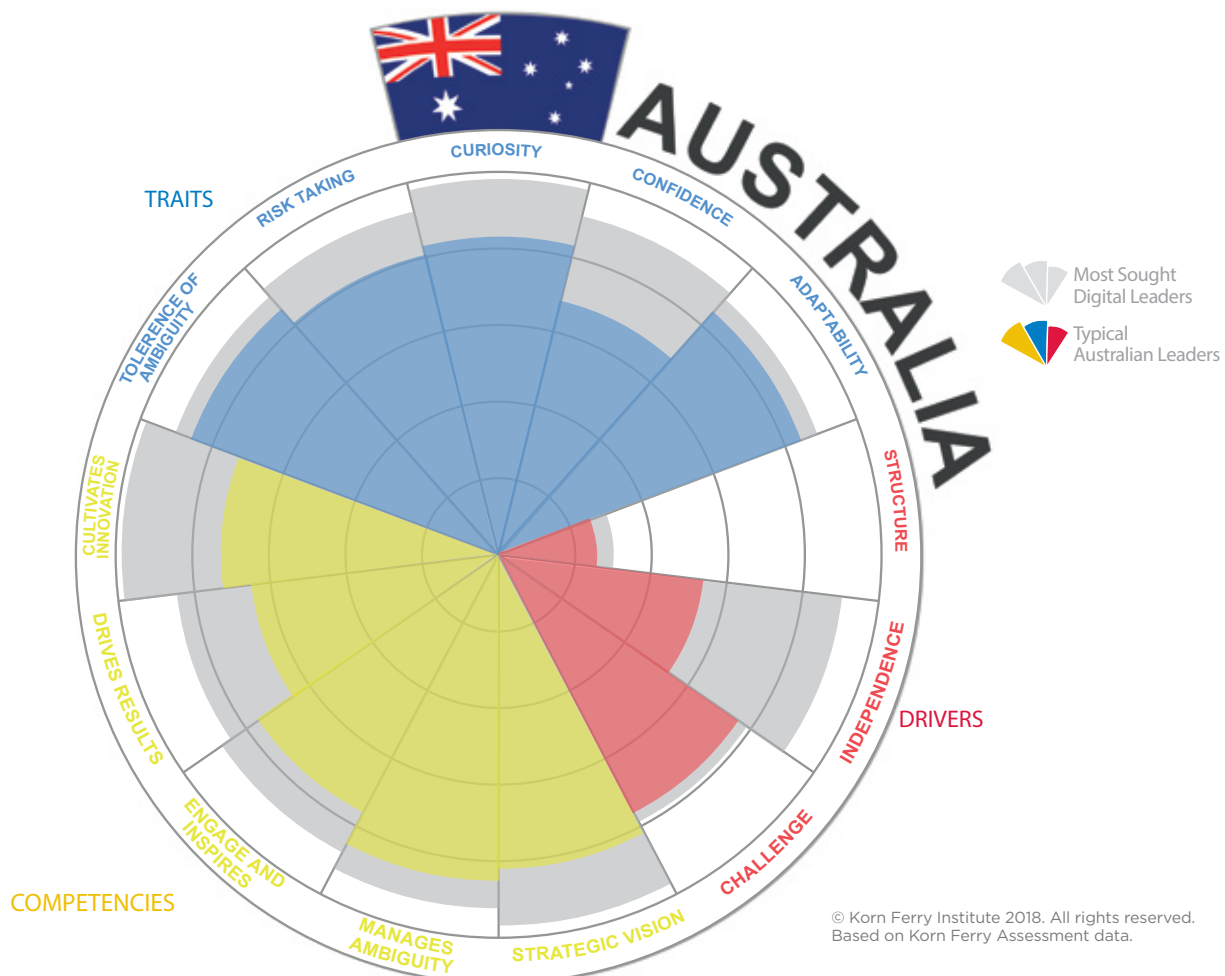
Australia performed well in Korn Ferry's Digital Sustainability Index (DSI) and the profile of Australian leaders was the closest to the great digital leader archetype in our analysis of leaders across APAC. However, the data shows that Australian leaders still need to do more to close some significant gaps, particularly in unleashing creative and curious entrepreneurial thinking to develop innovative solutions and help build a compelling vision for the future.

In part, this is about cultivating a more risk-tolerant attitude. Australian leaders need to step away from the safety of relying on hierarchy and tenure in role and

develop greater comfort making decisions in less-than-perfect conditions. Leaders would also benefit from taking time to increase their connectivity outside of the organisation, rather than remaining mired in the busy-ness of delivering short-term results.

Triggering these changes to mindset and culture will help Australia maintain and even grow its standing in the DSI. This is the real challenge for Australian leaders - to engage their people not simply through the early waves of change, but through the ongoing swell in order to become truly digitally sustainable.

Australian Leaders vs global digital benchmark



China: Embracing a radical leadership mindset shift

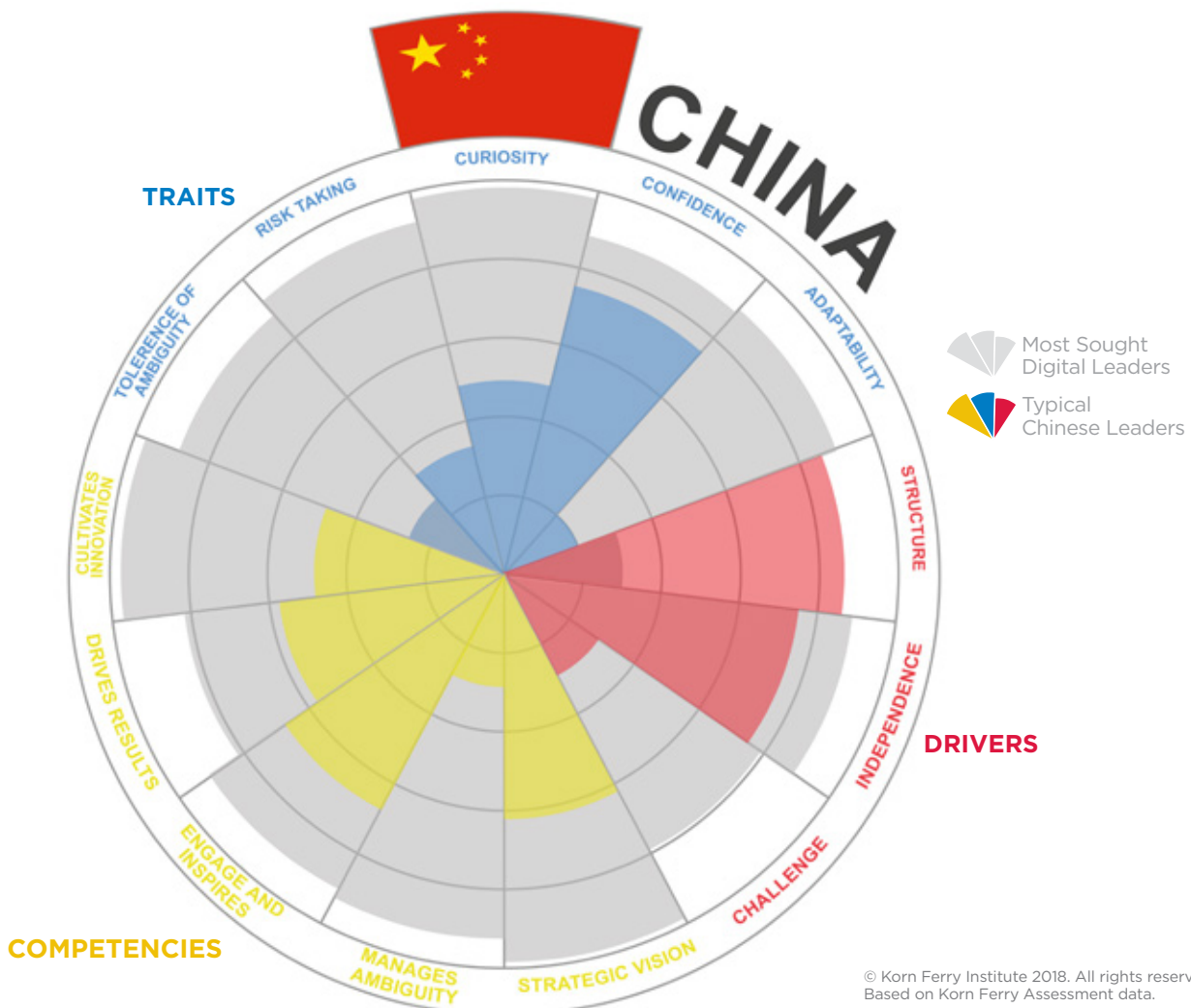
China's market is a leading digital force globally. Alibaba, Tencent and Baidu are championing the digital revolution, while consumers are hyper-connected through WeChat's many service offerings. Chinese business leaders see the market opportunities, yet many continue to struggle with what 'digital' looks like for their organisations, particularly as they continue to enjoy strong performance today.

Korn Ferry's analysis suggests Chinese leaders need to embrace a radical mindset shift to enable real and sustainable digital change within their organisations. Great digital leaders don't only deliver results right now, they also create the conditions for future success. Market demand in China will only increase, so the race is on to capture the competitive advantage on offer.

Chinese leaders have a strong entrepreneurial spirit, shown by a high independence driver. This spirit is a strong motivator for leaders and finding ways to embrace it more frequently in more situations will help grow their capacity for working through and making decisions in uncertain conditions, as well as fostering breakthrough solutions.

Cutting against this is a general preference for structure and discomfort with ambiguity, which may be culturally informed and can promote the "safe" approach, rather than giving free rein to more entrepreneurial thinking and iterative decision-making. These preferences also play out in the significant gaps in the traits relating to curiosity, confidence and risk-taking and their capacity to cultivate innovation.

Chinese Leaders vs global digital benchmark



Hong Kong, China: Bringing people along on the digital journey

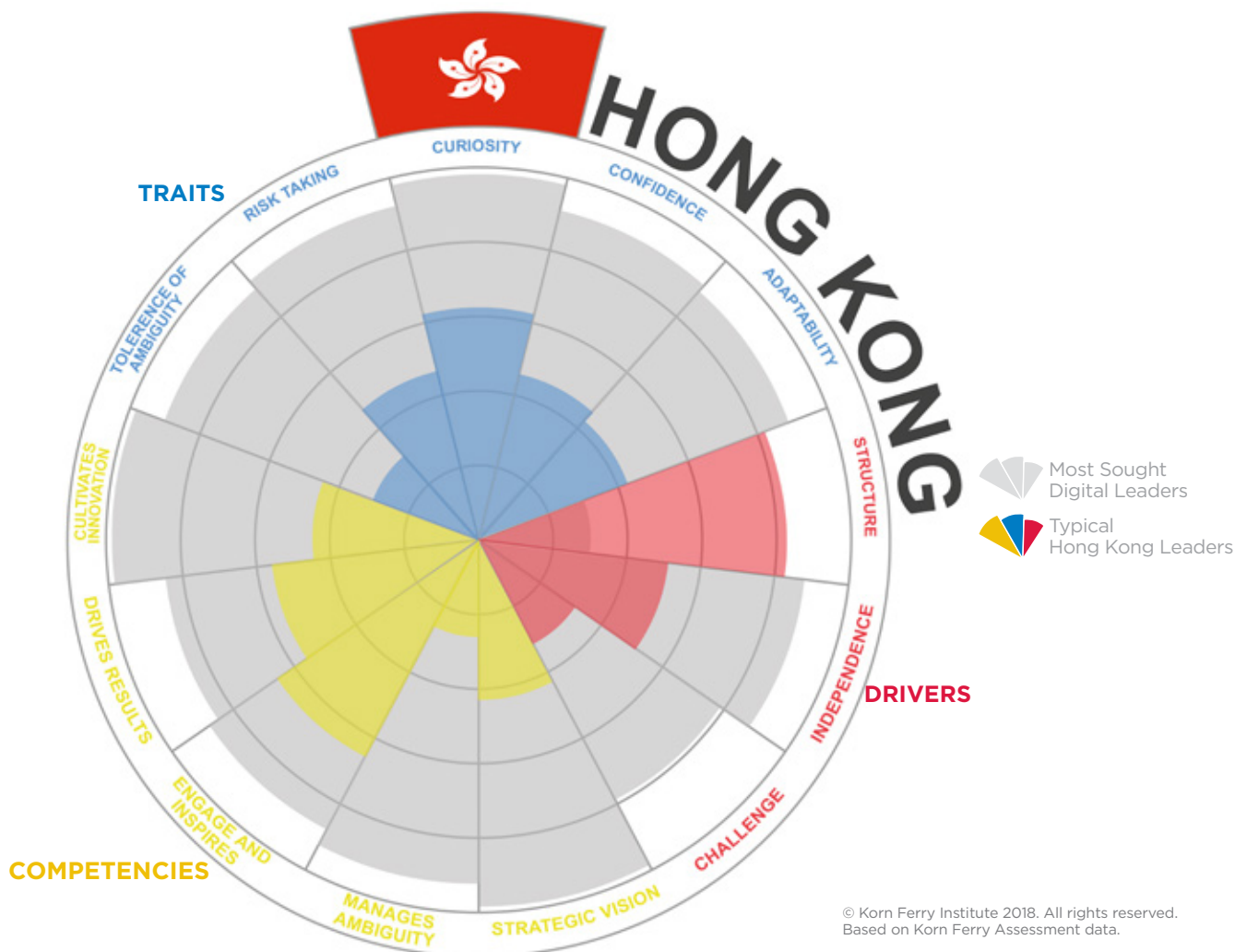
Business leaders in Hong Kong understand the opportunities the new digital era could bring for their business but struggle to bring it to life. While many organisations are beginning to experiment, Korn Ferry's analysis suggests leaders need to fundamentally change the way they lead to create the conditions for digital sustainability and long-term success.

A great strength of leaders in Hong Kong is their capacity to engage and inspire. This suggests they are well positioned to motivate their people to achieve success in a digital future. However, there are significant gaps in other dimensions between where Hong Kong leaders currently are and where they need to be to make the most of their ability to engage their people.

Hong Kong leaders share a strong preference for structure with their counterparts in the rest of Asia. This will let them create working environments that stifle innovative thinking and don't allow people to challenge the status quo.

Hong Kong leaders show a high level of discomfort with ambiguity which limits their capacity to manage and adapt to changing conditions. Increasing their comfort level here will be essential for leading in the digital age and will also help them to develop a strong vision for the digital future of the enterprise.

Hong Kong Leaders vs global digital benchmark



India: Embracing ambiguity and enabling creativity

India's market is one of the great global growth markets and government investment in the Digital India initiative is unleashing the power of digital connection. Business leaders in India are seeking to capitalise on the opportunities that the digital era brings, but—as their counterparts in other countries in the region—aren't clear on the 'how'. While they enjoy strong performance today they might not feel a great urgency to act now.

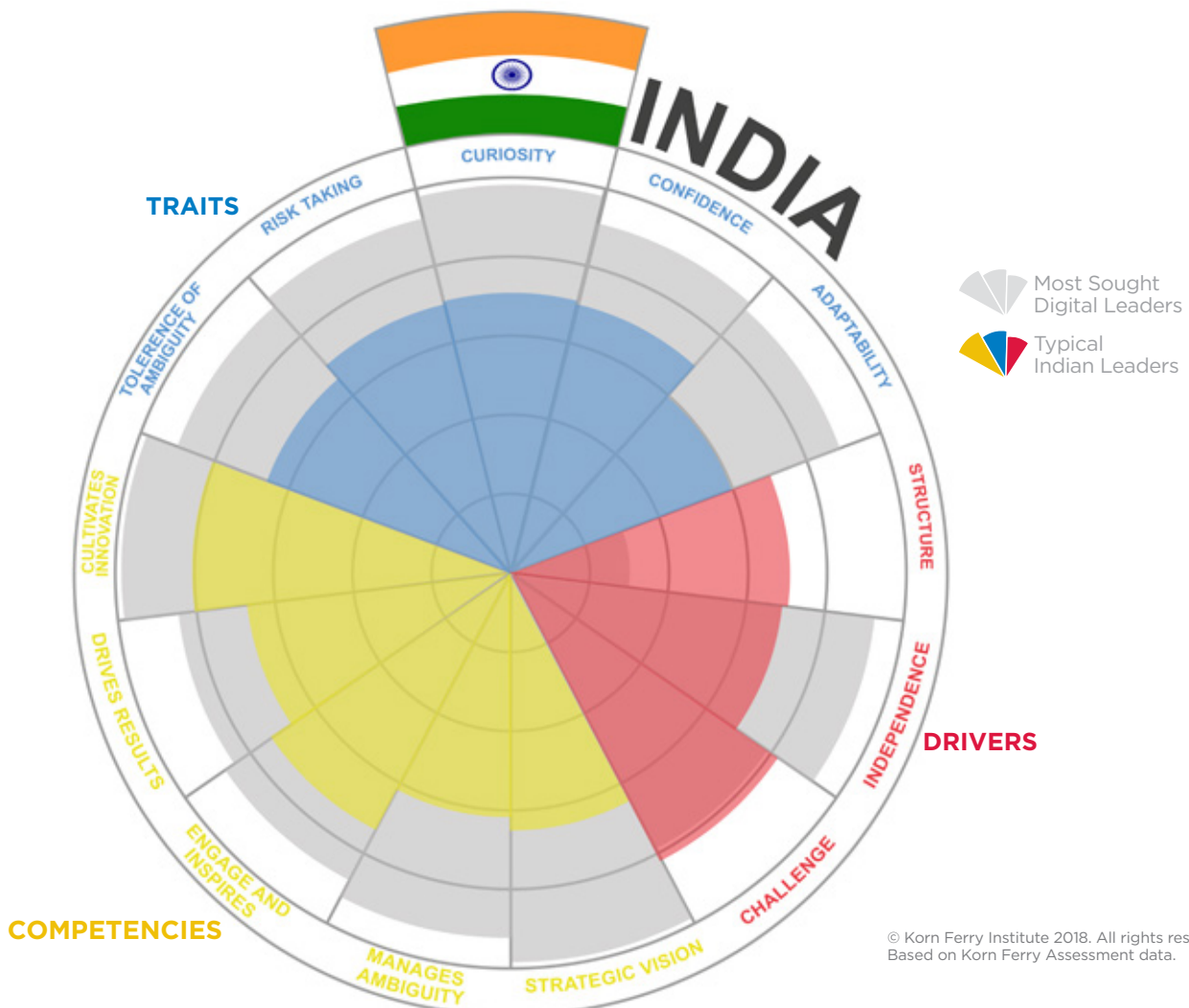
Korn Ferry's analysis however shows that India leaders need to change their approach: Great digital leaders don't just focus on delivering results right now, they also create the conditions for future success. The competitive pressure in India will only

increase, so the race for Indian businesses is on to disrupt their market rather than be disrupted.

While Indian leaders are strongly motivated by challenge and have proven capacity to engage and inspire their people and deliver results, they also prefer operating in a very structured environment—squashing curiosity and creativity which are sorely needed to advance organisations in the digital age.

Many Indian leaders feel uncomfortable in ambiguous and uncertain conditions that are so prevalent in the digital environment. They struggle to adapt their approach to constantly changing condition and need to show more flexibility in their leadership to guide their teams and organisations into the digital future.

Indian Leaders vs global digital benchmark



Japan: Beyond the drive for efficiency

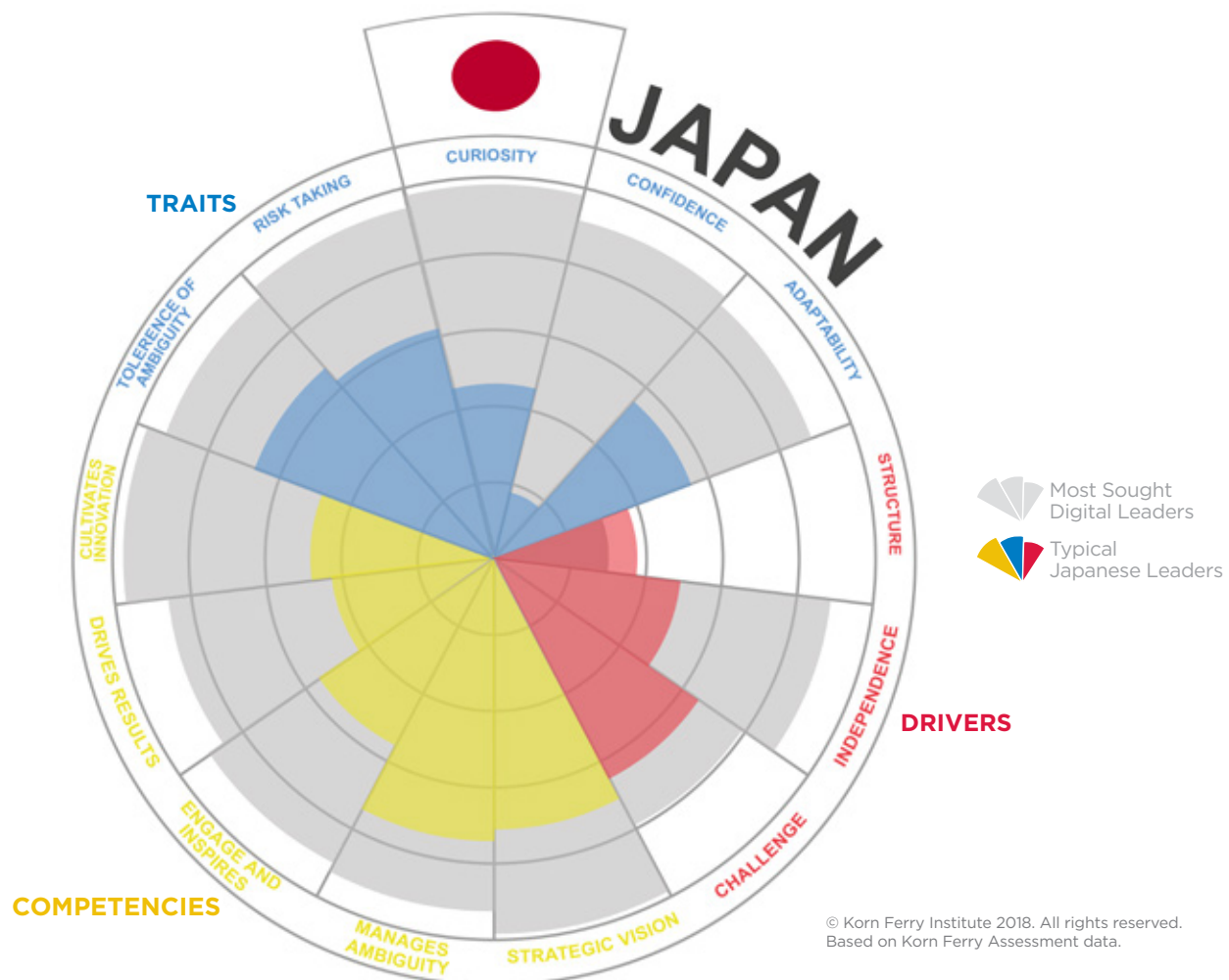
Japanese organisations have a proud history of leading the world in terms of driving greater efficiencies, but the world is moving on and efficiency is no longer enough. Japanese organisations are lagging and there isn't yet an obvious digitally sustainable success story in the market. As a result, there's great opportunity for those business leaders willing to move first and capture the competitive advantage on offer.

Our data suggests that Japanese leaders need to embrace a new way of 'digital leadership' to drive sustainable digital change within their organisations. This isn't about bringing in people with specialised digital or technical skills—the very role of leader in the digital age is changing.

Seismic change is needed; however, Japanese leaders are energised by challenge and this positions them well for the road ahead. Cutting against this is ongoing deference to hierarchy which hinders leaders' ability to engage and inspire their people in uncertain conditions and cultivate innovative thinking. It also favours behaviours that cement the status quo, rather than encouraging innovative thinking and risk-taking.

Like those in other Asian geographies, Japanese leaders show a high level of discomfort with ambiguity which restricts their ability to deal with uncertainty and adapt to changing conditions. Leaders in the digital future need to be comfortable with uncertainty and have a high resilience when it comes to changing conditions to be able to drive their organisation's digital strategy.

Japanese Leaders vs global digital benchmark



Malaysia: Expanding leadership capacity

Malaysia's economy is growing steadily and the government's 'National Transformation 2050' plan is actively promoting the country's digital transformation. However, to drive and sustain digital transformation initiatives, government and organisations now urgently need to look at developing digital talent especially digital leaders critical to the success of these initiatives.

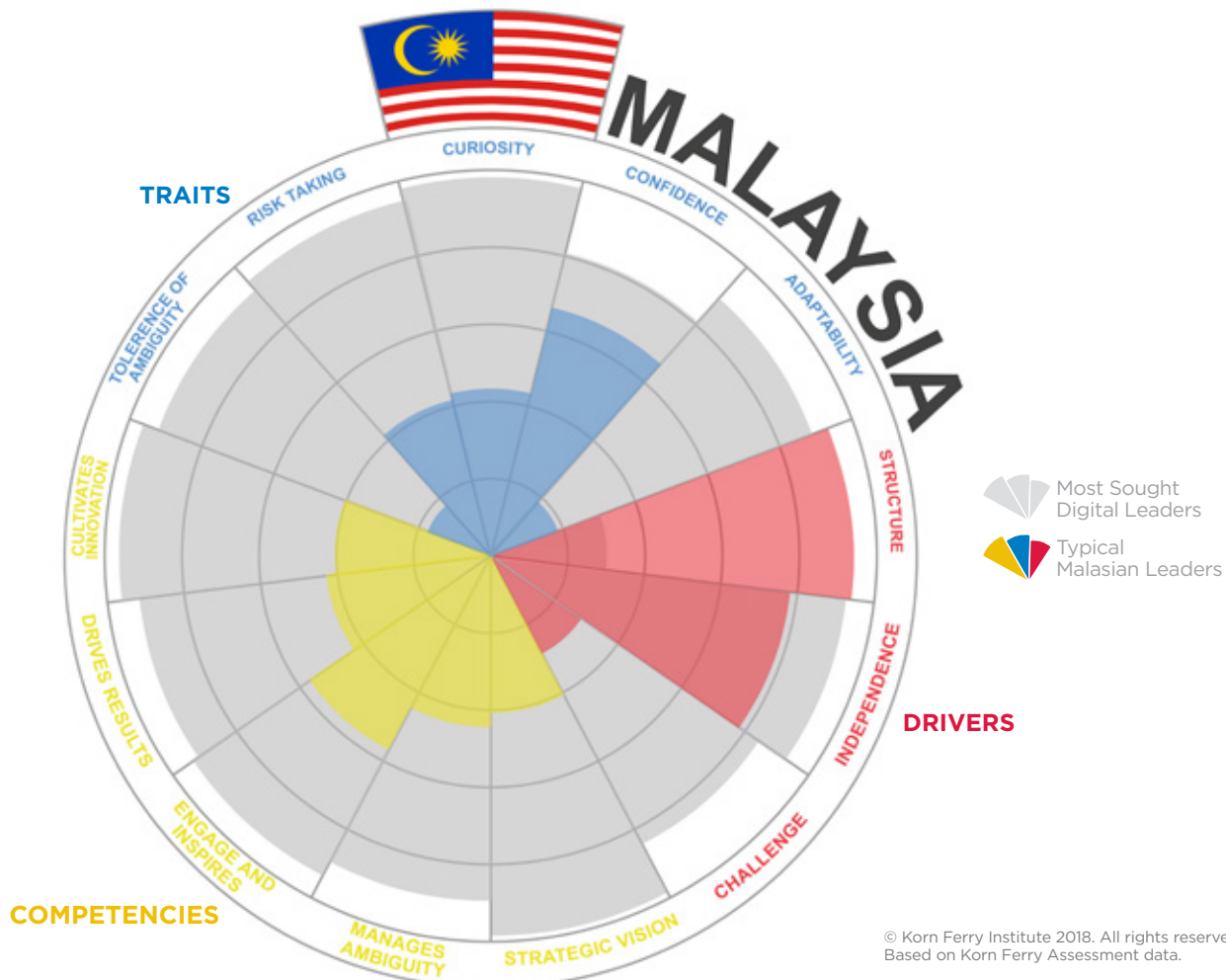
While our analysis indicates there are significant gaps between Malaysian leaders and the great digital leader archetype change is possible. To find the energy to confront the change required, Malaysian leaders need to engage their strong capacity for self-development and embrace the challenge to fundamentally shift their thinking on the role of leader.

Malaysian leaders should also build on their innate confidence to expand their leadership capacity.

Currently, their strong preference for structure suggests the confidence of Malaysian leaders is restricted to operating in process-driven environments with a high-degree of certainty. Leaders will need to find ways to unlock their confidence in more ambiguous situations to enable them to become more adaptable, curious and take more risks in the face of uncertainty.

Culturally, a strong adherence to hierarchy and lack of open communication is inhibiting leaders' ability to engage and inspire their people and empower their teams to create novel and breakthrough solutions. Leaders need to adopt a more humble and approachable style to invite their people to contribute opinions and ideas. Building connectivity both inside and outside of the organisation will assist leaders to guide their teams and create an engaging vision for the future.

Malaysian Leaders vs global digital benchmark



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Based on Korn Ferry Assessment data.

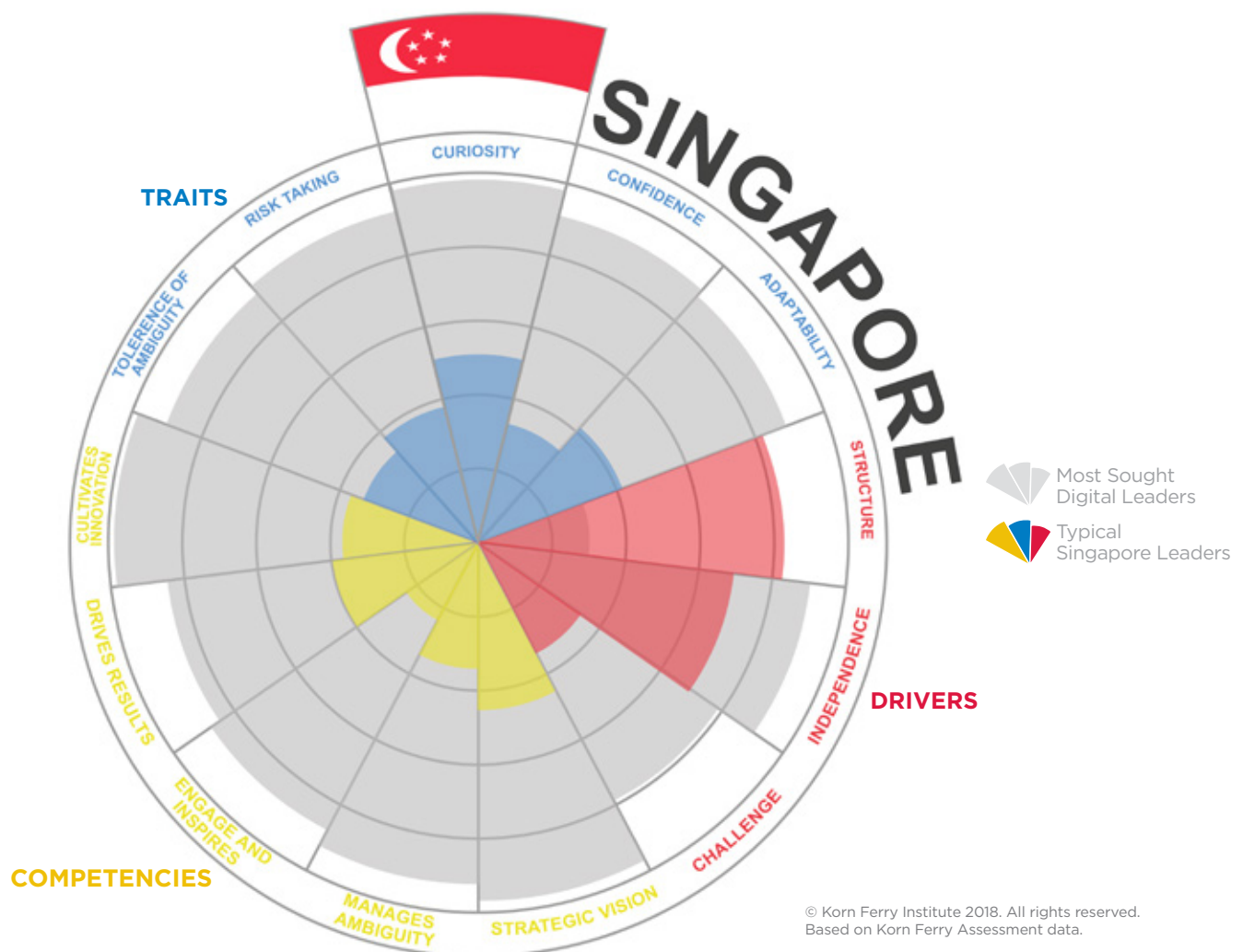
Singapore: The entrepreneurial spirit

Singapore is at the forefront of digital transformation in Southeast Asia and its efforts towards a 'Smart Nation' are well underway at the enterprise and government level. However, when we compare Singapore leaders against the great digital leader archetype, our data shows significant gaps and the need for leaders in the country to make substantial changes to the way they lead.

Singaporean leaders have a strong entrepreneurial spirit, shown by a high independence driver. This spirit is a strong motivator for leaders. Finding ways to embrace it more frequently in more situations will help grow their capacity for working through and making decisions in uncertain conditions, as well as fostering breakthrough solutions.

However, they also prefer to operate in a very structured environment that is defined by rules and regulations. This will limit their ability to drive innovative and new ideas. Our analysis also shows significant gaps in the traits relating to curiosity, confidence and risk-taking as well as discomfort with ambiguity. Adapting to the ever-changing digital world will not come naturally to Singaporean leaders and they need to develop greater comfort in making decisions in situations where not all information is available yet; just like making the decision to embark on a digital journey without knowing exactly what it entails for oneself and the wider organisation. It is however crucial to take the first step towards digital sustainability.

Singapore Leaders vs global digital benchmark



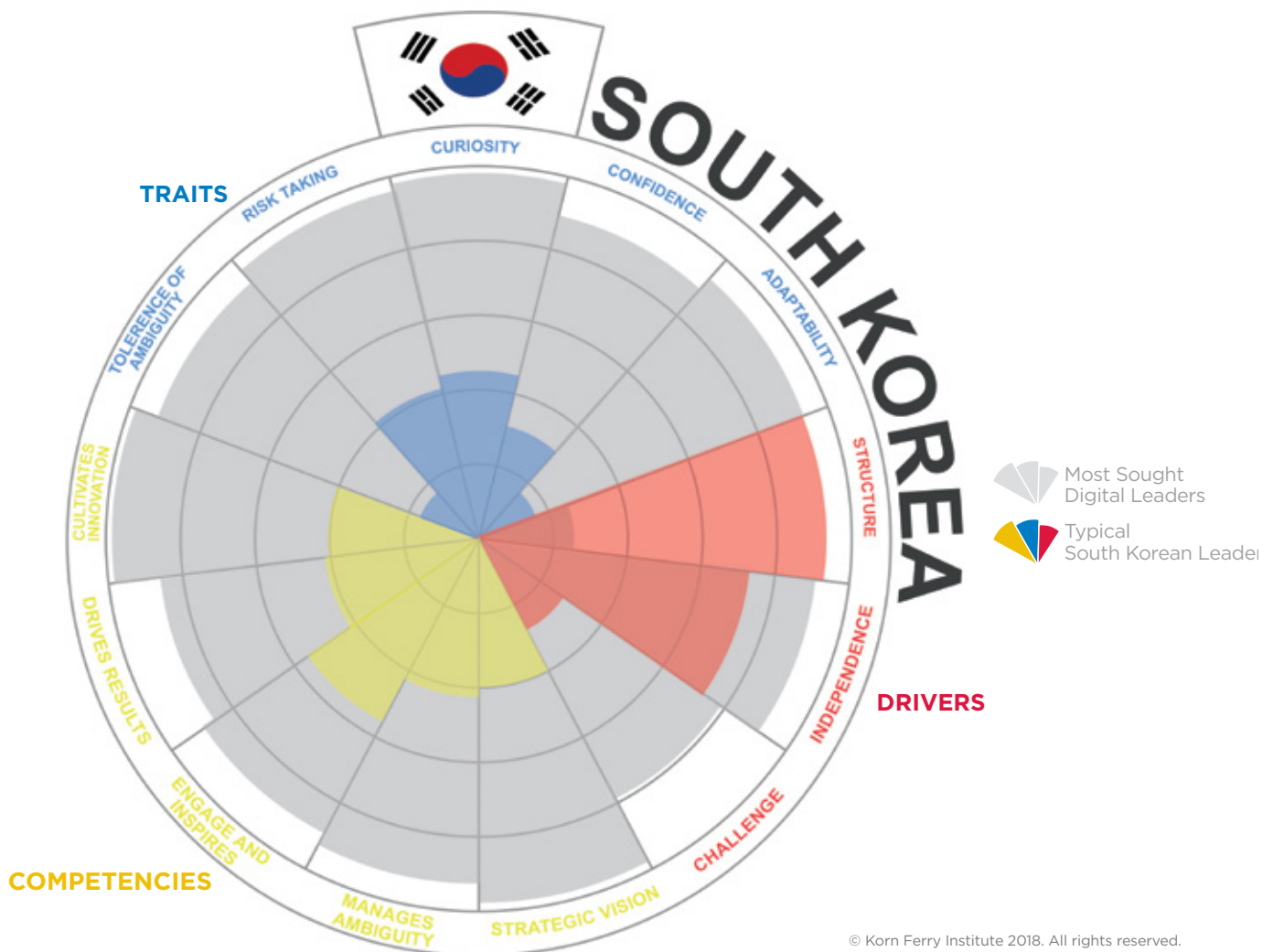
South Korea: Expanding on a tradition of innovation

Many South Korean technology companies are among the most innovative companies in the world and the country is a world leader in R&D activity. Yet, Korn Ferry data shows that to remain competitive in the digital era South Korean leaders need to radically overhaul their approach to leadership.

Like their counterparts in Singapore, South Korean leaders have a strong entrepreneurial spirit rooted in a strong sense of responsibility, shown by their high independence driver. They should rely on this as a motivator to make tough decisions in uncertain situations and work with their teams to come up with new ideas and approaches - even if their need for structure is as prevalent as in other Asian geographies.

They also share their discomfort with uncertainty and ambiguity with leaders in other parts of the region. Prevailing hierarchical structures mean that there's less need to make independent decisions and leave little room for out-of-the-box thinking. However, leaders need to learn to embrace uncertainty and allow their people to do the same to be nimble enough to react to everchanging technology and market conditions. The digital future demands humble leaders that facilitate change rather than the command style leaders of the past.

South Korean Leaders vs global digital benchmark





The route to digital leadership: 4 steps to get there

1. Finding flex

Leaders in China, Hong Kong, Singapore and South Korea share a preference for a more process-oriented, structured environment which pulls against the need for greater flexibility and speed. For leaders in Australia, Hong Kong, India and Japan, the challenge is around operating in a more entrepreneurial and constraint-free environment.

Drivers: structure and independence

Traits: adaptability and tolerance of ambiguity

Competencies: manages ambiguity, drives results

The external pressure for leaders to be connected and nimble, to better understand their customer and leverage technology quickly is only increasing. When there's no one "solution" to find, leaders need to rapidly flex and adapt, rather than adhering to structure. This means leaders need to constantly adjust and create trade-offs, oscillating quickly between discipline and broad thinking.

– Anita Wingrove, Senior Client Partner
Korn Ferry, Australia

Banking on flexible leaders

The financial services sector is one of the industries that has seen the most profound impact from digitisation and continues to be disrupted by technology start-ups. One of Australia's Top 4 banks has seen this as an opportunity to reorganise its operations and implement 'scaled agile' work practices to improve the digital experience for their customers. This represented a significant cultural shift and demanded a new adaptive, distributed style of leadership. Korn Ferry has partnered with the bank to identify and appoint these 'digital-ready' leaders through an innovative assessment and development program engaging 300 senior managers. The bank now has the right talent in place to drive this large-scale transformation and deliver future results by fostering a flexible and agile working environment enabled by new ways of leading.

2. Nurturing breakthrough thinking

APAC leaders consistently struggle to cultivate innovation and develop a strategic vision that includes future possibilities and translating them into breakthrough strategies. Australia aside, managing ambiguity is a critical challenge for APAC leaders. Cultivating greater internal and external curiosity and a more risk-tolerant mindset will support leaders to manage the leadership tensions implicit in ambiguous conditions.

Drivers: independence

Traits: curiosity, risk-taking

Competencies: cultivates innovation, strategic thinking, drives results

Cultivating breakthrough thinking and delivering novel solutions at digital speed requires leaders to change their lens; rebalancing their views on risk and innovation. Traditionally, leaders have been selected for their ability to deliver results and avert risk; stifling innovative thinking. Now leaders need to find ways to fail fast, change directions and embrace fluid thinking.

– Graham Poston, Senior Client Partner
Korn Ferry, Singapore

Breakthrough thinking at Bosch

German multinational engineering and electronics company, Bosch, has embarked on its journey to 'digitisation' comparatively early. In 2008, they first realised the potential threats and opportunities of digital innovation and have since actively embraced the change. They set up Bosch Software Innovation as an incubator for new thinking and to enable their clients to bring their Internet of Things (IoT) ideas to life via its Bosch IoT Suite and IoT solutions. With over 800 IoT experts in Singapore, China, Japan, and Germany, the group has become an important provider of innovation for the entire organisation as well as a source for those invaluable digital leaders now needed across the entire Bosch group. By creating a more 'digital-friendly' environment in a separate entity, Bosch is now able to not only attract more digital talent, but has also provided their digital leaders with the opportunity to thrive by taking risks and trying new and innovative approaches.

3. Energising the team

Great digital leaders excite and influence others to build support and commitment to the digital culture-change agenda. Leaders in China, Singapore and South Korea will need to engage, inspire and persuade others, using compelling arguments to get people on board, while leaders in Hong Kong, Australia and India are one step ahead of the game in this area. Japanese leaders, on the other hand, seem more adept in persuasion but less so in inspiring others.

Drivers: challenge

Traits: confidence

Competencies: strategic vision,
engages and inspires

The best digital leaders work mostly via influence. They work by engaging and inspiring their people because they don't have the option of relying on traditional command and control. This fundamentally changes what is needed from leaders and the first step in making that shift is for leaders to let go of their traditional thinking about power.

– Henry Sheng, Vice President
Korn Ferry, China

DiDi's journey to inspired talent

As China's top rideshare service provider, the one-stop mobile transportation platform DiDi is now serving hundreds of millions of users in China. DiDi partners with Korn Ferry to ensure that it has the right talent at all levels – starting with talent selection on campus and social recruitment for graduates, spanning to leadership development at the management team level and extending to Executive Search for top level executives with an international vision and catalyzing influence. This rigorous focus on the right talent prepares the company for extending their market leadership in China and priming for global growth.

4. Mastering the hierarchy challenge

For both organisations and individuals, connectivity, driven by openness and transparency, is a critical enabler in a digital world. Cultural paradigms around hierarchy can create discomfort around developing 360° connections within and outside the organisation. APAC leaders will need to respectfully grow their curiosity and confidence into a natural comfort with being more open and broadly connected.

Drivers: structure, independence

Traits: curiosity, confidence

Competencies: cultivates innovation

The idea of connectivity is redefining ideas of openness and transparency within and outside organisations, running counter to strong cultural paradigms across APAC around hierarchy. As connectivity requirements shift towards externally-focused and cross-level connections, leaders will need to reset their mindset by asking: how open is my field of connection? Where do I set my boundaries? Am I connected personally? Professionally?

- KyoungHee Lawton, Senior Client Partner
Korn Ferry, Korea

Breaking the cultural hierarchy mould

A leading Korean life sciences firm that is part of one of Korea's largest conglomerates is taking targeted action to build its culture and people capability for digital sustainability and global competitiveness. Its new CEO has engaged Korn Ferry to partner in their transformation efforts. In the initial phase of the project, Korn Ferry has worked with the top leadership team on clarifying the firm's vision, building the insights into what digital will look like for the organisation and driving appropriate change at the top. The leadership team is now focused on cultivating a mindset of agility, collaboration and open communication, which requires a significant shift away from their more traditional and hierarchical culture. The next project phase will see the identification and development of high potentials to become digital-ready leaders. The company plans to continue its transformation by cascading the change efforts downward so that the entire organisation is equipped and aligned to drive results in the ambiguous and complex digital world.

Conclusion

Digital sustainability isn't a destination, it's a new state of being. Leaders are the secret to inspiring the cultural change required, but they must first transform themselves.

Just as digital sustainability requires fundamental changes to ways of working, digital leadership requires fundamental changes in ways of thinking. Together, the organisational and individual shifts will enable fluid workforces to connect in networked operating systems to continually anticipate and respond to the challenges of the digital age.

For leaders, this means letting go of traditional structures and levers of power and working with the system rather than sitting on top of it. Instead of relying on systems and processes, leaders need to become more comfortable flexing to the situation, taking risks and adopting iterative decision-making.

There's no checklist for the change required and the pressure to maintain current performance while creating the conditions for future success can leave leaders feeling as though they're straddling two worlds. Now is the time to capture the competitive advantages on offer. Leaders both globally and within APAC must challenge their existing mindset and grow with their organisations to unleash the benefits of digital sustainability.

Three steps to accelerate digital leadership development:

1. Define the change required and make it real

Digital sustainability initiatives are doomed to fail, unless supported by digitally dexterous leaders who understand and believe in the change required. Elevate the change to the level of an organisational and leadership agenda with C-suite accountability, rather than making it the domain of particular specialists in the business. There's no one-size-fits-all solution, so make the change relevant and real by identifying the key organisational and leadership gaps and defining the outcomes of closing those gaps.

2. Build a supportive ecosystem

Create and nurture a community around the organisation to support leaders to change. Invest in leadership assessment and development to help leaders build self-awareness and expose them to new experiences. Reach out to trusted advisers to enable leaders to amplify their connectivity and create the open relationships critical to individual and organisational success.

3. Embrace discomfort to unlock the mindset

Recognise that a shift in mindset can't be trained, it has to be experienced. Tap the external ecosystem to expose leaders to intensive and immersive experiences that target key leadership gaps. This may mean looking for ways to dispense with hierarchy for creating opportunities to take risks, experiment and test ideas in iterative cycles.

[Online Seminar] **Digital Leadership in Asia Pacific**

Join the authors of this paper as they discuss how to develop 'fit-for-future' leaders

Wednesday, 9 May 2018 <http://infokf.kornferry.com/DigitalLeadershipWebinar.html>

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Korn Ferry is a global organizational consulting firm. We help clients synchronize strategy and talent to drive superior performance. We work with organizations to design their structures, roles, and responsibilities. We help them hire the right people to bring their strategy to life. And we advise them on how to reward, develop, and motivate their people.

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The Korn Ferry Institute, our research and analytics arm, was established to share intelligence and expert points of view on talent and leadership. Through studies, books, and a quarterly magazine, *Briefings*, we aim to increase understanding of how strategic talent decisions contribute to competitive advantage, growth, and success. Visit kornferryinstitute.com for more information.