

The Future of Power

By Oscar David

Power, you love it or you hate it. Some move away from power, others move against it, and still others move towards it. We like to feel empowered, but we don't like people having power over us. In that case we feel abused, while at the same time we might be perceived as the abuser by others. More than anything, we want power to be exerted with integrity and we wish for leaders to use their power wisely. Whatever our relationship to power is, as a leader you need power to make a difference. To do so in the best way possible, reflecting on your relationship to power is your starting point. What are your beliefs about power? What imprints did you get from your parents, teachers and bosses when it comes to power? And are your beliefs and imprints aligned with the needs of a changing world in which power is no longer based on protecting and conserving the needs of some, but is expected to be exerted as a way to empower people and society? Let's be curious and find out.

There is no way we can transform leadership without taking power into consideration. Leadership involves taking responsibility when needed. Responsibility means having the ability to respond. Executing power is one of the ways to do so. The way successful leaders deal with power has changed and will change fundamentally in the years to come.

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More than 25 years ago I started my career as a trainee in Shell. Contrary to my expectation, I found out that most managers in Shell were more concerned about their bosses than caring about their employees. I also found out that this mostly had nothing to do with their personalities: most of them were nice, caring and devoted professionals enjoying making a meaningful contribution. But they were also invested in the company. At that time, working for Shell meant life-time employment. I learned that Shell, as a company, was called 'mother Shell' amongst employees. This was not for nothing: like a loving mother, the organization took care of her employees. There was the promise of mutual loyalty until, and even after, retirement: Shell offered good salaries and great benefits. However, the flip side was that this culture also created dependency. People believed that nowhere else was as good as Shell, but I also noticed in the many conversations I had with people in Shell over the years, that they were insecure. As they had never worked for any other employer, they questioned their capacities to work for any other company in the market. As a result, there was both loyalty and fear. Feeling dependent on their bosses' judgement meant that it was sometimes hard to tell the truth to one's boss or to have open discussions. And for the leaders, there was not much at stake if they did not listen to their employees carefully, as no one would easily challenge the leader's position.

One doesn't need to have worked for Shell to recognize this story. Traditional multinationals, governmental organizations and many others have had a similar culture. These cultures attracted and cultivated a leadership style where leaders had a certain kind of power that remained unchallenged.

Times have changed though, and so has our relationship to power. Recently, the senior managers of ING visited the head offices of highly innovative companies such as Amazon, Spotify, Netflix, Google and Zappos to get inspiration for the design of their Dutch head office. In the old offices, the pecking order was easily visible by observing the way the office space was designed and allotted. However, these days there are no longer walls between the workspaces, and tables are being replaced by lounge spaces. This is one of the ways that the different relationship to power is being expressed. The previously mentioned companies expanded as a result of creating an inspirational environment where personal development and the expression of each person's talents has been pivotal. To do so requires a different way of dealing with power. This is what Adam Kahane, the author of *Power and Love*, calls the movement from 'power over' to 'power to'. Power over is intended to dominate other people and be in control of stakeholders. Power to is the power to make a difference and serve the bigger picture by being aligned with people and the stakeholders of the organization.

Organizations, as mentioned above, have become successful because of their capacity to apply power as a way to make a difference. There is no doubt that given the enormous adaptability, flexibility and innovation required to thrive, organizations require leaders who are able to facilitate change by creating an inspirational environment where their people thrive as they use their power not for themselves, but to facilitate change for the good of the organization.

To understand how power can develop from power over to power to, I distinguish three ways of dealing with power. The

most basic and primitive way to deal with power as a leader is to use it for one's own gain as much as one can, mostly by using force. I call this instinctual power, or Power 1.0. It is the most primitive way of dealing with power and its aim is to get power over people.

The second way is applying rules, regulations and agreements as strictly as possible. This is what I call Power 2.0. Power 2.0 is more evolved than Power 1.0; it is a way to minimize the destructive effects that Power 1.0 can have. The downside of Power 2.0 is that it carries the risk of becoming bureaucratic, but at least it is mostly fairer than Power 1.0.

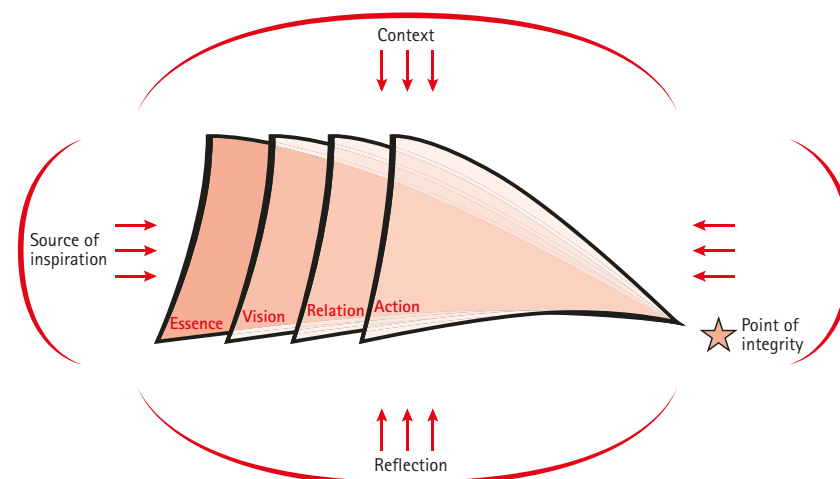
In spite of the fact that Power 1.0 and 2.0 can be useful when applied appropriately, they are not enough to guide leading organizations and make the difference needed to thrive in a highly dynamic and changing world. In order to be impactful, meaningful and innovative as organizations, leaders are needed that have mastered Power 3.0. Power 3.0 is based on exercising power to serve the whole and definitely looking beyond one's own interests. To put it differently, it is not about power over other people, but about power that is exerted to make a difference and serve a purpose or a passionate desire. This kind of leadership is not based on instincts, nor is it based on rules and regulations. It might include those aspects, but more than anything else it is based on inner values being expressed by the leader.

Most leaders will agree that the challenges of today's world are more about values than ever. It is obvious, for example, that the challenge of Europe being invaded by immigrants cannot be resolved by Power 1.0 only, which would imply nations just fighting for their own interests. The mere application of laws and regulations, Power 2.0, won't do either. What is needed is Power 3.0, which is much more suited to deal with this complex global issue that is entwined with a basic value, namely to provide homes and shelter to people in need. This doesn't mean that there are no limits, but

those limitations are not leading as a starting point. Or take another huge challenge: global warming. Leaders know that solutions will come from the power to go beyond self-interest and bureaucracy, without denying that those powers might play a role. The real driving force, however, comes from a deep-rooted desire to leave planet Earth in the best shape possible for our children and grandchildren.

Recognizing the need for Power 3.0 leadership does not necessarily make it easy to act accordingly. This essay aims to clarify why it is so difficult, and how to go about achieving it.

The dynamism that goes with developing Power 3.0 leadership can be best visualized by a ship with four sails. In order to make it work, a leader should hoist his sails before embarking on his journey.



The first sail is what I call the sail of essence, and it goes with the slogan Being Yourself. Being yourself means getting rid of whatever we have taken ourselves to be that is not real. Essence is what we really are. Essence is not our ego, but the core of who we are, without a self-image based on history, without ideas of how we should be and void of beliefs that come from others that are not really aligned with our deeper

nature. In his book *Proof of Heaven*, the American neurologist Eben Alexander describes what happened after a near death experience. He concluded that the only reality there is, is consciousness itself. One doesn't need to have a spiritual orientation or go through a near death experience though to experience more of reality. Many people who went through a loss of what was dear to them, a loss of loved ones or a loss of health, report that they appreciate life more deeply, and especially care more about what is really valuable to them. Values derive from essence. They are not made up, but are the source of what we deeply care about. In this place of experiencing our authentic self, values arise by themselves. Certain values can have different meanings for some leaders than others, but are not culturally specific as a given. For example, most people appreciate the value of being truthful, but it can mean different things in different environments. For this reason, values - although commonly shared among human beings - require definition in different cultures or environments.

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The second sail is the sail of vision and goes with the slogan 'Having a dream'. In order to make a vision work, one needs to have a vision that is based on values. So a vision is not a strategic plan based on market circumstances, a vision comes from a longing for a different world based on the values leaders cherish. The famous speech of Martin Luther King starting with the words "I have a dream" is a great example of the expression of a vision based on a heart's desire. Leaders who lead from a heart's desire can be found anywhere and their impact is obvious. An example is the Brazilian entrepreneur Ricardo Semler, who transformed the machine factory he took over from his father from a traditional hierarchical organization to an unconventional,

non-hierarchical networking organization with self-managing teams. His passion is palpable as he truly believes that empowering and trusting people is what really matters.

The third sail is called the sail of relationships and goes with the slogan 'Speaking your Truth'. Leaders know that having values and great visions is not enough. One has to embody and communicate authentically what one stands for. But it should also include what's behind the professional appearance in the role of the leader: personal feelings that seem to make one vulnerable but in fact show the strength of the leader, like expressions of what one fears or what one hopes for. Speaking the truth in a simple way is not just for the humble, it is what shows the humanity of the leader and makes it possible to connect with him, although we might not always share his point of view. Leaders who pretend won't be respected; they will easily be perceived as fake. They earn respect by being themselves and for being honest and courageous in how they deal with other people and situations. In this way, people can connect with the values of the leader, whether they share those or not. Over the years, I have seen some leaders take very tough or unpopular decisions while still being respected by their employees. It was not only the tone of voice, but the honesty and vulnerability they displayed at the same time which made it possible for others to stay connected and trust the leader, even though they disagreed with the decision.

The fourth sail is the sail of action. In this sail, all previous sails come together. The slogan that goes with this sail is 'Walking your Talk'. Or, to put it differently, the leader acts in alignment with his values, his vision and his speech. The proof of the pudding is in the eating, and when a leader succeeds in getting the sails aligned, his actions are impeccable. This doesn't mean that there cannot be compromises, but one knows that, given the circumstances, actions work out the best way possible when the leader knows he comes from a place of integrity. The examples of walking your talk are usually simple and powerful. One of

my former clients, a board member of a hospital, continued to work one day a week with patients because he felt that taking care of patients was what the work was about anyway. Another simple example, but not less impactful, was a CEO not claiming his office space anymore, as nobody in the organization had a private office anymore. This way he aligned himself with the new way of working, without using his power to create an exemption for himself.

Speaking the truth is what shows the humanity of the leader and makes it possible to connect with him

When leaders succeed in getting the sails of essence, vision, relationships and action aligned, there is a sense of flow and ease while being effective at the same time. In this place the leader gives meaning to the challenges of the organization in an authentic and powerful way while taking the organization and its stakeholders to new horizons. This is what I call the realization of the point of integrity: a leader makes a difference in the way that he is aligned with the values he leads from and it shows in his vision, his words and his actions. It may sound simple, but it is not easy. It is called the point of integrity, because the inner values and outer actions are congruent. Integrity also means that all aspects are integrated and included, nothing is left out. However, the storms under which leaders have to navigate their ships these days, have a wildness and unpredictability that is unprecedented. Because of that, it is a huge challenge to get the point of integrity working on a daily basis.

The main reason why it is so hard to establish the point of integrity is related to context. In the model of Power 3.0 leadership, I call this the wind from the North. With the wind from the North come all the powers and pressures from the leader's environment and his organization. In senior leadership positions, it is often hard to distinguish between pressure on the person, and pressure on the organization as

a whole, as the leader holds the final responsibility anyhow. It goes from pressure on one's work schedule and deadlines, to pressure from competitors, the press, governance, shareholders, public opinion, other stakeholders, and last but not least, the needs of the leader's loved ones at home and the limitations of his body and health. The whole package makes the leader's work exciting, but stressful at the same time. The human body has its own ways to respond to stress. It releases hormones to cope with it, e.g. the stress hormone cortisol. Cortisol makes people more ready to fight, but also harder and less empathic. Because of the hardening, it tends to close one's heart and makes the leader disconnect from his authentic self, while that connection is needed more than ever while feeling the pressure of the wind from the North. The specific pressure that comes from the wind from the North also makes it harder for leaders to resist the seductions that come with their position. Those seductions are usually related to using their power to satisfy their own needs, instead of aligning their behavior to the responsibilities they hold. When people in powerful positions succumb to this seduction, they allow themselves to indulge in disrespectful or incongruent behavior towards people in less powerful positions, or grant themselves inappropriate financial rewards or other privileges that interfere with the integrity of the position. The challenge to always act with integrity is not only difficult because of the pressure that comes with having responsibilities, it is also dictated by what is considered acceptable in the context one is operating in. An illustrative example took place recently causing huge unrest in Dutch society when the board of ABN AMRO decided in the Spring of 2015 to substantially raise their salaries, while the bank had recently been nationalized by the government in order to save its existence and many employees had lost their jobs as a result of the dire situation. Moreover, when confronted with the poor lack of judgment for this decision, it took the board a while before they agreed to give up their pay rise, since they perceived their intentions as perfectly legitimate: the raise in salary was part of their contract, it was not illegal and in comparison to top

executives of other international banks, their salaries were still moderate.

The best antidote against the pressure of context is reflection. It was obvious that this had been lacking in the ABN AMRO case. In the model of Power 3.0 leadership this is represented by the wind from the South. Reflection is about taking time to stand still so we can see the bigger picture, evaluate processes and actions, open ourselves for feedback from others and so on. The bigger the pressure from the wind of the North, the more important it is to find time to reflect to counterbalance its impact. However, reality tells us that the harder the wind comes from the North, the more limited we feel in the time and space to reflect. In order to make Power 3.0 leadership work however, it is important to allow time and space for self-reflection to counterbalance the different forces.

The bigger the pressure, the more important it is to find time to reflect to counterbalance its impact

In addition to reflection, inspiration is needed to stay connected with oneself. Inspiration is the source of energy from which ideas are born and actions gain meaning. It was significant that Pope Francis used his 2014 Christmas speech for the Curia, the top level of the Vatican bureaucracy, to tell the cardinals and bishops that they were suffering from Spiritual Alzheimer. What he meant was that most of them were driven by motives like power and comfort and had forgotten what their mission was really about: a deep spiritual connection with the values of Christianity and the wish to serve humanity.

In the model of Power 3.0 leadership the wind from the West is the source of inspiration. For most leaders, the more pressure that comes from context - the wind from the North - the harder it is to find inspiration. The sources that inspire leaders differ. Some leaders find inspiration in nature, music,

meditation or sports. Others find inspiration through religion or spirituality. Whatever the source of inspiration is, it is a source of energy that makes actions meaningful and gives leaders the energy to stay connected with the meaning of life.

When the point of integrity is realized to some degree, the wind from the East is being generated. This wind generates a sense of dignity and strengthens the qualities of the four sails, it supports reflection and more than anything it impacts context in a positive way.

Power 3.0 leadership is more a process than a position. It is more a practice than a set of behaviors. As circumstances and challenges are unforeseen, it is about the intention of the leader to stay present in all situations, responding as authentically and courageously as possible day after day. By dealing with context authentically and with integrity, leaders mature from competent to wise. The metaphor of sails and winds is there to help the leader identify from which direction the challenge comes from in any particular situation, so the best results can be achieved. With this attitude and sense of clarity, leaders can rely on the power to be themselves and act accordingly. Exerting power is then an act of empowerment to everyone involved.

Oscar David was born and raised in the Netherlands as a son of a German born father and a Dutch mother. After graduating in Organizational Psychology at the University of Amsterdam and after his trainee period at Shell, he founded a small consultancy firm, serving companies like Shell, ABN AMRO, Philips, KPMG and PWC as an executive coach and leadership consultant. Working as an international consultant on board level, he also serves top civil servants and medical doctors and their boards at Academic hospitals. Oscar is known for introducing cutting edge methods on leadership and personal development at top management level, including the Enneagram, Organizational Constellations and Open Space Technology. Oscar is also a lecturer at TIAS business school for the senior executive leadership programs. He is the author of numerous articles and two books. His latest book *Power! From Instinct to Integrity* is available in Dutch, German and English.

