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Making Responsible Leadership Everyone's Business

Birmingham, 14th June 2018

In partnership with:



“There is now an economic and business imperative for greater leadership inclusivity in addition to the clear social imperative.”



The University of Birmingham's Professor Kiran Trehan opened the event with a challenge to the audience:

- * Why are you here?
- * Does leadership diversity matter?
- * Or is it much ado about nothing?

She passionately went on to make the case for less talk and more action in addressing the leadership diversity gap. Reflecting on the research she and colleagues undertook for the West Midlands Combined Authority Leadership Commission, she highlighted the profound negative impact a lack of diverse leadership has on the prosperity of the West Midlands and wider region and therefore on the population as a whole. She made a compelling case which highlighted that organisations with diverse leadership perform better. She invited participants to consider whether they were passive bystanders or critical activists?

This event was about starting a collective journey to effect change that closed the leadership gap.

Kiran went on to raise some innovative and thought provoking issues as she addressed three key questions:

- * How do we make responsible leadership everyone's business?
- * Are we developing irresponsible leaders?
- * Can academics, business, public services, small firms, practitioners and the policy community play a collective role in putting knowledge to work; in effect *making responsible leadership, everybody's business* to create sustainable impact?

Kiran invited the audience to collectively re-think what leadership diversity looks and feels like in their organisations. Leadership diversity is an emotional endeavour and transforming leadership practice means ensuring that the diversity of leaders in their organisations better reflects the diversity of people across the West Midlands Combined Authority now and in the future.

So the question is could we, should we, would we...? Maya Angelou reminds as:

*Prejudice is a burden
That confuses the past
Threatens the future and
Renders the present inaccessible.*

The scene was set at the start of Phil James' opening address with the global financial crisis 10 years ago together with environmental/social disasters and impacts by corporations pursuing greater shareholder/individual wealth.

In light of these occurrences, Phil's view was that responsibility, culpability and ethics now need to be taken even more seriously. He made the point that it was easy to assign personalities and identities onto organisations as if they were people but that organisations do not act, it is the people within them that act and make decisions. It is therefore the actions and behaviours of people that are key to responsible business.

Phil raised a number of questions:

When it comes to responsible leadership practice, what does that actually mean?

What should we actually be doing on a day to day, hour by hour basis?

In the day to day ordinary mundane interactions with people, what can we do better? Do differently? Or do more consistently that enable us to be more responsible?

“Diversity in our teams and organisations and everyday life is important so we can be informed by views and backgrounds that challenge and enhance our own perspectives and enrich our points of view and decision-making.”

He spoke about how managers and leaders are often surrounded by fuzziness, uncertainty, ambiguity when it comes to making decisions. Training and compliance regimes are put in place, but it is the practical judgements of people that are involved in decision making that lead to action. Managers and leaders, although making informed decisions are improvising and this is a reminder that responsible leadership is a human endeavour, a social process that arises through interactions with other people, not just something that is locked inside of us as individuals.

Phil spoke about the importance of diversity in organisations and everyday life so these leadership decisions can be informed by different views and backgrounds.

This is going to be the focus of a new project with the University of Birmingham and the Lloyds Centre for Responsible Business to see what is actually playing out in terms of responsible leadership in the 21st century in Birmingham and the West Midlands, looking for a greater and wider impact through the real lives of real people going around their everyday business - small business, professional services and practices and public sectors organisations. The project will aim to provide information and inspiration about making responsible leadership our business every day.

“Responsible leadership is a human endeavour, a social process that arises through interactions with other people, not just something that is locked inside of us as individuals.”



“If you think of this region, there is no question that it will perform better if we genuinely harness the talent of everyone in the region. That’s what this is all about.”

One of the proudest days since starting his role as Mayor had taken place only 3 days earlier with the launch of the [Leaders Like You](#) Report.

After thanking Anita Bhalla OBE, Chair of the Leadership Commission, the Commissioners, the people involved in the focus groups and Professor Kiran Trehan and her team at University of Birmingham, Andy gave his reassurance that he is publically committed to making sure the report recommendations happen.

It is important to him as he believes it is the right thing and the wise thing to do for the West Midlands Region. He wants to help ensure that people can fulfil their potential irrespective of their background and believes there is no question that the region will perform better if the talent of everyone in the region is genuinely harnessed.

Andy spoke enthusiastically about the diversity and strength of the region, the way in which it represents the future of Britain, and how that has been a really powerful calling card, in particular with recent success of winning bids for the 2022 Commonwealth Games and Coventry as the 2021 City of Culture.

His call to action to the room was that everyone in a leadership position in the West Midlands region can play a role in implementing the recommendations. It is not something that should just be left to politicians.

Andy also spoke about his own personal role and the work he has been doing in this area. He was honest enough to hold his hands up and say that the West Midlands Combined Authority currently has an all-male board which is not something he is proud of. Everyone is there on their individual merits and are all elected there but he wants to think about what can be done to balance this.

One of the commitments in the report is for a Youth Combined Authority which will aim to bring together different voices.

Andy also identified that a huge part of the response to the report will lie with Chief Executives and Boards. He has always believed that the stronger diversity of the Board, the stronger the business will be. In his experience of running John Lewis, one of the things he was proudest of was the male/female balance of the Board well before most organisations even started talking about it.

Finally, Andy’s wish is to create a tone for his successor so when they arrive maybe they will be from an ethnic minority community, maybe a woman, maybe a member of the LGBT community, or maybe someone with a disability?



“Everyone in a leadership position in our region can play a role in implementing the recommendations. It is not something that is left to politicians. You are all leaders in different organisations and you can all play a role.”



7 years ago Rosie set up a social enterprise called Miss Macaroon. The organisation makes French macaroons and reinvests 100% profits into providing training and jobs for long-term unemployed young people.

Rosie explained about the importance of having a diverse Board who bring different skills with them. For example, having people who are more focussed on the numbers and finances rather than who are just really passionate about the young people they work with. She also provides opportunities for young people to talk to the Board Members and attend Board Meetings and strategy days to help build their confidence and see what they could achieve through reaching their potential.

Rosie described what an amazing process it is to work with the young people to build their confidence. They are shown that they do have skills and are helped to understand and overcome their barriers. She also spoke of the importance of the work she was involved in with the Leaders Like You report as this also links to the work that she does in trying to give a voice to the young people that she works with across the region.

Rosie spoke about areas of importance to her in leadership: passion, skills and networks.

After realising passion would only get her so far, she undertook a number of training programmes. Her aim was to upskill and to have the confidence to ask the Board to challenge her in a way that would really improve the organisation and help Miss Macaroon grow.

Rosie also talked about the importance of creating a diverse circle of influencers around her which enables her to receive different viewpoints on business challenges.

Rosie's call to the audience was to challenge young people within organisations to step up and provide support to each other but also to think about giving shadowing opportunities to people who may usually exist in a very different world. This could help to grow their confidence and skills and create connections which in turn could help the region to become more diverse.

Rosie's life changed course when she was a teenager. In her first job she met a young person, living on the streets, who turned everything she had heard about homeless people on its head. He had gone away to university and his Mum had passed away in a house fire which led to his life falling apart. Rosie realised that if things were different, that could be her and decided she needed to do something more than just give money to charity.

“We work with young care leavers, ex-offenders, those at risk of homelessness, those with mental health problems, those with physical disabilities, lots of people on the autistic spectrum, lone parents.

They feel like their voice isn't heard. They also feel they don't have the opportunity so it is an amazing process to go through with them to build their confidence showing them that they do have skills.”

“It is the end of hero leadership – the idea of one hero who knows the answer. That is no longer realistic. The issues we are dealing with are so complex that we can’t rely on one person at the top of the organisation to know the answer.”

Catherine began her presentation by sharing some headlines from the national [ESRC-funded work](#) that has been done on the roles and skills which will be needed for public servants in the future.

She described the series of inter-connecting challenges for those working in public service including: financial austerity; increasing demand by citizens about their access to and influence over public services; changing demographics (an aging population) and the impact of new technology. The research showed that in response to this new world in which public servants are working, a different set of roles and skills are needed to help them to:

- Try to responsibly balance the needs different parts of our society (young and older).
- Protect the most vulnerable and support them to support themselves.
- Re-think services.
- Use technology responsibly.
- Use research to put resources into areas that actually make a difference.

The new roles will require:

- People who can act as municipal entrepreneurs who have a real sense of the system they are working in and can pull together resources from across areas.
- People who can tell stories.
- People who can respond to citizens on a human to human level.

Catherine spoke about the importance of public servants developing new softer skills (listening, caring, empathising, facilitating) as well as specialist hard skills (finance, law, planning).

However, she went on to say that recruitment or promotion does not yet take into account soft skills and therefore new ways of recruiting need to be developed. The recruitment process also needs to change to increase diversity in public services. Some London Boroughs have started to go to faith based groups and community groups and are changing titles of roles to make it clearer what they are. There are also many other initiatives such as offering secondments, sabbaticals, opportunities to shadow, reverse mentoring e.g. young people educating Chief Executives on technology.



Catherine concluded that leadership in public services is also changing. There can no longer be reliance on one hero who knows the answer. Issues in society are so complex that no one person knows all the answers. People from all parts of the organisation and community are now being called upon to demonstrate collaborative leadership. People from any parts of the organisation who have interesting ideas need to be supported and empowered to lead.



“Those of us who are in roles leading public services now, it is our civic duty to lift our gaze to say that if those services to the public are changing so radically then the leadership of those services needs to change too.”

Henry began by wondering what William Beveridge would do if he came to the West Midlands today. He explained that William Beveridge had been commissioned by Winston Churchill to write a report about the big giants – social and economic – that it was necessary to face in post-war Britain and how collectively they were going to be addressed.

Henry thought that William would see many things different to 1945 such as the economic progress that Andy Street spoke about earlier. But he would also see extreme inequality. Some of the fundamental issues currently being faced are due to the relationship between the state, the society and business which is not working anymore.

For the Combined Authority to do its role successfully, it needs to work with the business community to stimulate economic growth but also needs to look at what the new social infrastructure looks like.

Henry's call was to those in roles leading public services now, saying it is their civic duty to lift their gaze to say that if those services to the public are changing so radically then the leadership of those services needs to change too.

His role now is to listen, absorb, to work with the Leadership Commission and others who actually understand how the social dynamics are changing. A big challenge which he is up for.

Ian's research has been looking at why business people are making what can only be described as irresponsible decisions and are there any things within organisations that act as an unconscious bias against responsibility.

A characteristic of irresponsible leadership is decisions that end up passing hazards/costs onto many but retaining benefits for a small group. Responsible business is concerned with equitable distribution of risks and rewards and costs and benefits.

Ian explained that conventional measures of profit do not always reward or capture the value of responsible leadership or responsible decisions. The profit perversely rewards irresponsible actions and decisions.

He also spoke about the best assets in a business being people. Unless you are accountant in which case staff are not an asset or an investment. Staff are a cost and burden to be reduced. Therefore looking at measures of financial performance there is an unconscious bias towards irresponsible decisions.

The research looks at KPIs and the way in which they are making responsible actions actionable and rewarded and recognised within the organisation. Ian and his team are trying to evidence the value of responsible and in turn make the business case for responsibility.



“We are looking at the UN sustainable development rules as a statement of a world that we would like you all as leaders to lead your business and lead us towards. They are a statement of a world worth living. A world that is equitable. A world that minimizes risks and a world that allows prosperity and development for many not just a few.”

How is the Corporate World Driving Change to Address the Diversity and Leadership Gap?

During the next session, representatives from the corporate world were invited to talk about the diversity and leadership gap was being addressed within their organisations. Here are some of their insights:

Roger Dix,
Chief Risk Officer, Wesleyan

“Diverse organisations make better decisions that lead to better outcomes for customers which makes better profits.”

Roger’s first admission was that at Wesleyan, ‘we are white, we are pale, we are stale.’ His second admission was, ‘If I look around our office, do we reflect our customers? Do we reflect Birmingham? The answer is no!’

However, at Wesleyan, due to the belief that diverse organisations make better decisions that lead to better outcomes for customers which makes better profits, the journey to create a more diverse workforce has begun.

Roger highlighted one of the pitfalls of making changes was that although he received emails from junior members of the company saying it is great to hear what you are doing, staff were concerned it was tokenism and people were only in jobs or were going to get jobs because they ticked the right boxes.

Vivien Wright,
Director, KPMG

“What shadow do we as leaders cast with those employees we work with?”

Vivien spoke about her Regional Chairman, Karl Edge, who is a very different kind of leader and adopts an inclusive style of leadership. In particular there has recently been a lot of thinking around inclusive leadership at KPMG and specifically around what shadow do we as leaders cast with those employees we work with?

KPMG is currently rolling out training throughout the organisation focussed on soft skills. Some training focusses around mindfulness - they have walking meetings. There is work done with music in terms of energisers, for example before going into client pitches or to get to know teams better. There is training around unconscious bias.

Vivien added that there had also been a focus on specific diversity groups around workability networks, their LGBT network, their Women in Business forum, and that almost has become business as usual now. The aim is that if KPMG can create an inclusive environment, diversity will follow.



How is the Corporate World Driving Change to Address the Diversity and Leadership Gap?

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Jas Rai,
Business Partner Leadership and Personal
Development, BBC

“We need to reflect the makeup of our audiences.”

Recent events at the BBC, have made the organisation take a long hard look itself in terms of how inclusive it is as an employer? Not just on gender, also in terms of their BAME community, in terms of social mobility, in terms of disability too. The organisation needs to reflect the makeup of its audiences.

Jas talked about research being undertaken by the BBC which has led to a number of themes to be addressed including promotion of flexible working, looking at recruitment practices and looking at the development of the pipeline of future leaders.

She also highlighted the example of an initiative called the Hilda Matheson Women into Leadership Programme which was launched 8 months ago. There are 72 women on the programme across 6 regional hubs. It has created an incredibly strong network of women that support each other. There have been also some subtle but powerful shifts in confidence and empowerment from having a feedback conversation with a Line Manager, to asking for a pay rise, to asking for a promotion.

Andy Lee, Strategic Lead for Diversity in Business Banking NatWest/Royal Bank of Scotland/Ulster Bank

“If we are going to be fully inclusive and we are going to support the City we work in and live in, the networks we have need to represent that.”

The project that is about to begin with the ILM, the University of Birmingham and Lloyds is giving Andy a really exciting opportunity to take the research evidence and start implementing it with his bank’s customers.

Leadership and management is a key issue for businesses in the West Midlands. There are lots of programmes for business owners to go on including the Goldman Sachs 10000 Small Business programme, Lloyds School of Social Entrepreneurs and NatWest and Barclays accelerator programmes. However, there is not enough capacity in the City and region for all businesses to receive support. Therefore this work is really important because it gives a different route to get this information through to businesses.

Andy’s challenge is: Does the diversity of your eco system represent the City or yourself? How inclusive is your network?

Hilary Smyth-Allen, Birmingham Professional Services

“Everyone has part to play and if we are going to change this at macro level there has to be some really strong leadership around it and some resources to supercharge. Otherwise it will stay at this Christmas tree fairy light approach of lots of individual initiatives and that is not doing it.”

Hilary spoke about the work of the Productivity and Skills Commission which is looking at how to super-charge and fuel the growth of professional services businesses. Growth is coming but the challenge is how to have ‘good growth’ in the region. The professional services is a sector that can accept a level of wage inflation, so if people in the region are not recruited to new professional services roles, highly mobile people can be recruited from outside the region. Those people are not embedded within local communities and can leave as quickly as they arrived.

Something needs to be done differently to change this. It needs to be done collectively to have the impact.

"Leadership is bringing the best out of those you are leading and truly listening to and nurturing those that you are including in your project, in your community, in your workplace."

Hannah Steel

"Leadership is throwing yourself in as much as you can. You have to be present as a leader."

Micah Nelson

"Leadership is about being clear of the direction which you as an organisation/institution wants to go in and bringing individuals along with you, nurturing and developing them to be the best they can be. Not trying to change them into what you want them to be but developing what they want to be."

Jacqui Francis

"Leadership is having the ability to holistically look at a situation. Leadership is empathy. Leadership is having life experiences that then enable you to make the right decisions in your organisation."

Sharonjit Clare

"Leadership means taking bold risks and going beyond your remit."

Meera Sonecha

"Leadership isn't about a position or a title. It is about engaging, influencing and supporting others. Inspiring others as well."

Manjit Kang

"Leadership is not just asking people's views for the sake of it."

Azaad Shadrockh-Cigari

"Leadership is opening doors for people who follow you. Because people in those positions don't necessarily have the same opportunities. Opening doors to let other individuals become leaders."

Ameenah Khatoon Majid

The final session of the event aimed to look at the future of leadership. This conversation couldn't take place without having the voices of the future generation represented. Kiran had therefore invited four students from the University of Birmingham Free School to participate:

Micah Nelson

Ameenah Khatoon Majid

Azaad Shadrockh-Cigari

Hannah Steel

Alongside them were:

Kate Cooper, Head of Research, Policy and Standards, Institute of Leadership and Management

Jacqui Francis, Adina May Consulting

Sharonjit Clare, Women's Voice

Manjit Kang, Real Estate Finance Manager, NatWest Bank

Meera Sonecha, Policy Advisor, WMCA

Here are some of the highlights of the discussion and reflections they had on the future of leadership, chaired by Kiran:

Ameenah:

When I was younger I was on the student council. I noticed that I was ridiculed as I was not old enough or experienced enough or articulating my ideas well enough for the head teacher to take me seriously.

If I was a leader I would go into schools in disadvantaged areas and expose them to the world of leadership and business.

When you go into schools, you realise that people have aspirations to be medically focussed or engineer focussed or they just don't know what. Because that is all we are really exposed to through our parents. We don't have any real personal interaction with other forms of careers.

There was also no real impact being made so even though I was constantly making suggestions about recycling but nothing was done and so it really did dishearten me. I would want to change the avenue for a leader to make the change and for their ideas to be implemented.



Micah:

If you are a leader and you are trying to employ someone, it is easier to go with the person who has had 2 weeks work experience abroad or has gone to University. Something needs to change so that it doesn't favour certain people who have had certain experiences.

Jacqui:

I have recently been on a recruitment panel for magistrates. Magistrates have traditionally come from a particular sector of society. We had a discussion about life experience because we are looking for younger magistrates. I said you have to reframe your expectation. If you are saying I want someone who is 30 and under but I want them to have certain life experiences. That is not possible.

Hannah:

How can we get a more honest/open view about the reality of leadership?

In my experience people have come into school and have talked to try and persuade us to enter into their profession. They are always sugar coating things that I don't look for in a business. When it comes to leadership itself what I want to hear about is not the money I can get out of it or the travel – although they are things that are nice!

What I want to hear about is the power I would be able to have to change the way things are and to make a difference in the world that I want to see.



Azaad:

As Ameenah was saying about not being taken seriously, and we just have to go with what is said. An example of that is Brexit. The majority of the older generations voted to leave. The majority of younger people voted to stay. We did a poll in my secondary school of whether we would vote in or out and it was something like 80% voted in.

I read that if 16 and 17 year olds were allowed to vote that would have changed the whole thing and would have probably meant staying in the EU.

That's an example of how younger generations, not suffer, but are subjected to because they don't have a voice. I was 16 when it happened. I'm going to be 18 when we leave.



Meera:

I was with my mentee yesterday and we were talking about that there are two people in the Combined Authority who are putting together the Youth Combined Authority. I said wouldn't it be great if you and other young people could help them with doing that?

Our experience of what young people are interested in or what they might want to influence the Combined Authority with are very different to what actually a young person would see as they would like to influence the Combined Authority on.

What about skills? Are young people not finding they can access the careers they want? May be they don't know about future careers. They don't understand our industrial strategy. They don't know what the careers of the future are going to be. So how do we engage young people into that process of designing a Youth Combined Authority?



Kiran:

What are your 2 or 3 key reflections in light of what you have heard today that we need to action?

Kate:

Leaders being much more honest about how powerless they are and how much leadership is a negotiation. It is totally in the moment you are re-negotiating.

The heroes coming into school to tell you how successful they were. I think that is almost making it more inaccessible because you are not them.



Kiran:

Jacqui, what would your recommendations be for the future?

Jacqui:

The key is listen, involve and engage and the potential next generation. The models and ideals we have about leadership are not necessarily what the young people here are interested in.

Certainly, the point about open and honest and it isn't necessarily the individual motivated by money. There are other things that people want to get out of that. And it is the aspirations.

So you want the individuals in this room that have the opportunity to mentor to go to schools, clubs, wherever to show them that there is a potential route. But define from them what they think the leadership role should look like and you will be surprised at how they will influence your own decisions about what you think about leadership, what you then look for in potential future leaders because that has to be the key.

At the moment everyone in this room has decisions to make about who they hire and fire. You need to be able to look at potential past the old model of what you look for in a leader to the new model that these individuals will recognise and apply to your organisation for that role.

A collage of images related to a leadership event. At the top, logos for the University of Birmingham, Birmingham Business School, and Lloyds Banking Group are visible. Below the logos, there is a large image of two hands shaking, with the text "Leaders Like You" and "#ImHere" overlaid. To the left of this image, the text "THE RESPONSIBLE BUSINESS REVOLUTION" is visible. Below the main image, there is a program schedule titled "Making responsible leadership everyone's business".

programme	
09.45 - 10.15	Registration
10.15 - 10.30	Opening and Welcome Address <ul style="list-style-type: none">• Professor Kiran Trehan, Birmingham Business School• Phil James, CEO The Institute of Leadership and Management
10.30 - 11.15	Keynote Address: <ul style="list-style-type: none">• Andy Street, Mayor of the West Midlands• Rosie Ginday, Social Entrepreneur & Founder, Miss Macaroon
11.15 - 11.45	Making diversity and inclusive leadership everyone's Business Speakers: <ul style="list-style-type: none">• Professor Ian Thomson, Lloyds Banking Group Centre for Responsible Birmingham Business School University of Birmingham• Catherine Mangan, Public services Academy University of Birmingham• Henry Kippin, Director of Public Services reform West Midlands combined authority• Professor Kiran Trehan, Head of Group - Entrepreneurship and Local Economy Birmingham



Although this event was about starting a conversation, the work now begins.

Research is the evidence that gives us licence to make some of the judgement calls we are making. However, research has to make a difference to practice.

If we are going to have a real shift in the way that we look at leadership then we need different processes, different ways to re-imagine it and different ways to research it.

We need to capture good stories and put them into a process of research and be able to see what that impact looks like which means we can learn from them.

In order to bring about change, we need to walk the talk and show we are not frightened of taking risk. These will be informed risks, calculated risks but without risk how are we going to make a change?

If we are going to make a difference it means we have to have the capacity to create, maintain and disrupt thinking and disrupt institutions. When we talk about inclusivity and diversity, we are also talking about diversity of thinking and diversity of resources.

It is also important for everyone to reflect on who is the 'we'? Who will be doing this work? As if people are not prepared to do the work themselves, how can they possibly expect others to join the debate?

This is hard work, but if we don't do it what legacy will we leave for the next generation?

The final words are from one of the University of Birmingham School's student, Micah Nelson:

"There needs to be inspiration for aspiration."

We hope this event has inspired you to aspire to help us to make responsible leadership everyone's business.

The conversation has begun, the hard work is to follow and it will be interesting to see how things have changed in 12 months' time.

If you would like more information about this event, please contact: Kelly Kealey at:

K.L.Kealey@bham.ac.uk

We would like to thank:

Our partners – the Institute of Leadership Management, the Public Service Academy, the Lloyds Centre for Responsible Business and the West Midlands Combined Authority.

Our speakers and panel members in particular the pupils of the University of Birmingham School.

Lasan Restaurant for a wonderful lunch!