



Meridian West



*An interview
with Kate Lye*

Strategic Learning and Development in Professional Services

Introduction

Coaching insights for high performing leaders in professional services

Kate Lye has a 20-year career working as an executive coach for business leaders, 12 of those running her own international leadership coaching and consulting business; KLI Consulting.

Client Director, Nick Blandford, talks to Kate about her experience coaching senior leaders in professional services. The interview highlights five key talent development challenges along with insights into how to tackle them.

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Kate Lye

Kate's background and training are in organisational behaviour, business transformation and communication. She started her consulting career working for Accenture and then specialist consulting firms in the UK and US. Kate was a Partner with Smythe Dorward Lambert, the first UK change and internal communication consultancy, that was bought by Omnicom (NYSE). Originally based in London, she moved to Boston in 1999 to help open their US office and was President of their Boston office. Back in the UK, Kate joined Stanton Marris in 2004 to spearhead their private sector practice. She founded KLI Consulting in 2007.

TED is the main part of Kate's pro bono activity. She has been a member of the SupporTED team since 2000, providing coaching for TED Fellows to help bring world changing ideas to fruition. More recently she has provided coaching support to NHS leaders during the current pandemic.

Kate is a Founding Fellow of the Harvard-affiliated Institute of Coaching and has degrees in Organisational Behaviour and Business Administration from London University and Oxford Brookes University, as well as a range of coaching and psychometric qualifications.

She is a member of the European Mentoring and Coaching Council and talks regularly at conferences and corporate events. Kate has taught and coached on programmes for Oxford, Duke and Columbia Business Schools. Her published work includes articles on women in business, executive development, coaching and the human complexities of organisational change.

What is your background within the professional services firm (PSF) sector?

Knowledge based businesses have been a natural focus for my consulting and coaching work. They have the business model that is most dependent on people for value creation. I enjoy the intellectual rigour that typifies this sector coupled with the client service philosophy.

Over the years, I have worked with many global law firms, consultancies and technology businesses. More personally I have wrestled with the demands of running different consultancy businesses.

What common traits have you observed with senior professionals in this sector?

Successful senior professionals tend to be analytically minded, experts in their specialist field, accustomed to success and exceptionally hard driving. Many will have devoted years to finessing their technical expertise in their chosen practice area.

Where the field divides is between those senior professionals who are able to go beyond technical expertise and thought leadership and make an impact at a people and firm leadership level.

What differences do you see between senior professionals working within a partnership structure (such as law or accountancy) and those working in a more corporate culture (such as investment banking)?

For law firms in particular, the partnership model provides a marked difference to the corporate world. It creates a different lens on how power, strategy, leadership and decision making takes place.

By contrast to a corporate hierarchy this means considerable effort needs to go into bringing the wider partnership along with any decision that requires a vote. Advocates argue this provides a more distributed model of leadership. Detractors observe that change is much slower when partner consensus is a prerequisite. The politics can be even more pronounced in the partnership model and the influencing skills of the most senior leaders are vital; often determining how quickly the firm can respond to issues.

What makes a senior professional also a good leader?

For me there are three building blocks. Firstly, good leaders develop the ability to unite diverse people and views around a common purpose. When a compelling leader enlists people to a project, they fuel the shared ambition, the desire to perform and no end of discretionary effort.

Secondly, I have never worked with an effective leader who isn't future orientated and constantly recalibrating their vision of the future firm as they encounter new data.

Finally, I don't think it is possible to be an impactful leader without demonstrating courage, or as one of my clients says, 'You have to have a tiger in the tank'. There will come times when you need to challenge the naysayers, disrupt the status quo or make unpopular decisions. These situations require even the most understated of leaders to show some teeth and roar!

How is leadership regarded within professional services firms?

It has always baffled me why some law firms persist in using the term 'Managing Partner'. It suggests that your most senior leader is there to play a COO role; focused on efficiently running the business, managing costs and mitigating risks.

Given the changeable competitive and social landscape businesses have to navigate, I believe professional services firms need someone charged with playing an unapologetic CEO role, who has their eyes set on refining strategy and engineering regular strategic bets to keep the business fit for the future.

I see a real divide between professional services firms who view strategic thinking and navigation as the critical leadership requirement, and others who value a more operational approach.

More generally, leadership is a secondary development consideration for many firms because it doesn't easily correlate to fee generation. But then as larger projects or partnership approaches, it comes into the foreground.

Some of the most remarkable firms have done an impressive job at articulating what client and collegiate leadership looks like at every level. Moreover, astute businesses don't penalise experienced colleagues who don't have the skill or the will to play a leadership role. Recognising and rewarding different senior contributions, stops people taking leadership roles because they are the only way to keep progressing.

From your coaching work, what do you see as the common themes or pinch points for leaders within PSFs?

I rarely work with a leader where we don't touch on one of the following development areas:



1. Managing your anxious, over-achieving self

Many of my clients are an unapologetic cocktail of high talent meets extreme ambition. They come with a successful track record and are ambitious to keep moving.

They work in fast-paced and demanding cultures where personal performance is always under scrutiny. Billable hours or revenue generation is a constant calculation and doubles as a public, personal scorecard.

It's a heady mix of speed, pressure, competition and complex demanding work, where winners are lauded, and stragglers quietly exit through the back door. So how do you hold your own in such a demanding environment?

It is only possible if the individuals are, before anything else, adept at understanding and managing their own needs. Individuals can't hope to deploy their talent with deliberation, skill and impact unless they have this ballast to anchor themselves.

Needs fall into two categories. The first are needs people are quite happy to talk about. They are your preferences around the type of people you connect with, the degree of structure you like to have, your autonomy levels or requirements to maintain focus and energy. All ingredients you need to master to establish your own effective modus operandi.

The second category is a more shadowy one and even shameful in some people's eyes. These needs do not get so readily discussed, such as the desire for recognition, security, a low conflict environment, approval, or clarity.

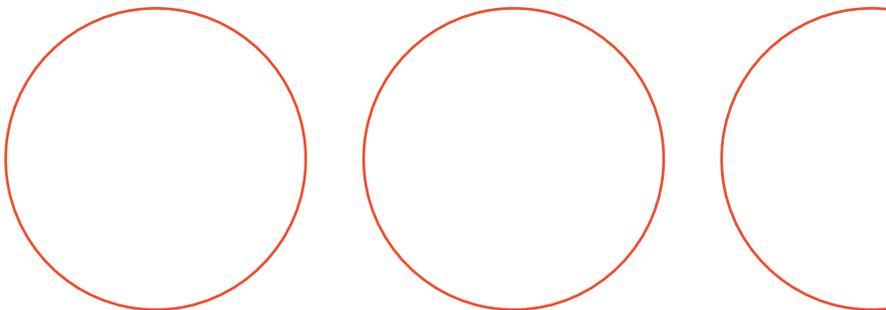
But if we don't understand our needs or worse, pretend they don't exist, then we can't take steps to manage them. Ignoring them is a sure-fire guarantee they will raise their ugly heads at some point down the track and often when we least expect it.

Failing to manage all your needs is like playing a game of emotional 'whack-a-mole'; the same issues keep resurfacing. The more neglected they are, the greater their potential to throw your performance off track.

Leaders need an accurate picture of what makes them tick and what maintenance is required to keep in a good mental, emotional and physical state. This doesn't happen by chance. Leaders need to create the conditions and habits for regular inner work, because the demands of their outer work (firm, collegiate and client demands) will never stop.

The bottom line is that as individuals, you must be the master of your own performance and ALL the issues that affect this.

You have to put your own oxygen mask on first and be clear sighted and disciplined about self-management if you want to operate at the highest levels.





2. Getting the inside track on your organisation

Being an effective leader calls for some below-the-radar expertise as well – knowing the unspoken norms for your organisation.

This means understanding how to get difficult things done in your world, how to manage toxic disputes, knowing what is unacceptable but never stated by the firm, the unspoken power dynamics and whose opinion really counts when the chips are down.

The main reason why senior hires prove so tricky at this level is because the incoming partner lacks a deep understanding of the nuances of the new culture. Frequently, they can't grasp it quickly enough to meet the high-performance expectations for a senior recruit. Social context will always trump technical competency.



3. Empowering like a pro

Leaders who really know how to leverage the talents and skills of colleagues can seem like Svengali-like puppet masters. The best manage to align and energise broad networks of colleagues around common outcomes and make the impossible just happen. The combined power of the official and unofficial team is impressive, ensuring major endeavours gain acceptance and momentum.

Performance changing empowerment like this goes way beyond delegation. Yet the response I hear from most leaders when the question of leverage comes up is, 'Yes, I must hand off more to my team'. Delegation challenges often come down to addressing who you trust and why. But delegation or work reallocation is empowerment at its most tactical; table stakes that do not deliver game changing leverage.

The leveraged leader builds a shared allegiance and mindset around a longer-term outcome that is robust enough to withstand the usual headwinds and distractions. The leader may be miles away, but the same interests and goals get progressed because of this adherence to a direction of travel.

In these virtual times, leaders need to be able to empower on an emotional and tactical level.



4. Expanding your leadership repertoire

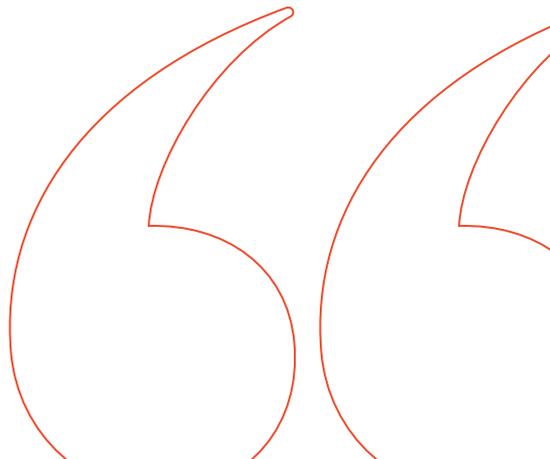
We all have a natural leadership style and, typically, we like to lead others in the way we ourselves prefer to be led. If a visionary style boss is what inspires you, then you are more likely to try and emulate this. Our preferred style will be the one we have honed and developed for years, but there comes a point, where it no longer fits the situation or team.

Longstanding research by Daniel Goleman shows that the most effective leaders have the ability to switch between multiple leadership styles, as the situation demands.

Many leaders have experienced that unsettling moment when their tried and tested leadership approach gets a resounding 'thumbs down' from colleagues. Learning how to read these messages, take them on the chin, and pivot to a different approach is a mark of astute, mature and agile leadership.

You may well have seen leaders in the current pandemic who can't adapt their established consultative style to a crisis situation that requires a more directive interventionist style.

Expanding your leadership repertoire is a performance bottleneck for many partners.





5. Redefining your leadership contribution – again and again

If you are a superstar in your field, then it's tempting to be defined by your brilliant work. It's even easier to allow it to absorb the best of your time and energy. Being fully available and fully committed is great for the business, and hopefully your career. However, we know putting all of one's 'identity' eggs in one basket carries immense risk.

Thankfully, the further we get into successful careers the less we rely on work for our sense of identity and recognition. Ironically, this has the potential to create more rather than less value for a business. In this later career phase leaders can start to enjoy a healthier relationship with their firm, one that is both more thoughtful, adult, challenging and less dependent.

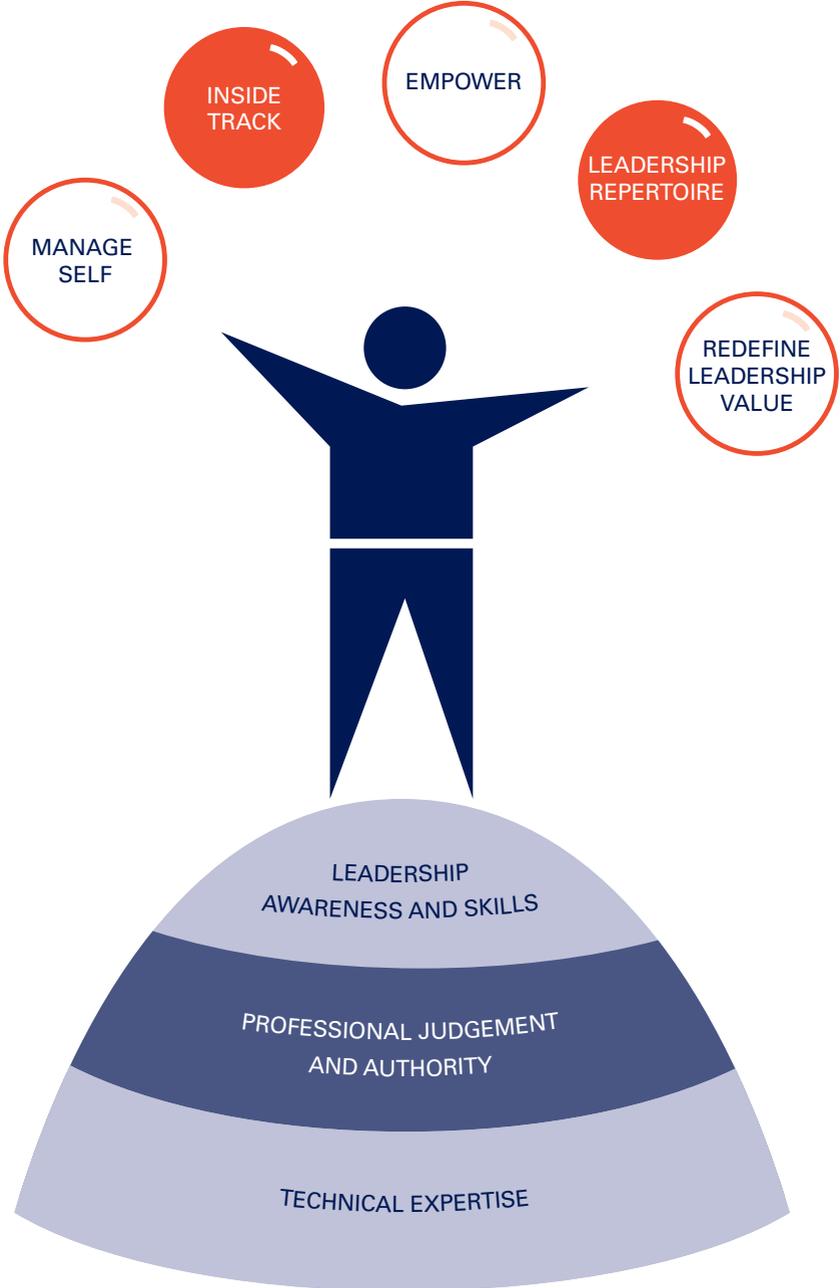
Released from the bind of their work being their main source of affirmation, leaders have the possibility of stepping into a higher-level of leadership impact, detached from self-interest or career plans. At this point they can be incredibly clear-eyed about what is really holding the business back.

I have seen partners at this point in their development help radically shake up the culture, address long standing ESG issues or transform client or talent practices. Personal and career maturity provides leaders with the opportunity to redefine their leadership value over and over again. And where partners don't find the opportunity for personal reinvention there can be stagnation and disillusionment.

For businesses looking to reinvent themselves, don't just look to younger leaders. These members of the old guard can prove to be radical change agents who not only know how to get things done, but with their career in the bag, are willing to take the risks necessary and be fearless forces for the wider good.

If we take those themes one by one, regarding one's anxious, over-achieving self, how do you see this manifest in terms of the way people behave?

Professor Laura Empson, of Cass Business School first coined the phrase 'insecure overachievers'. Behaviourally, professionals report a constant fear of messing things up or being found out, an endless cycle of comparison with colleagues and always worrying about not making the grade. It is this constant churn and anxiety that wears individuals down, blindsides them to broader issues and perpetuates extreme work habits.



In your experience, how much of this is caused by the environment itself compared to people who are naturally like this and gravitate towards a particular environment because they seek the challenges it brings?

Ambitious, self-motivated and competitive individuals are absolutely drawn to high octane environments and the promise of rich rewards. They want to achieve so they are attracted to businesses that reward star performance and provide a high-profile platform for their talent.

But I believe it is almost impossible in these demanding cultures, not to be swept along with ultra-competitive working norms. Indeed, some businesses have been accused of deliberately cultivating an 'up or out culture' to keep people 'on their toes' and thereby achieve better results.

What's the coaching challenge here?

The individual dilemma is first to recognise whether you have the temperament to thrive in a high-pressure environment, however tempting they may appear. Some people just don't.

Assuming it is an environment for you, then the coaching challenge is to develop the personal 'ballast' to keep you grounded as you hold on to the rollercoaster ride of work. This means developing rigorous practices to manage all elements of your wellbeing and ensuring a balance to the extreme demands of work.

On your second point, getting the inside track of one's organisation, why is this so important?

If you don't have the inside track on your organisation then you are destined to be a reactive leader. You may struggle to make sense of why non-rational things happen in your organisation, how opinions develop and why colleagues behave the way they do. This means you will struggle to make sense of how an issue will pan out, let alone judge how or when to intervene.

If you don't understand your firm as a system, then you can't influence it effectively.

What have you found to be successful in this area?

Coaching helps leaders develop the subtle discipline of “Getting on the balcony”, to use a phrase coined by Heifetz and Linsky. This means observing the organisation in action, as a system and with detachment. Only then can a leader determine when to raise the tempo or to gracefully defer.

If readers of this interview were told to ‘empower like a pro’, could you advise them what the difference between that and delegation is?

Delegation means apportioning tasks and responsibilities to other team members with appropriate communication, boundaries and support. Wider task allocation is the obvious way for any leader to get things off their frequently overloaded plate.

By contrast, empowerment is more akin to building a broad church of believers. It relies on establishing a shared understanding and commitment to the outcomes you are trying to achieve, along with the expectation that colleagues will help drive progress in any way they can.

Again, there will be boundaries and oversight, but action is taken independently in service of an end result rather than in response to an allocated task. The difference is the leader who delegates, will at best achieve everything that was on their original task list. The empowered leader may far exceed this because you can bet that colleagues will spot steps they hadn’t thought about that will move the needle even further.

Why is flexibility of leadership styles so important? Why doesn’t one size fit all?

Different teams and situations require different things from leaders.

The wider your leadership repertoire, the closer you can get to providing the best leadership for what’s facing you today.

For example, you may naturally be a hands-on leader who likes to get into the detail with fellow team members. But you need to be able to pivot when faced with a highly experienced team who won’t welcome or benefit from that approach.

In this situation, a leader quickly needs to assess how they add value and therefore where they should focus their leadership attention. This may be by providing guidance around navigating the politics or light touch coaching around the edges.

How can someone adapt their leadership style and still feel authentic?

That is such a good question. Essentially, we all lead from the basis of who and what we naturally are. However, there is real power in being able to tune into what the team or situation needs from you at a point in time and adapting your preferred style to accommodate this.

Servant leaders truly work in service of their teams. If your team is underconfident, you may need to bring more of a cheerleading style to interactions and keep reinforcing why the work is so vital. If you have a team that is tired and overwhelmed, you may need more of a pastoral and supportive style of leadership.

If your genuine desire is to support the team, then colleagues will read that authentic intent, even if your leadership focus is outside your comfort zone and may feel awkward to you.

What role does identity play here?

Obviously the more closely aligned the leadership style – to traits that are naturally you – the more comfortable it will feel. If you are naturally an affiliative individual, then it's easier for you to demonstrate a collaborative leadership style. Conversely it will feel less natural to be directive or detached. I would argue adapting your leadership style is more about temporarily adjusting your leadership focus to meet current needs.

You don't need to change your leadership spots, but every leader needs the emotional intelligence to make temporary course corrections to their style.

Where do career transitions fit in, i.e. moving from one phase of a career to the next?

The more senior you are then the more the scope and scale of your role shapes the style of leadership you have to adopt. For one of my UK coachees whose new team numbers over 2000 employees in India, she has been forced to adopt a less personal style of leadership than she would naturally prefer. Therefore, she has been diligent about connecting with her team remotely, distilling down her key messages and expectations and leveraging colleagues on the ground for feedback and ideas to help build this relationship.

As leaders move into a new phase of their career, they need to check where their primary leadership focus should be. I have seen many leaders struggle when they switch from client or team leadership to being more regional or firm focused. I would advise all leaders making a transition to remember the Marshal Goldsmith's quote 'What got you here won't get you there' and take time to pinpoint adjustments you need to take to your new role.

What could this sector learn from the corporate world?

Professional services firms could be more disciplined about using their strategy as the basis for defining what they need from their future leaders (and therefore their leadership development or coaching spend).

As businesses take strategic bets on their future use of technology, changing client needs or expected profitable workflows, the savvy ones adjust their view on the type of leadership capabilities they need to be developing.

For example, when one of my pharmaceutical clients recognised that less than 40% of their future pipeline would realistically be discovered in-house, they developed an R&D partnering and acquisition strategy.

This in turn made them question what they required in future R&D leaders. For them, this strategic change necessitated more commercially minded R&D leaders who spent less time in their labs and more time connecting with other academic and research companies. This next generation of leaders learnt how to assess the commercial potential drugs still in development and help mastermind deals; a new but essential capability for the challenges of that time.

For me that's a perfect example of a corporate reshaping their strategy and leadership to be on the front foot for future realities.

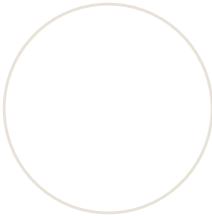
What one thing could firms do better to prepare their people for leadership roles?

Random acts of coaching or leadership development can only drive generic outcomes.

They will improve your baseline leadership, but they won't equip you with the future talent needed for success and survival. The opportunity is to align strategy, future leadership capabilities and your existing talent pipeline. Bringing those three into a single focus is the foundation for futureproof leadership.



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