Digital leadership in Hong Kong

Developing leaders for the digital age is mission-critical for organisational success.
Korn Ferry research indicates that leaders across Asia are not yet digital-ready and risk derailing digital sustainability initiatives by perpetuating legacy ways of working. We also hear from many leaders who understand the need for change, but are struggling to balance performance expectations today, while innovating for the future.

The fact is, according to Korn Ferry’s digital sustainability research, failure to act now risks the future success of the business and has real and quantifiable bottom-line impact.

The research also pinpoints people as the lynchpin of digital sustainability. The role of leaders in activating people to support change can’t be underestimated. But first, leaders must personally transform in order to inspire and engage their people and create a more open, agile and networked culture to power performance.

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 — EBITDA) 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.

Download the report here: http://engage.kornferry.com/digital-sustainability-kfhome
Great digital leaders are flexible and inclusive, responding seamlessly to the push-and-pull priorities of the digital environment.

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.

Together, these characteristics describe a leader who is people-centric, not necessarily tech-centric. They’re humble leaders who are innately comfortable in dealing with risk in unstructured and ambiguous environments. Combined with strong situational and emotional awareness, these qualities allow them to step back and empower their people to test ideas; to succeed or fail and change direction as the conditions require. Critically, they create a supportive and focused environment for their people through engaging and inspiring them in a strong future vision and keeping a continued eye on driving for results.

The unique characteristics of high-performing digital leaders

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Cultivate innovation
Create new and better ways for the global organisation to be successful

Manage ambiguity
Operate effectively even when things are not certain or the way forward is not clear

Strategic vision
See ahead to future possibilities and translate them into breakthrough strategies

Engage and inspire
Create a climate in which people are motivated to do their best to help the organisation achieve its objectives

Drive results
Consistently achieve results, even under tough circumstances
Spotlight on Hong Kong

Business leaders in Hong Kong see the market opportunities that flow from digital sustainability, yet many continue to struggle with what “digital” looks like for their organisations. While many organisations are beginning to experiment, Korn Ferry’s analysis suggests 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. 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 between where Hong Kong leaders currently are and where they need to be in order to make the most of their ability to engage their people.

A strong preference for structure, which may be culturally informed, currently hinders leaders’ ability to engage and inspire their people in uncertain conditions and cultivate innovative thinking. It also promotes the “safe” approach, rather than giving free rein to more entrepreneurial thinking and iterative decision-making and stifles curiosity, confidence and risk-taking.

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
Three ways to kickstart the shift to a digital mindset

1. Prioritise
Don’t do everything at once. Instead, take time to diagnose the critical leadership circuit breaker in your organisation. Create opportunities to clear this blockage first and build from there. This could involve finding ways to introduce aspects of a fail-fast culture to give leaders the opportunity to make mistakes without retribution and expand their confidence in riskier, less-certain environments.

2. Start recruiting and developing the mindset
While working with existing leaders, start investing in the next generation. Develop a holistic talent strategy, supported by assessments and success profiles, to engage internal and external talent in the vision for the organisation and how they can contribute to it.

3. Create and align symbols of change
Many of the challenges facing Hong Kong leaders have their roots in cultural norms which are difficult to shift. Actively creating symbols of change that align to the organisation’s goals will help address this. This might mean creating opportunities to open up hierarchies by using new channels of communication between leaders and employees through collaborative software and expanding the organisational ecosystem to expose leaders to new and different ways of thinking.

May Knight
Managing Director
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Organisations in Hong Kong understand that digital sustainability is critical to future success, and they are willing to invest significant funds to get there. While they have the aspiration, a lot of leaders are still struggling to understand what they can and cannot do. Leaders who are curious about learning new ways of working and have the ability to adapt and apply what they learn quickly to make innovative changes will come out on top.

Find out more
Download our whitepaper on ‘Digital Leadership in Asia Pacific’
http://focus.kornferry.com/digital-leadership
About Korn Ferry
Korn Ferry is a global organisational consulting firm. We help companies design their organisation—the structure, the roles and responsibilities, as well as how they compensate, develop and motivate their people. As importantly, we help organisations select and hire the talent they need to execute their strategy. Our approximately 7,000 colleagues serve clients in more than 50 countries.

About The Korn Ferry Institute
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.