



THE RESET

RECHARTING YOUR PATH TO SUCCESS

Mindshop's Business Leader Insights Report 2022



Published January 2022

Executive Summary

Unrelenting change in 2021 brought wavering business sentiment and pressures for business leaders both personally and professionally. Evolving customer demand stress-tested processes, leadership resilience, attraction and retention ability, culture, supply chains, product offerings, sales and technology adoption.

Yet despite these challenges many businesses had a financially strong 2021 and are cautiously optimistic about 2022, seeing it as a year for profitable growth.

Business leaders have learnt a lot over the last two COVID-impacted years about their team, customers, their business and their own capability. Most haven't 'wasted a crisis' to make critical changes to their team, products and technology while others still haven't adapted and in turn continue to slowly slide backwards.

Concerns about lack of time, poor focus and energy levels will be barriers to greater success for leaders. Just 4% of leaders surveyed stated they are very well prepared to meet the emerging needs of their business in 2022 highlighting that the 'readiness' issue cannot be ignored. Fatigue will finally force many to release pressure by doing less, embracing new technologies, working smarter not harder as the ever increasing to do list becomes unsustainable.

All leaders will need to 'reset' in 2022. For some this will mean upskilling and reskilling leadership capabilities put on the back burner for the past two years on topics such as resilience, strategy implementation, profit improvement and coaching.

For others it will be more about how to address attraction and retention challenges and the need to manage a hybrid workforce.

Regardless, leaders will have to stay agile to navigate an environment of evolving customer demand and potential market instability.

Three reasons why a business leader should read this report

1. Discover global insights for leadership and business success.
2. Harness practical business strategies to embed into your 2022 plans.
3. Inspire change in fellow leaders and teams.

Overall, six key insights for business leaders in 2022 were identified from the survey results:

1. Lack of time and focus continues to negatively impact leadership effectiveness.

Now is the time to stop putting more business through incapable systems, address time and focus issues with appropriate technology and capability creation.

2. Embracing a flexible workforce is critical to attraction & retention strategies.

Develop new habits and communication styles to stay agile, productive and connected to your team in a hybrid workforce. What in your culture will attract and retain the right people?

3. Boost resilience by locking in new work/life balance habits.

Maintain energy levels by embracing new habits and learning strategies to efficiently balance client, team and family needs.

4. Invest in leadership & coaching capabilities to make you a leader worth following.

Learn new capabilities in leadership and coaching to effectively manage the team and guide successful implementation of change.

5. You'll need a 'thriving' strategy and vision for 2022.

Test your strategic SWOT, sustainable competitive advantage, change readiness and strategic priorities against your vision. What needs to change to ensure you thrive in 2022?

6. Don't lose sight of what makes you profitable.

Undertake a waste audit to start the ongoing process of waste and inefficiency identification and removal across the business.

Take on board these insights and combine them with the reset tips throughout the report plus the final eight step process containing practical strategies to develop your reset 2022 plan to rechart success.

About the Mindshop 2022 Business Leader Survey

In late 2021, Mindshop surveyed almost 200 business leaders and advisors from around the world to understand their thoughts on the impact of the global pandemic on their business, themselves, the business environment and training needs for the year ahead.

This report draws on the findings from the survey and Mindshop's 27 years' of experience working with thousands of business leaders and advisors globally.

Findings from this report will also form the basis of training topics delivered via Growth Hubs (quarterly best practice workshops) run by experienced Mindshop advisors around the world.

Contents

1. Why reset for 2022?	6
2. Six key insights	8
i. Lack of time and focus continues to negatively impact leadership effectiveness	9
ii. Embracing a flexible workforce is critical to attraction & retention strategies	10
iii. Boost resilience by locking in new work/life balance habits	12
iv. Invest in leadership & coaching capabilities to make you a leader worth following	13
v. You'll need a 'thriving' strategy and vision for 2022	14
vi. Don't lose sight of what makes you profitable	15
3. Strategies to rechart success	16
4. Building leadership capabilities	17
5. Eight steps to recharting 2022	19
6. A final word	20
7. About Mindshop	20

Why Reset for 2022?

MOST BUSINESSES DESCRIBED THEMSELVES AT THE END OF 2021 AS 'TIRED BUT OPTIMISTIC FOR A STRONG 2022'.

With sentiment rapidly swinging due to unrelenting change combined with little mental downtime, unstable economic markets, a highly transient employment market and personal stress from COVID restrictions, 2021 was a taxing time for all regardless of the financial impact.

High customer demand and growth opportunities plus working from home continued to 'stress test' processes, technology adoption, teams, business models and leaders. But most didn't waste a crisis, instead embracing positive change from the lessons learnt over the past two years.

Three Approaches

Business leaders around the world navigated COVID-impacted markets as if four-wheel driving through sand. Progress was slow with occasional bursts of traction. Many took one of three approaches:

1. Stop/Start

Making little or no change to their strategies and approach, this group got bogged down time and again. After a rest period they occasionally freed themselves, but growing fatigue eventually led to stagnation and a gradual backwards slide resulting in productivity or revenue losses.

2. Acceleration

With their foot flat to the floor, this group accelerated their way out of trouble, pivoting strategies, adapting products and services, investing in new technologies and team members. While they moved forward, they depleted reserves and have little in the tank for opportunities in 2022.

3. Reset by Releasing Pressure

Successful leaders briefly embraced the first two options then settled (as a conscious strategic decision or resulting from their natural style) on releasing tyre pressure to gain traction.

Mindshop recommends this strategy to rechart a sustainable, successful path for the year ahead. Progressing in a slower, more deliberate manner to achieve greater success.

Last year a 10-15% reduction in pressure gave leaders the time and space to make better decisions, knowing when to say no to opportunities, embracing new habits, building new skills, being strategic and having more fun (easier said than done). Ultimately getting the traction to effectively implement change.

Early indications hint at strong opportunities in 2022 as the COVID fog clears over coming months and survey results indicate business confidence is at a record high.

An opportunity presents for you to adapt your strategy and mindset from defensive (protect what we have got) to offensive (targeted, profitable growth). Worryingly many leaders are unprepared for emerging market needs with just 4% surveyed stating they are very well prepared.

'Work smarter not harder' will ring true, with a recalibration required for leaders to meet evolved market demands in 2022.

To kick-start 2022 we suggest you reflect on some key questions:

1. Where should you 'release the pressure' in your own goals, daily schedule, role and focus to gain greater traction?
2. In what capabilities will you need to upskill and reskill?
3. Is your leadership resilience strong enough to steer the business (or your area of the business) to greater success in 2022?
4. How will products and services be marketed and sold differently to get cut through? Do you need to adapt your sales process or the way you leverage technology?
5. Have you reset your strategy to ensure the business thrives in 2022 and beyond?
6. What emerging trends will have the biggest impact on your strategies and vision?

This report will address these questions and more, helping you reset and rechart a successful strategy, personally and across your business in 2022.

Key Insights

Let's reflect on the six key insights drawn from the results from Mindshop's annual survey concluded in November 2021, completed by close to 200 business leaders and advisors.

How will your reset plan address emerging insights? Where are your opportunities?

Six Insights for Business Leaders

1. Lack of time and focus continues to negatively impact leadership effectiveness.
2. Embracing a flexible workforce is critical to attraction & retention strategies.
3. Boost resilience by locking in new work/life balance habits.
4. Invest in leadership & coaching capabilities to make you a leader worth following.
5. You'll need a 'thriving' strategy and vision for 2022.
6. Don't lose sight of what makes you profitable.

1. Lack of time and focus continues to negatively impact leadership effectiveness

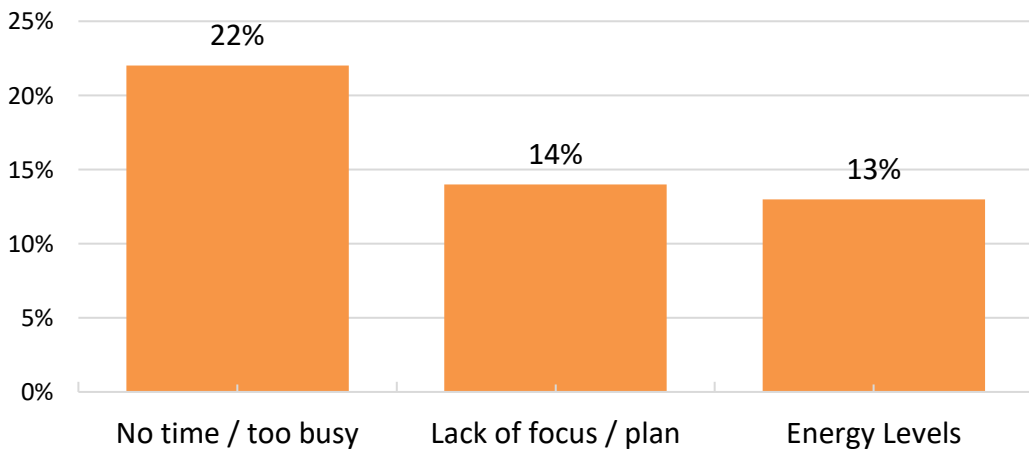
With so much change and unpredictability it's been a tiring year for leaders with lack of time identified as the biggest barrier to effectiveness in 2022 followed by a lack of focus and poor energy levels.

Many leaders have continued a trend of being busy but not necessarily productive in their daily activities, distracted by a myriad of 'urgent' priorities and the challenges of getting things done with a hybrid workforce. Attracting and retaining team members is also adding to stress levels, running too lean for too long can put added pressure on remaining team members across the business.

Insufficient time is key for leaders to address in 2022, the resulting stress quickly leads to procrastination and a lack of focus on critical strategic opportunities.

What's the biggest barrier to being an effective leader in 2022?

(Top three responses)



RESET TIPS

1. Be productive, not busy. Identify 'Must-Should-Could' tasks informed by key performance indicators.
2. Don't put more business through an incapable system, make 2022 the year of tough decisions to delegate or stop doing low value tasks. Reduce stress.
3. Say no to projects that don't fit the 2022 vision, strategies or budget.
4. Place trust in intuition and don't wait for perfect. Make quicker decisions and avoid gold-plating everything.

2. Embracing flexible workforces is critical to attraction & retention strategies

Many business leaders (65%) believe that work from home arrangements will remain into 2022 but not every role or industry can be home-based.

For many businesses this means a hybrid workforce, so leaders will need to tread a delicate tightrope, embracing the benefits: new pools of talent, less office space and staff retention opportunities, while navigating the challenges of communication, culture, implementation of strategy and technology adoption to keep the team aligned and productive.

Through COVID, many leaders and managers have thrived working from home while others have found it very challenging, preferring to be office-based. Having good awareness of this dynamic across a team and providing flexibility will be important for staff attraction and retention in 2022 and beyond. Many team members will now have an ingrained preference that will be hard to change.

Survey results hint that new habits will be formed around travel for events and attendance at meetings. Almost 50% of leaders state they will travel less for workshops and events, having recognised over the past two years the high cost in time of travel-intensive schedules. Furthermore 69% of leaders don't want the bulk of meetings to remain virtual, recognising the downsides to everything being online. Leaders will build new rhythms, leveraging virtual meetings for quick, transactional interactions and attending in person meetings requiring high collaboration, strategic discussions, relationship building or creative interactions.

There is no one size fits all approach but what is consistent is the need to find a blend that works for the business and the leadership team. Building the right meeting rhythms, use of technology, communication styles and social connection will ensure the business can be productive, implement strategy effectively and retain a quality culture.

Business leader responses in the Mindshop survey, conducted November 2021:

We have a strong ability to attract and retain good talent to our organisation.

39%

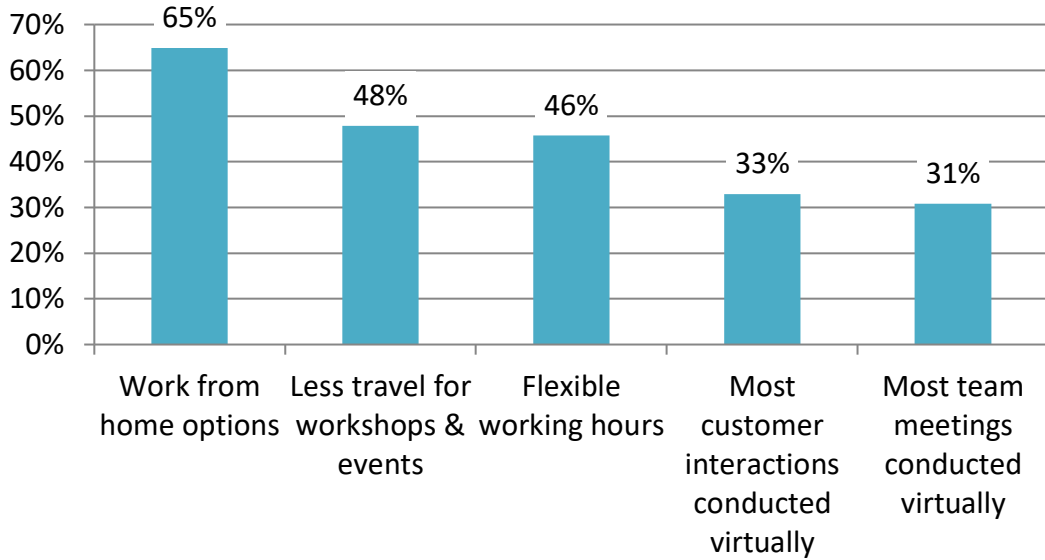


The bulk of our team meetings will be conducted virtually in 2022.

69%



What changes brought about by the pandemic will remain for your business in 2022? (select all that apply)



RESET TIPS

1. Develop new habits and communication styles to stay agile, productive and connected to your team in a hybrid workforce.
2. Turn embracing of hybrid workforce into an opportunity for your business that opens new pools of potential employees from other regions.
3. Understand the working preferences (virtual or in office) of your team and ensure there is flexibility to cater to each persons' preferences where possible.
4. Identify how to use time saved from less travel for activities that are of biggest strategic benefit to the organisation.

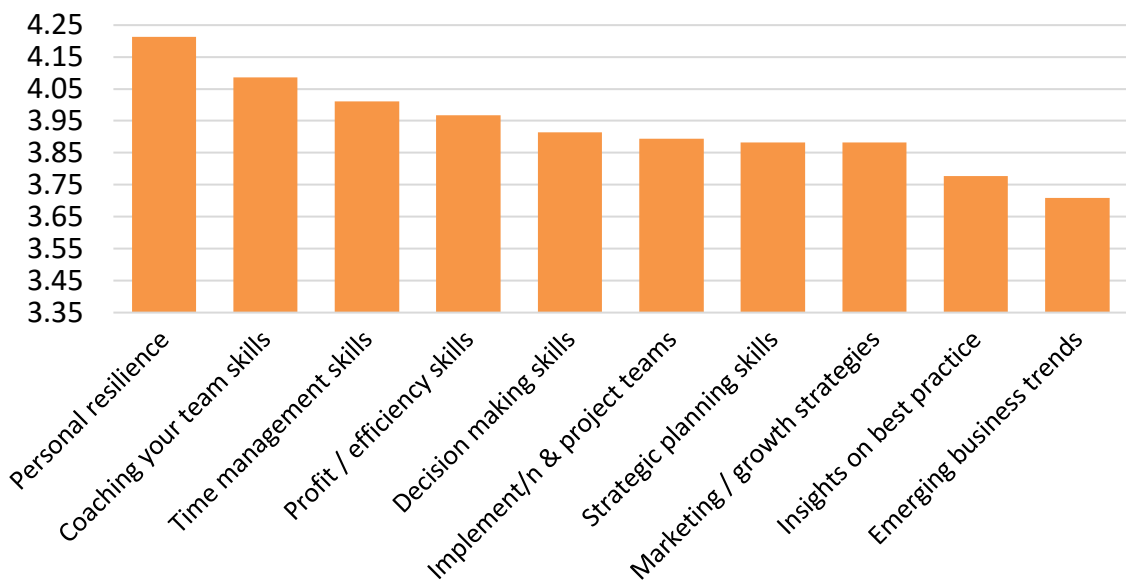
3. Boost resilience by locking in new work/life balance habits

Let's face it, if leaders are flat the team and business follow. During 2021, leaders were forced to face a completely new set of challenges: working from home, virtual team meetings and an uncertain market. Some thrived while others struggled evidenced by 'personal resilience' being rated as the most important contributor to success as a leader in 2022. Reflecting on what has worked and what hasn't over the last two years will be key to drive positive change in 2022.

Finding a good work/life balance will deliver the mental breathing space, energy and agility to face the issues and grasp opportunities of 2022. Leaders who fail to address bad habits will risk burnout, high stress levels and fatigue. Once leaders have built their own resilience levels by first putting on their own 'oxygen mask' they can then turn to assisting the team and the business.

Addressing the factors that contribute to personal change success, becoming more comfortable with technology and having a growth mindset are other keys to boosting resilience. Try to avoid another 'ground hog' year.

How important are the following contributors to your success as a leader in 2022?
(Weighted average of responses shown).



RESET TIPS

1. Reshape the work week to provide more flexibility for family time, learning new skills, mental health breaks and quality collaboration time with team members.
2. Review your beliefs, capabilities and readiness for personal change success. Where can you improve? What capabilities do you need to build?
3. Learn how to bounce back from adversity by controlling emotional responses, it's your choice how you react. Where do you have irrational beliefs?

4. Invest in leadership & coaching capabilities to make you a leader worth following

‘YOU’RE ONLY A LEADER IF SOMEONE WANTS TO FOLLOW YOU. THERE’S NO FORCED LEADERSHIP ANYMORE.’¹

Survey results indicated 81% of leaders felt their leadership style needed to evolve and 80% needed to reskill and upskill to achieve their goals in 2022. But what skills are critical to be a successful leader in 2022 and beyond?

In the past, leaders believed strategic capability contributed most to success but now it’s more about personal resilience, time management and coaching teams. Consider your future career journey, what will be your role in five years’ time? If you are a CEO or business owner what adaptations would excite you enough to learn new skills, build new habits, unlearn approaches that no longer work and create a step change in your abilities?

Maslow’s ‘Hierarchy of Needs’ places self-actualisation at the highest tier, driving us to achieve our true potential. How can you become the best version of yourself over the coming years?

Time poor leaders who want to travel less will learn or refresh leadership capabilities with a mixture of just in time programs tailored to personal needs, delivered virtually and reinforced by applying insights to real world challenges.

Shifting attitudes to learning methods highlighted in the annual survey see more demand for peer discussion and personal coaching versus attendance at large conferences and reliance on social media posts. While thought leadership is still important, leaders want to discover practical how to’s of operating in a post-COVID environment.

What peer collaboration groups are you part of (or should you be part of) that will challenge you to grow in 2022 and beyond?

RESET TIPS

1. Undertake a personal SWOT & identify your top three leadership capability gaps.
2. Develop a 2022 Reset One Page Plan.
3. Learn new coaching capabilities and embrace new technologies to efficiently manage the team virtually while staying attentive and responsive. What peer group can you join to share what’s working and what’s not?

1. <https://www.fastcompany.com/90709954/this-is-how-the-best-leaders-will-lead-in-2022>

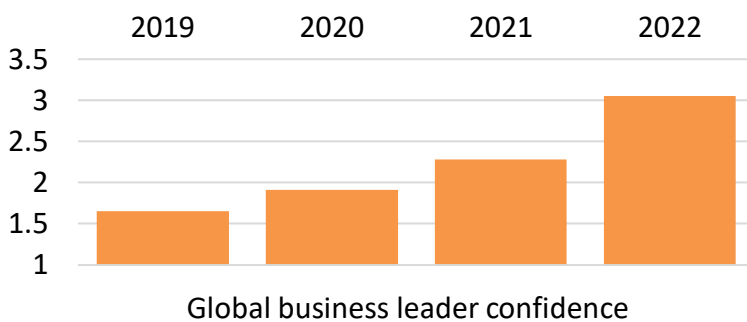
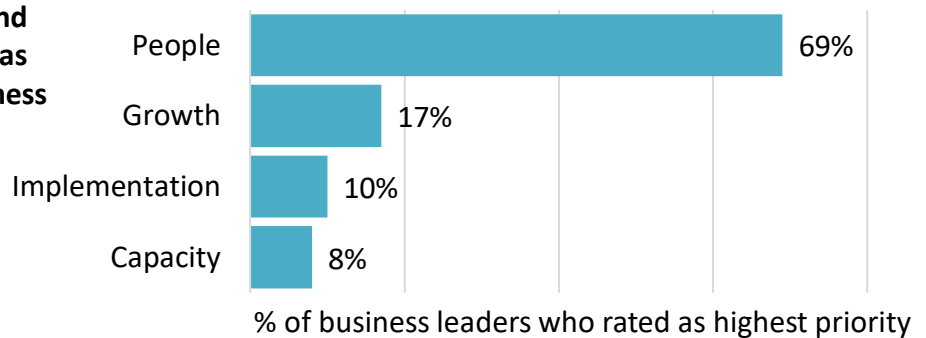
5. You'll need a 'thriving' strategy and vision for 2022

Capitalise on high business confidence with a strong strategy and vision that ensures your business thrives in the current environment. Many valuable lessons have been learnt about customers, suppliers, processes, technology, team, marketing, products and services that need to be collected into a strategy reset.

Don't waste a crisis. Drive home critical changes and bring a contrarian mindset to how you operate. Leaders feel getting the 'people' side of their strategy right is the highest priority as part of this process (69%). While 37% indicated they lack a clear strategy or vision. Some leaders have more work to do than others.

There is no magic bullet when it comes to the strategy reset but leaders can't just 'roll-over' last year's strategies with a tweak of the figures. Re-testing the vision, competitive advantage, strategic SWOT and change readiness needs to be undertaken as the business environment has changed dramatically and opportunities can be easily overlooked with a strategic process that just 'ticks the box'.

Rate the highest and lowest priority areas for leaders & business in 2022



Rate your level of confidence in the business climate for 2022 (where -5 is very poor, and +5 very good).

RESET TIPS

1. Engage a strong external advisor to reset your vision and strategy for 2022 and beyond. Where are emerging opportunities and challenges?
2. Re-test your strategic SWOT, sustainable competitive advantage, change readiness and strategic priorities against your vision.

6. Don't lose sight of what makes you profitable

Distractions abounded over the last couple of years. Working from home and lockdowns exposed difficulties in employee attraction, retention and maintaining a solid culture, not to mention market challenges brought about by COVID for some industries (retail, tourism and hospitality in particular).

But it's important not to let this noise drown out the overriding importance of *profitable* growth and understanding where hidden waste has built up in the business over the last couple of years.

Indeed 30% of overheads can often be waste. With businesses embracing so much change, very quickly unused technology, unproductive teams, poor processes, excess stock, poor leaders, ineffective sales processes and more can lead to 'hidden' waste that when removed, can have a major impact on profitability. What are the top three wastes in your business?

Understand what products and services drive the most profit in the business now and in the future. Manage your portfolio to understand and make the most of 'cash cows', develop 'rising stars' and phase out or reinvent those products and services that are 'dogs'. Are your best people being trusted to focus on driving profitable growth in high potential growth areas?

Business leader responses in the Mindshop survey, conducted November 2021:

In 2022 we will be more focused on consolidating our current market position rather than pushing for growth

68%

Disagree

I have a documented and clear strategy / vision for my part of the business

37%

Disagree

We have attempted too much innovation and change over the past 12 months

88%

Disagree

RESET TIPS

1. Focus on profitable growth opportunities that fit the business vision.
2. Conduct a Product Portfolio Analysis to uncover which products and services are negatively impacting profitability.
3. Undertake a waste audit to start the ongoing process of waste and inefficiency identification and removal across the business.

Strategies to Rechart Success

In September 2021 Mindshop released its 'Navigating the Road Forward' paper outlining over thirty potential actions to guide business leaders on strategies for success in 2022. Actions covered four key areas: people, growth, capacity and implementation.

Building on the insights and reset ideas above, these actions are very applicable. To help you focus on the most relevant strategies for you we have developed a matrix below which poses two questions:

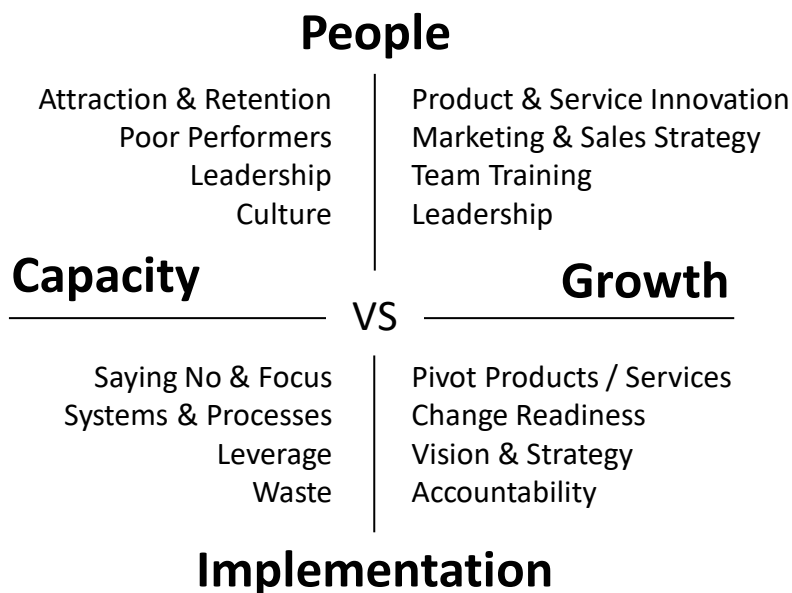
Q1 What's holding you back from successfully driving change?

Is it more an issue with *people* - leadership & team capability, or more your ability to *implement* - poor systems, processes and level of waste?

Q2 What's holding you back from achieving growth goals?

Is it more a lack of *capacity* - poor resources, lack of leverage, or more an absence of *growth* opportunities - ineffectual marketing, inferior product/service quality or unclear strategy?

Strategies on which to focus in 2022 are determined by the answers to these questions. For example, if you answered *people* for Q1 and *capacity* for Q2 we suggest concentrating on strategies in the top left quadrant. Detailed strategies can be found in one of the four areas of people, growth, capacity and implementation in the 'Navigating the Road Forward' paper. Select the top three most relevant to you to focus on.



Building Leadership Capabilities

Where are your leadership capability gaps for 2022?

Each leader is at a different stage of their journey with diverse goals for 2022 and beyond. The hectic nature of the last two COVID-impacted years has for many put structured education on the backburner in favour of 'just-in-time' learning. Time available for education will still be in short supply in 2022 so we recommend you:

1. reflect on areas to reskill as approaches have changed, upskill to improve capability, or unlearn to change bad habits.
2. identify traits or capabilities in peers you want to emulate to drive step change.
3. set learning goals for yourself for the year ahead tied to performance goals, using the Mindshop Leadership Phases as a guide (see following page).
4. build bite-sized learning habits, putting aside 20-30 minutes to learn a tool, review a 'how-to' resource or do a couple of course modules as required.
5. have accountability loops in place with peers or your coach to keep you on track.
6. involve yourself in a peer group that can regularly inject thought leadership, challenge you and allow sharing of what's working and what's not in the business.

Build Capabilities Aligned to High Performance Phase

Not every leader wants to achieve the same thing. Reflect on Mindshop's Five Phases of Leadership to determine the type of leader you want to be and capabilities you need to build to get there in 2022.

Phase	Capabilities & Attributes
<p>1. INDIVIDUAL FOUNDATIONAL SKILLS Individual seeking to build better leadership & problem-solving behaviours.</p>	<ul style="list-style-type: none"> • Basic understanding of business and industry trends. Basic level of financial acumen. • Little to no systems and processes. • Adequate communicator. • Focuses on their own development first rather than the team. • Success through hard work, trial and error.
<p>2. MANAGER TEAM BUILDER Manages a high performing team effectively. Can drive implementation and change well.</p>	<ul style="list-style-type: none"> • Good understanding of business and industry trends. Adequate level of financial acumen. • Good systems and processes, occasionally updated. • Communicates well across all levels. • Effectively manages team to achieve goals. • Basic change success understanding.
<p>3. COACH COACH / MENTOR Coaches and develops their team for high performance. Leads by example.</p>	<ul style="list-style-type: none"> • Strong understanding of business and industry trends. Good level of financial acumen. • Good systems and processes, regularly updated based on best practice. • Good communicator, asks effective questions. • Guides development of emerging leaders. • Regular application of change success techniques.
<p>4. LEADER STRATEGIST Strong leader who can develop and implement strategies effectively.</p>	<ul style="list-style-type: none"> • Periodic contributor on industry trends at events. • Runs a lean and efficient organisation. • Strong communicator, can run workshops well. • Guides development of multiple teams. • Great problem solver.
<p>5. ROLE MODEL VISIONARY LEADER Visionary who guides the future direction of the business and acts as a role model for other leaders.</p>	<ul style="list-style-type: none"> • Thought leader, regular contributor on industry trends at events. • Drives a culture of continuous improvement. • Very strong communicator, presents regularly at conferences. • Challenges leaders, explores new approaches to team development. • Maintains a 'change ready' culture.

Eight Steps to Recharting 2022

1. Embrace a growth mindset

- i. Pick a theme for you and your business in 2022 to drive greater success - is it growth, consolidation, capability, coaching?
- ii. What will you do differently to improve yourself in 2022?

2. Free up 30% of time to get traction

- i. Improve your capacity. What strategy will address your capacity challenges? What worked in 2021? What didn't?
- ii. Create a stop doing list. Delegate 20% of what you do.
- iii. Move on low profit or frustrating customers.
- iv. Move on poor performers in your team or suppliers.
- v. Review your work/life balance for positive change.
- vi. Stop gold plating all you do.
- vii. Default to no for opportunities unless they fit your vision.
- viii. Do a personal SWOT.
- ix. Find a passion project for 2022 - outside of work!

3. Set now, where and three reset goals for the business in 2022

4. Do a 2022 SWOT on the business

5. List the top five reset strategies for 2022

- i. Pick the focus: people vs implementation, capacity vs growth based on answers from the model above.
- ii. Make sure one of the strategies frees up 30% of your time.
- iii. Make sure another strategy addresses building leadership capabilities. What two or three will be most important?

6. Lift your probability of change success

7. Develop a 2022 reset one page plan

8. Make the most of leveraging Mindshop

Use the online platform, engage with your coach and peers and attend Growth Hub workshops if applicable to implement strategies and achieve your 2022 goals.

A Final Word

The COVID fog will continue to clear in 2022 and reveal a landscape full of exciting opportunities for those leaders with resilience, clear strategy, vision, focus, quality people and evolved capabilities.

Make this the year to reset and rechart a way forward armed with valuable lessons from some of the most stressful and challenging times any leaders have faced in their career. Don't waste this opportunity.

If you have any questions on any elements of this paper, please reach out to your advisor or the Mindshop team.

All the best for 2022,

The Mindshop Team

About Mindshop

Mindshop is the leading advisor to business advisors. Delivering everything accounting firms and independent advisors need to successfully build, grow, sell and deliver advisory services to any sized customer, anywhere in the world.

Founded in 1994 in Melbourne, Australia by Dr Chris Mason, Mindshop has now grown to support over 4,000 business advisors and business leaders in 12 countries.

Mindshop supports advisors with:

- prebuilt advisory services.
- experienced coaching support.
- innovative coaching and training technology.
- a comprehensive resource library.
- regular face-to-face and online business advisory skills training.
- access to a global community of business advisors.

www.mindshop.com

Questions or support?

Do you have any questions or would like support to work through the insights in this report? If so, please contact Angela Grogan at Best Business Results Pty Ltd for a confidential discussion.

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