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RESET.
RESKILL.
REFIRE.

Business Leader Performance,
Trends & Best Practice Report 2023

Contents

Three reasons why business leaders should read this report

1. Discover global insights for leadership and business success from your peers for 2023.

2. Harness practical strategies to embed into your plans for 2023.

3. Inspire change in fellow leaders and teams.

Foreword

With turbulent times set to continue globally, it would be easy for business leaders to be slightly pessimistic, detune goals and play it safe for the year ahead. However 2023 feels different, more like a sliding door year where for many, being an 'optimistic contrarian' will pay dividends. In fact, as the year plays out the performance gap will widen between business leaders successfully navigating challenges and those who are not.

Challenges for business leaders in 2023 are well known, with a need to:

- adapt to a high inflationary environment including cost of living pressures on customers.
- balance managing cashflow with a need to invest for growth.
- manage team members' change fatigue.
- develop vision and strategies that capitalise on emerging opportunities.
- build a culture that attracts and retains good people.
- focus on evolving customer needs and cutting through in a cluttered market.
- effectively manage a hybrid workforce.
- stay agile in the implementation of change & strategy.
- harness exciting new technologies, and importantly,
- manage their own resilience and mental health levels.

> **A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty.**
> Winston Churchill

Each above challenge continues to act as a 'resistance band' in the minds of many leaders, holding them back for another year from achieving their goals. However leaders with an internal locus of control will see the opportunity in every apparent crisis, a key differentiator between those who will succeed or struggle in 2023.

James Mason
Managing Director, Mindshop

Key Insights

What does it take to be a high performing leader in 2023?

High performing leaders in 2023 have a range of common traits helping them navigate challenges in the current market. They may include:

- high levels of emotional intelligence, self awareness and empathy.

- customer centricity in decision making and good understanding of emerging trends.

- being 'optimistic contrarians'.

- having a focus on profitable growth (the number one theme from survey results).

- building clear, inspiring medium to long-term visions.

- being strong builders of team and culture.

- leading by example through being tenacious implementers.

- not letting 'perfection be the enemy of good'.

- a continuous improvement mindset.

While these act as a strong foundation, no leader is perfect, and all have different combinations of strengths and weaknesses. To learn these lessons from other leaders, the insights contained in this report have been grouped under one of four pillars of success:

1. **Trends 2023:** business and leadership

2. **Leadership:** capability and mindset

3. **Implementation:** people and productivity

4. **Performance:** strategy and vision

These also include a wealth of best practice suggestions from fellow leaders as to how they are achieving high performance in each area.

How to use this report

Use this report to guide your planning for 2023, gather tips to improve your own performance, share with your team and shape your vision for the years ahead. It will be an exciting, pivotal year of change for many leaders and businesses, don't waste it.

Report Findings
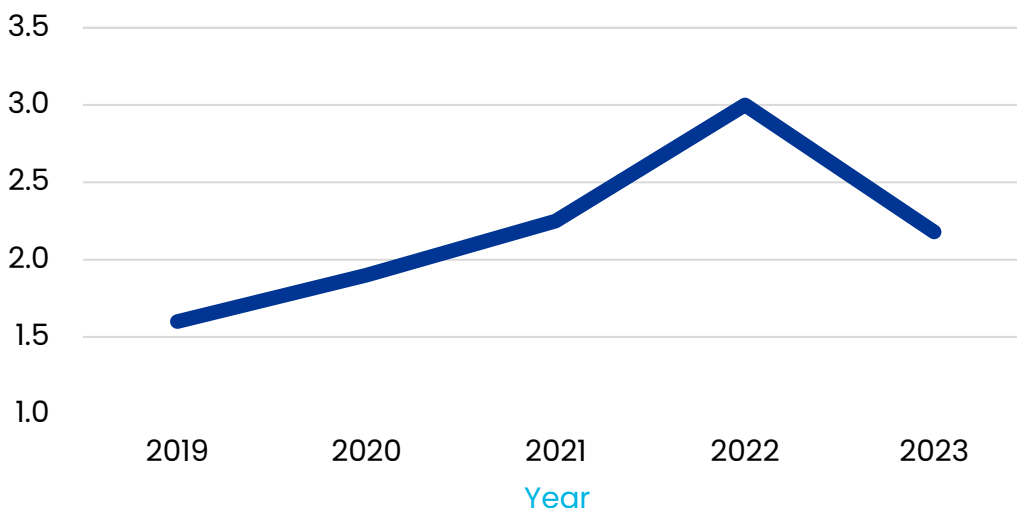## Four Key Areas

1. Trends 2023: Business & Leadership

Business confidence has understandably dipped in 2023 due to global economic and cost of living turbulence. Previously increasing consistently since 2019, confidence in 2023 has declined to 2021 levels.

For success, leaders need to stay very customer centric in strategic planning and decision-making activities, aligning with current and emerging market needs. 'Profitable growth' was the key theme identified by leaders for the coming year highlighting a greater focus on bottom line performance over scale at any cost.
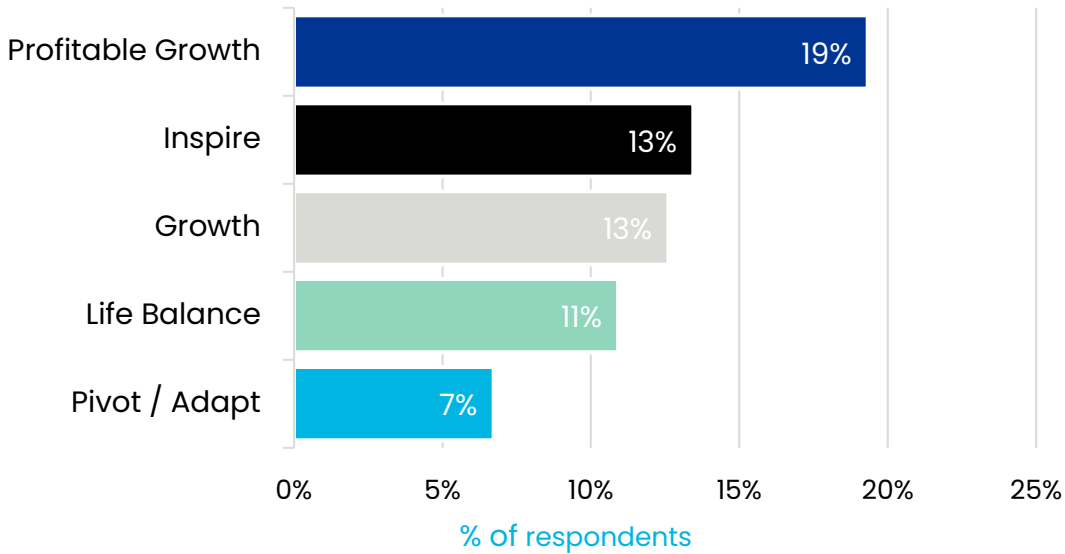
In 2023, most business leaders are focused on building (or rebuilding) culture and engagement levels across their teams and improving their own leadership skills. Another focus is on listening, learning and networking outside the confines of their own business and industry to tune into global best practice.

Respondents understood the importance of updating plans regularly and embracing a minimum viable product mindset as they learn what works and what doesn't during implementation. Perfection will be the enemy of good when driving change in 2023.

On a scale of -5 to +5 please rate your level of confidence in the business climate for 2023 (where -5 is very poor, and +5 very good).

If you had a theme for 2023 as a leader, what would it be?
(Top five responses)

Theme	%
Profitable Growth	19%
Inspire	13%
Growth	13%
Life Balance	11%
Pivot / Adapt	7%

% of respondents

Leaders shared their top five tips on how to stay **agile to emerging market changes and trends**. Here's examples of what they said:

1. Be willing to adapt to change
'Don't be afraid to experiment. Use minimum viable product.'

2. Keep informed at all times
'Read and follow thought leaders and your competition. Don't jump early but don't be too late either.'

3. Network within and outside the business
'Be an ambassador of change.'

4. Listen & stay alert in and outside the business
'See opportunities in every change or threat.'

5. Thinking ahead of competitors
'Stay lean and agile so you can move faster than your competitors.'

2.   Leadership: Capability & Mindset

Of the leaders surveyed, their number one capability building focus was coaching and developing their teams, followed by attraction and retention skills and finally managing capacity.

With many still facing capacity challenges and juggling hybrid workforces, leaders are placing more emphasis than ever on ways to get the most productivity and connection from teams.

To develop important new skills, leaders need to make time for important learning activities through improved productivity habits and micro-learning opportunities. When it comes to learning, respondents preferred to hear what's working and what's not from other business leaders, then drawing insights from personal coaching and face-to-face workshops. A blended learning program (combining online learning, peer collaboration and face-to-face workshops) is an ideal solution for many.

Positively, 64% felt they had high energy levels to bounce back from any challenge and only 22% felt overwhelmed with the level of change they are experiencing in the market.

74% Are clear on their personal brand & what they are known for as a leader.

64% Agree they have high energy levels & can bounce back from any challenge.

22% Feel overwhelmed with the level of change.

Will you invest more, the same or less in your own leadership capabilities in 2023?

53.85% 43.59% 2.56%

■ More
■ Same
■ Less

% of respondents
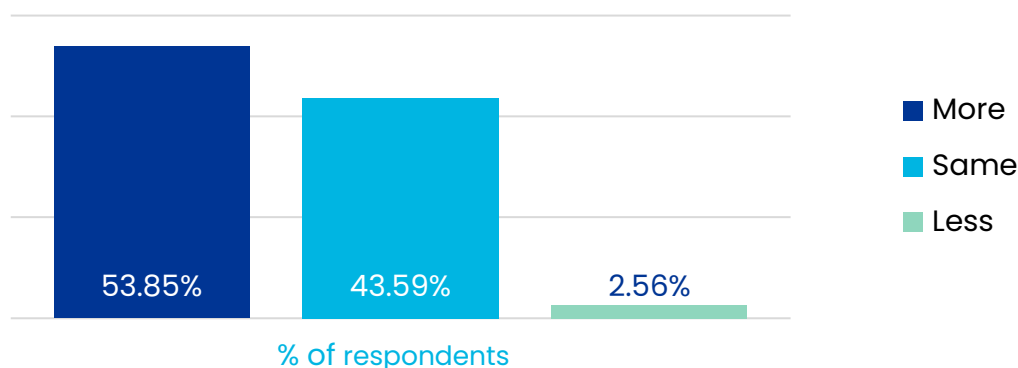
What approaches to building new leadership capabilities do leaders rate as most important?
(Top eight reponses based on weighted average.)

1. Discussions with fellow business leaders
2. Personal one-to-one coaching
3. Face-to-face workshops
4. Reading books & papers
5. Interactive webinar workshops
6. Self-paced online training & education
7. Social media posts, articles & insights
8. Large in person conferences

Thinking about your personal learning and improvement in 2023, what would be your top three areas of focus to boost your performance as a leader?
(Top eight responses based on weighted average.)

Area	Rank
Coaching and developing your team	1
Attraction and retention of good people	2
Managing capacity	3
Scaling up and growing an organisation	4
Developing culture	5
Strategic planning and visioning	6
Personal productivity	7
Personal resilience and mindset	8

Leaders shared their top five tips on **personal resilience**. Here's examples of what they said:

1. Improve work / life balance
'Accept not everything can be done all of the time. You have to say no.'

2. Prioritise your health and fitness
'Self focus (physical and mental wellbeing) cannot be left till last - make time for yourself and your family.'

3. Educate yourself on having a positive mindset & stress management
'Take a deep breath, sleep on it, and look at those troublesome things with a clear mind.'

4. Network and learn from quality peers and coaches
'Having a good quality coach/mentor.'

5. Build self belief
'Take nothing personally in business and leave your ego on the street.'

And on **personal productivity and capacity:**

1. Use effective planning habits
'Having a structured day is the best way to productivity - problem solving in the morning, and leading towards simpler / autopilot type tasks towards the end of the day.'

2. Timebox your schedule
'Ensure that meetings are short, sharp & focused. No more than 30 minutes.'

3. Have a clear vision
'Each morning daily reviewing tasks and balancing against strategic priorities (urgent and important).'

4. Delegate well
'Be prepared to delegate. And also be prepared to coach when delegation has not brought what you hoped it might - so you can delegate next time.'

5. Avoid distractions, focus
'Focus on one thing at a time.'

3.   Implementation: People & Productivity

Acting like a handbrake to effective implementation of change, a lack of capacity is cited by close to 60% of respondents as their key challenge.

Causes include managing a hybrid workforce, with over 70% reporting difficulties getting the same level of productivity as those in the office. In the same breath, interestingly 76% are looking to have the same hybrid setup in 2023 and only 14% will look to bring more staff into the office.

Personal productivity habits also continue to be the key barrier to effective leadership.

Inefficiency, or reducing 'waste' is an issue for many businesses with close to 50% seeing it as an area of concern. Just 2% strongly agree they have waste and inefficiency under control.

Attraction and retention adds to the challenges, with just 55% indicating they have a strong ability in this area, down from 61% last year. Interestingly, those with attraction and retention issues were also:

2x more likely to have an issue with capacity levels.
2.2x more likely to have an issue with managing waste and inefficiency.
2.4x more likely to have a lack of clarity on strategy and vision for 2023.

Certainly an Achilles' heel for all leaders, and needs major investment of time and energy in 2023.

What will be the biggest barrier to being an effective leader in 2023? (Based on weighted average responses.)

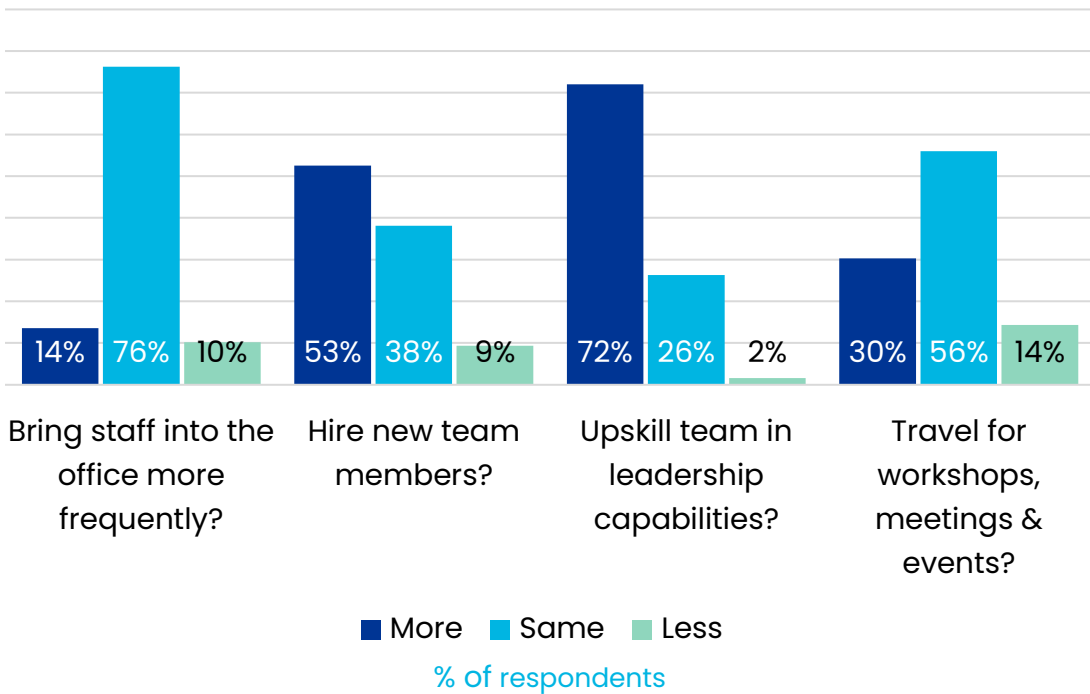| Barrier	Rank
No time / too busy	1
Lack of focus / plan	2
No capacity	3
Energy levels	4
Keeping up with emerging trends	5
Business financial performance	6
Motivation to change	7
Poor support from the team	8

66% Feel they delegate well, down from 68% last year.

55% Have a strong ability to attract & retain staff, down from 61% last year.

69% Have strong time management skills.

Will you do more, less or the same of the following activities in 2023?

	More	Same	Less
Bring staff into the office more frequently?	14%	76%	10%
Hire new team members?	53%	38%	9%
Upskill team in leadership capabilities?	72%	26%	2%
Travel for workshops, meetings & events?	30%	56%	14%

■ More   ■ Same   ■ Less

% of respondents

58% Say they don't have adequate capacity.

42% Agree their organisation is good at controlling waste.

29% Find it easy to manage a hybrid workforce. Achieving same or better productivity than those in the office.

Leaders shared their top five tips on **attracting & retaining great staff**. Here's examples of what they said:

1. Great culture and values
'Hire people that match your values & culture. Create the job around the individual's abilities & potential, not a fixed org structure.'

2. Staff well remunerated
'Be an attractive place to work by putting people ahead of profit.'

3. Have an inspiring business vision
'Leading by example firstly, and mentoring staff to provide them with a clear path for their own career.'

4. Good communication and flexibility in the role
'Create a culture of trust and respect.'

5. Invest in staff development
'Have great systems so you can develop great people.'

And on **managing a hybrid workforce**:

1. Open communication & clear expectations
'Ensure that the arrangements are well documented and communicated with staff and clients. Ensure that technology is fit for purpose.'

2. Embrace the right technology and have regular check ups
'Use Microsoft Teams to simulate office environment for home workers.'
'Encourage informal chat.'

3. Measure output and have clear targets
'Focus on outcomes, not outputs.'

4. Flexibility
'Flexibility is key to supportive cultures, But accept it is inefficient.'

5. Right balance of office and home time
'Quick team huddle every morning to discuss what everyone is working on.'

4. Performance: Strategy & Vision

Growth (or more specifically profitable growth) is back on agenda for some businesses but a number of time poor leaders seem to be pushing forward with little structured strategy or documented vision. In fact, worryingly, over 50% of respondents stated they are yet to document a clear strategy and vision for their area of the business.

For those with a clear strategy, their highest priorities in 2023 were to firstly get the 'right team on the bus', then understand the needs and wants of customers and thirdly, to look for profit and efficiency gains.

With continued market instability, leaders also need to be including 'what if' scenarios in their plans to adapt quickly to changing circumstances, whether positive or negative. Sustainability initiatives are also being embraced by most businesses.

Having profit and efficiency under control is critical, those who said they didn't were:
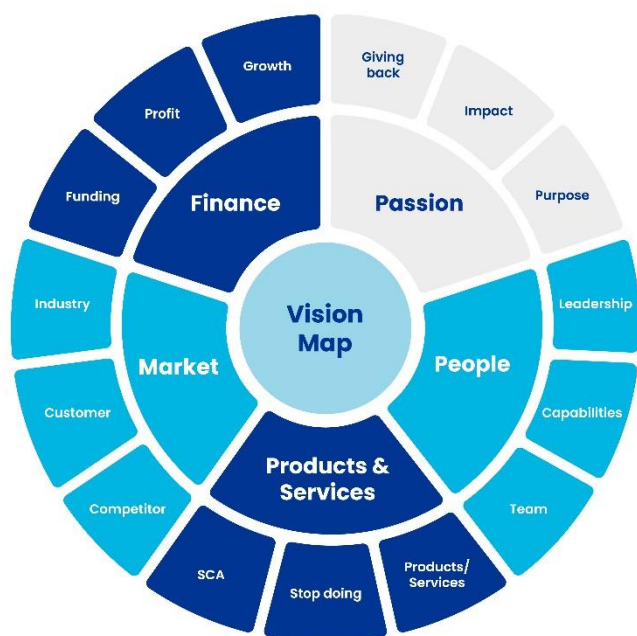
3.5x more likely to have an issue with managing a hybrid workforce.
2.1x more likely to feel overwhelmed with the level of change.
1.8x more likely to have an issue with capacity.

Where will you focus your energies to improve in 2023?
(Weighted average of responses listed from highest to lowest.)

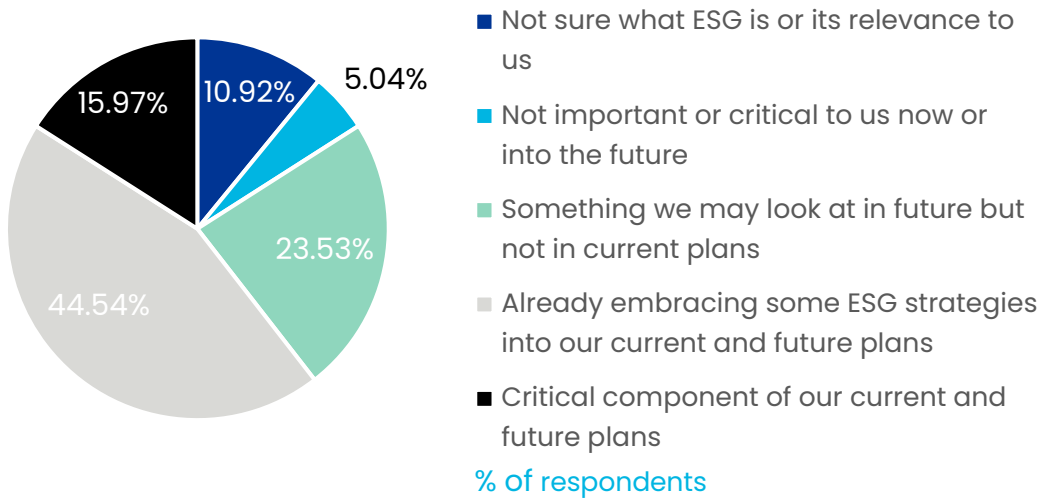

Business Vision Map © Mindshop 2023

1. Team
2. Customer
3. Profit
4. Capabilities
5. Growth
6. Leadership
7. Products & Services
8. Purpose
9. Sustainable Competitive Advantage (SCA)
10. Things to stop doing
11. Impact
12. Funding
13. Giving back
14. Industry
15. Competitors

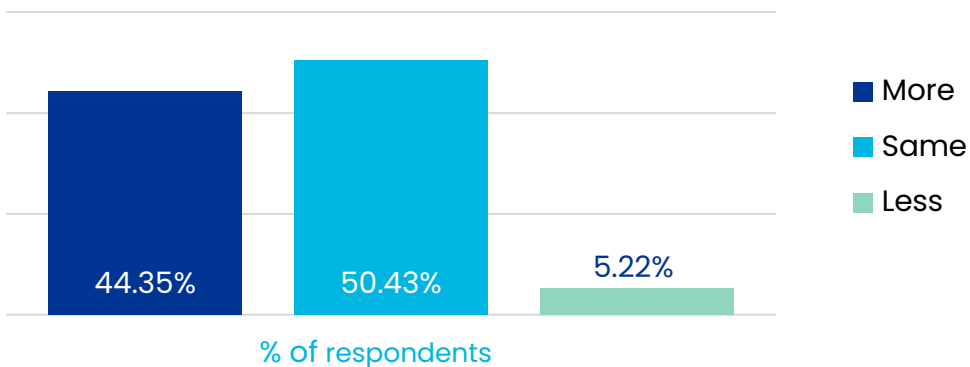**If there was a market downturn in your industry in 2023 what top three strategies would you employ?**
(Top nine responses based on weighted average.)

1. Increase customer engagement
2. Reset the vision and plan in light of market conditions
3. Capitalise on emerging opportunities created by the downturn
4. Focus on protecting cashflow
5. Cut poor performing products & services
6. Cut costs across the board
7. Increase prices
8. Reduce headcount in key areas
9. Borrow to invest in people, products, services & innovations

What statement best describes your thinking on implementing Environmental, Social & Governance (ESG) strategies?

- Not sure what ESG is or its relevance to us
- Not important or critical to us now or into the future
- Something we may look at in future but not in current plans
- Already embracing some ESG strategies into our current and future plans
- Critical component of our current and future plans

% of respondents

Will you invest more, the same or less in new products & services in 2023?

- More
- Same
- Less

% of respondents

72% Are keen to grow their business this year, up from 68% in 2022.

47% Have a clear strategy, down from 63% in 2022.

Leaders shared their top five tips on **developing & implementing a clear strategy & vision**. Here's examples of what they said:

1. Engage & align team on the plan
'Clear and simple goals and objectives. Clarity, clarity and more clarity.'

2. Strong planning & vision process
'Understand what your sustainable competitive advantage is, it drives your priorities and your vision.'

3. Less is more, keep it simple
'Less is more, don't overextend yourself or your team.'

4. Use clever frameworks & performance indicators
'Define framework, plan, KPI's, strategy reporting.'

5. Engage an advisor
'Get quality, independent outside assistance'

Leaders shared their top five tips on **improving growth & profit**. Here's examples of what they said:

1. Business planning for growth
'Give permission to imagine 'what if' on paper.'

2. Understand market needs, not wants
'Ability to adapt to clients' needs as and when they change.'

3. Reduce waste / inefficiency & effective cost management
'Review your business's bottom line, benchmark performance, evaluate productivity.'

4. Clarity of medium to long term vision
'Focus on the ideal client for you and your business. Don't just say yes.'

5. Know your performance metrics
'Understand the 'big rocks' in your organisation and don't be afraid to increase your prices.'

How to Reset, Reskill & Refire
Apply Report Findings to Your Business

As a business leader in 2023, you will need to focus on issues you can influence (with an internal locus of control), having a laser focus on delivering products and services that address current and emerging customer needs.

To make your plans a reality, you need to reflect on the 3R's: Reset, Reskill and Refire.

Reset

- Do you have the right systems, processes, technology, resources and people to achieve your profitable growth goals?
- What is your vision and strategy for the year ahead?
- How can you drive greater efficiency and profitability across the business?

Reskill

- What new capabilities do you or the team need to build to stay productive and relevant? What will you delegate or stop doing?
- How will you address culture and engagement issues with hybrid working conditions?
- What strategies do you need to put in place to ensure you and your teams have high levels of resilience and wellbeing?

Refire

- How will you adapt your marketing and sales strategies to cut through with the right target market?
- What products and services do you need to refine, remove or build to deliver maximum value for customers and your organisation?
- What are your target customers' emerging needs? How will you adapt your customer experience (CX) to stay aligned and customer centric?

Develop Your Leadership Skills

Not every leader wants to achieve the same capabilities at the same level. Reflect on Mindshop's Five Phases of Leadership performance below to determine the type of leader you want to be and the capabilities you need to build in 2023.

Leadership Phase

1. Individual
FOUNDATION SKILLS
Individual seeking to build better leadership & problem-solving behaviours.

2. Manager
TEAM BUILDER
Manages a high performing team effectively. Can drive implementation and change well.

3. Coach
COACH / MENTOR
Coaches and develops their team for high performance. Leads by example.

4. Leader
STRATEGIST
Strong leader who can develop & implement strategies effectively.

5. Role Model
VISIONARY LEADER
Who guides the future direction of the business and acts as a role model for other leaders.

Capabilities & Attributes

1. Individual
- 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.

2. Manager
- Good understanding of business & 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.

3. Coach
- 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.

4. Leader
- 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.

5. Role Model
- 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.
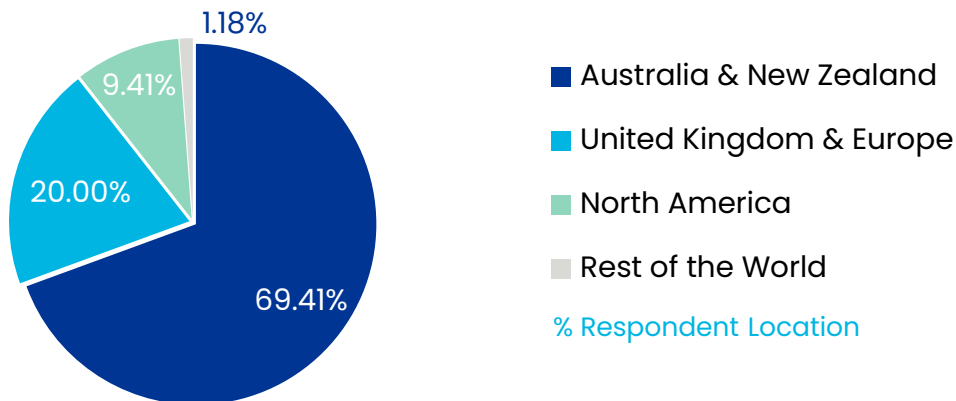- Maintains a 'change ready' culture.

A Final Word

For those leaders who are 'optimistic contrarians' and build the capability and capacity to capitalise on opportunities in the market, 2023 will be a sliding door year. Regardless of continued market turbulence, leaders need to get on the front foot and address known 'root cause' challenges. Critical to this is having a strong, productive team in place that can be aligned to drive successful implementation of change.

Overall we trust this report helps shape your strategies, builds your success and seeds clever insights for the year ahead. Please feel free to share the report with your peers to help them reset, reskill and refire in 2023.

We wish you all the best for the year ahead.

About the Research

Based on a survey of over 200 business leaders and advisors in late 2022, this report reveals insights, detailed analysis and performance tips from Mindshop's experienced member base.

Pie chart: % Respondent Location
- Australia & New Zealand: 69.41%
- United Kingdom & Europe: 20.00%
- North America: 9.41%
- Rest of the World: 1.18%

About Mindshop

Mindshop is a proven change methodology embraced by thousands of advisors, businesses and leaders to help them grow, improve profitability, problem solve, develop strategy, improve their leadership capabilities and boost their probability of change success.

Founded in 1994 in Melbourne, Australia by Dr Chris Mason, Mindshop has now grown to support thousands of business advisors and business leaders across twelve countries.

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