Leading with Existential Confidence

Designing the Future in an Era of Unprecedented Volatility and Uncertainty

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"The world not only feels different. The data tell us it is different."

McKinsey Global Institute



Introduction

Our world is chaotic and unpredictable, interconnected and fast-changing. Unexpected calamities such as the pandemic convulse markets and squeeze supply chains. Interracial conflicts shake how people relate to the future. Economic disparity, income inequality, political turmoil and financial volatility escalate and continue to increase uncertainty around the globe. Existential threats from climate change and extreme weather events—droughts, floods and wildfires—also disrupt society's normal functioning.

In the midst of such widespread disruption, windows of opportunity open and close quickly. CEOs and their leadership teams must respond with an innovative offer before a window shuts and then rapidly move capital—both financial and human—from points of low return to points of potentially higher return. Moving money with speed, accuracy and precision is not the challenge. Confidently mobilizing people to run fast with change is.

PriceWaterhouseCoopers' 2019 global survey of 1,500+ chief executives revealed that only 27 percent of CEOs are "very confident" in their prospects for revenue growth, a level not seen since 2009.² And according to PwC's analysis, CEO confidence is a reliable indicator of both the direction and level of future global GDP growth.

Traditional approaches to managing change and risk are not sufficient in the current context. We propose that there is a different kind of confidence that is not

grounded in the past or experience. Our model combines the latest research and insights from brain science, philosophy, organizational psychology, and ontological coaching. All these fields of inquiry revolve around questions of who are we as human beings.³ By intentionally bringing them together in a set of a few core practices, we offer leaders the possibility of rapidly developing themselves and their teams as effective navigators in the face of constant uncertainty and accelerating change.

"You can't connect the dots looking forward; you can only connect them looking backward. So you have to trust that the dots will somehow connect in your future. You have to trust in something—your gut, destiny, life, karma, whatever."⁴

Steve Jobs

A Practical Way of Being

Existential confidence (EC) is the "whatever".

We believe existential confidence is a capability inherent in all human beings. Like any capability, people must be introduced to it, learn its fundamental principles, and apply them in practice in order to become fluent. This paper explains what EC is and covers five principles that, when practiced and embodied, help leaders connect with and sustain their ability to be existentially confident in a highly dynamic environment.

Existential confidence (EC) is a way of being in which a person unconditionally trusts that the way they are—now and in the future—will be sufficient to their circumstances. A leader who is existentially confident experiences an expanded awareness of themselves and others, a heightened sense of agency, and a deeper appreciation of what is emerging that is beyond anyone's control. They commit to larger possibilities and believe they can deliver on promises they have never delivered on before.

Such confidence is not arrogance or shallow positivity. Existentially confident leaders see what is happening without filters, without interpreting anything as either good or bad, and without reacting. They know they can adapt rapidly, appropriate whatever they need to know, and apply that learning in how they respond. They know they can stay present to the flow of life and, in the face of breakdowns, change their relationship to stress and anxiety so that they remain open to doing whatever it will take to achieve their commitments.

To others, existentially confident leaders appear optimistic, in that they do not despair in the face of problems, crises or resistance. On the contrary, they embrace adversity despite mixed feelings of serenity and concern, and they use it to further the ambitions they have for their organization.

In today's disrupted world, these leaders navigate at the horizon between what is and what can be, relying on the power of relationship, the poetry of change, and the freedom that comes with unleashing the human spirit. They listen to everyone's fear and anxiety and respond with clarity—even when they are uncertain. They accept responsibility and initiate conversations that take care of what people care about. They simultaneously invite others to confront reality as it is and to create—together—what is possible.

Existential confidence is the foundation for taking risks, making commitments, building relationships, collaborating and innovating with others, and acknowledging and learning from errors.



The Method

Leaders no longer have the luxury of years in which they can consciously "build" this capability: they must connect—and stay connected—with their innate confidence in every moment and in every circumstance. This insight led us to develop a multi-disciplinary methodology that allows individuals to attain and sustain a state of existential confidence in every domain of their lives.

As practitioners, we are aligned with the commitments of our clients to produce breakthroughs and achieve higher levels of accomplishment. We do not rely on anyone's historical, automatic patterns or circular reasoning. To develop existential confidence also requires challenging everyday assumptions and common sense about "reality" and engaging in questioning how human beings cocreate the future.

The method we developed is based on the following five practices. In the context of existential confidence, these five actions call for unconventional thinking and a shift in how we relate to circumstances.

- 1. COMMIT to possibility Listen for what's needed that does not yet exist.
- 2. CHOOSE how to relate Relating is a competence.
- 3. CREATE problems worth solving Trivial problems do not inspire people.
- 4. NAVIGATE without control Control rarely works in dynamic, unpredictable situations.
- 5. EMBRACE breakdowns They reveal what's missing.

Commit to Possibility

A possibility is an imagined future that is not predictable. It is a declaration of what could be, an exploration of "What if?" and "Why not?", an alternative reality. While counter-intuitive, it is important to remember that a possibility, by definition, is not "real". If a possibility can be proven, it is an example.

Nothing new can come into existence without existing as a possibility first.

Commitment to a possibility is an internal command to the brain to allow certain things and to filter out others. That internal command integrates various sources of information—from the environment and the imagination, past events and experiences, deduction and learnings—into a blueprint for a path to realize something in the future. In that sense, our beliefs act as filters for what we will perceive and how we will act. For example, when an existentially confident CEO and their leadership team are committed to delivering 3x returns on investment to shareholders, they will behave in accordance with that belief—even if they do not know exactly "how" they will go about doing so and even if they are dealing with uncertainty, lack of information, resistance and, potentially, scorn from others.

Committing to a possibility requires profound self-trust and humility. This is different from certainty, different from "knowing", different from blind faith. You remain an avid social learner, expressing your point of view without being authoritarian. You show up and live with the possibility as a motivator and guide, trusting that you are sufficient for any task at hand and that, as a sentient being, you can respond to the world and change direction, when and if necessary.

Choose How to Relate

We do not always directly control what is happening. However, unless our brains are in a state of overwhelm, we can choose how we relate to what is happening. Specifically, we can choose how we relate to ourselves, to others, to our shared circumstances, and to time.

Choosing is distinct from decision making. Decisions are implicitly influenced by our conditioning, a brain-based learning process.⁶ Choice is a commitment.

These four relationships—to ourselves, others, circumstances and time—are not concepts that exist in a localized way in the brain. They are contexts. A context is like a frame in which we perceive, but it is not normally perceivable itself.

We can choose to be used by our relationship with the future—not the past.

As business strategist Andrew Campbell and his colleagues have pointed out, one of the main reasons good leaders make bad decisions is that they rely too much on past experience and trends. Traditional psychological approaches to leadership view the past as the "cause" of the future. This line of thinking has people project the past onto the future, make commitments and then allocate resources based on these predictions. It has them rely on old formulas for success to generate more good outcomes or, if results were bad, do something different to do better. Existential confidence involves consciously generating your relationship with the future, rather than simply believing you can succeed by repeating what has worked in the past.

Create Problems Worth Solving

A problem worth solving motivates us, in that it is not trivial. It is a problem which either promises to generate a "breakthrough", create a new game, and/or changes or transforms people's relationship to whatever difficulty they are facing. A problem worth solving usually does not, at first glance, have an obvious, or in some cases, any solution—yet. It forces us to move our thinking to another level and change our relationship to conventional problems.

Solutions to problems worth solving require that we invent new theories, take bold risks, or commit to something that has been thought to be unreasonable, perhaps even impossible.



Creating problems worth solving requires a sense of agency. In the brain, agency involves multiple networks that must be coordinated. Regions that govern emotions, movement, and the sense of the body in space have to be connected, and the timing of all of this matters too.⁸

Most people relate to a problem as a fact of their reality, as something that exists externally, "out there", separate from them as an observer. They either react to whatever they consider to be a problem or cope with it. In doing so, they are actually participating in its persistence. Ordinarily, if they cope, the problem still exists. If they react, any solution they come up with creates a new problem. And so they drift from circumstance to circumstance, problem to problem. Rarely do people consider changing themselves or their relationship to what they have identified as a "problem" as a way forward.

Relating to problems in this way—objectifying them, arguing about what they are, analyzing their causes—takes up a lot of time and energy. What if we interpret

whatever is happening through the lens of commitment instead? Anything that appears to put a commitment at risk of not being fulfilled can then be declared a "breakdown". For example, you can choose to relate to the coronavirus as a breakdown if it disrupts your commitment to growing your business. Instead of lingering in reactivity, analyzing and comparing the current situation to the past, you can explore what's missing, choose a new possibility, and then move into action. Doing business in this new reality might then shift from in-person interactions with a few people at a time to innovative uses of online collaboration and presentation tools that allow your business to reach millions. Like Thomas Edison and his team of researchers at Menlo Park, you can view any failures along the way as essential stepping stones for creating what has not existed before. Your conviction that the problems you are addressing are worth solving assists this attitude.

Indeed, throughout history, it has been the existentially confident individual who, when everyone else has said something cannot be done about a problem, chose instead to commit to taking that on as a challenge. That is not to say their commitment was or will be driven by ego or bravado. Indeed, an existentially confident person, such as Elon Musk, simply chooses to take care of something that means something to them and then moves into action.

Musk, in a BBC interview, pointed out that "you want to do projects that are inspiring and that make people excited about the future" and that "life has to be about more than just solving problems". Having put aside the hairball of inherent problems associated with the internal combustion engine and fossil fuels, he took the vision of a semi-autonomous electric vehicle and focused on solving all the problems that stood in the way of making it real. He is proving that it is possible to store solar power in vehicular batteries and to assemble electric cars and trucks using robots and humans. Rather than solve the problems of traditional car manufacturers, he generated whole fields—from electric powertrains and batteries to sensors, artificial intelligence and glass—in which inspiring new technological problems are showing up. That is not without its challenges—and its rewards. In January 2020, Tesla's market value hit \$86.5B, making it the most valuable automaker in America's history.

Navigate Without Control

Many leaders wish they could always be in control. Given the level of uncertainty in the world today, this is understandable, but impossible. Too much lies outside anyone's control.

The idea of "being in control" pervades our culture, our organizations and most of our lives. It is the basis for conventional wisdom that says we can produce the results we intend and, if we know the right recipe or the right techniques, predict future outcomes. When something happens that we did not predict, we feel "wrong". Nowadays it is not uncommon to feel wrong a lot of the time.

Today we can no longer rely on predictions to tell us what will happen. The past has little bearing on the future. We need to have a different relationship with time. This is not as difficult as it might seem. Neuroscience now tells us that the perception of time in the brain can be distorted and vary, independent of historical reality.¹⁰

As the slogan of the Star Trek Enterprise suggests, "We are going where no one has gone before"—and we lack maps for getting there. We are all living in a real-time world in which the gap between the past and the future is becoming smaller and smaller. By the time we perceive what's happening, the moment has passed. We are left "surfing" the perpetual present. In this sense, navigation is a more apt metaphor than control for how and why we do what we do (or don't do) and the skills and mindset we must cultivate to have our future be worth the journey.

Our belief in "control" is becoming less and less relevant and meaningful.

Even so, most people still believe that control is an essential element in achieving what they want in business and life. Their degree of confidence is frequently a function of how much control they believe they have. Rarely do they consider that they have very little or, in some cases, no control beyond physical manipulations

(such as walking, athletic or artistic performance) and rigorous mental or spiritual disciplines. Also, they do not understand that if they believe they have or can have control over something or someone, they are creating a relationship in which their actions are dependent on that thing or person. In effect, they are reacting and/or resisting. To maintain control, that thing or person—or the illusion of it or them—must persist.

Learning how to navigate without control requires that you: 1) put aside the problem/solution mindset, and 2) use your own intuition and imagination as your internal" compass". Fortunately, the brain is actually wired to derive insights from intuitions. To activate imagination centers in the brain, you can use episodic memory retrieval, visualization, mental simulation, spatial navigation, and future thinking. Learning how to do these altogether can improve the quality of your "mental movie maker".

Embrace Breakdowns

Any unwanted or negative problem, situation or event that interrupts the "flow" and emergence of your intentions can be considered to be a sign of adversity. The natural response to adversity is to react, resist or, at best, cope in a manner which, as already discussed, contributes to the persistence of whatever is unwanted or negative.

An existentially confident response to any adversity is to interpret it as a breakdown and use the interruption as raw material for accomplishing the goal or future you desire. Embracing adversity in this way allows you to not only observe what is missing. It also allows you to change the negative story you have about your current situation or circumstance and shift your mood.

In every moment, we are always navigating and making choices in the context of our moods. Feelings and emotions tend to be personal to the individual and the moment. Moods, which can include feelings and emotions, tend to be contagious, lingering generalizations about how things are, can be or should be. Moods constitute the "soundtrack" that connects our history (the past), our physical bodies (the present), and our stories about life and what is possible (the future).

Depending on how we relate to the future, our mood may be "negative" or "positive". A narrow or limited view of the future will typically evoke negative self-referential moods (for example, resentment, resignation, cynicism) which justify a reaction or, in most cases, inaction. A positive or open relationship with the future will generally evoke positive moods (for example, enthusiasm, trust, passion) which often generate innovation, collaborative relationships, and action.

Existential confidence is especially necessary in situations that have no precedent and/or that demand a positive mood, moment-to-moment presence, and creativity. In these cases, it is essential to see that nothing is inherently limiting, adverse, constraining or conflicting. Rather, notions of limitation, adversity, constraint, and conflict are interpretations based on either past experiences or conventional wisdom.

Let your commitments create reality, rather than letting your view of reality determine what you commit to.



All of this is not to say that leaders exercising existential confidence are naïve or idealistic about situations and circumstances which can be, and frequently are, difficult, challenging and even painful. Those who are existentially confident choose to be more committed to what they are trying to accomplish than to any narrative about obstacles or any justifications and excuses they might come up with for abandoning their commitment.

When everything in the world is being disrupted, these five practices of existential confidence, working together, can give you solid ground on which to stand as a leader and design the future. Breakdowns are not threats to be overcome: they are the pathway to breakthroughs. You have nothing to fear when you are lacking control. You have a choice about how you relate. You can generate possibility where none exists. And you can create problems that are truly worth solving.

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