

Leadership Futures

The Human Dimension

Rethinking Leadership for the Next Era of Work

Henley Centre
for Leadership



WORLD OF WORK
INSTITUTE



Introduction

Historically, organisations have been built on the belief that the future could be anticipated, planned for and controlled.

Today, that belief is being tested by economic volatility, technological acceleration and rising societal change. Leaders are being asked to make decisions with incomplete information, respond at speed and maintain confidence through conditions that rarely feel stable for long.

Drawing on in-depth interviews with chief executives, senior leaders and academics from Henley Business School, this report explores what leadership requires in that reality.

Across these conversations, one theme emerges consistently. While technology, strategy and capital remain important, organisational resilience is increasingly shaped through people: through judgement, trust, adaptability, learning and the ability to respond collectively when conditions change.

The report explores why leadership is becoming less about control and more about stewardship, navigation and readiness. It examines the tensions leaders must hold, the human capabilities rising in importance, and why organisational models built for predictability are being challenged by a world that demands greater adaptability and shared responsibility.

At its core, this report is grounded in a simple conviction: in more uncertain times, organisational strength and human strength become inseparable.

Henley Business School was founded in 1945 to help businesses navigate the post-war landscape. Since then, we've supported thousands of organisations through change. Our ethos is to develop the 'whole person' - cultivating the empathy, creativity and critical thinking needed to lead into the future.

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A volatile, uncertain world requires a different type of leadership. Leaders must be agile, comfortable with AI and technology, and have high levels of empathy, creativity and humility - alongside sharp critical analysis skills and deep expertise. This is the way to be future-ready and drive change with impact.



Professor Anne Dibley

Head of Post-Experience and Apprenticeship Programmes, Henley Business School

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The defining leadership challenge of our time is understanding the lasting role of humanity within organisations and the tensions that come with it. To create the conditions for people to perform healthily and sustainably, we need new leadership mindsets, fast. The question is whether we are courageous enough to make that shift now. Because only through people – not despite them – can organisations become healthy, resilient human-tech ecosystems.



Professor Bernd Vogel

Professor in Leadership and Founding Director of the Henley Centre for Leadership, Henley Business School

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In a world of continuous change, organisations cannot separate human wellbeing from organisational performance. Sustainable success depends on creating environments where people have the trust, flexibility and support needed to adapt, learn and perform at their best. Business leaders must recognise that resilience, productivity and innovation are built through people, not despite them.



Dr Rita Fontinha

Associate Professor in Strategic Human Resource Management and Director of Flexible Work in the World of Work Institute, Henley Business School

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01 Leadership in Tension

Leadership has always involved competing priorities. What has changed is the number, intensity and visibility of those demands, with leaders increasingly required to satisfy expectations that pull in opposite directions at the same time.

Organisations must deliver performance while protecting wellbeing, increase agility while maintaining control, and encourage innovation while managing risk. These tensions are not occasional challenges, they are becoming a defining feature of modern leadership.

Success now depends on the judgement to hold competing demands in balance.

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When I talk about change, I normally describe three key dimensions or responses - the Rational, Psychological and Social. This last one is where power and influence play key roles. Navigating this often 'tricky' area is where leaders often appreciate extra support: gaining insight into the 'networks' they rely on, recognising their own interpersonal reactions when under pressure, and how their personal values inform their judgement and decision making. This additional insight allows the skillful balancing of individual drives with the organisation's wider purpose and needs.



Nick Roy
Executive Fellow,
Henley Business School

The shift to sustained unpredictability

Leaders have moved beyond navigating isolated periods of disruption followed by stability. Instead, uncertainty itself is becoming a more permanent operating condition, shaped by interconnected economic, technological, geopolitical and societal pressures that evolve simultaneously.

This has significant implications for how organisations plan, invest and make decisions. Strategies that were once designed around longer-term certainty increasingly require continuous adjustment, while leadership teams are being forced to balance immediate operational demands against longer-term transformation priorities.

As a result, organisations are placing greater emphasis on adaptability, strategic foresight and scenario-based thinking. Research published by Harvard Business Review suggests that organisations with more advanced foresight capabilities report stronger financial performance and greater confidence navigating uncertainty than those relying primarily on traditional planning approaches (Harvard Business Review, 2026).

In this environment, leadership depends less on predicting specific outcomes and more on building organisations capable of responding and adapting as conditions continue to shift.

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Chief executives now spend almost half of their time focused on issues with time horizons of less than one year, while only 16 percent of their time is dedicated to activities extending beyond five years.

PwC's 29th Global CEO Survey
2026

Uncertainty as a leadership condition

The cumulative effect of these shifts is a redefinition of the environment in which leadership takes place.

Uncertainty is no longer a temporary disruption to be resolved before normal conditions return. Leaders are increasingly required to operate without complete information, make decisions that may need to be revisited, and maintain direction in the absence of certainty.

Many leadership models developed in more stable periods placed emphasis on planning, control and predictability. While these capabilities remain important, they are increasingly insufficient on their own. Leaders are now required to combine discipline with flexibility, conviction with openness, and strategic intent with the ability to adapt as conditions evolve.

Professor Nick Kemsley of Henley Business School recently noted that many leaders who developed their careers mastering operational complexity are now being asked to navigate environments defined by ambiguity, interdependence and continuous change - and that many can struggle with this shift (Personnel Today, 2026).

This places greater value on readiness - not as a fixed plan, but as an organisational capacity: the ability to respond, reconfigure and continue performing when conditions shift unexpectedly.

In this context, leadership becomes less about having all the answers and more about creating the resilience and clarity needed to move forward without them.

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One of the few certainties is continuing uncertainty, and we can be confident of more volatility. We should expect unintended consequences - both nice and nasty surprises - as geopolitical instability and AI mix a cocktail of unknown unknowns for businesses.



Dr Sharon Varney
Visiting Faculty - Leadership and Change,
Henley Business School

Control and empowerment

A defining tension for many organisations is the balance between control and empowerment. Organisations continue to require consistency, accountability and clear standards. In tandem, they depend on individuals and teams being able to act quickly, solve problems locally and respond to changing conditions in real time.

This creates a growing leadership challenge. Greater control can strengthen visibility and reduce risk, but it can also slow decision-making and limit initiative. Greater empowerment can increase responsiveness and ownership, but may weaken alignment if expectations, authority and accountability are not clearly understood.

As organisations become more complex and fast-moving, leadership increasingly depends on distributing judgement more effectively across teams, rather than concentrating decision-making at the top. The most effective organisations are therefore becoming more deliberate about where decisions sit, how authority is shared and when escalation is genuinely required.

In this environment, leadership centres on creating clarity, trust and boundaries that enable others to exercise sound judgement with confidence.

Efficiency and humanity

A second tension exists between the drive for efficiency and the human realities through which performance is ultimately delivered. Organisations continue to focus on productivity, margin and operational effectiveness. Yet there is growing recognition that sustainable performance also depends on wellbeing, trust and people's capacity to adapt over time.

These priorities do not always align neatly. Efforts to improve efficiency can increase pressure, reduce recovery time or narrow the space for learning and reflection. Equally, people-centred initiatives that are disconnected from commercial realities can struggle to endure.

We see growing importance in leaders balancing clarity with compassion - maintaining accountability and performance standards while remaining attentive to workload, wellbeing and human capacity.

This requires leaders to think beyond short-term output. Productivity is shaped not only by how much work is done, but by whether people remain engaged, capable and able to respond as demands evolve.

In this sense, humanity is not separate from performance. It is one of the conditions that enables it.

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What you are really talking about is empowerment. If you invert the traditional leadership model, leaders are there not simply to direct organisations, but to create the conditions people need to succeed.



Professor Benjamin Laker

Professor of Leadership,
Henley Business School

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The big productivity question is about human beings, not human doings. And I think the human beings question is about our ability to be creative, to learn, to adapt.

If we're able to build the skills and the muscle memory for adapting - that is going to give us productivity. Otherwise we just get locked into doing the doings, and doing them faster, rather than adapting to what needs to be done.



Dr Sharon Varney

Visiting Faculty - Leadership and Change,
Henley Business School

Transformation vision and reality

Transformation is frequently positioned as a strategic priority. However, across our conversations with leaders, many of them described a gap between the language of transformation and the lived experience of change inside organisations.

Announcements, town halls and strategy decks can create visibility and signal intent. But transformation is rarely delivered through communication alone. It is realised through altered behaviours, redesigned processes, clearer decisions and the willingness of people across the organisation to work differently.

This creates a recurring tension between momentum and readiness. Organisations often seek visible progress at pace, while the human response to change is typically slower, shaped by uncertainty, risk and emotion.

Where this tension is poorly managed, transformation can remain highly visible but only lightly embedded. Activity increases, language changes, yet underlying habits and behaviours remain largely unchanged.

For leaders, the challenge is to pair ambition with psychological realism: creating change that feels meaningful enough to inspire progress, but practical enough for people to trust and adopt.

Short-term delivery and long-term value creation

One of the most persistent leadership tensions is the balance between immediate operational performance and the investment required to build future capability, resilience and strategic relevance.

Near-term delivery remains essential. Targets must be met, customers served, costs managed and performance maintained. Also, organisations must allocate attention and resources towards the capabilities that future competitiveness depends upon.

These priorities frequently compete for the same time, budget and leadership attention. Immediate pressures are visible, measurable and difficult to ignore, while longer-term investments are often slower to evidence, harder to quantify and easier to postpone.

As a result, many organisations speak confidently about long-term ambition while operating through increasingly short-term decision cycles.

In this environment, effective leadership depends on the ability to manage both horizons simultaneously - sustaining present performance while protecting the investments required for future adaptability, growth and relevance.



There's been a long-standing belief that leaders deal with the big picture while someone else handles the detail. In reality, all the successful chief executives I know are comfortable with both. They can operate at the strategic level and are equally capable of getting into the operational detail when needed. They know when to bring out the 'long screwdriver' and get into the detail when it matters.



Dr Narendra Laljani

Programme Director, Henley Executive Management Programme and The Henley Leading Strategy and Execution Programme, Henley Business School

Consistency and flexibility

A further leadership tension is the balance between organisational consistency and growing demands for flexibility. Most organisations rely on shared standards, common processes and coherent ways of working to maintain fairness and operational control. At the same time, people increasingly expect greater flexibility in how, where and when work is carried out.

This pressure extends beyond hybrid working alone. It includes varied career paths, personalised development, different working rhythms and a broader recognition that people may contribute effectively in different ways.

Too much consistency can feel rigid, reducing autonomy and making organisations slower to adapt. Equally, too much flexibility, without clear principles, can create fragmentation, uneven experiences and confusion about expectations.

The challenge for leaders is therefore not to choose between structure and freedom, but to determine which elements of work require consistency and where greater flexibility can strengthen performance, inclusion and engagement.

In practice, this often means becoming clearer on outcomes while being more open on how those outcomes are achieved.

The organisations responding most effectively are treating flexibility as a design question: how to create working models that balance individual needs with collective effectiveness.

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Anybody in a leadership role who hasn't noticed that it's very different to lead these new cohorts really isn't paying attention.

Gordon Seabright
Chief Executive Officer, Horniman Museum & Gardens

Experience and emerging expectations

Many organisations are now leading workforces made up of multiple generations whose attitudes towards work have been shaped by very different economic, social and professional experiences. This creates a growing tension between established assumptions about how work should operate and newer expectations about what work should provide.

More experienced generations may have built careers in environments where progression was slower, loyalty was assumed and boundaries between work and personal life were less clearly defined. Whereas newer generations are often described as placing greater emphasis on development, feedback, flexibility, wellbeing, purposeful work and a stronger sense of personal agency.

This shift is reflected in wider workforce research. An Instructure report highlighted a growing generational divide in workforce confidence, with 87 percent of Gen Z workers reporting feeling unprepared for today's workplace. The report also noted that younger generations increasingly expect to have a voice in shaping their work and are looking for greater alignment between personal values and organisational purpose (Forbes, 2025).

These differences can easily be oversimplified. No generation thinks or behaves uniformly. Yet leaders increasingly recognise that workforce expectations are shifting in ways organisations cannot ignore.

There is a growing importance in leaders creating environments where differing expectations, motivations and experiences can coexist productively.

This requires clearer communication, more adaptive people practices and a willingness to revisit norms that may once have gone unquestioned. It also places greater importance on leadership behaviours that build mutual understanding across age groups, career stages and life circumstances.

Handled well, this diversity of expectation can become a source of strength: combining experience, fresh perspective and a broader range of motivations than any single cohort could provide alone.

Leadership as the management of competing tensions

Together, these tensions point to a broader shift in the nature of leadership itself. No longer defined primarily by the ability to solve clearly bounded problems or choose between straightforward alternatives, leadership now involves navigating competing demands that are each legitimate, yet not always easily reconciled.

Control and empowerment can both be necessary. Organisations continue to require consistency, accountability and performance, while also relying increasingly on flexibility, adaptability and individual initiative. Leaders must therefore balance immediate delivery with longer-term capability, and operational discipline with the human conditions that sustainable performance depends upon.

These are not temporary contradictions to eliminate, but enduring complexities to navigate.

This changes what effective leadership looks like. It places less emphasis on certainty and singular answers, and greater emphasis on judgement, communication and the ability to maintain alignment through complexity and change. Leaders are required to make trade-offs transparently, explain competing priorities honestly and adapt as circumstances evolve.

Effective leadership becomes a continuous practice of calibration: knowing when to tighten control and when to release it, when to prioritise pace and when to slow down, when to protect standards and when to redesign them.

The most effective leaders aren't those who try to remove tension entirely, they are those who can work productively within it. Helping others remain clear, aligned and resilient when pressures pull in different directions.

Leadership Insight

The defining pressures facing leaders are increasingly characterised by tension rather than simplicity. Organisations require performance and wellbeing, control and empowerment, consistency and flexibility, immediate delivery and longer-term renewal.

Leadership now depends on exercising sound judgement through competing demands, therefore tension should not always be viewed as failure or dysfunction. Often, it reflects the reality of organisations engaging seriously with the complexity, uncertainty and competing expectations that define modern work.

Leadership Actions

Equip leaders to navigate tensions, not just execute plans

Develop leaders to work through ambiguity, competing priorities and imperfect choices rather than relying solely on linear management models.

Clarify where control adds value - and where it restricts progress

Review decision rights, approvals and governance to ensure oversight strengthens performance without unnecessarily slowing it.

Protect humanity alongside productivity

Track workload, energy and wellbeing as leading indicators of sustainable performance, not secondary concerns.

Translate long-term priorities into near-term action

Ensure future capability, culture and transformation goals are reflected in current budgets, incentives and leadership attention.

Set principles for flexibility and consistency

Be clear which elements of work require common standards and where teams can adapt approaches to local needs.

Normalise open discussion of tensions

Create leadership cultures where competing demands can be surfaced honestly rather than hidden behind oversimplified narratives.

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The Human Edge of Leadership

As organisational complexity increases, human capabilities - such as judgement, empathy, curiosity, adaptability and courage - are what define effective leadership and drive long-term performance.

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Leaders must evolve in three key ways:

Influence over authority: expertise alone no longer guarantees followership. Leaders must be able to align and mobilise people they do not directly control.

Systems over silos: value is created across interconnected systems, not within organisational boundaries. Leaders need to understand and operate across the whole system.

Judgement over precedent: in an environment shaped by AI and rapid change, there is often no playbook to follow. Leadership increasingly depends on making sound decisions under conditions of uncertainty.



Angus Morrison
Programme Director, Leading in the AI Era,
Henley Business School

Human capability as a core leadership requirement

The capabilities most needed from leaders are human rather than purely technical. Functional expertise, analytical ability and operational competence remain important, but they are no longer enough on their own.

Leaders are now required to operate in conditions where information is incomplete, change is continuous and many of the challenges they face do not come with clear precedent. In these environments, effectiveness depends as much on how leaders think, relate and respond as on what they know.

At Henley Business School, we have spent 80 years helping organisations develop the human capabilities required to lead through periods of change, complexity and transformation. These are not entirely new qualities. Leadership has always required judgement, empathy, courage and the ability to build trust. What is changing is the extent to which these capabilities are now becoming central to organisational resilience, adaptability and long-term performance.

This shift is reflected in wider workforce research. The World Economic Forum's Future of Jobs Report 2025 identified analytical thinking as the most sought-after core skill among employers, closely followed by resilience, flexibility, agility, leadership and social influence. What were once described as 'soft skills' are becoming materially consequential, influencing the quality of decision-making, the speed of alignment and an organisation's capacity to adapt under pressure.

Throughout our conversations, eight leadership capabilities emerged repeatedly as increasingly significant in conditions of uncertainty and change: empathy, trust, listening, curiosity, adaptability, judgement, courage and self-awareness. Together, these capabilities enable leaders to navigate competing demands, make decisions without complete information and sustain alignment through uncertainty and transformation.

As Henley Business School's Dr Naeema Pasha observes, "What we need most are human capabilities. Agility, emotional intelligence, ethical judgement and creative problem-solving are the qualities that will shape the careers of the future" (Moodle, 2025).

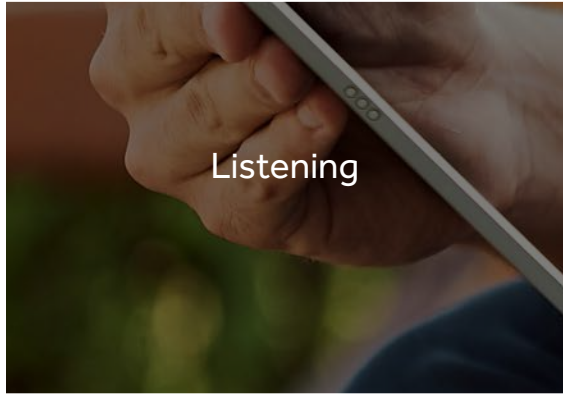
For many organisations, the leadership challenge is therefore shifting. It is not about simply appointing the most technically capable individuals, but about developing leaders with the human range required to operate in a more complex world.



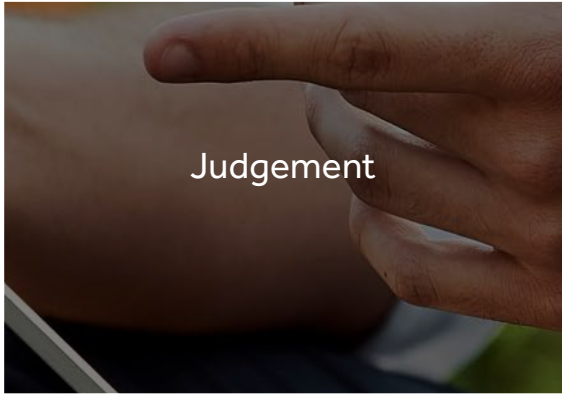
Empathy



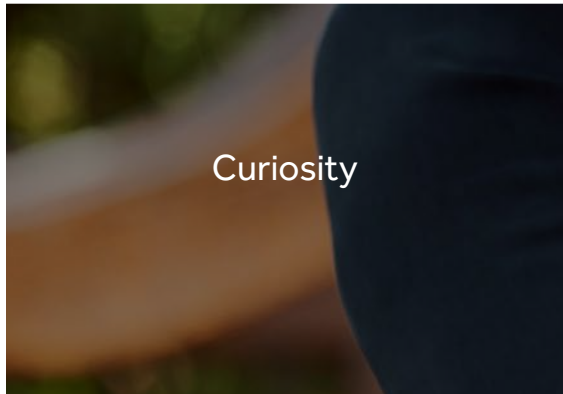
Trust



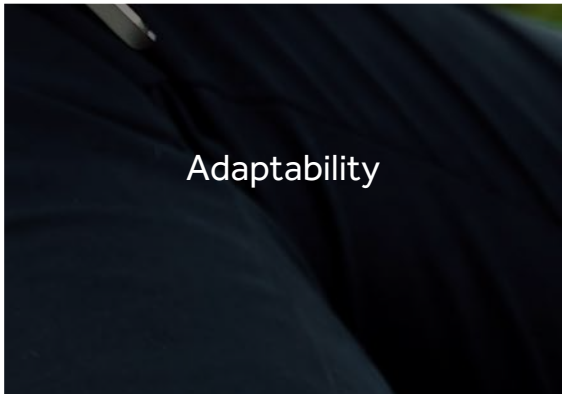
Listening



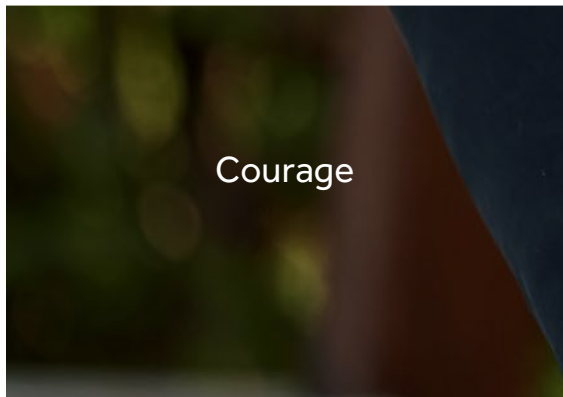
Judgement



Curiosity



Adaptability



Courage



Self-awareness

Empathy and human-centred leadership

As organisational demands increase, the relational dimension of leadership becomes more significant. Leaders are required not only to deliver outcomes, but to create trust, maintain alignment and support people through sustained change.

This places greater emphasis on empathy, listening, emotional intelligence and the ability to understand how decisions are experienced by others. In stable conditions, these qualities can be undervalued. In uncertain conditions, they often become decisive.

Human-centred leadership is not separate from organisational performance, but one of the conditions that enables it. This does not mean lowering standards or avoiding difficult decisions. It means recognising that performance is delivered through people, and that how people are led materially shapes what they are able and willing to contribute.

In this sense, human-centred leadership is not an alternative to results. It is one of the conditions through which results are achieved.

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There is a range of tolerance of uncertainty and ambiguity across individuals. Some leaders tolerate ambiguity well, but they are often leading people who want familiarity, clarity and a sense of their role within change. Too often, organisations drag people through change rather than incorporating them into it.



Professor Patricia Riddell
Professor of Applied Neuroscience,
University of Reading

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When companies launch major transformation or culture change programmes, they tend to prioritise process over people. Yet it's people who actually make change happen - and change is scary, unfamiliar, and unsettling. Leaders are often ill-equipped to guide these efforts and underinvest in creating the psychological safety needed to bring people with them in the journey.

Nathalie Peach
Founder & Director, Peach Coaching Ltd



Trust, listening and psychological safety

As leadership becomes more dependent on trust, adaptability, collaboration and continuous learning, the ability to create environments where people feel safe to contribute openly is ever more important. While these qualities are now moving closer to the centre of leadership conversations, they have long been recognised within leadership thinking as fundamental to how people learn, contribute and perform effectively together.

Trust emerged repeatedly across our conversations as a central factor. Where trust is strong, organisations are better able to move quickly, surface problems early and sustain cohesion through pressure. Where trust is weak, even well-designed strategies can struggle to gain traction. Listening, emotional intelligence and psychological safety are also being recognised as essential conditions for organisational resilience, trust and adaptability.

Organisations that create environments where people can speak openly, challenge constructively and raise concerns without fear of humiliation or unnecessary penalty are often better able to identify risks early, respond honestly to problems and sustain resilience through periods of change.

Dr Sharon Varney at Henley Business School describes the importance of creating “learning environments” in which people have space to reflect, listen to one another and actively process change collectively, rather than simply absorb instruction. In a complex and changing world, leadership depends on creating the conditions for dialogue and continuous learning.

This also influences how organisations experience transformation. Change initiatives frequently fail because people do not feel sufficiently safe, involved or trusted to engage fully with the process. Creating environments where experimentation, learning and occasional failure are possible has become increasingly important to how organisations build adaptability and sustain longterm change.

Emotional intelligence and human connection are now recognised as conditions through which sustainable performance is achieved. Leadership increasingly depends on listening carefully, understanding how change is experienced by others and creating the trust required for people to contribute honestly.

In this context, listening becomes more than communication. It becomes a mechanism for alignment, trust and organisational learning.

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Having a psychologically safe environment means you can power through change. You assume other people will hold what you’ve said respectfully and respond respectfully. The ability to bounce back comes from being able to articulate what you need to feel safe and knowing that others will hear you without shame or humiliation. If you can speak openly, without carrying the cognitive load of navigating what’s going on, your contribution feels valid. I think that helps resilience and adaptability a thousandfold.

Sandra Thompson
Founding Director, Ei Evolution

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We need to rebalance our understanding of people and performance. We need IQ and EQ - both intellect and emotional intelligence. We need to mix the two. The most effective leaders are curious, motivated, and ask questions.

Tim Skeet
Bank of China

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I think there’s a huge opportunity for leaders to develop the skills to build high-performing teams and really encourage psychological safety. For me, that means leaders going out into the business and saying, ‘What’s your perspective on this? What would you do if it was your decision?’ Because that role models humility, it role models interest, and this sense of hierarchy has just got to leave organisations.

Karina Worcester
Head of Talent, Innocent Drinks

Judgement in conditions of uncertainty

Judgement is becoming one of the defining capabilities of effective leadership. Across our conversations, leaders consistently described making decisions without complete information, often in situations where precedent offers limited guidance and waiting for full clarity carries its own risks.

In more stable environments, decision-making can lean heavily on data, historical patterns and established processes. While these remain valuable, they are insufficient when conditions are shifting quickly or when challenges are novel in nature.

This places greater importance on the ability to interpret incomplete signals, weigh competing risks and act with confidence while remaining open to revision as circumstances evolve. Judgement, in this sense, is not about certainty. It is about making informed decisions in the absence of it.

Leaders who rely solely on more data or delayed decisions can find themselves overtaken by events. Equally, impulsive action without reflection can create avoidable cost. Effective judgement now lies between those extremes.

We see growing importance in leadership development that strengthens not only technical expertise, but learning agility, discernment and the ability to exercise judgement under uncertainty. As Henley Business School's Professor Nick Kemsley argues, "the most important enabler is learning agility – the ability to draw on diverse experiences to exercise judgement under uncertainty" (Personnel Today, 2026).

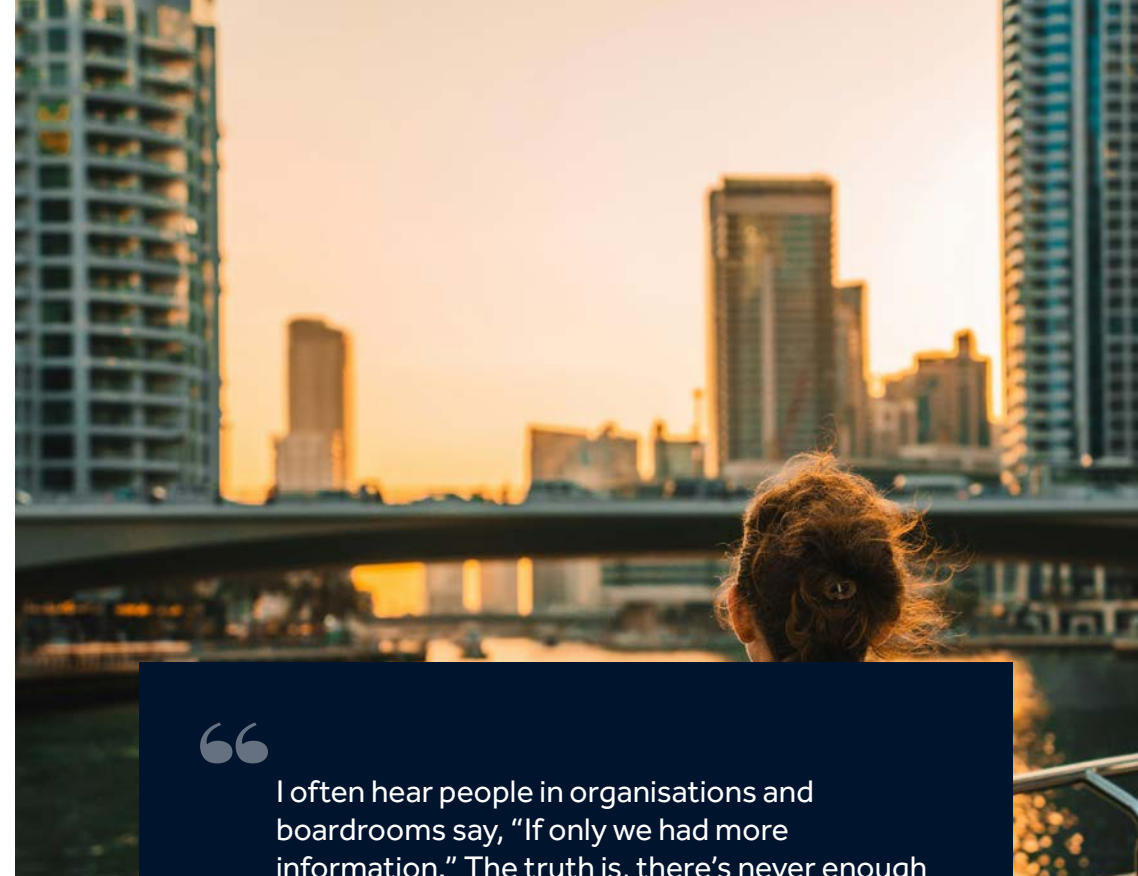
For organisations, this means leadership development must move beyond technical competence alone. It must also strengthen the confidence, discernment and pattern recognition required to make decisions when clarity is partial and time is limited.

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With modern technology and collaboration, there is a risk that “perfect” and beautifully presented answers get in the way of moving things on. I hold myself and my team quite closely to the principle that 60 to 70 percent certainty is enough to make almost any business decision, especially when evaluating competing options. I don't want to wait six weeks for the perfect answer to the third decimal point.

Kim Sides

Executive Director, Construction, BAM UK & Ireland



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I often hear people in organisations and boardrooms say, “If only we had more information.” The truth is, there's never enough information. Leaders have to make decisions in environments of incomplete information. You have to pull the trigger and make a judgement call. The smartest leaders are comfortable doing that - they accept that by definition, decisions are made when the answer isn't fully evident in the facts. Going off in search of more data can often be a futile exercise. Leadership is about working with incomplete information and having the confidence to act.



Dr Narendra Laljani

Programme Director, Henley Executive Management Programme and The Henley Leading Strategy and Execution Programme, Henley Business School

Curiosity, adaptability and continuous learning

Curiosity and adaptability emerged as particularly important in environments where change is continuous and certainty limited.

We see growing value in leaders who remain curious, open and willing to evolve their thinking. In environments where change is continuous, past success can quickly become an unreliable guide to future performance.

We increasingly see learning becoming not simply a developmental activity, but a core organisational capability. As Dr Narendra Laljani observes, “Successful chief executives are constantly learning. They’re curious, motivated, and ask questions.”

This creates a different relationship with learning. Leadership development is no longer confined to acquiring new knowledge or technical expertise. It involves questioning assumptions, letting go of outdated habits and remaining receptive to unfamiliar perspectives.

Curiosity matters because it expands what leaders notice. It encourages exploration beyond immediate operational demands, creates openness to challenge and helps organisations detect change earlier. Adaptability matters because insight alone is insufficient unless behaviour changes with it.

Across our conversations, leaders also emphasised the importance of learning from setbacks, not only successes. Organisations that can reflect honestly, adjust course and improve quickly are often better positioned than those focused solely on preserving certainty or appearances.

In this sense, learning is becoming less of a periodic activity and more of an ongoing leadership discipline.

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Being curious is key. It’s that 70-20-10 rule – how you continue to learn through experience, exposure, and education. Curiosity, openness to change, openness to new things, willingness to be challenged, and responding to challenges in the right way – those attitudes and behaviours are really important.

Jacq Longrigg

Group People Development Director, Nuclear Decommissioning Authority

The Human Edge of Leadership

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My starting premise is that nobody grows from a position of comfort. Learning and development happen when you’re outside your comfort zone.



Dr Narendra Laljani

Programme Director, Henley Executive Management Programme and The Henley Leading Strategy and Execution Programme, Henley Business School

Courage and self-awareness

Periods of uncertainty often require leaders to operate beyond the boundaries of familiarity. New challenges emerge, expectations shift and previously successful approaches may no longer produce the same results. In these conditions, courage and self-awareness become increasingly important.

Courage is not limited to bold decisions or visible acts of confidence. It often takes quieter forms: entering unfamiliar territory, inviting challenge, confronting difficult truths or changing course when evidence suggests it is necessary. It also includes the willingness to act before certainty is available, while accepting that some decisions will need to be refined over time. Courage also requires creating space for honest and difficult conversations, particularly in environments where uncertainty, pressure and change can easily undermine trust and alignment.

Self-awareness is equally significant. Leaders bring habits, assumptions and past experiences into every decision they make. Strengths developed in one context can become limitations in another if left unexamined. Without self-awareness, leaders can continue relying on behaviours that once served them well but no longer fit the demands of the present.

Across our conversations, effective leadership was frequently linked to the ability to reflect honestly, understand personal preferences and recognise where complementary strengths are needed in others.

We see growing importance in leaders developing the courage to evolve their thinking while remaining open to challenge, learning and reflection. As Dr Naeema Pasha at Henley Business School argues, “We don’t need to predict the future to lead it, we need to shape it through inclusive, courageous learning” (Moodle, 2025).

In this sense, courage and self-awareness work together. Courage enables growth beyond the comfort zone, while self-awareness ensures that growth is intentional rather than reactive.

Leadership beyond expertise

One of the clearest shifts emerging from our conversations is that leadership authority can no longer rely on expertise alone. While this evolution has been developing for some time, it is becoming more pronounced as organisations operate through greater complexity, technological acceleration and continuous change. Knowledge is increasingly distributed, specialist insight exists across multiple functions, and few leaders can fully master every dimension of the environments they lead within.

This changes the nature of leadership influence. Leaders are now required to guide through communication, trust, adaptability and the ability to integrate diverse perspectives, rather than relying solely on positional authority or technical superiority. The capacity to think across systems also becomes more important, as decisions taken in one area increasingly carry implications elsewhere across customer experience, workforce capability, operations, culture and reputation.

As a result, effective leadership is becoming less about having the most answers and more about asking better questions, convening the right expertise and creating clarity through complexity. Curiosity, judgement and listening become more important than ever in environments where no single individual holds complete visibility or certainty.

This does not diminish the importance of expertise. Rather, it places expertise within a broader leadership capability centred on influence, systems thinking, adaptability and collaborative judgement. As Professor Benjamin Laker argues, many of today's leadership challenges are adaptive, interconnected and resistant to simple solutions, meaning leadership depends not only on what leaders know, but on how effectively they enable organisations to learn, respond and adapt together (Forbes, 2025).

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The businesses that will thrive are those with the agility to recognise that the environment is changing and the willingness to adapt alongside it. They will invest in different skills and resources, and build stronger relationships with a wider range of stakeholders and ecosystem partners. That ability to evolve collaboratively will be fundamental.



Dr Mona Ashok
Associate Professor of Digital Transformation,
Henley Business School

Leadership Insight

As uncertainty increases, the capabilities that set leaders apart are fundamentally human. Technical expertise remains important, but it is rarely sufficient on its own when organisations must navigate ambiguity, sustain trust and adapt continuously.

Many qualities once described as soft are becoming strategically consequential because they directly shape organisational resilience, adaptability and long-term performance.

Leadership Actions

Rebalance leadership development around human capability

Ensure leadership programmes develop judgement, emotional intelligence, communication and adaptability alongside technical and commercial expertise.

Strengthen decision-making under uncertainty

Equip leaders to make informed decisions with incomplete information while remaining open to reflection and course correction as conditions evolve.

Reward curiosity and learning agility

Recognise leaders who question assumptions, seek new perspectives and adapt behaviour in response to changing realities.

Build cultures where challenge is safe

Create environments in which people can raise concerns, test ideas and contribute openly without fear of unnecessary penalty.

Encourage reflective leadership habits

Use coaching, feedback and structured reflection to help leaders understand how their behaviours affect others and where growth is required.

Develop systems thinkers

Support leaders to think beyond functional silos and understand the wider organisational implications of local decisions.

Promote influence over hierarchy

Recognise that modern leadership increasingly depends on trust, communication and alignment rather than authority alone.

03 Rethinking Organisations Through People

Leadership effectiveness is shaped not only by individuals, but by the systems, structures and cultures around them. Even highly capable leaders can be constrained by rigid operating models, low trust, fragmented decision-making or organisational environments that struggle to adapt.

As complexity increases, many organisations are rethinking models built around hierarchy, control and predictability. Greater emphasis is being placed on adaptability, collaboration, distributed leadership and the ability to respond more dynamically as conditions evolve.

Recognition is growing that competitive advantage now depends on creating organisational environments where leadership can happen more widely, more effectively and closer to where change is taking place.

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As I look at the world organisations now inhabit, I'm struck by a simple but unsettling realisation: we humans are “complexity engines”. We build systems, structures, and processes far beyond what nature ever intended, and each new layer of invention creates ripples that demand even more structure in response. Organisations, in many ways, are our attempt to tame this runaway complexity. But increasingly, I believe they're struggling to keep up with the very complexity they've created (Personnel Today, 2026).



Professor Nick Kemsley
Professor of HR and Organisational Capability,
Henley Business School

From individual leadership capability to organisational capacity

Leadership has traditionally been viewed through the lens of individual capability: the qualities, behaviours and decisions of those in formal leadership roles. While this remains important, it is no longer sufficient on its own. Leaders operate within systems that shape what is possible in practice. Decision-making structures, cultural norms, incentives, communication flows and organisational design all influence how effectively leadership can be exercised.

This means organisational performance cannot be explained solely by the strengths of individual leaders. Highly capable people can be constrained by slow processes, fragmented accountability or cultures resistant to challenge. Equally, organisations with strong systems can enable leadership behaviours to emerge more consistently across levels and functions.

This gap between structural intention and lived organisational experience is now recognised more widely. The implication is significant. Leadership should be understood not only as an individual attribute, but as an organisational capacity: the collective ability to make sound decisions, adapt to change and align people behind shared priorities.

We see growing acceptance that developing leaders alone is no longer enough. Organisations must also create the conditions, systems and cultures that allow leadership to happen more effectively and more widely.

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This sense of hierarchy has just got to leave organisations. Any leadership that is going to work better now is going to be distributed and non-hierarchical.

Karina Worcester
Head of Talent at Innocent Drinks

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Most current leadership models are built around predictability: command, control, hierarchy and linear planning. They do not prepare leaders for distributed authority or complexity. Most leaders who want to adopt a top down model, who sit at the top, do not want to give that up. So it is requiring the organisation, which adapts to the market, to introduce a new project based working.



Angus Morrison
Programme Director, Leading in the AI Era,
Henley Business School

From hierarchy to more distributed models

Many traditional organisational models were built around hierarchy: clear reporting lines, concentrated decision-making authority and leadership flowing primarily from the top down. These structures can provide clarity and control, particularly in stable environments.

However, in more complex and fast-moving conditions, hierarchy alone can become limiting. Decisions may need to be made closer to customers, specialist expertise may sit across multiple levels, and problems often require collaboration across functions rather than escalation through layers.

This is contributing to a gradual shift towards more distributed forms of leadership. Responsibility is shared more broadly, initiative is expected at more levels and leadership becomes something exercised throughout the organisation rather than held only at the top.

This shift is increasingly reflected in wider leadership thinking. Organisations are placing greater emphasis on collaborative, capability-driven models that reduce dependence on any single individual and allow leadership responsibility to be shared more effectively across teams and functions (Raconteur, 2025).

Distributed leadership does not remove accountability. Rather, it changes how accountability is created: through clearer principles, stronger capability and trust in people to act responsibly within their remit.

From fixed roles to more fluid ways of working

Many organisations have historically been structured around fixed roles, clearly defined responsibilities and relatively stable ways of working. These models can provide clarity, consistency and operational efficiency, particularly when priorities are predictable and change is gradual.

Our conversations suggest that these assumptions are now under increasing pressure. As priorities shift more quickly and work becomes more interconnected, organisations are placing greater value on flexibility, cross-functional collaboration and the ability to deploy capability where it is needed most.

This is contributing to a gradual shift from designing organisations primarily around positions towards designing them more consciously around work. Skills, contribution and outcomes are becoming as important as job titles, functions or reporting lines.

More fluid ways of working can create meaningful advantages. They can improve responsiveness, widen opportunities for development and enable organisations to adapt resources more dynamically as demands evolve. This now includes creating greater autonomy for individuals to shape how work is organised, where collaboration happens and how people contribute most effectively. Henley Business School Professor Benjamin Laker describes this as “job crafting”: giving people greater ability to shape tasks, relationships and ways of working around how they can contribute most effectively.

However, they also introduce new challenges. Without clarity, flexibility can become confusing. Equally, without coordination, autonomy can become fragmentation. Leaders therefore need to balance adaptability with clear expectations, decision rights and shared priorities.

At Henley Business School, we see an opportunity to redesign how work, value creation and collaboration operate in practice.

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The real question is not how we redesign the workplace, but how we redesign work itself. Leaders need to rethink what people actually need in order to contribute effectively.

Job crafting depends on autonomy. People need the freedom to shape how they work, build relationships across the organisation and contribute in ways that create both meaning and productivity.



Professor Benjamin Laker
Professor of Leadership,
Henley Business School

From culture as support to culture as infrastructure

Culture is often discussed as a soft or secondary consideration, separate from the operational mechanics of performance. However, a different picture is beginning to emerge. Culture functions as organisational infrastructure: influencing how decisions are made, how people behave and how organisations respond under pressure.

In uncertain environments, formal processes rarely provide every answer. People look to behavioural norms, leadership signals and shared expectations to understand what matters, how decisions are made and how to act. Culture becomes visible through everyday behaviours, leadership decisions, incentives, communication and what organisations consistently reward, tolerate or prioritise. It therefore becomes one of the systems through which organisations coordinate, adapt and respond at speed.

A healthy culture can strengthen trust, encourage collaboration and create the psychological safety required for people to speak openly about risks, mistakes and opportunities. A weak culture can slow decision-making, increase friction and make adaptation materially harder.

The leaders we spoke to also highlighted the growing strategic importance of wellbeing, learning and everyday people experience. These are not simply employee benefits or engagement initiatives. They directly influence retention, energy, performance and organisational resilience.

We see growing recognition that culture cannot be treated solely as an internal communications exercise or a set of stated values. It functions as a core organisational capability, reflected through leadership behaviour, organisational systems and everyday employee experience, that can either enable performance and adaptability or constrain them.

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Culture is about creating an environment people genuinely want to be part of. The interaction, the working together, and understanding what matters to people creates both a desire to be productive and a reason to stay.

Victoria Boxall-Hunt

Group Operations Director and Chief People Officer, Marcol

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The size of the company is not important. What matters is having the right people, and those people have to work together. They are not always a team, but they complement each other. Aligning people within any organisation is the key success factor. In all my experience and research, CEOs are not heroes. CEOs are successful when they have the right people working with them. A significant part of organisational success comes from context, not simply from the CEO or executive team.



Dr Ergham Bachir

Associate, Henley Centre for Leadership,
Henley Business School

From transformation programmes to continuous adaptation

Many organisations have approached change through discrete transformation programmes: time-bound initiatives designed to modernise systems, improve efficiency or reposition the business for future growth. These programmes can deliver value, but they are becoming less sufficient as a standalone model.

In environments where conditions shift continuously, change is no longer something that happens periodically between phases of stability. Organisations are required to evolve while operating, adapting structures, processes and priorities in parallel with day-to-day delivery.

This places growing importance on organisational adaptability: the ability to sense change early, respond proportionately and learn quickly from experience.

Adaptability does not mean pursuing every trend or embracing constant disruption. Equally, it does not mean preserving legacy models long after conditions have moved on. The most effective organisations are often those able to combine stability of purpose with flexibility of method.

This requires practical mechanisms: faster feedback loops, clearer decision rights, reduced unnecessary complexity and cultures in which experimentation is possible without excessive penalty.

For leaders, the challenge is shifting from managing occasional transformation to building organisations capable of continuous adjustment.



Complexity science shows that resilience comes from dynamic stability. Colloquially, you've got to wobble to keep your balance, and that means experimenting and learning. Businesses that become too rigid can lock themselves into outdated models without realising it until it is too late. Equally, organisations that chase every trend without learning can become unstable.

The challenge is knowing how much to wobble.



Dr Sharon Varney
Visiting Faculty - Leadership and Change,
Henley Business School

Leadership Insight

Leaders' effectiveness is shaped by the organisations around them. Structures, cultures and ways of working can either strengthen leadership capability or quietly constrain it.

As complexity increases, models built around hierarchy, control and fixed roles are coming under growing pressure. More distributed, adaptive and people-centred approaches are increasingly emerging in response. Competitive advantage is dependent on organisational capacity: the collective ability of people to collaborate, learn, adapt and respond effectively together.

Leadership Actions

Build leadership as a system, not only a succession plan

Develop organisational conditions in which leadership can emerge across levels, functions and teams - not solely through formal senior roles.

Review where hierarchy helps - and where it hinders

Retain clear accountability, while reducing unnecessary layers, slow approvals and bottlenecks that restrict responsiveness.

Redesign work around outcomes and capability

Look beyond fixed roles to how skills, expertise and capacity can be deployed more fluidly against changing priorities.

Treat culture as organisational infrastructure

Measure and manage trust, collaboration, psychological safety and behavioural norms as factors that directly influence performance and adaptability.

Invest in environments where people want to contribute

Strengthen wellbeing, learning and everyday employee experience as drivers of retention, energy and discretionary effort.

Create mechanisms for continuous adaptation

Use faster feedback loops, simpler governance and regular learning cycles to evolve while operating.

Balance stability of purpose with flexibility of method

Remain consistent on direction and values while staying flexible in how work is organised and delivered.

04

The Leadership Imperative

The conditions explored throughout our conversations point towards a broader shift in what leadership now requires.

Technical expertise, authority and operational discipline remain important, but they are no longer sufficient on their own. Leadership now depends on the ability to build trust, strengthen collective capability and help organisations remain resilient through continuous change.

The leaders who will be most effective are unlikely to be those with the most certainty or control. They will be those able to create clarity through ambiguity, strengthen confidence through uncertainty and build organisations capable of adapting long after individual decisions have been made.

Leadership as stewardship

For much of modern organisational history, leadership has been closely associated with authority: positional power, decision rights and the ability to direct others. While authority still has an important role, our conversations suggest that it is becoming a less sufficient basis for leadership effectiveness on its own.

In more complex environments, leaders rarely control every variable or hold all relevant expertise. Success depends on how effectively they create the conditions in which others can contribute, collaborate and perform.

This points towards a broader shift from authority to stewardship. Leadership becomes less about status and control, and more about responsibility for the long-term health, capability and future readiness of the organisation.

Stewardship requires leaders to think beyond immediate performance alone. It includes developing people, strengthening culture, protecting trust and leaving systems stronger than they found them.

In this sense, leadership legacy is measured not only by what a leader delivers personally, but by what continues to succeed after they have moved on.

Readiness over certainty

Many traditional leadership models placed high value on certainty: having answers, producing plans and projecting confidence through clear direction. While decisiveness remains important, the conditions described throughout our conversations suggest that certainty itself has become less available.

Leaders are required to act without complete information, revise decisions as circumstances evolve and sustain confidence in environments where outcomes cannot be fully predicted in advance.

This changes the premium capability from certainty to readiness.

Readiness is the ability to respond quickly, adapt intelligently and remain effective when assumptions no longer hold. It is built through organisational agility, strong relationships, distributed capability and the confidence to move before every answer is clear.

We see a deeper acknowledgement that leadership effectiveness relies on building the preparedness, resilience and adaptability required to respond well when conditions change.

For leaders, this means shifting from the pursuit of perfect foresight towards the development of stronger organisational and human readiness.

The Leadership Imperative

The power of collective strength

Leadership has often been framed through the performance of individuals: the vision of a chief executive, the capability of a senior team or the qualities of standout leaders. While individual contribution remains important, our conversations suggest that sustained success is increasingly collective in nature.

Complex challenges rarely sit within one function, discipline or individual's expertise. They require collaboration across teams, shared ownership of outcomes and the ability to combine different perspectives quickly and effectively.

This places growing value on leaders who build capability around them rather than concentrating dependency upon themselves. The strongest organisations are often those where leadership is distributed, knowledge is shared and progress does not rely excessively on a small number of individuals.

Collective strength also creates resilience. When capability is embedded more widely, organisations are better able to absorb disruption, maintain momentum and respond effectively when circumstances change unexpectedly.

We see growing recognition that organisational resilience is reliant on how effectively people are enabled to contribute, collaborate and lead together across the organisation.

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It's about ensuring that leaders at board and senior executive level have the tools and confidence to navigate uncertainty. For me, the key agenda is readiness. Leadership readiness.

Lenna Lou
Director, The L Factor Ltd



Final reflection

Across the conversations that shaped this report, no single leadership archetype emerges as sufficient for the future. The conditions organisations now face are too fluid, interconnected and fast-moving for any one style, personality or formula to succeed consistently on its own.

Instead, the leaders likely to be most effective will be those able to combine qualities that have often been treated separately. They will pair commercial discipline with empathy, decisiveness with humility, confidence with curiosity, and strategic intent with adaptability.

They will be comfortable operating without full certainty, yet still able to create clarity for others. They will understand that authority can secure compliance, but trust is what sustains commitment.

Most importantly, they will think beyond their own performance. They will build stronger teams, healthier cultures and organisations more capable of succeeding without excessive dependence on any one individual.

In this sense, the future may not belong to the most forceful or charismatic leaders. It may belong to those who create capability, resilience and confidence in others.

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<https://www.henley.ac.uk/world-of-work>

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<https://www.henley.ac.uk/research/centres/henley-centre-for-leadership>

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