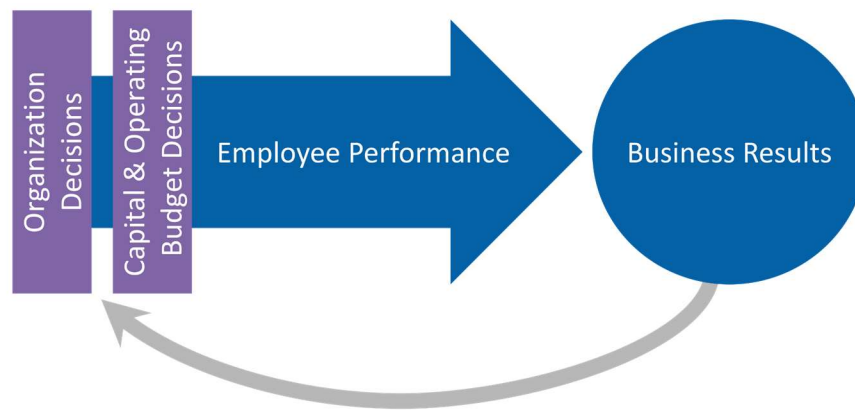


The Insight Experience Business Cycle of Leadership™: A Primer

As leaders, it's essential to recognize that we operate within two interdependent systems: the business system and the people system. These systems are constantly at play, even if we are not always aware of them. Understanding both systems is crucial for achieving results with our teams.

The Business System

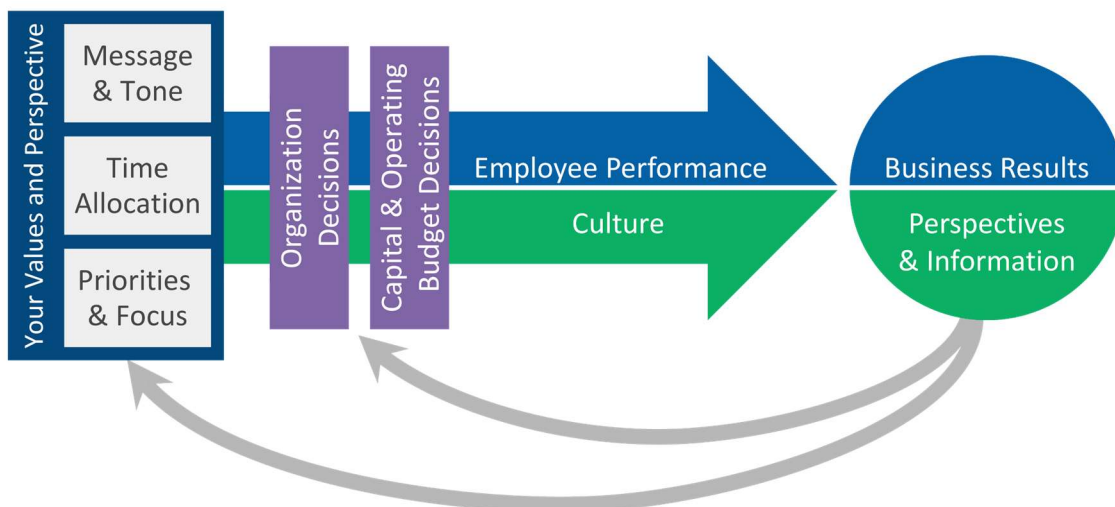
The business system demonstrates that decisions on operations, organization, and budgets drive business results. This is the system leaders often think of: operating choices that directly impact business outcomes.



A major assumption in this system is employee performance. It presumes that employees will enthusiastically execute operating decisions, which is flawed. This cycle, on its own, does not accurately reflect our business environment. Additionally, business results are lagging indicators, meaning it takes time for these choices to influence future decisions.

People System

The people system addresses the fundamental flaw in the business system, as the business system exists within the people system.



The people system begins with a leader's values and perspectives, which manifest through their **message and tone**, **time allocation**, and **priorities and focus**. These values drive improved employee performance, engagement, alignment, and discretionary effort. Ultimately, how you lead affects the effectiveness of your team's operating decisions and, consequently, business results.

Your values and perspectives don't require authority or budget and can be enacted by anyone. Effective leadership can happen at every level.

It is critical that a leader's message and tone, time allocation, and priorities and focus align with their personal values and beliefs. This alignment fosters a culture that drives distinct results. The culture a leader creates influences the feedback and perspectives they receive from their team, often serving as leading indicators.

In a high-trust, highly engaged culture, employees are likely to tell a leader the truth, even if the leader is unaware of their mistake. They also assume positive intent. Conversely, in a low-transparency, low-trust culture, employees are unlikely to speak up about mistakes. As leaders rise in organizations, they often hear what they want rather than what they need. To get the unfiltered truth, leaders must foster a high-trust culture; otherwise, the higher they rise, the less accurate the information they receive.

The Business Cycle of Leadership™

The Insight Experience Business Cycle of Leadership™ integrates both the business system and the people system to reflect the reality leaders operate within. When a leader's message and tone, time allocation, and priorities and focus align to create a high-trust culture, it maximizes the effectiveness of the business system. In sum, who a leader is as a person is just as important, if not more important, than the operating decisions they make.