Amrop
Leadership
Series

What's Next
in Turkey?
A New Leadership
Model For a
Connected Age

By
Yeşim TODUK
Steffi GANDE

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Leaders For What's Next

What's Next in Turkey?
A New Leadership Model For a Connected Age

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Executive Summary

Turkey - a New Economic Giant?

Jim O'Neill, the former Chairman of Goldman Sachs Asset Management who coined the term 'BRIC' now presents 'MINT' (including Turkey) as the acronym for the "next economic giants." In a recent BBC series he depicted Turkey as more than the traditional 'bridge between East and West' – it is a hub for *all* compass points. We outline the challenges facing Turkey's business leaders, through the lens of key indicators and cases, and the eyes of Amrop Partner Yeşim Toduk, whose two books exploring the changing face of business leadership in Turkey have received considerable attention in the country.

Turkey Presses On With Reform and Growth.

Turkey's economic revival in the 1980's is attributed by KPMG to 3 factors: a shift from agriculture to industry and services, modernizing industry and technology, and international trade and competition. Economic restructuring has seen a more liberal policy, with growth largely driven by private investments, spurred by the liberalization of capital movements and foreign capital. A stepped-up incentive regime is supporting investments in technology, R&D and design. In 2012 the new Turkish Commercial Code further formalized corporate structures. As financial markets increasingly internationalize and Turkey intensifies relationships with foreign partners, 2013 saw legislation to step up accounting standards and align with international norms. Tax law has also seen reform over 10 years. Between 2000 and 2014, Turkey's USD per capita trebled. After an annual 10-year average in real GDP growth of 5% to 2013, the World Bank forecasted 3% growth in 2015 for Turkey (against a Europe/Central Asian backdrop of 1,8%).

Two Global Competitiveness Surveys Give Clear Signposts to Business Leaders.

Data from the World Economic Forum (WEF) and IMD, a top-ranking business school in Switzerland, signal that Turkey's talent pool has some enviable qualities. It is relatively flexible, adaptive, technologically-connected, led by credible managers. Yet there is ground to cover in training and development, and attraction and retention mechanisms need to transcend compensation and remuneration. Value systems and business ethics deserve attention too. Still, Turkey is holding onto its brightest and best - it is not the highest source of brain drain. And, if not (yet) an innovation leader, it has positives not only in terms of flexibility and adaptivity, but in R&D spend and entrepreneurship. To raise Turkey's image abroad (also as a destination for inbound talent), its many positive stories deserve to be told - and heard.

Turkey Has Some Way to Go as a Nursery for Globalizers.

Despite success stories from dynamic flagships such as Yildiz, four Turkish companies featured on the 2014 BCG list of 'Global Challengers'. Yet challengers are needed everywhere. In 2015, BCG reported that public companies traded in the US have a 1-in-3 chance of failing over the next 5 years. A fast-developing economy, Turkey has a big role to play.

Turkey's Managers Put Operations Before People.

In 2012 Towers Watson surveyed 32,000 employees of mid- and large-size companies in 29 regions (750 from Turkey). If employees considered their Turkish managers to be operationally competent, only 36% said they were finding time for people management. Similarly low numbers of people reported feedback for a good job.

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Introducing a New Model for Turkey's Leaders For What's Next.

In her 2004 book, *Turkey's Real Leadership Map*, Dr. Yeşim Toduk, Managing Partner of Amrop Turkey, introduced a new model for the country's organizational pilots: the *Leadership Prism*[1]. It highlighted the need to build followership based on a compelling vision and a highly-engaged team. Two factors were emphasized: open communication and an environment of trust. 10 years on, Yeşim Toduk further developed her 2004 model, explaining: "We have entered a new era of transformation, speed and agility. Turkish organizations are now looking for equally transformative 'New Era Leaders'." Based upon questioning and analyzing the events of the last decade in Turkey, Yeşim Toduk's New Leadership Model describes a different kind of leader with a specific set of competencies to drive today's business world through to 2023 (the centennial year of modern Turkey). Maintaining the importance of *vision*, the new model emphasizes that only via the systematic *participation* of all stakeholders can any vision generate buy-in and loyalty. Equally critical is *network-building* – forging strong relationships with internal and external organizations. Maintaining the *trust* environment remains at the core of this new open system.[2]

What factors made the shift happen? In the last decade, Turkey saw the birth of multiple new companies and the dawning of its digital era – with new technologies pushing leadership towards a participative style. Generation Y joined the workforce. These factors are compounded by the unique provenance and culture of Turkish companies.

There Are 4 Non-negotiables for Turkey's Leaders For What's Next.

In this phase of rapid, particularly digital, acceleration, Turkey's forward-looking leader must seek and process feedback 24/7 to take his or her bearings and navigate, communicating interactively with thousands of (increasingly diverse) employees and stakeholders. Those employees are monitoring a leader's behaviors around the clock, digitally reporting on what s/he says and does. The digital era is quite simply changing the rules of leadership. 4 competencies will make a difference over the next 10 years, says Yeşim Toduk:

1 **Entrepreneurship and Innovation.**
   For entrepreneurs who do not just want to endure in the digital era, but make a difference, 'being innovative' is not enough. Disruption is key; creating new network platforms, business models and markets, dislodging what exists - including established market leaders and alliances.

2 **Digital Capabilities.**
   'Digital' is far more than a new channel. It is an era, ushering in a new way of thinking, bringing its own leadership method in its wake. This implies superlative deployment of digital technologies to build and lead business networks.

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[1] Derived from interviews with 3.000 directors conducted 1996-2004 and placing 500 top managers, supplemented by interviews with 100 new leaders. See the Appendix of the full article for the two models.

[2] Examining individuals and institutions, Bahçeşehir University's 'Values Survey' reveals that, even if things are slowly improving, Turkey still has one of the world's lowest levels of interpersonal trust.

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3 Strong Networks and Cooperation.
Global advantage in the digital era will be maintained not within a competitive red ocean, but a collaborative ecosystem. Leaders must establish and drive strong networks for 'win-win' results. Yeşim Toduk underlines 360° networking - open communication with employees, shareholders, the market, competitors and beyond to the entire stakeholder ecosystem. Only then can a leader transform the landscape and be seen as a leader in the eyes of others.

> Turkey's Generation Y, in particular, will likely reject any form of authority that qualifies itself on the basis of inheritance, position or status, or engages in dubious moral practices such as croneyism or nepotism. To garner respect, authority must be earned, and even then the leader can expect only fluctuating loyalty.

4 Participative Commitment with Vision.
With the rise of Turkey's Risk-Taker and Challenger Generation, the classic definition of leadership is now obsolete, says Yeşim Toduk. The 'one man show' is no longer accepted. The New Era Leader has to include all stakeholders in the decision-making process, starting from point zero: the vision. Turkey's Generation Y, in particular, will likely reject any form of authority that qualifies itself on the basis of inheritance, position, status, or engages in dubious moral practices such as croneyism or nepotism. Nothing symbolized this sprit more powerfully than the May 2013 Gezi protest movement. To garner respect, authority must be earned, and even then the leader can expect only fluctuating loyalty. In short, Turkey's Generation Y'ers, if overlooked, will never follow a vision - or a leader. They need to feel fully engaged in his or her 'team.'

Individualization is the Name of the Game

Given these four factors, 'individualization' is - and will be - central for a Turkish leader to be recognized as such. It means understanding an employee's personal contribution and leading, motivating and rewarding him or her accordingly.

With the ease of accessibility to information and Generation Y's rising occupancy of the business landscape, traditional motivation tools have lost their bite, says Yeşim Toduk. Generation Y (and soon Generation Z) will be a force to reckon with. Solution-oriented, mobile, physically and digitally dynamic, their demand is open and it is strident: *recognition*. This means being evaluated and rewarded not purely on the basis of classic grading systems or bonus structures, but on being able to clearly see their own contribution themselves - and on having that contribution recognized by others.

So the New Era Leader must observe, follow up, and give feedback to his/her team on a continuous basis, rewarding people on the basis of accurate and timely knowledge of their individual contribution – to their role, to their team, and, above all, to the value creation of the organization as a whole.

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Part One:
Setting the Scene

"The bridge between East and West" fails to express Turkey's true scope.

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From Silk Road to Cross Roads

"The bridge between East and West" is the traditional outsider view of Turkey. Yet it fails to express the country's true scope. In his recent BBC series, Jim O'Neill, the former Chairman of Goldman Sachs Asset Management who coined the term 'BRIC[3]', and now presents 'MINT' as an acronym for the "next economic giants", portrayed a dynamic trading hub extending to all four points of the compass.

Nothing symbolizes these ambitions better than Turkey's aviation hubs. İlker Ayci, Chairman of Turkish Airlines (THY), sees Istanbul as Turkey's most important gateway to the world. A major transit point for international flights between Europe, Asia and Africa, the airport serves 50 destinations less than 3.5 hours' flight from the city. *"Bridging the worlds"* is one of THY's brand pillars, expressing Istanbul's rich geopolitical, social, cultural and economic profile.

Mr Ayci is not alone in expecting Istanbul to become one of the mega aviation cities. In January 2015, Airport World magazine reported that the city's new international airport was set to top the global aviation league table, with a projected 90 million per annum passenger capacity by 2017, rising to 150 million in its second phase.

In this report, we peer through the hype to take a hard look at the challenges facing Turkey's leaders. First, through the lens of some key indicators and cases, second, through the eyes of Amrop Partner Yeşim Toduk, whose two books exploring the changing face leadership in Turkey have received considerable attention in the country.

Turkey at a Glance

Established as a Republic in 1923, with Mustafa Kemal Atatürk as its first President, Turkey has a 77,7mn population, with an additional 2,5 million registered Syrian refugees by January 2016. Almost a quarter of the population inhabits the capital, Ankara, or the financial center, Istanbul.[4]

Turkey's membership of intergovernmental organizations reflects its position. A G20 member, it is a founding member of the United Nations (UN), the Organization of Islamic Cooperation (OIC), the Organization for Economic Co-operation and Development (OECD) and the Organization for Security and Co-operation in Europe (OSCE). A member state of the Council of Europe and NATO, Turkey has been a candidate country to the European Union since 1999, in accession negotiations since 2005. Whilst its main trading relationship is with the EU, it is increasingly operating in a global arena.

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[3] Brazil, Russia, India and China (BRIC), Mexico, Indonesia, Nigeria, Turkey (MINT)

[4] Source, Invest In Turkey

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All Eyes on the Economy

The end of the 1980's saw an economic revival in Turkey, attributed by KPMG in its 2015 report 'Investment in Turkey' to three factors:

1. A shift from agriculture to industry and services
2. The modernization of existing industry and technology
3. International trade and competition.

Turkey has been busy restructuring its economy since 1980, according to KPMG. A more liberal policy has emphasized the private sector, the state role limited to infrastructure development and public services.

Economic growth has largely been driven by private investments, spurred by Turkey's liberalization of capital movements and the willingness of foreign creditors to lend to Turkish investors. In April 2015, Tayyip Erdogan's government stepped up Turkey's incentive regime, with a view to supporting high-tech, R&D and design investments.

Today, according to 2014 World Bank figures, Turkey's GDP stands at 799,5bn USD - 18th in the World Bank's global GDP rankings. Furthermore, between 2000 and 2014, Turkey's USD per capita trebled. Following an annual 10-year average in real GDP growth of 5% up to 2013, the World Bank forecasts 3% growth in 2015. Even though this is a slowdown, it is set against a Europe/Central Asian backdrop of only 1,8%.

An Increasingly Regulated Business Environment

July 2012 saw the introduction of the new Turkish Commercial Code. This further formalized corporate structures in terms of registration with the Trade Registry and the local tax office.

As financial markets internationalize and Turkey intensifies its economic relationships with foreign partners, January 2013 brought legislation to step up accounting stringency and transparency, as well as alignment with international standards. Tax law has also seen reform over 10 years in the name of clearer, more objective and harmonized provisions. Moreover, Turkey's main stock exchange, Borsa Istanbul, announced in January 2014 that it was ranked among the top five performers in the world in 2014, according to Hurriyet Daily News.

Turkey's USD per capita trebled between 2000 and 2014.

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Business is Driving Turkey's Global Competitiveness – and Has Some Way to Go

This article will address some key facets of leadership in Turkey. We start with a hard look at Turkey's position in two prominent Global Competitiveness surveys. There are red flags for business leaders, competitive indicators - and above all, a case for sustained change.

WEF Report Gives Indicators For Leadership and Talent Management

The World Economic Forum Global Competitiveness Report 2014-2015 examines 144 economies,[5] looking at drivers of productivity and prosperity (institutions, policies and other). Emphasizing innovation and skills as key to competitiveness, the WEF warns that no business – or government – can be an island. "More than ever, cooperative leadership among business, government and civil society is needed to re-establish sustainable growth and raise living standards throughout the world."

The WEF Global Competitiveness Index (GCI) captures a set of indicators in 12 pillars grouped into 3 main categories (see below). On average, Turkey sits just outside the top third of the 144 countries analyzed.

Zooming in, Turkeys rankings in three business-related pillars – *labor market efficiency*, *business sophistication*, and *innovation*, raise questions for leadership (and talent management). Asked about the 'most problematic factors for doing business' executives ranked an 'inadequately educated workforce' third out of of 16.

WEF GCI Index 2013
Turkey Ranking (out of144)
3 Main Categories

Basic Requirements	Efficiency Enhancers	Innovation & Sophistication
56	45	51

WEF GCI Index 2013
Turkey Ranking (out of 144)
3 Selected 'Pillars'

Labor Market Efficiency	Business Sophistication	Innovation
131	50	56

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IMD Digs Deeper

Leading business school IMD publishes its own Global Competitiveness Yearbook, benchmarking the performance of 61 countries on over 300 criteria. These are grouped into 4 categories: Economic Performance, Government Efficiency, Business Efficiency, and Infrastructure. In 2015, Turkey ranks 40th overall, unchanged since 2014 – close to the bottom third, therefore.

IMD Global competitiveness
Turkey Rankings 2014-2015 (out of 61)
Selected Items on 'Business Efficiency'

	Productivity & Efficiency	Labor Market	Management Practices	Attitudes & Values
2014	32	18	31	29
2015	46	29	43	47

Sending a strong message to Turkey's business leaders, rankings related to Business Efficiency[6] are amongst the lowest of Turkey's scores (see above). And these have slid since 2014. So what is going on underneath the big findings? IMD highlights what it sees as Turkey's key strengths and weaknesses. A selection related to Business Efficiency (see our chart overleaf) points to a number of factors that Business leaders should probably consider placing top of Board agendas. However, a number are operating in their favor. Let's dig deeper.

Talent Management Has Some Catching Up to Do
IMD rank as weaknesses a series of talent management indicators. Echoing the WEF findings, Turkey's labor force (also female) - ranks low. Once on board, talent is under-developed - training needs serious attention. Corporate values and ethical practices, ideally a nurturing framework, are not helping. And image abroad, or branding, as well as customer satisfaction levels, have some way to go. Turkey's many positive stories need to be told – and heard, we argue.

Elsewhere in IMD's statistics, more indicators surface. Turkey's businesses rank low on prioritizing talent attraction and retention. Neither is the country a magnet, yet, for foreign, high-skilled talent – it ranks 45th.

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[*] Based on extensive research using economic literature, international, national and regional sources, and feedback from the business community, government agencies and academics.

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Yet a Vital Creative Force is at Work

In terms of human capital, there is some good news. People's flexibility and adaptability, and managerial credibility, score well. Compensation and remuneration are competitive. Technological connectivity is highlighted by IMD as a further plus point of Turkey; the country is in the top third for overall connectivity.

Gender diversity is in the spotlight all over the globe. While Turkey ranks towards the bottom 10 economies in terms of 'women in parliament', when it comes to 'women on boards', it ranked in the top 15 in 2013.

IMD Global competitiveness
Turkey Rankings 2015 (out of 61)
Selected Items on 'Business Efficiency'
Strengths and Weaknesses
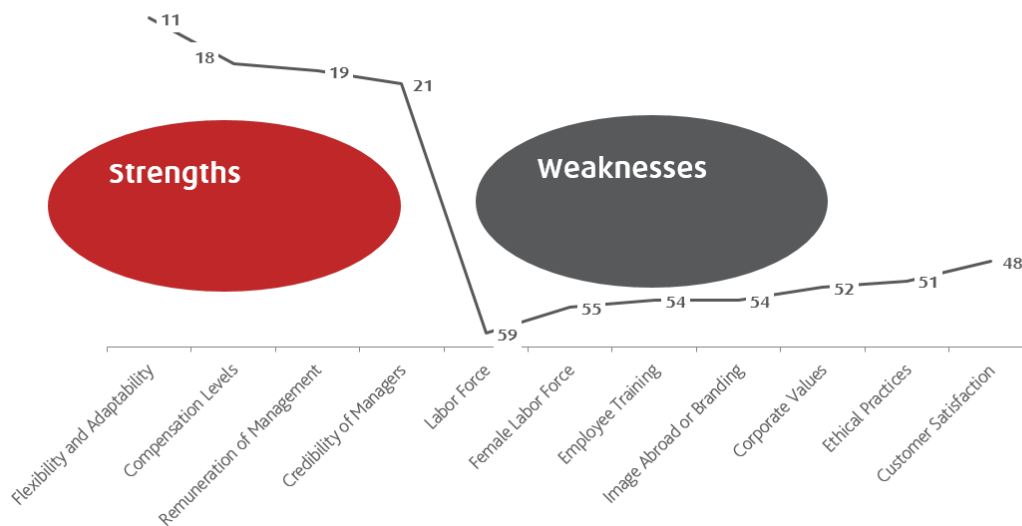
Even if Turkey featured in the bottom 10 countries for overall innovative capacity in 2015, other IMD indicators (not included in the graphic) herald good news in terms of the prevalence of entrepreneurship and business expenditure on R&D (ranking 25th). Regarding any potential brain drain of its precious talent, Turkey is holding onto its own relatively well compared to many other economies (ranking 25th). And the international experience of its senior managers ranks a moderate, if not outstanding, 33rd.

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BCG have some points of
attention for global
challengers. To become
leaders on the world, rather
than regional, stage, they
must pay close attention to
the depth and management of
their talent pool.

Executives are Bullish About Turkey's Economy, Less So About its Workforce

GDP indicators aside, how do Turkish business practitioners feel about the country's economy? Top and middle managers in Turkey (nationals and expatriates for local or foreign firms with an international dimension, and resident in Turkey for at least the preceding year), were confident. Nearly 90% ranked the overall dynamism of the economy as a top 5 attractiveness factor,

However, and echoing IMD's statistical assessment (previous page) executives were more ambivalent when it came to the availability of a 'Skilled Workforce' (57,1%). Scoring lower still, 'Effective Labour Relations' and an 'Open and Positive Attitude' both ranked in the top 5 for only around a third of executives. And echoing the WEF findings, educational levels scored lower still, with only 16,3% of executives ranking these as a top 5 attractiveness factor.

Conclusion – Turkey Still Has Untapped Potential

What overall picture can we cautiously draw? Turkey's talent pool has much to offer. It is flexible, adaptive, technologically-connected, and led by credible managers. However, many people enter businesses under-educated and under-skilled, and employers fail to provide the training and development that could bring them up to speed, with compensation and remuneration potentially the main attraction and retention mechanism. This, against a backdrop of under-par value systems and ethical practices.

All of this is only part of the story. If Turkey is not – yet – top of the league on innovation, there are encouraging indicators: people's flexibility, adaptivity and technological connectivity score well, spending on R&D is competitive, and entrepreneurship widespread.

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In Summary

Areas of Attention for Turkish Business Leaders

Statistical Sources	Executive Opinions
Business sophistication * Innovation * Labor market efficiency * Business efficiency ** Talent pool/female talent pool ** Talent attraction and retention (also foreign talent) ** Talent development and training ** Corporate values and ethical practices ** Customer satisfaction ** Image abroad or branding **	Inadequately educated workforce * Availability of skilled workforce ** Effective labour relations ** Open and positive attitude **

Competitive Indicators for Business Leaders**

Statistical Sources	Executive Opinions
Flexibility and adaptivity of people Credibility of management Compensation and remuneration Technological connectivity Entrepreneurship Women on Boards R&D spending Brain drain (national retention of its talent)	Overall dynamism of economy

*WEF
**IMD

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Turkey's Global Challengers - Take Two

Ülker – Make Happy, Be Happy

The difficulty of making a merger or acquisition fly is practically a truism. In 2009, the Harvard Business Review reported on a "novel approach to M&A adopted by some emerging multinationals - allowing their acquisitions to continue operating independently." One was packaged-food company Yildiz Holding, parent of Turkish confectionary manufacturer Ülker (its international arm now rebranded as Pladis).

Born in 1944 as a biscuit maker and a three-person team, Ülker, with its rousing slogan "Make Happy, Be Happy," celebrated its 70th birthday in 2014, posting revenues of $1bn, a shareholding profit growth of 12%, exports to 110 countries - and a workforce of over 41,000. The company applied a "light-handed M&A style" to its acquisition in 2007 of Belgian-American chocolate brand Godiva. Comparing Godiva to the Spoon-maker's Diamond (in Istanbul's Topkapi Palace), Murat Ülker promised: "I will polish it, make a pendant with it, and help promote it in different parts of the world." It was this hands-off, partnering approach, according to the HBR, that helped "bag Godiva." (Harvard Business Review: *Don't Integrate Your Acquisitions, Partner with Them,* December 2009).

Were these promises based on sincerity or seduction? Jim Goldman, Godiva's CEO at the time of the acquisition, remained in place until 2014. Today, Godiva is flourishing, with 40,000 points of sale worldwide.

In November 2014, Ülker announced a further high profile purchase, snapping up the UK's United Biscuits in a $3,2 mn deal, "as it strives to become a global name" according to Reuters, adding that the parent company plans to invest $200 mn in United Biscuits and Godiva annually. The UK's Guardian newspaper suggested that Yildiz had seen off competition from the US giant Kelloggs in sealing the deal. (Interestingly, United Biscuits was founded in 1948 - 4 years after Ülker). Yildiz sold a 20 percent stake in Ülker in late 2013 for $431 mn—one of Turkey's largest recent stock offerings, according to the Boston Consulting Group.

The Ascent of Turkish Airlines

Turkish Airlines (THY) is another Turkish flagship. In an industry where the hunt for marketshare and profitability is at its most intense, the airline is holding altitude better than many peers. For five years running, it has been awarded 'Best Airline in Europe' by Skytrax. With "Widen Your World" as its motto, it flies to 114 countries. THY has been among the world's fastest growing airlines in recent years, its Chairman, İlker Ayci, has said. In 2015, for the first time in its history, the airline posted USD 1.69 billion net profit. (At USD 895 million, the profit from its main operations represented a 32 percent increase over the previous year).

Mr Ayci forsees a continued ascent for Turkish Airlines, and has spoken of a 2016 target to increase passenger numbers from 61 million to 72 million. By 2023, THY plans to have the world's most modern fleet, with 500 aircrafts carrying approximately 120 million passengers annually.

BCG have some points of attention for global challengers. To become leaders on the world, rather than regional, stage, they must pay close attention to the depth and management of their talent pool.

Global Challengers Must Keep Their Eye On Several Balls

Despite prominent success stories, Turkey has some way to go as a nursery for globalizers. The BCG list of 'Global Challengers' – published every 18 months and featuring 100 rapidly globalizing companies[7] found in 18 countries - reveals Turkey's occupancy to be relatively minor. In 2014, four Turkish companies made it to the list (comparable to Russia). One (a new entrant) was, perhaps unsurprisingly, Yildiz. Yet fast-evolving Turkey has a major role to play.

In general, BCG raise points of attention for global challengers. To become leaders on the world, rather than regional, stage, they must attend to the depth and management of their talent pool – and as we have seen, Turkey is no exception.

They must become increasingly innovative – not just in terms of financing R&D, (Turkey scores reasonably high) but in taking a strategic view of the technological landscape.

BCG also warn that global challengers will need a firm grip on their home markets to compete against "*local dynamos*" who deliberately choose to remain domestic At the other end of the scale, they need to watch out for the increasingly smart approach of multinationals to emerging markets, as these big players customize and localize within the framework of "scale, size and brand."

Regarding the globalization journey, BCG also suggest that low-hanging overseas fruit has now been picked. New efforts and investment will be needed to expand international revenue.

Finding that global/local synthesis will be difficult, even as the middle class – and its consumerism - expands in emerging markets.

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[7] Global challengers are growing more quickly than comparable companies. From 2000 – 2013 their revenues grew by an annual rate of 18%, on average, compared with 7% for global peers and 6% for the nonfinancial S&P 500.

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Part Two:
What's Next for Leaders in Turkey?

Digitized economics are changing the face of Turkey's leadership.

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If change and transformation have been an inevitable feature of any era, global dynamics have never been as fast-moving as today. Touching every aspect of our lives, their effects are most visible in the corporate world. Business models are changing, borders disappearing, taboos being broken, and the companies which cannot adapt will rapidly fade away.

In 2015, BCG reported a striking finding: public companies traded in the US now have a one-in-three chance of failing over the next five years. Most types of business are now dying at a younger age than the people who run them. Only a few make it into their fifties and sixties. ("Die Another Day, What Leaders Can Do About the Shrinking Life Expectancy of Corporations").

When we look at the world's biggest and most profitable players, we see that the number of start-ups has grown in the last 10-15 years. In its Global Challengers report of 2014, BCG observed that "with the addition of the Philippines this year, headquarters for the 2014 BCG global challengers can be found in 18 countries, nearly double the ten countries represented in the inaugural 2006 list."

Meanwhile, some giants of the 20th century are dropping out of the big league, some shrinking to a vanishing point; their names, owners, directors, culture and business in a state of constant churn.

So it's unsurprising that the leaders in Turkey with whom I have spoken identify one of the most important competencies as "organizational adaptation to digital transformation." Those leaders who are unable to predict transformation, to feel it in their bones, will have vanished by 2023, (the 100th birthday of modern Turkey), along with the companies they lead. They will have to do much more to secure the longevity of their companies and employees.

For *Turkey's Real Leadership Map*, I interviewed around 3.000 directors between 1996 and 2004 and placed around 500 top managers in major companies affecting the Turkish economy. The findings were further enriched by interviews with 100 new leaders.

About the Author

Starting her career in the family business, Yeşim Toduk took a break to complete her MBA and PhD, followeed by a Marketing role at a electronic retailing company in the US. Returning to Turkey, she joined an international advertising agency as Account Manager. In 1996, she established Amrop's Turkish office.

With a BSc in Business Administration from the Middle East Technical University, in Ankara, an MBA from the University of Wisconsin and a PhD in Management and Marketing from Bosphorus University, Istanbul, Yeşim has lectured in several universities in Turkey over 20 years. She described her first leadership model in her book 'The Real Leadership Roadmap of Turkey', published in 2004, followed in 2014 by 'The Leader of 2023', identifying a new leadership model for the digital era.

Dr. Toduk is Founding Chairwoman of the Young Leadership and Entrepreneurs Support and Training Foundation.

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The digital era signals the most dynamic change since the industrial revolution. Leaders must feel its threats and opportunities in their bones if the companies they lead (and their place within them) are to survive the next 10 years

In recent years, I have increasingly started to put forward to hiring organizations senior executives who are also able to lead *digital* transformation. The reactions of those organizations has varied: from acceptance to outright resistance. I have had to alert those which failed to form the right leadership team that they risked being out of the game in the next 10 years.

And those years will be special indeed. In Turkey, "The digital era" became full-blown in 2013. It brings with it the most dynamic change since the industrial revolution.

In this article, based on my recently-published book 'The Leader of 2023' I offer some guidance to Turkey's business leaders, taking the country's intrinsic dynamics into account and setting out the leadership role in Turkey's transformation against a global backdrop.

To shed light on the picture, I have drawn on the input of change-management-literate Turkish companies, as well as my own advisory experience.

What kind of transformations have we seen in Turkish leadership over the past 10 years? What's Next for the coming decade?

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How have management methods changed in 10 years?

A higher level of participation-based decision making.

A rise in inter-corporate communication, fast feedback.

Besides a production-oriented structure and methods, design and development-oriented structures have come to the fore.

A transition from function- to product-oriented management Process, client, employees and their expectations are focused on much more.

The importance of social responsibility has increased. Now it is necessary not to produce products, but lasting values.

Leadership profiles that are not limited to strategy but interested in the management process are more respected.

Workplace, hours, working for only one employer, are being called into question.

Digitized Economics are Changing the Face of Turkey's Leadership

It was during the first industrial revolution that notions of productivity and efficiency first emerged, and Turkey was no exception. These ideas gradually morphed into the structures and systems designed to deliver optimal performance in Turkish companies, crystallizing over the past 20 years.

Once the core performance indicators had been set, a management philosophy swiftly followed, demanding stretch performance from every employee and director. Should these KPI's be met, sky-high bonuses were awarded to the management team.

In the USA, the model for modern corporates, the pitfalls of this system soon began to yawn. Successive waves of economic crisis over 20 years were fed by directors seeking ever-higher guaranteed bonuses, abandoning fundamental human values in their relentless pursuit of targets. Simply put, an entire generation (and the teams it fostered), pursued pecuniary returns and prestige. As they proudly displayed their gains, they rarely, if ever, paused to ask: "Who and what do we serve?" As Turkey followed in the footsteps of its 'big cousin' the downside of reckless speed was dramatically illustrated by the country's 1999 earthquake which reduced to rubble official buildings, hastily constructed with little attention to quality standards.

In this period the definitions of business ethics were narrowed down until they lost their core meaning. Mistakes were easily covered up by a focus on processes – no matter how clearly any surviving ethical principles might be articulated.

In the 2004 "Leadership Prism" (see Appendix) I proposed that the most effective Leadership Model for Turkey should be based on establishing and maintaining a trust-based environment and open communication, while implementing the established vision together with followers.

In the ensuing years, Turkish business saw the entry of multiple new players, the true advent of the digital era, and Generation Y stepped into the workforce.

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It was time for a new model, incrementally designed in the process of co-defining the leadership needs of the companies I served as a management consultant, backed up with my 20 years studying Turkish business leaders. You can find the new model in the Appendix.

Why Does Turkey Need a New Leadership Model?

Turkish companies that have passed their 50th birthday share some vital facets of DNA. Their longevity is anchored in their fabric, history, and uniquely Turkish provenance. They are characterized by intense loyalty to their fundamental values - and the quest to ensure those values endure. It is the provenance and culture of Turkey's companies – whether established or up-and-coming - which give rise to a specific set of messages to their Leaders For What's Next.

The first message remains *trust*. Trusting others, then being trusted. Being consistent and fair to maintain a trusting environment - these factors were stressed in the first leadership prism. Why? Simply, too many Turkish directors from the first industrialization and transition generation were carrying on in an "act as if" way.

Authentic trust contrasts starkly with "cordial hypocrisy," a phenomenon described by authors Robert Solomon and Fernando Flores[8] as the "strong tendency of people in organisations, because of loyalty or fear, to pretend that there is trust where there is none, being polite in the name of harmony when cynicism and distrust are active poisons, eating away at the very existence of the organization."

Cordial Hypocrisy is the Enemy of Authenticity

Cordial hypocrisy, in my view, is related to the notion of "respect." Whether via body language, or the avoidance of direct challenges to elders, respect is a feature of Asian culture. For example, during a family dinner, a 25-year-old might tell his parents: "I'm just going out for some air." Mum and Dad know all too well that "some air" means "a cigarette" and the 25-year old knows that they know (especially because his Facebook page shows him smoking at a recent party). Still, the act continues, and the actors continue to play along, all in the name of "*respect*".

Cordial hypocrisy has become an endemic leadership approach in Turkey over the past 25 years. An under-performing employee will rarely be told: "you had a bad year." Even if it is given, the feedback will be sugar-coated. A business pollutant, cordial hypocrisy impedes clear and constructive feedback - and authentic leadership. It is destructive to teamwork; a facade of goodwill that hides distrust and cynicism. Conflict avoidance is preferred over the creation of any positive mechanism for conflict resolution.

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>
> A business pollutant, cordial hypocrisy impedes clear and constructive feedback - and authentic leadership. It is destructive to teamwork; a facade of goodwill that hides distrust and cynicism. Conflict avoidance is preferred over the creation of any positive mechanism for conflict resolution.

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[8] Solomon, R. C., & Flores, F. (2001). Building Trust in Business, Politics, Relationships, and Life. New York: Oxford University Press.

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How is Generation Y affecting your leadership style?

A boom in creativity

The vision and the mission which will motivate them should be very carefully chosen

The virtual platform is playing a greater role in communication

Authenticity is at the forefront

Be open and share much more information

Focus much more on "the benefit" when it comes to sharing the vision

Convince, before taking any decision

In short, cordial hypocrisy hinders trust. Many Turkish directors confessed to me that they had never trusted their own leaders. So they took the decision to leave their companies and leaders behind.

The State of Trust in Today's Turkey

Examining individuals and institutions, the 'Values Survey' was conducted in six separate periods in the country by Yılmaz Esmer of Bahçeşehir University (as part of the World Values Survey). The number of people who agree that: "most people can be trusted" was monitored as an indicator of interpersonal trust. The results are telling. Turkey is amongst the countries displaying the lowest levels of interpersonal trust. Echoing what leaders told me – that trust is a domestic matter – Turkey's citizens reported in the Values Survey that they could not "fully trust" people other than their families, relatives and other members of their close personal entourage.

However, things may be slowly getting better. While the percentage of people stating they could trust others hovered around the 8-10 % mark from 1990 until 2011, they rose to 15% (2011) and 12% (2012).

As a comparison, the trust rate in Sweden is around 70%, in the USA, 30%, in Japan, 40 %, and in China, 50%. So the trust journey is still fully underway and trust building remains a core point of attention for leaders in Turkey.

What Could Lie Ahead? Generation Y Holds Many Of The Answers.

Turkey's Generation Y'ers have grown up in an interactive environment. Thanks to hyper-connectivity they constantly question the Self, defining themselves as individuals who talk, criticize, question and truly exist in the world. Turkey's 'self-determined' Generation Y'er wants to be able to fully trust him or herself, to have self-respect vis à vis his or her proficiency and social identity. The values of the industrial revolution, the truths of their parents, all have proven woefully insufficient. Just like their counterparts abroad, Generation Y'ers have fulfilled their dreams through fast-riding and individual *virtual* identities - something even their most far-sighted parents could only have dreamed of.

Providing and pursuing a trust environment marked a new period for Turkey. Now the digital era has sparked a phase of rapid acceleration. The forward-looking leader must take his or her bearings and navigate in a 24/7 feedback loop. He or she is expected to communicate interactively with tens of thousands of employees via blogs and other media. The language must be simple. And it must be individualized, as the leader adds diversity to teams by factoring in people of different opinions, ages,

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genders and socio-economic environments. Some, by wisely appointing employees in their 20's as personal, 'cross-generational' mentors, have got to know the digital world at close range.

Dr. Erdal Karamercan, CEO of Eczacibaşi, a multi-billion turnover industrial conglomerate and one of Turkey's biggest companies, is one example.

To adapt to technology and ensure that the company did not fall behind, he identified targets for himself which he extended to his executives. "You will never allow our companies to fall behind today's technology, we will always be ahead of our competitors," he told colleagues and employees. "This requires you to be not only an instructor but also a learner - with continuous openness to learning." His example speaks volumes: "Besides getting support from our technology department, I assigned a young Generation Y colleague to be a mentor for digital technology. I received a great contribution regarding rapid adaptation to social media tools, and their use."

The Tools of the Digital Economy: a Leadership Cross-Check.
The footprints of leadership behaviors are now tracked by employees around the clock; impressions of leaders who are not "real" or "sincere" are shared swiftly and perceptively.

A leader's reputation management – either within a company or in Turkey as a whole, has reached a point where it can be earned in 10 years and lost in a week.

The new digital era in Turkey only fully dawned in 2013, yet it is changing the rules of conventional leadership. Four leadership competencies will make a positive difference over the next 10 years.

1 Entrepreneurship and innovation
2 Digital capabilities
3 Strong networks and cooperation
4 Maintaining participative commitment to the vision.

"Besides getting support from our technology department, I assigned a young Generation Y colleague to be a mentor for digital technology. I received a great contribution regarding rapid adaptation to social media tools, and their use."

Dr. Erdal Karamercan, CEO, Eczacibaşi.

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Four Leadership Competencies for What's Next in Turkey

1

Entrepreneurship and Innovation

Perhaps the most obvious vital sign of digital economics is the continuous generation and swift implementation of new ideas (with only a few succeeding). Today, every Turkish citizen can be a journalist, thanks to unprecedented internet and mobile connectivity[9].

Every employee is also a potential *entrepreneur*. He or she needs to be, particularly as the demand for executive posts exceeds supply. More than birthing, transferring or resourcing an idea, the true entrepreneur strives to personally *co-create the future*. Yet, as job-holders, many so-called entrepreneurs neglect their forward-looking, co-creation role. They develop strategies to *preserve* the status quo, rather than being a *'perpetual entrepreneur'*. Furthermore, any perpetual entrepreneur needs to be backed by a team of *reformists* – people who readily adopt innovation[10]. Like their leaders, these team members are as visionary as they are business-minded. They see entrepreneurship not as a profession, but as a lifestyle.

As such, we can view 'perpetual innovation-seeking' as a key feature of 'perpetual entrepreneurship'. Innovation, not just in *adapting* to digital economics, but also in gaining global competitive advantage in the digital domain, irrespective of a company's home or activity base. It is equally crucial that innovation form part of the core values and strategy of companies. The most innovative players seize competitive opportunities, building learning organizations which bathe employees in a constant development process. Here, the reformist leader becomes a role model with his or her 'perpetually creative' mind set.

Entrepreneurs who want not only to endure in the digital era but make a difference must keep innovation firmly on their agenda. Because gaining the trust and respect of the employees from the new digital generation requires innovation not only to be a vision, but part of daily life.

As job-holders, many so-called 'entrepreneurs' neglect their forward-looking, co-creation role. They develop strategies to preserve the status quo, rather than being a 'perpetual entrepreneur'

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[9]According to the Turkish Statistical Institute, Household Information Technology Usage Survey 2015. 69,5% of Turkish households have internet connectivity, and there are 72 million mobile subscribers in the country, giving Turkey 92,5% mobile connectivity. 35.2 million smartphone users are forecast in Turkey in 2016).
[10]The US Department of Commerce Advisory Committee on Measuring Innovation gives the following definition: "The design, invention, development and implementation of new or altered products, services, processes, systems, organizational structures, or business models for the purpose of creating new value for customers and financial returns for the firm." Another definition is easier and springs from daily life: "Trying to find a way to do something much better than it was done before."

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2 Digital Capabilities

It is no longer enough to be a friend of, or at peace with, digital tools and models. Today, whatever their sector, all companies need competitive digital capabilities. It means using technology to maintain a constant feedback loop with digitally-omnipresent clients and employees and co-deciding in a swift, effective and mutually profitable way . More than just being 'digital-savvy' a highly strategic approach is needed when it comes to understanding the digital revolution and the new business models it brings in its wake. (More in Point 4).

As connectivity develops across Turkey and beyond, a digital attitude and presence are becoming non-negotiable. Far from hiding behind a keyboard or username, this means sharing information sincerely and openly. As one leader put it: "Technology and information have put an end to autocratic leadership." No longer restricted to young executives, the use of social media – being present on the platform and using its tools for business purposes - has become a necessity across a wide seniority spectrum.

We can see digital adaptation as having four phases (applying to leaders, and companies): *Start, Development, Maturity and Decline*. If, during *Start*, companies and their leaders take their first steps towards digital transformation, it is during *Development* that they start implementing the changes. This demands a firm commitment from the CEO and Chair, and it may well be time to acquire digital leaders from other industries, and integrate these profiles into the executive or non-executive board teams.

Maturity is a breaking point, at its conclusion lies a tough decision: to be a digital pioneer, an adaptor, or drop out? If leaders and companies who reach 'digital sustainability' move forward decisively and grow, the 'undigitized' quickly find themselves in *Decline*, and ultimately extinction. It is at this stage that shareholders and the Board have to decide a second time: do we continue with the current leadership team, or include a new technology/digital strategy leader in that leadership team, and/or the Supervisory Board? Otherwise the company's survival will be called into question. Moreover, by 2023, we will ask: what business is *not* digital?

Digital Adaptation Lifecycle Model: Toduk 2013
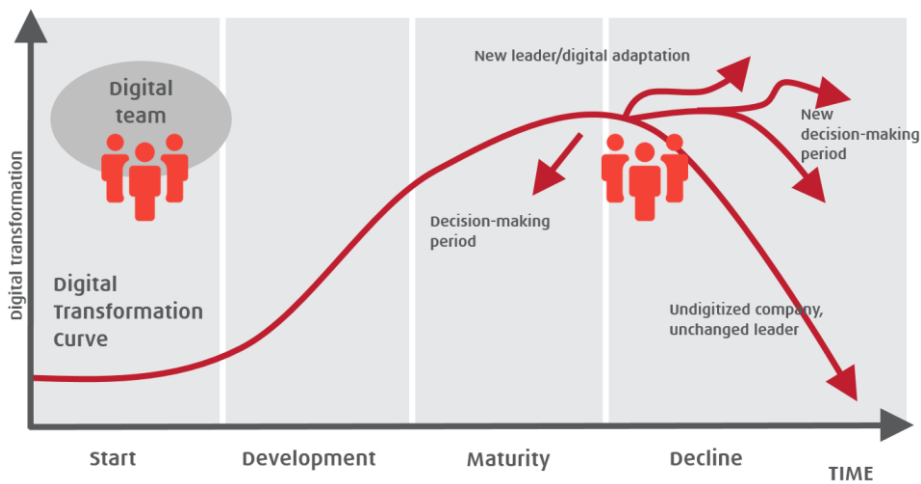
Has technology changed your concept of leadership?

It is not the concept of leadership, but the communication style which has radically changed

It has made it easy to access information and take quick decisions

It has become obligatory for decisions to be based on information

It challenges the manager to be more transparent

Participatory leadership is gaining favor via technology

Leaders should seek ways to reform the technical expertise of their companies

Technology (and information) have put an end to autocratic leadership

Technology is a tool, the leader's success depends upon management style and the people in his team

Technology is a tool, the leader's success depends upon management style and the people in his team," one leader told me. Authentic leaders are acutely aware of their team members' competencies and limits – starting with their own. They design a collaborative leadership team including one or more strategic 'transformists.' They ensure that each plays to his or her strengths, and that those strengths are complementary, and pitfalls compensated-for.

Digital is far more than a new channel. It is an era, ushering in a new way of thinking, and bringing its own leadership method in its wake. Feeding on technology, 'participatory leadership' practices – and urges – clarity, mutual trust and transparency.

3 Strong Networks and Cooperation

The first shoots of collaborative networks sprouted 20 years ago in the matrix management systems of multinationals, with leadership increasingly the preserve of project managers. But in the digital era, the matrix implementation of decisions taken under a *single* structure is yesterday's news.

Turkish companies and their leaders have entered a new environment, characterized by a constant interplay of competition and cooperation. It feels rather like the Turkish equivalent of the collapse of the Berlin Wall in Germany, or the advent of Perestroika in the Soviet Union. This new form of economics has ushered in brand new business rules based upon collaborative business partnerships. As one leader put it to me: "Competition makes cooperation obligatory."

Many of these fast-growing Turkish companies share a common feature. In building and managing their supply chains, they are cooperating with as many companies and individuals as their entrepreneurial, innovative structures allow. Having formed networks of the companies from different world regions that they have identified as being most compatible with their own systems and strategies, they have developed the ability to collaborate with these external organizations much like an internal department.

Understanding and appreciating complementary intelligence and competencies, they are sharing a wealth of knowledge and experience to reach targets in a more innovative – and sustainable – way. Creating a flourishing ecosystem and having a network based on trust are crucial.

How has your organizational network structure changed in 10 years?

Geographical location is no longer important.

A lot of fields have adopted a 24/7 structure.

The diversity of suppliers has risen

There has been an increase in strategic and operational cooperation

Companies have focused on their main activities more than before, outsourcing has increased.

Consultancies and specialisms are being considered more important.

Competition makes cooperation obligatory.

Shareholders are working and values are being created.

Anything in the service scope is being bought.

Any comment or solution on social media can provide an advantage to you and your company.

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How has cooperation changed in 10 years?

The concept of "client-supplier" has yielded to "partnership".

Final decisions are made after very detailed analysis and observations

There are strong strategic partnerships and job sharing with lateral industries.

There is integrated cooperation with business partners.

Negotiation is rapid once the opportunity is seen.

Those who wish to grow are open for cooperation .

Instead of a "product-service-collection" approach, come "business ownership- solutions" providing and gaining share from value creation.

"Dependent" cooperation came into the picture.

Thanks to the speed of communication, project management processes are faster.

As such, suppliers, R&D companies and consulting firms are fast uniting to build a win-win within the framework of their mission and values. They are developing solutions around the axis of a company's main activities that create durable value for all stakeholders – including the end user. As one senior executive expressed it: "instead of a 'product-service-collection' approach, come business-ownership-solutions providing - and gaining share from - value creation."
In an arena of global competition, they are creating global cooperation. A multi-dimensional company can build links with former rivals in one business line by working together in a second, neutral one.
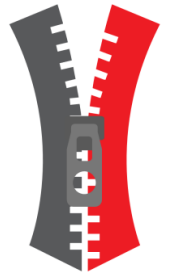
The results speak for themselves. The number and variety of clients and suppliers in the networks of the most successful Turkish companies have increased rapidly in recent years.

Looking at the *internal* workings of these Turkish companies, a further trend is the unprecedented collaboration between different business lines and domain experts. Creative designers are working with software engineers, marketing experts with anthropologists. In the words of another leader, "thanks to the speed of communication, project management processes are faster."

Advantage in the global digital era will not be maintained within a competitive red ocean, but within a collaborative ecosystem. As social media and communication networks nourish transparency and cooperation, no company can be an island and have any hope of being sustainably successful.

And this has clear implications for leaders. Not only must they manage (and streamline) the complex change that ensues, they must seek it out and embrace it.

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4 Participative Commitment with Vision

During the last decade, prior to 24/7 digitization, leadership teams followed a time-honored tradition: they set the vision and strategy and the mid-level management team and specialists implemented the related goals within their respective departments. *Pacta sunt servanda ("agreements must be kept")* was the order of the day.

Today's leaders can no longer mobilize their troops by sheer force of will, no matter how charismatic they may be. Nor can they rally people by stating: "here's what needs to be done," (still less, transform organizations). Turkey's X and Y-generation teams no longer "buy" a vision in the same way as their predecessors might have done. The open knowledge society has given them such rapid access to information, has enabled them to act in such agile ways, that they can and will question a vision more extensively than ever before.

Further still, teams want to participate in setting that vision from the outset. And Turkey's most successful leaders are responding. They understand the critical role played by the participative stage. They know that only via brainstorming, sharing perspectives and input will they gain the engagement and loyalty of their management team and key employees. Generation Y'ers are not follower but participants. They are the future digital architects.

Not only do the best leaders involve people in vision-setting, they make sure that their engagement is sustained. They create inter-connected environments characterized by benefit- and risk-sharing, exercising a democratic, empathic and authentic management style that emphasizes transparency and fosters entrepreneurship. And so a virtuous circle is created, as it is exactly this trusting environment that raises people's confidence in actively and openly contributing to vision-setting in the first place.

So a primary task of a leader, in the words of one executive, is "to have knowledge of others, pay attention to what they ask for as a group, gather them together, and help them reveal their strengths."

If engaging hearts and minds from the outset in a commonly-held aspiration benefits people's performance, nowhere is this more true than for Generation Y.

Today's leaders can no longer mobilize their troops by sheer force of will, no matter how charismatic they may be. Nor can they rally people by stating: "here's what needs to be done."

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Individualization is the Name of the Game

Given these four factors, 'individualization' will be the new way of defining leadership talent in Turkey's digital era. It means understanding an employee's personal contribution and leading, motivating and rewarding him or her accordingly. With the ease of accessibility to information, and Generation Y's rising occupancy of the business landscape, traditional motivation tools are losing their bite, says Yeşim Toduk. Generation Y (and soon Generation Z) will be a force to reckon with. Solution-oriented, mobile, physically and virtually dynamic, their demand is open and strident - *recognition*.

Young generation talent prefers to work independently, in a well-networked environment, within faster-moving companies, to be recognized by their individual contribution - morally as well as monetarily. This means being evaluated and rewarded not only on the basis of classic grading systems or bonus structures, but on having clear sight of their specific contribution, and having that contribution recognized by others. Indeed, this is the only way to retain a company's entrepreneurial talent.

So the New Era Leader has to observe, follow up, and give feedback to his/her team on a continuous basis, rewarding people on the basis of accurate and timely knowledge of their individual contribution – to their role, to their team, and to the organization as a whole.

Individualization will also require managers/leaders to acquire new skill sets - and excel in them. During the shift from a traditional to a digital economy, and as the Internet Of Things increasingly takes over human interaction, leaders may well be managing smaller teams in the future. Yet the quality of the people they manage, and the quality of their leadership, will be more critical than ever. Accordingly, hiring, retaining and deploying the full potential of talent will be of unprecedented importance.

So every leader will have to be an outstanding practitioner of people assessment, development and team leadership.

As it powers new business models, digizitation will be a catalyst for transformation. During the next decades, as we learn to use digital tools to their full potential, management will need ever greater emotional and social wisdom to complement gaps in face-to-face interaction. To take just one example, might analytical thinking be considered less important than other competencies?

Turkey's Leadership Journey

We asked, is there any difference between the definitions of leadership of 10 years ago, and now? Here is our summary.

2003	Now
1 The vision was the sole preserve of the leader - people were expected to follow.	1 A vision comes alive thanks to the input, motivation and engagement of followers
2 Corporate targets and a budget map were set in stone	2 Trends, business models and approach are constantly questioned
3 *Remain true to yourself* was the guiding principle, irrespective of circumstances, impressing employees with positions, titles and heritage	3 Leadership characteristics are more important than inheritance, and can be learned
4 Autocratic leadership was justified by product quality and client-orientation	4 It is crucial to be a 'beloved' role model
5 Little attention was paid to the voices of employees and shareholders	5 The voices of employees and shareholders are recognized as critical
6 Everyone who directed and impressed was a leader	6 Positivity and fairness, tolerance, and knowledge set the leadership standard
7 Leadership was exercised in an 'inner sanctum' with in-groups	7 Leadership means being widely connected and networked
8 The leader was untouchable and infallible	8 Young talent expects open-minded leadership, admitting mistakes, seeking feedback, transparency and realism
9 Leaders focused on targets, crisis and risk management	9 Leaders must expertly balance risk, opportunity and innovation
10 Gender diversity was low or static.	10 Gender diversity is rising.

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Turkey's Managers are Still Putting Operations Before People

The 2012 Towers Watson Workforce Study surveyed 32,000 employees working for mid- and large-size companies in 29 regions - including 750 employees from Turkey. The findings were striking. Even if employees thought their Turkish managers were operationally competent, only 36% said those managers were finding time for people management. Similar numbers believed that their managers gave feedback for a good job.

The percentage of people who perceived that their managers wanted to be in direct contact with them and to contribute to their development was lower still. Employees also signaled room for improvement in career development, the education of future leaders and the delegation of authority.

This survey reveals just how weak Turkey's process of participatory loyalty still is. And yet, having knowledge about employees, helping them reveal their strengths, working together with them, are key components of loyalty-building.

In the global Towers Watson sample, 45% of employees working for corporations where employee loyalty was pre-eminent believed senior leadership had a sincere interest in employees' wellbeing. In Turkey, only 28% did.

This only reinforces our argument that corporations understanding and implementing participative commitment with vision will have a higher chance of securing employee loyalty now than ever. Without it, talent retention will be difficult.

The War For Talent is Set to Intensify – With a Roll-on Effect on Turkey

The 2021 Global Talent Survey (led by Oxford Economics, in 2012), surveyed 352 HR professionals on future talent needs. Increasing technology use, globalization, changes in labor demographics, client needs and competition were all cited as key factors. Corporations will examine their global strategies, business models and organizational attitudes, and an orientation to growing markets can be foreseen.

Fortunately, thanks to the population growth, economic developments and the technology the next 10 years will bring, Turkey will also see a 4,7% increase in its well-educated talent It is one of several growing markets seeing this kind of growth in its talent pool. Of these, the fastest annual talent pool growth will be in India (7.3%), followed by Brazil (5.6%), Indonesia (4.9%), Turkey (4.7%) and China (4.6%).

In the global Towers sample, 45% of employees working for corporations where employee loyalty was pre-eminent believed senior leadership had a sincere interest in employees' wellbeing. In Turkey, only 28% did

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Profiling Turkey's Leaders For What's Next - 3 Leadership Dashboards

We asked, what leadership styles come to the fore today? Here is what the leaders told us in their own words:

1 - What's Now – the Type of Leader Who Is Praised Today

1. Superior cognitive, social and communicative intelligence, memory, knowledge, ability to influence followers
2. Authentic
3. Deploys a leadership model that balances assertion and collaboration
4. Inspires, is target-oriented, predictive and visionary
5. Is able to truly hear client, employee and shareholder voices, has a high Emotional Quotient, can predict the market's future, can reshape the market, is a team player
6. Paves the way for people, ensuring they can work happily and freely
7. Observes, analyzes, understands change and what that entails, believes in polyphony, uses knowledge rather than the power derived from role or authority
8. Is aware of corporate social responsibility, believes in implementing it, and can expand that awareness throughout his or her team
9. Is resilient, with strong communication, courageous, ambitious, patient, modest, fair and responsible
10. Considers the ideas of those he or she leads, ensures their participation
11. Supports creativity, creates suitable environments, can manage crises
12. Is result-oriented, can bring competitive advantage to the company
13. Can analyze society, understands it, can see the whole picture, is open to change, has knowledge of sociology and psychology, is discreet
14. Is convincing (a trustee), reveals his or her coaching style/s, listens to and leads Generation Y.

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We asked, what will leadership be like 5 years' time? Here is what the leaders told us in their own words:

2 - What's Next?

1. Visionary but practical, not iconic but respected, accomplished, multicultural
2. Idealistic, sincere, bringing the organization and team to the fore, able to create a collective mind
3. Understands transformation, development, trends, questioning taboos and business protocols, taking swift decisions and calculated risks
4. A superior emotional quotient, the cognitive intelligence to analyze data and make the right decisions
5. Connecting with people, winning the heart of the team before its brain, anchoring on the basis of persuasion: positive and authentic
6. Inspiring, target-oriented, able to balance work and private life, following technology closely
7. Environmentally-conscious, with high social responsibility
8. Paying attention to participation, sharing, spending time with the team, trusting in the team, allocating authority and responsibility to the team
9. Open to innovation, trusting in youth, giving a chance to young people to actualize their creativity
10. Acting fast, tending towards cooperation, equipped for innovations, open to international connectivity
11. An ability to manage complex processes
12. An ability to execute business models by prioritizing the sustainability of natural resources
13. Reframing and redefining the relationships that cannot be seen at first sight between life, the world, people and situations, understanding the change
14. As the working and social environment change, we should bring more young HiPos and women into management.

We asked, how have your criteria for choosing managers changed in 10 years? Here is what the leaders told us in their own words

3 – How Has the Recruitment Profile For Your Management Team Changed?

Important in 2003	Important now
1 Technical knowledge and ability and a subjective leadership capability	1 Along with technical know-how, engages in 360^0 feedback for key corporate behaviors
2 An academic background, experience, intelligence - and hardworking	2 Has high personal energy, strong values, creativity, can make quick decisions, manage change, use all kinds of communication abilities, empathize
3 At a suitable age for the position and speaks a foreign language	3 Is open to learning and self-development is entrepreneurial, sincere, warm and authentic
4 Establishes and develops a system, makes a plan	4 Diversity will be more crucial; a diverse background, experience, and approaches, contributing successes or experiences gained beyond traditional career paths
5 Authoritarian, can implement the present structure	5 Is technology-savvy
6 Whose 'corporate identity' fits the position.	6 Is customer-oriented; emphasizing solutions and results
	7 Is sociable, imaginative, resilient, courageous, ambitious, patient, humble, fair, responsible, challenging, sharing and democratic.

What's Next for Leaders in Turkey? Conclusion

For millenia, Turkey's most successful leaders have deployed revolutionary approaches and tools with skill and confidence, quickly adapting to relevant innovations, even becoming pioneers. In today's digital era, the leader's ability to learn from the best strategic and technological guidance - and transfer those learnings throughout an organization - will provide him or her with the same edge as speaking English or German as a second language did, 50 years ago. For the most technical, coding is a new common language – one which underpins critical leadership skills.

The leader who keeps abreast with (or better still, generates) technological development truly enriches a company when s/he ensures that techology is seamlessly integrated into its business model. And yet this is only the beginning of the story, because the parameters for leading the new generations who are the forerunners of Turkey's digital era are changing as well:

- For Turkish companies to stay successful in the 'new economic order' they must take their place in global cooperation networks, establish new business partnerships and lead them across borders.
- Turkey's leaders are now face-to-face with a 'new world order'. It will not be enough to limit a corporate vision to the leader's perspective. Best-in-class companies know that effective individuals must not simply be moulded into "vision followers." They must be transformed into "vision partners" and the leader into a "vision coach".
- The generations that will take Turkey's businesses into the future will not be content with positions, titles, or financial reward. More than ever before, they will want a voice - to feel that they are making a real contribution, and get recognition, as if each is a "company" in his or her own right.
- A trust environment will be a must, and trust will be gauged, more than ever, according to levels of mutual fairness and consistency in an open environment that carries the downside of ever-present cyber security threats. Cyber security requires working with only with the most trusted companies and individuals.

Authenticity will prevail, and, just like "Smart Home, Smart Card, Smart Cities and Smart Phone, the concept of the "Smart Leader" will be an indispensible part of our lives. The SMART Leader will be a leadership composer, playing highly technological instruments, with "player" a world class performer with a freelance mindset!

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Appendix

Leadership Prism: 2004 - 2012

Each organization exists by itself, separate from the others.
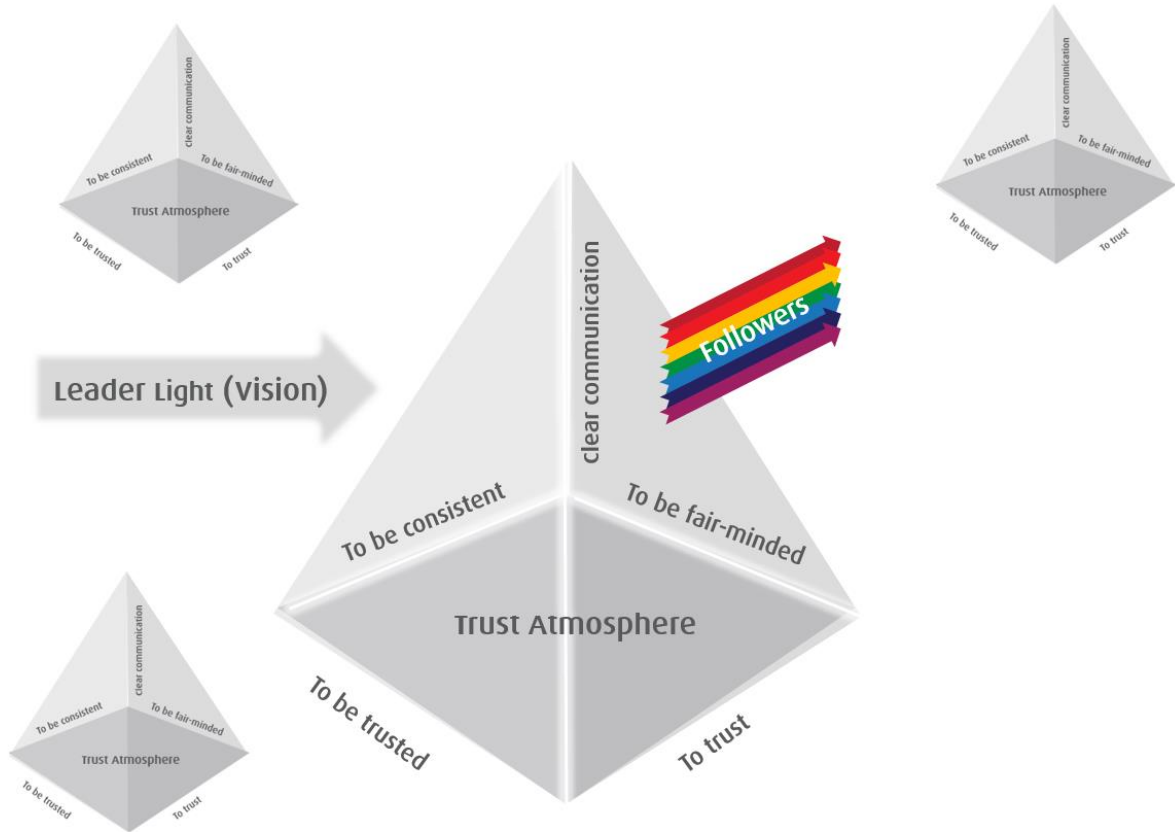
Reference: Toduk, Y. (2004) The Real Leadership Map of Turkey, Alfa Yayınları

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Leadership Prism: 2013-2023

The organization is open to its environment, its industry, its competition. Within and across these areas, openness and transparency prevail, with networking and cooperation as watchwords. Authenticity is the sole way of maintaining leadership, bringing the team (followers) into a mode of participation and collaboration from the very first step of establishing vision and strategy. Only in this way can the loyalty and effectiveness of the management team be built and sustained.
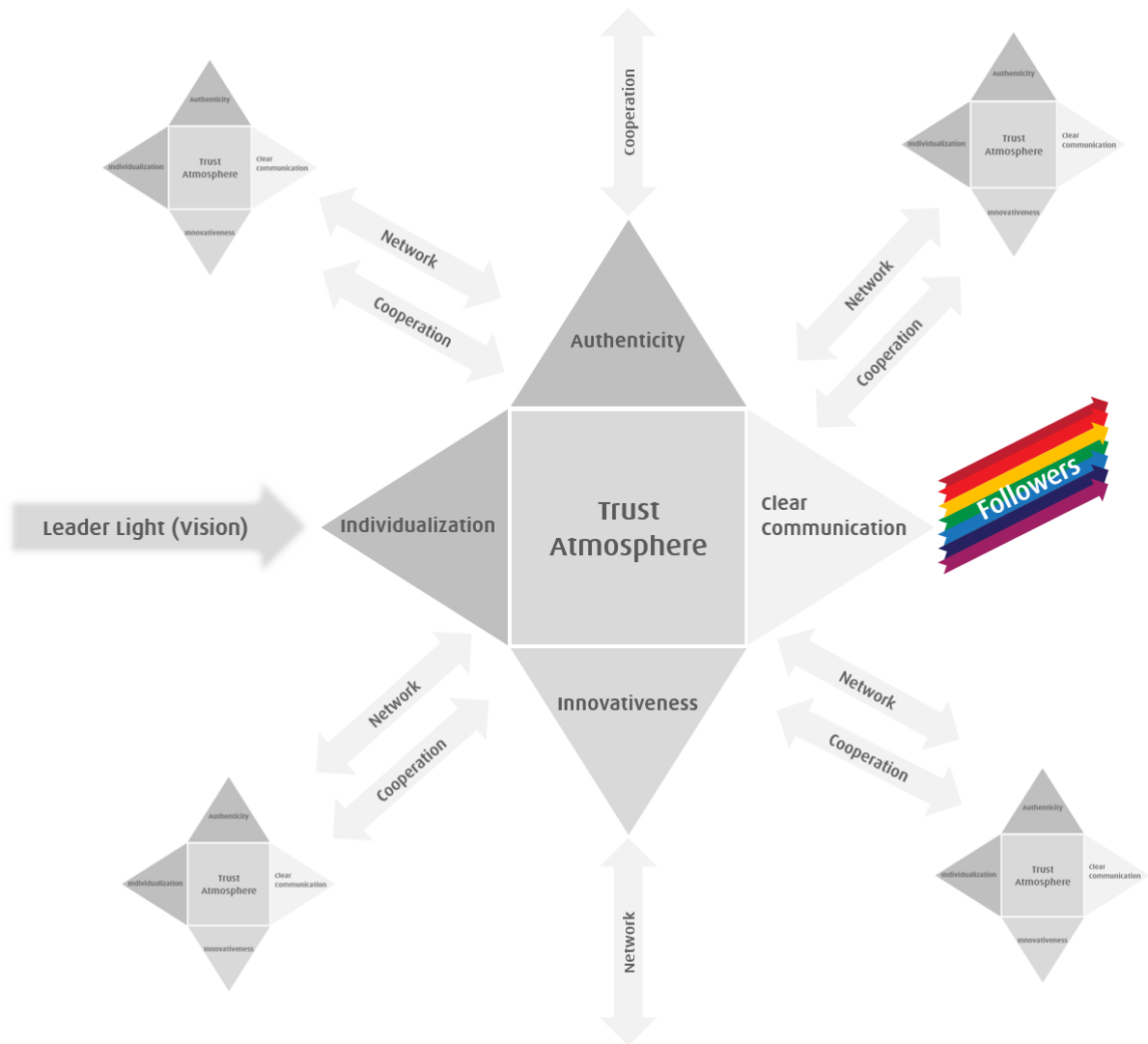
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Credits

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Murat Şahin – Founder and General Manager, Secure Drive
Gündüz Tansel – Regional Business Director Turkey & Middle East, BASF Care Chemicals
Kaan Terzioğlu – CEO, Turkcell
Neslihan Tokcan – Executive Board Member and Commercial Group President, Doğan Publishing
Cüneyt Türktan – Chairman to the Board of Directors, Azerfon and Executive Vice President/
Telecommunications, Capital Resources Group
Yahya Uzdiyen – Board Member, Doğan Holding (Formerly CEO, Doğan Holding)
Cem Nazif Yalçın –Interim General Manager, Pekpan Panel Radyatör (Formerly General Manager, Termo
Teknik)
Tansu Yeğen – Corporate Solutions Director, Samsung

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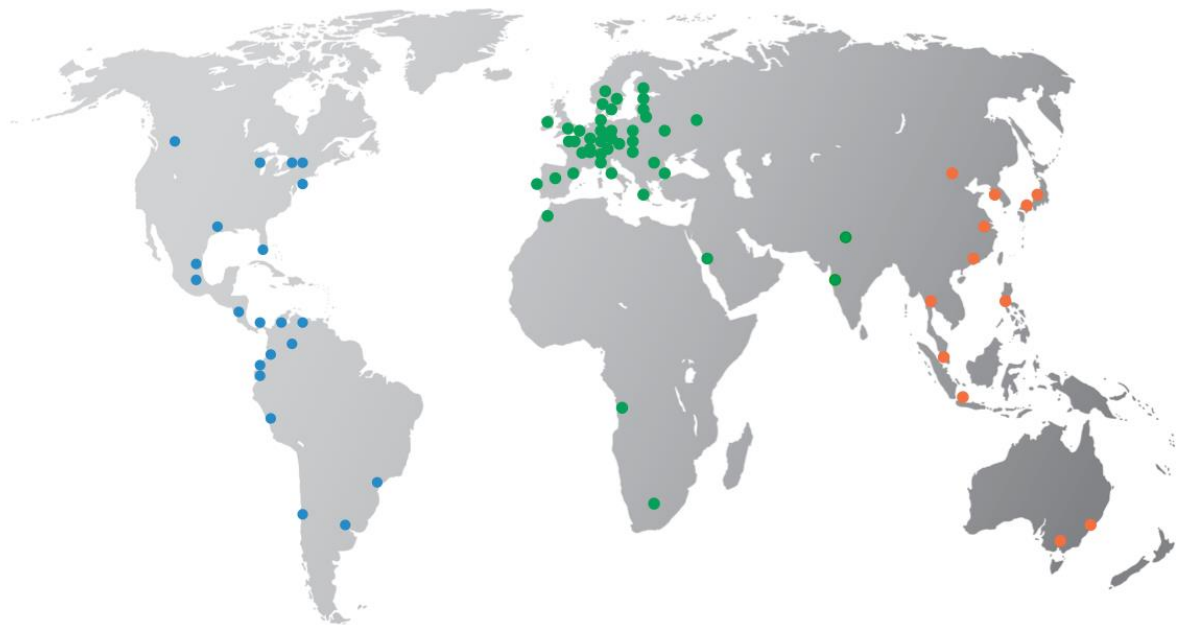
Authors

Part One – Setting the Scene, by Steffi Gande, Global Marketing Director, Amrop
Part Two – What's Next for Leaders in Turkey, by Professor Yeşim Toduk, Managing Partner, Amrop Turkey.

About Amrop

With 80 offices in 57 countries, Amrop provides services in Executive Search, Leadership Assessment and Board Consulting. It is the largest partnership of its kind.

Amrop advises the world's most dynamic organizations on finding and positioning Leaders For What's Next: top talent, adept at working across borders in markets around the world.

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