

Strategic Leadership: A Superior State of Mind

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One of the most significant management issues facing organizations today is the fact that their workforces, including top executives, are unable to wrap their minds collectively around how to think and act as strategic leaders. According to Richard Hughes, R&D director for groups, teams and organizations at the Center for Creative Leadership (CCL), a workforce that thinks and acts as strategic leaders—individually and as a group—will enhance a company’s vitality, productivity, competitiveness and long-term success.

Hughes, co-author of “Becoming a Strategic Leader: Your Role in Your Organization’s Enduring Success,” said that nearly every company he has worked with at CCL has not given enough thought to what type of leadership is needed to help the organization achieve its long-term goals and objectives. “Specifically, most organizations whether they are in the corporate sector or not have business strategies, but have not given sufficient thought to what human capabilities are needed to implement that business strategy effectively.”

Most people would think that senior level executives should only possess strategic leader mindsets. However, all employees need to recognize that they not only perform a functional role, but also a strategic role in their organization. The difference between a senior executive’s role and standard employee’s role is that a senior executive is responsible for ensuring that the workforce understands its strategy and how their job roles and responsibilities connect to the strategy.

The fact is, in order to realize a company’s goals and objectives successfully, a workforce must collaboratively understand and practice its strategy on a daily basis. Companies require more collaboration than they did 10 years ago, Hughes said, and yet most company cultures, information systems and rewards systems actually deter collaboration.

“Over the last decade or two, it has become increasingly clear that (a company) works much better when there is collaboration across an organization’s groupings,” he said. “People at different levels are actually much more involved in strategic issues than they were before, and we believe that it is not just individuals that have strategic responsibilities in organizations, but also the case that many teams have strategic responsibilities.”

In a recent CCL study, which surveyed a diverse group of executives, managers and employees, more than 95 percent of the respondents below the senior level of leadership were on at least one team in the last five years whose work had strategic implications. Hughes said that this statistic shows that people know that their responsibilities have strategic implications, but possibly still lack the ability to identify the strategic drivers of an organization.

Identifying a leadership culture is one of the most important parts of establishing and sustaining a strategic leadership mindset. When an organization lacks a leadership culture and a collaborative environment, its environment may be fairly cut throat and antagonistic to giving people second and third chances. As a result, employees at all levels are unable to learn from each other and more importantly, from each other’s mistakes.

Hospitals, for example, generally operate with a “zero defects” mentality, and such an extreme culture can lead employees to focus narrowly on their own job functions and

responsibilities rather than thinking about the organization as a whole. “Extremely competitive and metric oriented organizations tend to be at risk to sub-optimizing the overall performance of the organization,” Hughes said. “Sometimes managers try to optimize how good their respective departments look by whatever metrics have been assigned to them.”

If a strong leadership culture is not present, employees do not share a common vision of its future and disagree on what the most important priorities are. One would think that such indicators are influenced by an organization’s size or the way in which responsibility is distributed in an organization, but Hughes suggests that it is a reflection that there is a lack of communication throughout the organization.

Only after a company identifies the type of leadership culture and process it needs in place, can it take action. “Strategy making and implementation is most successful when a continuous strategic conversation is taking place up and down and side ways in organization rather than a plan per se,” Hughes said. “So rather than think of strategic planning as an activity that takes place in punctuated episodes, it is more helpful to think of it as something that is going on in a somewhat continuous basis.”

Hughes often recommends that his clients develop a good elevator speech. The idea behind an effective elevator speech is that employees can concisely communicate, for example, three significant challenges facing the organization in a short timeframe. He also emphasizes the importance of leaders approaching strategic leadership as a concept of personal awareness and not as a program. “Creating personal impact through leadership and having a deeper personal awareness of the impact of your behavior on other people and the organization is critical,” he said. “A programmatic emphasis can minimize the kind of impact that you are trying to achieve if it merely stays a program.”

Strategic mindsets, when cultivated correctly and continuously, will have tremendous benefits on an organization. “It helps organizations be more competitive in the marketplace by increasing the likelihood that it will have the human capabilities and human organizational abilities,” Hughes said. “It takes a leadership and culture mindset to become a more resilient organization that is capable of responding to changes in today’s competitive.”

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