

Building Organisation-Wide Leadership to Successfully Implement Strategy

Today's organisations are at a pivotal point – balancing short and long term objectives, managing constant change and an urgent need to increase employee engagement throughout the business to drive results.

Hopefully your business recognises that leadership is a critical enabler to capably and effectively move the people and the business from where it is now to where it wants to be. Most likely, your senior leadership team look below at the next levels and clearly identify pipeline and capability gaps which pose serious risk to the execution of your Vision and Strategy.

We know from the research that leadership is the critical pillar to Strategy Execution;

- According to the Conference Board CEO Challenges Survey, strategy execution has been the #1 priority for CEOs over the past two years.
- 50% of variation in profit performance is down to leadership (Bennis)
- 85% of Business and Human Resource Leaders rate leadership the most important and most urgent problem. Less than 15% think their leadership is ready and only 27% of organisations studied link their executive development programs to strategic results. (Bersin Report, 2014)

Every organisation has a manufacturing process, a quality process, a sales process. These processes enable people to know what the successful path is to consistently follow to achieve the best results. Despite what we know works well elsewhere, hardly any organisations have a leadership process for accelerating the success of their business.

So, how do you now go about building a simple and consistent leadership framework to lift capability at all levels in order to accelerate the results of the organisation?

In this paper, we aim to show you how you can align and engage people to Organisational change and performance requirements through empowering leaders at all levels to systematically navigate change and achieve exceptional results.



We will try and articulate the problem that exists within organisations, show you specifically the steps to building leadership capability and the outcomes you should be aiming for to balance “the Goose and the Golden Egg”.

At a recent CEO and Human Resources Director seminar we asked participants what their number one business objective is and their number one people challenge is? We then asked what their answer would have been ten years ago. On both accounts leadership has been the core people challenge for the past ten years and the current business objective was clearly “Growth”. There is a natural tension here as in order to grow, leaders need to develop next level leaders. Why is building the leadership pipeline so difficult for most organisations?

We have identified four key reasons:

Firstly, most General Managers are stuck in the urgent, short term fire-fighting required to get the foundations stable and therefore don't feel they have the bandwidth to raise themselves above the noise to plan the path ahead. Seeing the gap in their current talent, or overinflating the gap between themselves and their people, they don't put development plans in place for their next level people or prioritise the conversations required to lay the building blocks to progress people closer to being “ready”. Those around them, particularly the CEO become increasingly frustrated in this lack of strategic awareness of the importance of knowing and managing their people and their inability to see the “train wreck” coming for them and their department. And it comes...

Secondly and organisationally, a common observation I have had training, facilitating and coaching leaders within organisations for twenty years is that: “leadership, is everywhere else”. If I'm a CEO, I'm looking at the CFO. If I'm the CFO, I'm looking at my financial managers. If I'm the financial manager, I'm looking at the CFO. There is often no recognition that leadership starts with me and no reference or benchmark for what is really expected of good practical leadership, here, now, within this organisation.

Thirdly, most management and leadership training is a “once in time”, skill based or very conceptual in content with no direct linkage to how it connect and integrates with what they need to successfully execute the strategy. As a consequence some Senior Leaders can see training as not value-adding, practical and relevant enough. Next level talent, managers and leaders need to change mindset, with new skills and tools but they need it contextualised within capabilities and work projects required to operationalise the Organisational Vision and Strategy.



The final problem in the leadership pipeline lies in the identification process of talent and organisation-wide leaders. Internally, this process can get bogged down in politics, be too cumbersome and not achieve the required outcome – employees who are ready to lead. Without readily available internal talent, senior leaders often “rush” to recruit, and over-promote technical people into management roles without the required commercial and people acumen to be successful. This approach typically backfires and Senior Leaders end up where they started – fixing stability issues and feeling like they will never get a solid structural solution, independent of them “doing all the doing”.

In summary, a lack of awareness, planning and investment in next level leaders erodes the capability to navigate the change to move the organisation forward and with a lack of organisational agility and depth the senior leaders are then moved on for new ones who will “get it”.

So if you were a new CEO, COO, HRD or Head of Leadership Capability how would you go about proactively building leadership capability to accelerate the strategy and results of your business?

The first stage is to approach leadership as an integrated system with a common method or framework that can create the exact strategic and cultural change and impact you seek in your business, through your leadership.

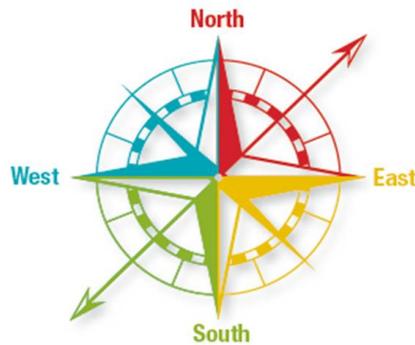
Establishing an Integrated Framework

Lighthouse uses the **NEWS™** Model as a navigation tool and common framework to underpin a systematic approach to leadership. Built around a compass, each direction represents an area of High Performance for individuals, teams and organisations and explains clearly the WHAT, WHY, WHY NOT and HOW for leadership with all stakeholder groups.



Deals with **DIRECTION, MISSION and VISION**
Identification: *Where do we want to be?*

Deals with **PLANNING and EXECUTION**. *“How will you achieve your goals?”*



Deals with **MEANING, VALUES, MOTIVATIONS and DRIVERS**. *“Why do you want to go to this direction?”*

Deals with **GROWTH and WHAT PREVENTS GROWTH**
“How will you get beyond these obstacles and limitations?”

The second stage is to design the deployment sequence.

There are two options, either a top down method starting with the leadership team or a more bottom up method working with your talent, up and coming mid-level. **We outline below a 4 step top down method as well as a four step talent bottom up process.**

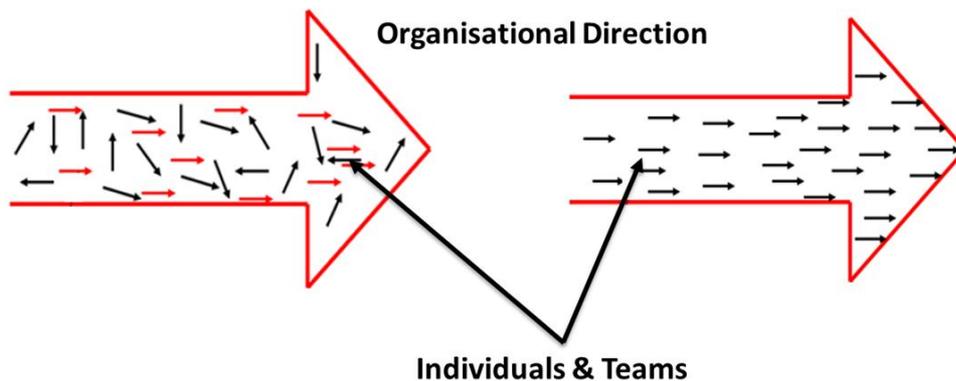
Top down Leadership System

Step 1: Navigating the Organisation: Leadership Compass

Optimal is to start with your leadership team to work together to agree on the Leadership Compass that all other layers will sync to. The task is to **navigate the organisation** to successfully lead the strategy and culture. If you have a new strategy, need to respond to market or competitor changes or align to an International Strategic direction, the senior leadership team need to firstly align together around a common compass that clarifies the leadership picture for them. It should define what leadership success looks like, what values and behaviours are critical, what mindsets and beliefs need to change and what the leadership plan is.



If the Senior Leadership Team is not aligned, the whole organisation will not be aligned strategically or culturally.



Step 2 – Navigating Teams and Stakeholders

Within a broader team there are multiple stakeholders and often competing agendas. To be a great team you need to address most stakeholder needs most of the time. This means you need to involve them in the team compass process.

To “be on the same page” Functional Leaders need a process and common framework to organise a collective plan that creates alignment to a strategy such as customer centricity, engages all stakeholders to the WHY of the change, raising barriers and risks that they solve together and crystallising a plan to execute together as an effective team. This enables leadership to unblock any potential problems in particular business units or stakeholder groups as well as create clear accountability for future performance and communication. It also enables leaders to understand areas for collaboration to create mutual benefit.

Most often, Leaders need guidance with clear outcomes and process for them to run these team sessions with a review process to discuss progress, blockages and next steps.



Step 3 - Navigating People through Meaningful Conversations

The next step is then lifting the capability to engage their people through meaningful conversations. A structured approach to this gets the best outcomes where you give different layers of leaders slightly different contextual capabilities.

Senior Managers need the practical skills and tools to **lead team conversations**, to create clarity of direction, engage the management team with clear ways of working together effectively, manage resistance and disagreement and then plan and agree on what needs to be managed and led.

Middle Managers need to be able to have really **effective 1:1 conversations** in a similar way to ensure people are aligned, motivated, barriers removed and focusing and prioritising on the right things. Most often people managers need tools to help people change behaviour, to step up and take responsibility and make progress.

Step 4 – Navigating Self: Personal Leadership

If there is “one thing”, people need recurrently it is Clarity. Within the constant change experienced at all levels, people need a way to think, to redirect themselves, to set the next course based on where they are now and what changes are happening around them. We need them to constantly recalibrate their role within changing expectations, to re-align themselves to the organisational strategy, overcome any barriers and focus on what will deliver the best return for the business.

The shift here however, is giving them a way to understand that they are responsible for creating their own paths, for engaging themselves, for solving the problems to maximise their own personal leadership contribution to the business. This process is teaching people to self-navigate.

If you have already embarked on a process with your Senior Leaders or don't have the right people ready yet for the right roles either in the top level or with your talent, the best place to make progress is to build core capabilities with your next level leaders.



Bottom Up Leadership System: The Next level Leadership Pathway™

Core capabilities typically fall in four core areas;

1. *Big Picture Awareness and Understanding:* Understanding the strategy, the commercial drivers and context for your business and your competitors clears up how you make decisions that are smart for the business, not just the function, to generate actions and innovations that can accelerate your strategy and results. We call this **Building Business Acumen**.
2. *Self- Management:* Understanding how you connect to the purpose of the business, the path you are on, what behaviours you need to demonstrate to be authentic and consistent and in what areas you need to transition and then plan to effectively manage your time and priorities is what we call **Self Navigation**.
3. *Coaching Conversations:* Creating Clarity for people is more important than ever before. Setting goals, giving feedback, dealing with issues, helping people change their perspective, growing and stretching their capability, teaching them and simplifying the steps is good management. Showing interest and building accountability through frequent, impactful **coaching conversations** will accelerate strategy and results.
4. *Communication:* Understanding how you adapt to different people and how you get your message across succinctly gives you a style of communication that builds rapport, is effective, influential and engaging. Most people do not know what they don't know here and can show immediate personal transformation and improved results with tools, feedback and coaching.

A customised modular pathway that runs from six months to two years, that involves a blended mix of training and senior leader coaching and mentoring of small cross-functional groups working on real business improvement projects will yield great results.



The Next Stage – Navigating Customers

In order to grow most organisations have a strategy centred on the customer, either to build revenue through service excellence or better understanding their needs to affectively adapt and provide targeted solutions that build sales revenue.

A customer vision will only be successfully operationalised when people understand what customer centricity means, when they understand the customer experience and needs, “from the customer shoes”. Mapping the external and internal process helps identify the “gaps”, which clarifies which priorities to fix. This shift will require leaders and customer facing professionals to change mind set, processes and skills to better adapt to changing customer preferences and needs.

Core capabilities required to take sales the next stage include Customer Acumen, Strategic Account Management, and Negotiation.

Managing Progress and Return on Investment

The opportunity for all of us working with CEO’s or other C level Leaders who can often think of training as a cost is to solve their leadership pipeline issues with a tangible connection to his or her ability to accelerate the results of their strategy. We can affect this in several ways;

1. Truly understanding, tracking and reporting against their success measures. Whether it is engagement, demonstrating more cultural consistency, revenue growth, operational efficiency or talent retention, talk their language and show them the benefit.
2. Demonstrate an evidence based approach to measuring progress. At Lighthouse, we measure the progression on the four high performance factors of: Alignment, Engagement, Empowerment and Execution through before and after on line surveys. This gives us very valuable insights into what to navigate, what is working and where change is having an impact personally, at a team level and in connection to the Organisational strategy and culture.



3. Thirdly CEO's love to hear positive watercooler talk of practical benefit, personal growth and bigger picture awareness. They also love to see proactivity, new initiatives, personal leadership of projects that will make a difference. If you can have leaders sharing stories of what they have seen with participants, this is very powerful.

So don't let the urgent override the important! Developing next level leaders within a culture of excellence not only accelerates results, but leaves a legacy far beyond any one leader, which people will talk about for many years. They will associate you with great leadership!

This whitepaper is written by Peter Nankervis, Managing Director, Knowledge at Lighthouse, a company that specialises in Leadership Strategy and Training. Lighthouse is the exclusive licensee of the NEWS™ Model and Programs in Australia. Please visit lighthousegroup.co for more information.