

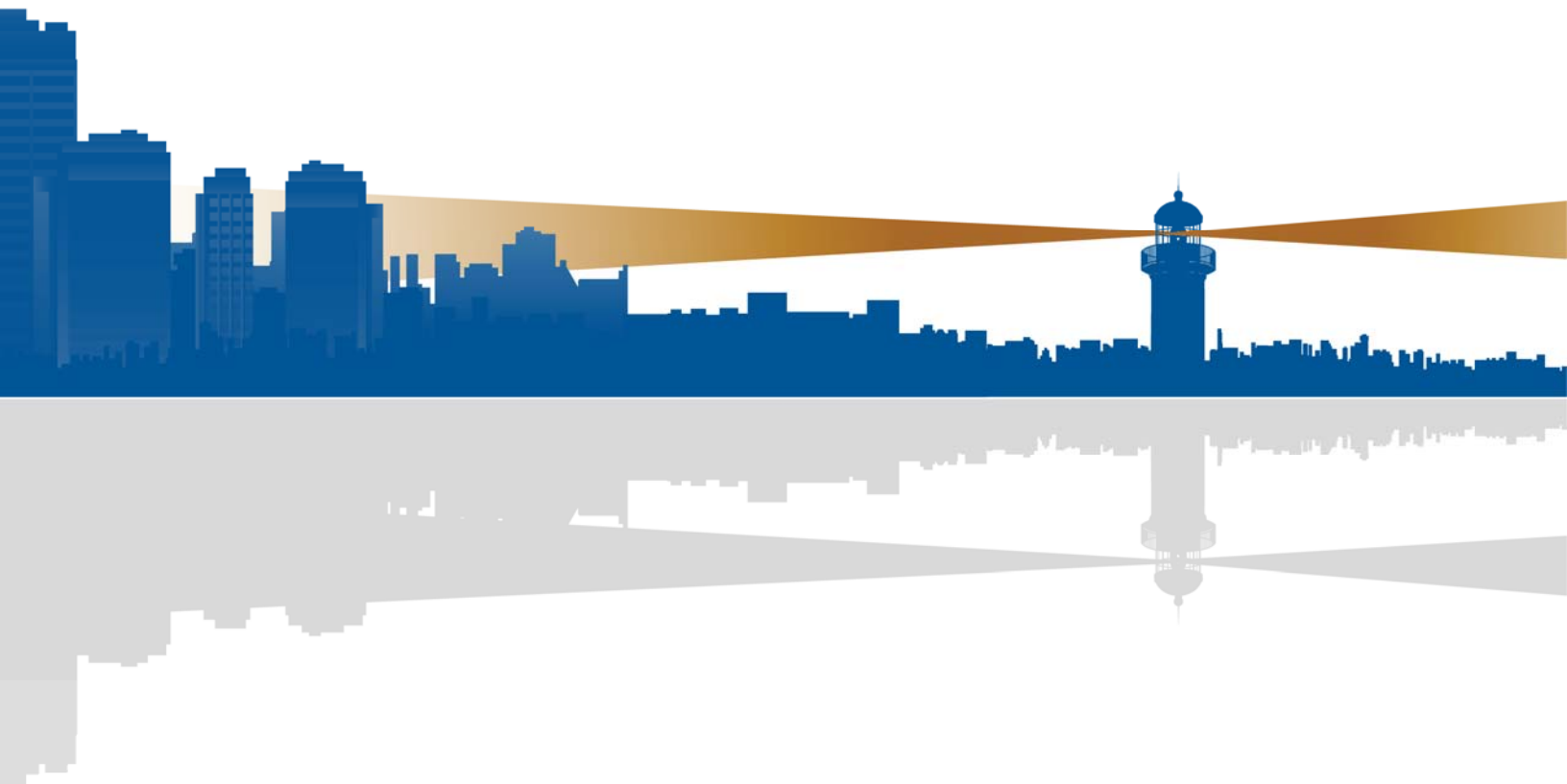


# Navigate the Future <sup>TM</sup>

## "The Clock Is Ticking On Leadership"

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Executive Report on Leadership & Business Strategy



## In Our View ...

Leadership may very well be the second oldest profession in the world, but we still seem to have a dire shortage of good leaders at the very time we need them most. One reason for this is the fact the value of leadership has become seriously diluted by a continuing decline in the level of trust we all have in our organizations. This is true for both private and public organizations, and in their leaders whether elected or appointed.

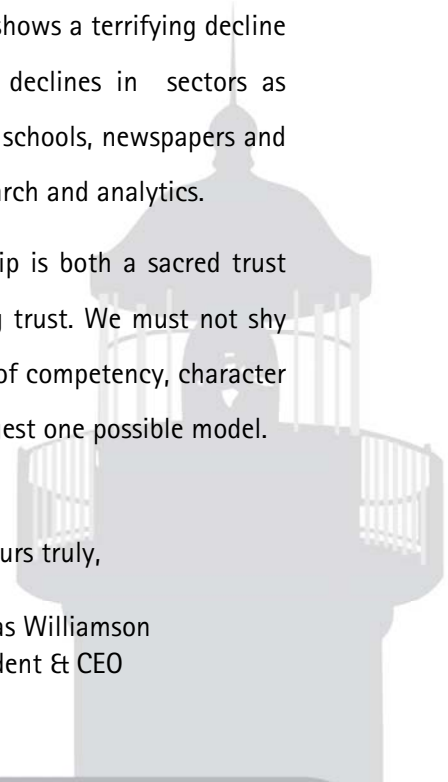
We can cite two sources of evidence for this contention.

- Edelman's Trust Barometer, which shows that only one in five respondents in their 2013 survey believes a business or governmental leader will actually tell the truth when confronted with a difficult issue. Edelman is the world's largest Public Relations firm.
- Gallup's "Confidence in Institutions Study", which shows a terrifying decline in trust from the 1970's, revealing double digit declines in sectors as diverse as the medical system, big business, public schools, newspapers and organized religion. Gallup is a global leader in research and analytics.

This cannot continue, and those of us who believe leadership is both a sacred trust and a privilege must take steps to turn the tide of declining trust. We must not shy away from holding leaders to the highest possible standards of competency, character and capability. In this edition of Navigate the Future we suggest one possible model.

Yours truly,

R. Douglas Williamson  
President & CEO



## Setting The Stage For Leadership ...

Our work provides privileged access to organizations of all types, and their leaders - at all levels. We get to see them "up close and personal" as they navigate through periods of transformation and change. As a result, we see first-hand what they face. While each organization may be quite different, the issues and challenges they encounter are stunningly similar.

The list looks something like this:

- Lack of a full understanding of the organizational objectives
- Lack of clarity on how decisions get made and why they are made
- Gaps in cascading of information from the top to the bottom
- Gaps in accountability for performance at all levels

We firmly believe that while the tone is set from the top, the real impetus for change comes from a powerful combination of customers on the outside and middle management from within. These two "constituencies" are the barometer by which we evaluate whether a senior leadership team has the currency of trust it needs to steward the organization through the choppy waters of change.

Without the full and enthusiastic support of these two groups, leaders simply will not have permission to lead in the way they must to make the changes that ensure continued relevance.

## It is an Issue of Credibility ...

We may be wrong, but it seems to us the essential building block for trust lies in the credibility of those who are asked to be our leaders. It may be simplistic, but without credibility, senior leaders will not have the currency they need to finance the changes. In other words, without a large pool of goodwill in the form of credibility, there will be no support, or at least not enough support, to allow the leader to spend on driving deep organizational transformation.

Simply put – the power to lead is granted by the people in direct proportion to the permission they give the leaders, based on the credibility they have earned.

This definition of leadership turns the thinking of many people on its head, and yet it is exactly the type of change in perspective we need in order to rebuild the lost levels of trust which we are witnessing in far too many places.

It begs the question of how, then, do you build credibility?

The answer is through:

- Transparency – *the worst truth is still better than the best lie*
- Diversity – *of input in order to examine contradictory points of view*
- Empathy – *listening without judgment and connecting on a human level*
- Decision Making – *focusing on the "how" and not just the "what"*



## Define the Meaning of Opportunity ...

The fact is, people prefer to follow causes, rather than leaders. Yet, somehow, in a world infatuated with charisma and the cult of powerful personalities, we have forgotten this very basic rule of how followership is created. It is more than semantics, and it is the foundation on which leadership trust and credibility is formed.

Leaders everywhere would be well advised to return to basics and consider how they can create a cause worth fighting for as a means to engage their people, drive change and elicit the discretionary investment that lies untapped within the souls of their employees.

Inevitably, this means making deliberate choices about:

- What really matters and will make a difference
- What wicked market problems they are trying to solve
- What barriers are getting in the way which need to be demolished
- What the desired end state will look like and why it should matter

To put it simply – leaders must lead from the outside in, and take an honest, objective, external view of the markets they serve, and the customers they covet. They must then shape their ambition as a cause around which their people can engage with passion and purpose.

## Hone Your Perceptual Acuity ...

Leaders are not meant to be the smartest people in the organization, but they are meant to be able to assemble a whole brained team which collectively is brilliant in both how they think and how they execute. All too often, leaders fall short on both accounts.

- They fail to demand the highest levels of strategic thinking acumen
- They fail to demand full, clear accountability for excellence in execution

The end result is mediocrity.

The tonic for breaking out of this vicious cycle of doom and decay is for senior leaders to do a much better job of honing their ability to anticipate the future, or what we like to refer to as the ability to pick up the “faint signals from the periphery”.

This focus on perceptual acuity demands several cognitive aptitudes:

- Spotting the anomalies and/or gaps in the market
- Cutting through complexity to see the core issues with crystal clarity
- Combining multiple variables into a coherent picture of the possible future
- Building scenarios which allow the opportunities to be examined in detail

The basic premise behind improving perceptual acuity is that victory will go not to whoever is the smartest or the richest, but rather to those who can spot opportunities ahead of everyone else and shape the market as a result.



## Decide What Business You Are Really In ...

It may seem like a silly question for a leader to pose, but do you really know what business your organization is in? Perhaps your organizational cataracts are blurring your vision and things are not quite as clear as they were even a few years ago. In case you have not noticed, things have changed, and looking through a new set of lenses may be the smartest thing you can do to ensure continued relevance.

In today's world, the customer is King, Queen and Emperor all in one. They determine what they need and what they want, and they have a rapidly declining tolerance for anyone or anything that does not meet their standards. It may very well be that what they want from you has changed, in ways you do not fully understand or appreciate.

Leaders need to be able to see through the thick walls of complacency, convention and custom, and ask some really tough, probing questions aimed at reframing the very nature of their core business proposition. Questions like the following:

- Where are we truly differentiated from our competitors?
- What unmet needs do our clients not know they actually have?
- How can we sharpen our focus on a fewer number of real distinctions?
- Which parts of our business can we walk away from to free up capacity?

In today's world, a leader must be able to see through to the very essence of what they are offering, they have to focus on what's inside and not get confused by the wrapper.

## Improve Your Judgment & Decisions ...

We all like to think we are better than we really are, it is a natural part of the human condition. In business, however, it can be especially fatal. An organization's value rises or falls on the sum total of all the decisions (big and small) made by all of its people over time. Consequently, it would seem logical that senior leaders pay far more attention to the judgment behind the decisions they and their people make.

But they don't!

In fact, one of the most common symptoms of organizational under performance both we and others see, lies in the realm of the decision making process and the organization's inability to make brilliant decisions quickly, rather than mediocre decisions slowly. This is a disease with a known cure, and all it takes is a leader willing to call it out and do something about it.

Here are just some of the things you can do to get better at making crucial judgments:

- Build a more diverse set of perspectives through which to frame decisions
- Focus on the assumptions which go into the premise behind your view
- Carefully think through the consequences, both intended and otherwise
- Always search for more than one "right" answer

Remember – you are only as good as your last great decision.





## Get the Balance Right ...

It is tough to be a great leader, and it's going to get even tougher, whether we like it or not. The interconnected world of global commerce is changing in so many dramatic ways, even the very best leaders cannot forecast what the future will look like.

So what can we do?

- Should we put more resources into better forecasting?
- Should we collect more data to help prove we are right?
- Should we hold more focus groups to make sure we are on track?

We don't think so!

In our view, the ability to remain relevant does not come from the deep, dark well of more facts and additional empirical evidence, it comes from touch and feel and intuition. This means that leaders need to re-examine how they spend their time and where they choose to focus their attention.

Inevitably, this means:

- Deciding on the "right" short term vs. long term priorities
- Determining the "right" vital few key levers to generate momentum
- Making smart investments in the future potential of the "right" people

## Focus on the Culture & Values ...

Identity matters. Brand matters. Behaviours matter.

Leaders would be well advised to be more determined and resolute in acknowledging the role they must play, and the responsibility they have, in shaping the environment in which their leaders and people are being asked to operate. In a word – the culture!

Too many leaders are allowed to pay lip service to the culture file, and few have the courage, will and character to exercise their authority in an area which should be a principal domain of the most senior leader. You simply cannot outsource the culture file to other executives if you want to fulfill your mandate as the CEO.

Culture is just as much a part of the governance and organizational effectiveness structure as finance, legal, technology, etc., but seldom does it receive the same deep focus and sharp attention the others get.

We know the reasons why!

- It is elusive to codify
- It is hard to quantify and measure
- It is messy and full of people problems

Beware the devil you do not understand, it may eat you alive!



## Steps to Take :: Actions to Consider

Ignorance is not an excuse at the best of times, and in today's world of readily accessible information, it is simply not acceptable for any leader to remain uninformed, ill-informed or misinformed about the environment in which they operate.

The secrets of great leadership and high performance are not locked in a vault, accessible only to those with a special key. In fact, there are no mysteries yet to be unveiled when it comes to excellence in leadership and the nature of superior performance.

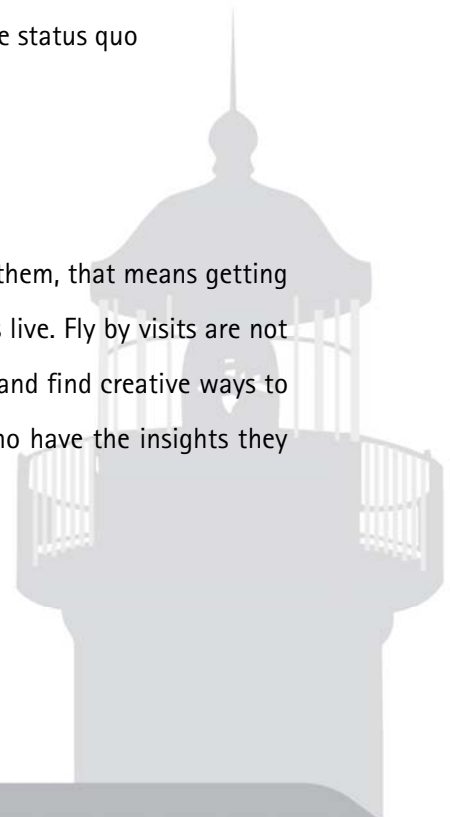
The challenge lies not in the availability of answers, but rather in the:

- Deficits of candour, courage and ambition
- Lack of willingness to ask the tough, insightful questions
- Fear of doing the hard work necessary to make things better
- Resistance to change, bred out of comfort with the status quo

Here are some things to consider acting on ...

### Get Outside

Leaders need to get out of their comfort zone and, for most of them, that means getting to the "coal face" where the real people and the real customers live. Fly by visits are not the answer. The leader of the future has to be willing to dig in and find creative ways to really interact with the people on the front line, the people who have the insights they need to drive the changes they want.



## Shake it Up

Boredom is a habit that is acquired by those who expect others to do things for them. There is no shortage of work to be done, challenges to face, problems to solve and ideas to be explored. The great leaders we know of are restless by nature and dissatisfied by temperament. There is no time like the present for the senior leader to take on the role of the Chief Agitator, or the Chief Rabble Rouser or the Chief Chaos Creator.

## Don't Be Afraid of the Truth

Leaders can hide for a short time, but they cannot hide forever. The truth is liberating, if you have confidence in your ability to stare it in the face. Too many leaders allow themselves to live with the knowledge there is a gap between what they hear and what they feel. The great leaders are never afraid of knowing where they stand, because they know that moving forward is inevitable, no matter how inconvenient.

## Connect in Real Time

We live in a fast paced digital world, and yet too many leaders still rely on their analog channels to connect them to the real world. Leaders need to get with the times and adopt practices that shorten the time period between messages sent and messages received. Throw out your transistor radio and get with the times!

## Make a Difference

The value of leaders comes not from what they manage, but how they lead. Every leader needs to be guided and fueled by a deep inner passion about something (anything). Vanilla leadership is not what today's more challenging environment demands, so get out there and find something meaningful to do.





## The Beacon Group is ...

The Beacon Group is a Canadian-based professional services firm supporting clients throughout North America and around the world. We work with organizations in all sectors and industries in the development of their business strategies and in leveraging their investment in human capital. Our full line of service offerings ensures we are not only able to help leaders understand the strengths, weaknesses and opportunities of their organization, but also develop and deliver programs that address their key areas of concern.



## Our Core Values

In all aspects of our client relationships we commit to being:

**Progressive** - Forward thinking | Pragmatically radical

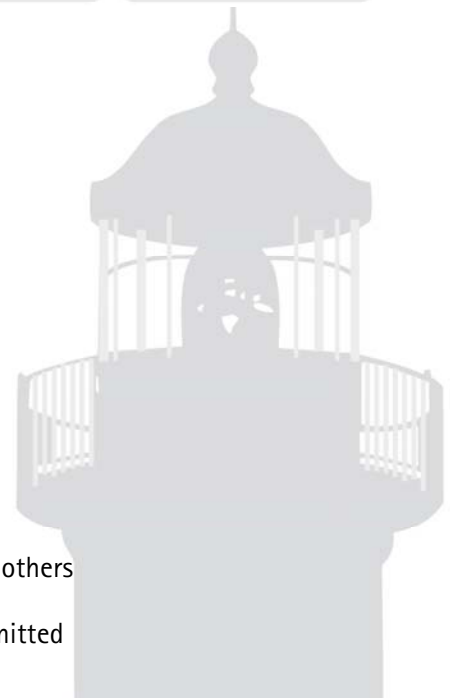
**Thought Leaders** - Innovative | Audacious


**Responsive** - Fast acting | In touch

**Agile** - Enthusiastic | Nimble

**Passionate** - Loving what we do | Creating passion in others

**Customer Driven** - Dedicated, involved | Totally committed





The Beacon Group is represented by a diverse group of talented individuals who come from a wide variety of professional backgrounds. This breadth of knowledge and experience is what we believe sets us apart.

Our essential goal is to assist senior leadership teams in their efforts to:

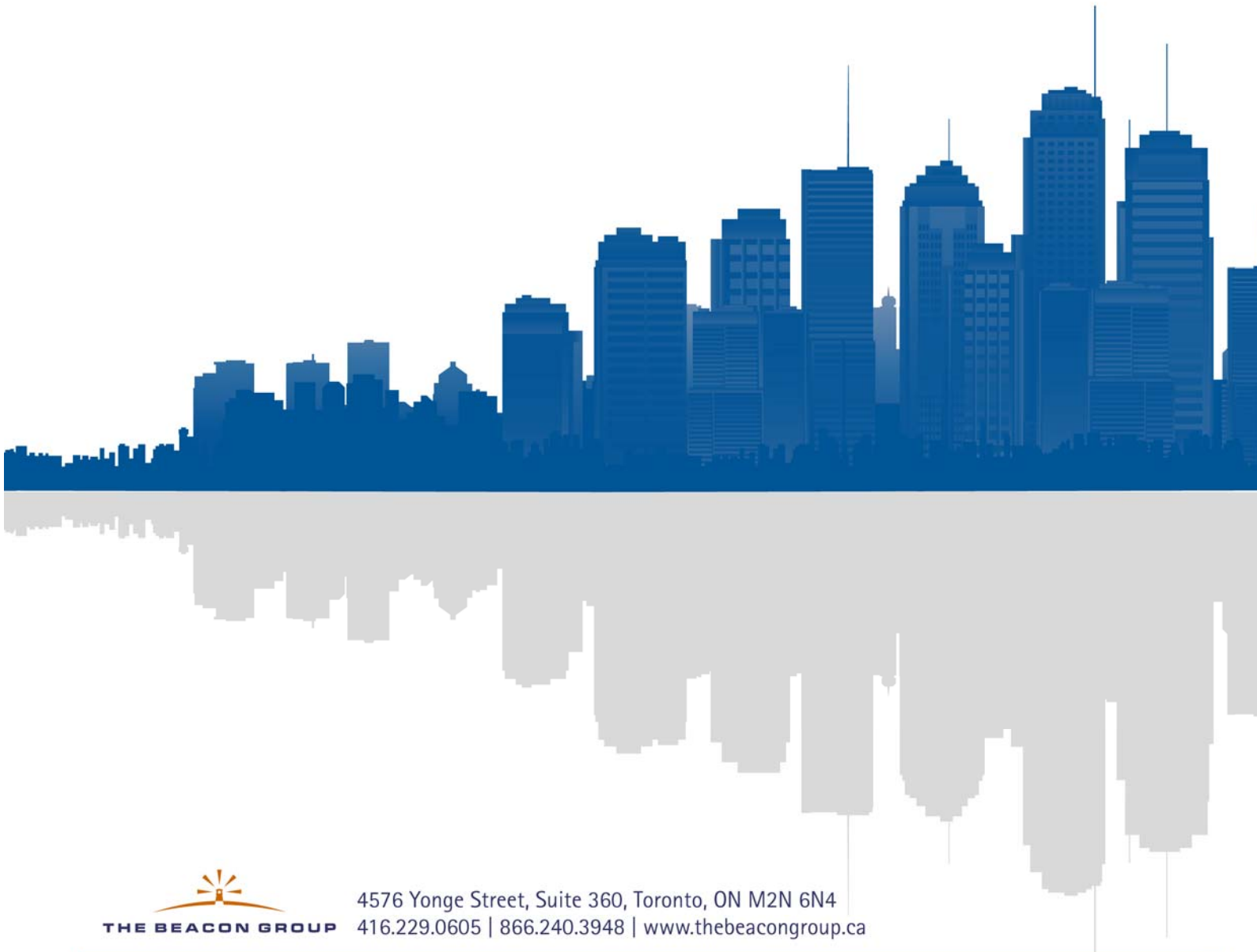
- **Optimize** – their strategic positioning and market opportunities.
- **Maximize** – long-term organizational health and effectiveness.
- **Develop** – overall leadership competency and fitness.
- **Create** – sustainable levels of superior performance.

We do this by partnering closely with our clients to ensure their strategic business objectives are fully and adequately aligned with the capacity and capability of their people.

Our ultimate aim is to ensure leaders, at all levels within an organization, are better able to understand the world in which they live, better able to make sense of the conditions they face and better equipped to deal with challenges as they arise. As a result, we ensure they are better able to influence their future and realize their potential.



Strategy | Culture | Talent | Leadership



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