
Unlocking strategic minds

- Kevin Morris

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The quest for leadership depth and strategic thinking has intensified in modern business. How can we help functional managers to think (and act) like senior executives, and are our organizations providing them with the appropriate cues for development?



FILIPE TOHI, *Manulele (Running Bird)*

It's a question that New Zealand organizations regularly confront us with: "How do we get our high-potential and proven leaders ready for a place on our executive team?" It's clear that many CEOs are anxious about growing the capacity of their functional leaders and changing their perspectives. This is certainly not a new or local issue, but the desire for leadership depth has intensified in parallel with increasing complexity, and is compounded by the imperative for speed and constant innovation. Building and retaining human capital provides the basis for today's imperative: strategic agility. Perhaps this talent issue is pronounced by our limited population and the domination of small businesses, but there are clearly challenges in realizing the potential of many individuals who are seen as potential successors for senior roles in our larger organizations.

Since I returned to New Zealand four years ago, I have been privileged to see how many organizations are dealing with these tensions and patterns. Even over this short period of time, there has been a much stronger commitment in our organizations toward establishing a culture of people development. In times past this may have only occurred on back of a strong economy, but the nature of business has changed and the notion of continuous learning has become recognized as a central ingredient of success. The embedding and contextualizing of people development is still often inadequate, but the trends toward learning are meaningful and they track closely behind what has been a global trend in this area.

The challenge, however, seems to be changing perspectives at the top end of the spectrum. In terms of the transition to senior management, what are the key attributes that provide executives with the confidence that a person is ready for such a demanding leap? The purpose of this article is to explore issues related to some of the core skills of the modern executive, and to discuss the development of high potential leaders.

Firstly, let us identify the managers in question. Let us assume they are currently aged between 35 and 50. They have experienced work life on both sides of the internet boom, and they've seen drastic changes in business models and work modes. As such, they should be equipped for any further seismic change (indeed, they are already facing equally great challenges in managing companies increasingly filled with Generation Y employees). These succession candidates have built strong careers, and their strong technical expertise and capacity for tireless action is a given. They might currently report directly to members of the executive team, and their challenge for the next decade is to sustain their motivation, to elevate their mind and to expand their leadership capacity. They're currently busy, dealing with big portfolios, and coping with all the challenges of staff management.

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Despite the obvious success in their careers, there are some questions for organizations to consider: How can we generate their capacity for executive-level thinking and positively influence their development? To what extent can we accelerate their development process? How can we provide them with cues that motivate and inspire them to grow? Below I will summarize what local senior executives say they're looking for in experienced managers, and what I will call an "executive mindset"—the attributes and perspectives that separate individuals from the pack.

1. The Lateral Integrator

The development of strategic thinking skills has been researched exhaustively, partly because as individuals progress their career by deepening their expertise within a functional area, there is also an increasing danger that an appreciation for the total organization stagnates—and the transition to senior management eventually becomes a wide river to cross. Given the resources constraints already facing New Zealand companies relative to our global competitors, it's critical we don't allow this phenomenon to further constrain our potential. What we need are

executives who are able to squeeze more juice out of a smaller orange. It's not just a matter of knowing how the model works and how the pieces of the organization fit together. Modern executives have strong instincts for integrating assets from across

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They model and promote cross-functional thinking, and constantly work with limited information to manage risks and make decisions. They work hard to understand the organization and its industry, and how to tackle strategic issues. While technical expertise is critical, it is holistic thinking about the organization that a CEO sees as a fundamental ingredient for the executive table.

2. The Inventive Influencer

Perhaps nothing resonates more strongly with chief executives than a manager who has the capacity to think and act in an innovative and entrepreneurial mode. Academically, this idea has been captured by many thinkers—especially over the past 15 years as changing business models and constant change have been a dominating theme of business. A contemporary version of the theory from the past decade is "Dynamic Capabilities", whose father or architect is David Teece, the California-based New Zealander. In referring to a genre and style of managers in organizations of all sizes, he captures the concept by stating that "entrepreneurial management has little to do with analysing and optimising. It is more about sensing and seizing—figuring out the next big opportunity and how to address it". The nature of today's business requires constant renewal ("continuous reconfiguration"

as Teece calls it) and only the ability to reevaluate and adjust will provide sustainability and survival. Clearly this idea implies greater autonomy for the manager, but perhaps with greater accountability.

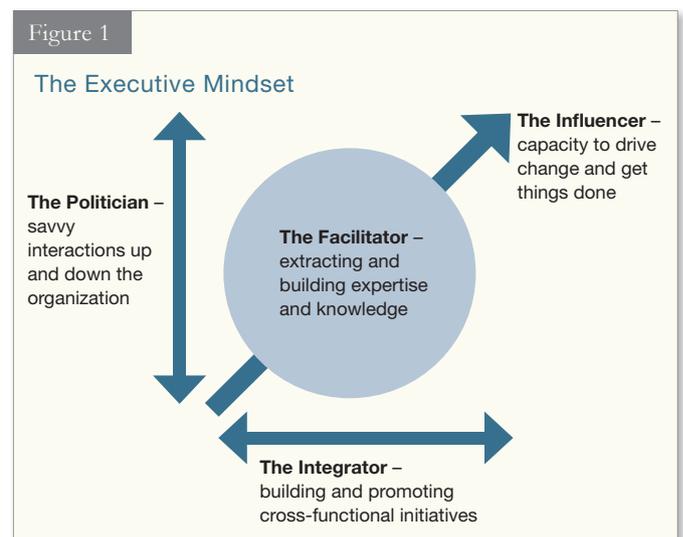
The executive mindset involves growing strategic ideas and constantly challenging the status quo. CEOs want team members who bring fresh thinking to the meeting table, and people who can sift through the complexity of their functional roles to produce profound ideas for the wider organization. To achieve this, executives have to find the time and space to imagine, to develop ideas and to generate an outpouring of support.

3. The Unflappable Politician

Ill-informed political moves inside the organization are guaranteed to be career limiting for the executive candidate. It's likely that high potential managers understand political dynamics, given they have already navigated their way through significant office politics on their way up the organization. However, as the complexity rises and the stakes get higher, the manager requires increasing political competence to sustain respect and work effectively at the highest level.

A CEO wants a person who understands power dynamics and uses influence to get things done. As much as a company wants diverse viewpoints around the executive table, a CEO is unlikely to risk their reputation if there are questions about a person's compatibility or astuteness for top roles. They have to believe from the outset that a person is capable of growing into and thriving in the executive context.

Having said that, the saving grace for any questionable candidate may be that senior executives typically believe managers can learn executive norms and standards of behaviour. They appreciate how much they have learnt themselves from an executive context, and with good support and advice a manager can develop good judgment for the top level—but it may take considerable time.



4. The Reflective Facilitator

The ability to encourage analysis and reflection across the organization is a critical building block that needs constant development and refinement. With today’s complexity and the demands for innovation, there is a fundamental need for strong teams and a collaborative workplace. Today’s leaders work hard to extract and embrace the perspectives of teams and colleagues, and they integrate ideas to build best-fit solutions. These kinds of skills play strongly to some personality types, and require a level of maturity that promotes a culture of openness, listening and inclusive thinking. This aspect of the executive mindset has been widely reinforced for many years, and popularized in part by the publishing phenomenon of the past decade, *Good to Great*, which stresses the importance of humility in leadership roles. The headstrong and overconfident manager in today’s context is worrying for a CEO, as

valuable expertise and insight lies in all corners of the organization. The executive needs strong internal relationships to ensure all ideas are shared and captured, and value from intellectual capital isn’t lost in the system.

These four attributes are aggregated in Figure 1 on previous page.

The environment for development

Is the typical workplace conducive to developing these dimensions of an executive mindset? Many environmental factors will determine how individuals grow at work: the compatibility and quality of peers and staff; the quality of feedback and encouragement; accountability and the structure of the organization; and the overall leadership and culture of the company. The power of informal networks, mentoring and external influences cannot be overstated for experienced managers.

Figure 2

Rubric for the six facets of understanding

EXPLANATION	INTERPRETATION	APPLICATION
Sophisticated: an unusually thorough, elegant, and inventive account (model, theory or explanation); fully supported, verified, and justified; deep and broad; goes well beyond the information given.	Profound: a powerful and illuminating interpretation and analysis of the importance/meaning/significance; tells a rich and insightful story; provides a rich history or context; sees deeply and incisively any ironies in diverse interpretations	Masterful: fluent, flexible, and efficient; able to use knowledge and skill and adjust understandings well in novel, diverse, and difficult contexts
In-depth: an atypical and revealing account, going beyond what is obvious or what was explicitly taught; makes subtle connections; well supported by argument and evidence; novel thinking displayed.	Revealing: a nuanced interpretation and analysis of the importance/meaning/significance; tells an insightful story; provides a telling history or context; sees subtle differences, levels, and ironies in diverse interpretations	Skilled: competent in using knowledge and skill and adapting understandings in a variety of appropriate and demanding contexts
Developed: an account that reflects some in-depth and personalised ideas; the student is making the work her own, going beyond the given – there is supported theory here, but insufficient or inadequate evidence and argument	Perceptive: a helpful interpretation or analysis of the importance/meaning/significance; tells a clear and instructive story; provides a useful history or context; sees different levels of interpretation	Able: able to perform well with knowledge and skill in a few key contexts, with a limited repertoire, flexibility, or adaptability to diverse contexts
Intuitive: an incomplete account but with apt and insightful ideas; extends and deepens some of what was learned; some “reading between the lines”; account has limited support/argument/data or sweeping generalisations. There is a theory, but one with limited testing and evidence.	Interpreted: a plausible interpretation or analysis of the importance/meaning/significance; makes sense of a story; provides a history or context	Apprentice: relies on a limited repertoire of routines; able to perform well in familiar or simple contexts, with perhaps some needed coaching; limited use of personal judgement and responsiveness to specifics of feedback/situation
Naïve: a superficial account; more descriptive than analytical or creative; a fragmentary or sketchy account of facts/ideas or glib generalizations; a black-and-white account; less a theory than an unexamined hunch or borrowed idea	Literal: a simplistic or superficial reading; mechanical translation; a decoding with little or no interpretation; no sense of wider importance or significance; a restatement of what was taught or read	Novice: can perform only with coaching or relies on highly scripted, singular “plug-in” (algorithmic and mechanical) skills, procedures, or approaches

Source: Wiggins, G. and McTighe, J. (1998) *Understanding by Design*.

In terms of providing structured development opportunities within the workplace, however, it's clear that exposing managers to strategic projects and high-level initiatives beyond their current roles is a powerful experience. To adopt an executive mindset, the individual has to develop an appreciation for the issues from the CEO's perspective. The caveat here is providing the appropriate support for an individual throughout the process, along with the space to explore conceptual ideas in context. Ideally working in small and cross-functional groups, the power of "learning by doing" provides the best opportunity to see how individuals respond to complex and broader issues. However, unless senior management are committed to the experiential learning process by providing support and adopting mentoring-like roles, it's extremely difficult to sustain the interest of participants.

Beyond learning initiatives, the use of formal feedback instruments like peer-assessment surveys and 360-degree feedback has increased dramatically over the past twenty years. These tools clearly have their place and the feedback is well received when they are used positively—but they are simply designed to provide a snapshot of external perceptions about a person's capabilities. The challenge with any form of feedback is that regardless of what is stated, there is always the danger of what the recipient hears or how he or she translates those messages.

Feedback generally provides commentary about specific skills and competencies, but doesn't necessarily reach into the next layer—the understanding and the "why". Consequently, we fail to paint a graspable picture of the deeper issues in executive performance. What's needed is a framework to explore the underlying issues and a simplified lens for an individual to analyze all experiences

PERSPECTIVE	EMPATHY	SELF-KNOWLEDGE
Insightful: a penetrating and novel viewpoint; effectively critiques and encompasses other plausible perspectives; takes a long and dispassionate, critical view of the issues involved	Mature: disposed and able to see and feel what others see and feel; unusually open and willing to seek out the odd, alien or different	Wise: deeply aware of the boundaries of one's own and others' understanding; able to recognize his prejudices and projections; has integrity--able to act on what one understands
Thorough: a revealing and coordinated critical view; makes own view more plausible by considering the plausibility of other perspectives; makes apt criticisms, discriminations, and qualifications	Sensitive: disposed to see and feel what others see and feel; open to the unfamiliar or different	Circumspect: aware of one's ignorance and that of others; aware of one's prejudices; knows the strengths and limits of one's understanding
Considered: a reasonably critical and comprehensive look at all points of view in the context of one's own; makes clear that there is plausibility to other points of view	Aware: knows and feels that others see and feel differently; somewhat able to empathize with others; has difficulty making sense of odd or alien views	Thoughtful: generally aware of what is not understood; aware of how prejudice and projection can occur without awareness and shape one's views
Aware: knows of different points of view and somewhat able to place own view in perspective, but weakness in considering worth of each perspective or critiquing each perspective, especially one's own; uncritical about tacit assumptions	Developing: has some capacity and discipline to walk in another's shoes", but is still primarily limited to one's own reactions and attitudes; puzzled or put off by different feelings or attitudes	Unreflective: generally unaware of one's specific ignorance; generally unaware of how subjective prejudgements colour understandings
Uncritical: unaware of differing points of view; prone to overlook or ignore other perspectives; has difficulty imagining other ways of seeing things; prone to egocentric argument and personal criticisms	Egocentric: has little or no empathy beyond intellectual awareness of others; sees things through own ideas and feelings; ignores or is threatened or puzzled by different feelings, attitudes or views	Innocent: completely unaware of the bounds of one's understanding and of the role of projection and prejudice in opinions and attempts to understand

with consistency. Much like a values-based filter (“how does this fall into line with my values?”), managers need a learning filter for constant deliberation (i.e. “how does this experience reflect or build my executive capabilities?”)

Shaping the Executive Mindset

In terms of organizations providing a focus for an individual’s growth, personal development plans (PDPs) have increased in popularity—though in many organizations they may simply feel like another bureaucratic process deployed by the HR department. They typically sit on the fringes of the organizational culture, and are insufficiently used by managers. Of the templates and examples I have seen, I’m just not convinced they generate the ideal kind of guidance, insight and support for experienced managers. I have looked for ideas or frameworks that provide a way to aggregate yet simplify the conceptual, developmental ideas for executive thinking. Development cannot simply be about reviewing the past year and setting a few new goals for the year ahead. Experienced managers need broader, thematic ideas that support their growth over years or decades.

To achieve this, I sense that the language and feel of executive development needs to return to some very fundamental ideas around wisdom and learning. What better place to find those ideas than the grassroots of childhood education? Simply as an example, one of the most powerful and practical frameworks I have found is an uncomplicated table designed by two U.S.-based school teachers. Grant Wiggins and Jay McTighe became frustrated with teaching and assessment methods in high schools. They developed their own views about learning patterns and assessment methods, and the factors that led to true student understanding and insight. They subsequently produced an approach to curriculum design. Their book, entitled *Understanding by Design* (1998) contains a table called “Rubric for the Six Facets of Understanding” (see Figure 2 on previous page).

The authors are quick to point out that there is no validity or science behind their logic, but they simply used their collective experience and expertise as educators to build an analytic structure that makes “assessing for subject-matter mastery more manageable”. I agree entirely with the ease and manageability of the diagram. Ironically, it was designed as a feedback instrument for school-level writing assignments, but I have found it can be adapted easily and used to formulate a forward-looking development plan that is not based on specific competencies, but broader ideas around executive capacity. It seems to be a very accessible tool that can allow one to focus positively on opportunities and challenges in the future.

In my view, their grid works well as a prompt for understanding the demands and mental challenges of executive life (taking liberties given the specific focus of the table on writing skills). Its power is in condensing capacities into a six-sided summary (Explanation,

Interpretation, Application, Perspective, Empathy, Self-Knowledge—see author definitions below) of what the authors call “mature understanding”—an expression that points to the considered perspective that executives require to face the complexity of their roles.

Here are the authors’ definitions of the facets of understanding:

Explanation: sophisticated and apt explanations and theories, which provide knowledgeable accounts of events, actions and ideas

Interpretation: interpretations, narratives and translations that provide meaning

Application: ability to use knowledge effectively in new situations and diverse contexts

Perspective: critical and insightful points of view

Empathy: the ability to get inside another person’s feelings or worldview

Self-Knowledge: the wisdom to know one’s ignorance and how one’s patterns of thought and action inform as well as prejudice understanding

The grid presents an important link between levels of thinking and their associated behaviours. The vertical columns allow the individual to self-assess his or her levels of thinking, and to identify aspirations across each area. The markers for understanding and performance are established across the top row: Sophisticated, Profound, Masterful, Insightful, Mature, and Wise. This helps establish the tone for what executive work feels like, and creates a sense of a long-term developmental journey toward those goals.

The key is that it enables self-reflection or conversations in a constructive mode. I have found this particularly useful in terms of people self-identifying and thinking about future tasks, projects and challenges in the short-term where they would hope to display or develop each of these qualities or skills. The process also allows a person to reflect on the depth and breadth of proficiency required to exert influence and success. With a conceptual framework as a backdrop, a person learns to identify with the specified aptitudes and how they are displayed by their colleagues and superiors. Clearly there are no shortcuts in the development of managers, but whenever themes for learning and markers for behaviour can be reinforced, managers are establishing important signals to inform their journey.

It seems to me that organizations don’t need to adopt specific ideals around executive behavior, but it certainly helps if they can offer consistent messages to managers. It takes courage for an executive team to convey behavioural goals for which they are supposed to be exemplars, but perhaps this leads us to a central issue in executive development: Unless the executive team are visibly committed to people development (including their own) and are investing time with their potential successors, it’s incredibly difficult for an aspiring manager to comprehend the dynamics and demands of executive-level thinking. ■