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FACT SHEET #6

Are your leaders doing the right things to impact positively on the business?

THE ROLE OF LEADER IN ORGANISATIONS HAS BECOME MORE COMPLEX AND DEMANDING IN THE GLOBALLY DRIVEN FAST CHANGING BUSINESS ENVIRONMENT.

By Suzy Roden

When the business environment was much more stable, leaders' focus was more on management, maintaining the status quo, and being as efficient as possible. The leader role also changes significantly as businesses move from being small and centred around the entrepreneur, to a fast-growth organisation where it is impossible for the entrepreneur to control and do everything. It can be difficult for entrepreneurs to let go of doing virtually everything and stepping up to take a more strategic role when they have been so passionately attached to the business of their original making.

Leadership, particularly at the executive level, has a huge impact on whether the organisation is going forward or not. A new report called *Transforming Leadership and Culture* found that 57% of the 4,035 senior executives involved have a negative impact on their people. The report also found over a quarter (26%) of managers take a highly conventional approach to leadership – encouraging staff to fit to the “mould” and follow rules, policies and standard procedures, even at the cost of new ideas and innovation.

Many leaders have good intentions, but their execution of leadership often falls well short. So you can have talented people working very hard to make things work, but if people aren't enjoying themselves then productivity drops and the business stops going forward. Productivity is the main driver of organisational performance and one of the best ways to increase productivity is through commitment and passion for the organisation.

SO WHAT IS THE CURRENT ROLE OF LEADERSHIP? AND WHAT DOES IT TAKE?

Put simply, it is to create the context in order to access the talents of others to build and run a business. The resulting outcome of high level leadership is high levels of enhanced shareholder value.

The very best leaders are highly evolved. They are **self-aware** and are able to recognise where their strengths are and when it is best to find people to support them. They are highly aware of the effects of their behaviour on others, can relate well with a wide variety of people and are brilliant networkers. They create an environment that maximises productivity. Thus, they access top talent and gain excellent performance from that talent.

Top leaders know what their **priorities** are, where their focus needs to be and are motivated to achieve. They have the ability to **think systemically**; thus, they deal with complexity, ambiguity and paradox easily, with a result of strong strategic alertness and competence. And they are able to **communicate** their strategic thinking in a way that entuses and enables people to execute it to a high level.

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Many business owners and senior executives I work with initially believe that their sole focus needs to be around task and getting things done. This focus certainly is important, but tasks and activities do not happen in a vacuum. Human beings are involved and that is one of the major factors that creates the complexity of leadership. Leaders need to be architects of the culture because this is largely the environment that that enables or disables thinking, productivity and performance.

What impact are you having on your organisation's performance?