

The role of BUSINESS THINKING in leadership

An unwillingness to engage in deep business thinking can have a negative effect on the organisation

THE PROBLEM

Martin Luther King once wrote:

Rarely do we find men who willingly engage in hard, solid thinking. There is an almost universal quest for easy answers and half-baked solutions. Nothing pains some people more than having to think.

Some 50 years after Martin Luther King made his statement, nothing much has changed.

We often come into contact with managers and leaders who prefer to rely on obvious solutions or past experience as a platform for business thinking and decision-making, rather than undertaking deeper, more insightful thinking exercises.

Often a manager's lack of desire to or incapacity to engage in deep, hard thinking – to in effect change the way they think – significantly limits their ability to function in our complex business world of 2013. This becomes a real constraint to their effectiveness and capacity to deal with the dynamic and changing business environment.

A leader's behaviours

A leader's business thinking

A leader's business perspective

Leaders' and managers' business thinking must be challenged, and their capacity to undertake 'hard, solid thinking' developed as a platform for achieving high-impact business leadership and decision-making as well as changing and enhancing people leadership behaviours.

THE LINK WITH LEADERSHIP

Field Marshal Sir Gerald Templer was a British military commander who fought in both World Wars. He was the youngest ever field marshal and is best known for his defeat of the guerrilla rebels in Malaya between 1952 and 1954.

Templer, despite coming from the command and control environment of the military and an era that predates many of our modern leadership theories, saw the leadership imperative as:

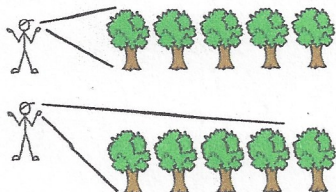
- Get the priorities right
- Get the instructions right
- Get the organisation right
- Get the right people into the organisation
- Get the right spirit into the people
- Leave them to get on with it

This formula for leadership resonates because of its simplicity, but also because of its balance between seeing the future, planning to achieve it, and engaging others to deliver on it.

Templer's leadership imperative, which covers both business leadership and people leadership, can also be looked at as 'the what', 'the why' and 'the

how'. The effectiveness of the what and the why are directly linked to a leader's business-thinking capabilities.

The what can be separated into two distinct parts. The what requires having an appropriate breadth and depth of perspective of the business and the world it operates in, and then having the business-thinking tools to leverage this perspective.



Having business-thinking tools means having the analytical skills to handle the sheer amounts of data presented to us, and being able to absorb and make sense of the ever-increasing complexities of our world – what used to be one tree is now a forest! Having business-thinking tools, and ultimately the what, means being able to make objective, often non-experiential decisions that are rational and justifiable as well as those bold and innovative decisions that define the future.

The why involves the rationality of the what, given all of the inputs to the business-thinking and decision-making process. Also, and most critically for leaders, the why means being able to communicate a coherent and cogent view of the world that informs stakeholders, shares with them a vision of what could be, and creates a sense of ownership and urgency.

The how involves engaging and leading others in the fulfilment of the vision for the future. If the what and the why won't achieve what really needs to be done, it does not matter how engaging and charismatic a leader is or how effective their people leadership skills are!

We applaud the amount of work being done in organisations to assist leaders in engaging their staff in the way ahead – in the how – but we also consider that more can be done to help leaders have the capacity and desire to undertake the hard, solid thinking required to deal with the challenges of the world we live in.

We suggest that organisations need to arm leaders so that they can:

- investigate and understand the competitive external market
- understand and articulate key organisational drivers
- describe the drivers of business success for their area of responsibility and for the broader organisation
- build a vision of what the future could look like, and the steps to achieving this
- build commercial and financial acumen – hard business-thinking skills
- develop strong, non-experiential decision-making tools using appropriate systems and linear and non-linear thinking techniques
- make bold and innovative decisions
- communicate the vision, the rationale and the way forward (the what, the why and the how) in a compelling way that drives rational engagement and lays a platform for people leadership that also drives emotional engagement and buy-in

Ultimately, these tools are needed to help leaders and managers deliver high-performing teams and businesses each and every day through refined business acumen, financial acumen and decision-making tools, and by coaching their teams on business-focused behaviours.

We believe, and our clients confirm, that placing a major emphasis on business thinking and having the appropriate business perspective does facilitate leaders in driving high levels of performance and achievement of business goals across all areas.

A WORD OF WARNING

We have concentrated on the capacity to undertake deep and solid business thinking; however, this presumes the desire to undertake robust thinking and then the organisational capacity to embrace it.

We believe that if you desire to change your business culture and ways of thinking and working, you need to overcome the inertia King wrote about and work on the system of beliefs, values and behaviours of your leaders.

Importantly, you must ensure that the organisational system is sufficiently understood and 'disrupted' to allow for the new ways of working to take hold rather than eventually be submerged and drowned beneath existing cultural paradigms and traditional ways of thinking. **HRD**

About the author

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