

Chapter 12 – Strategic Leadership

Introduction

Without effective leadership at the top of the organisation, the individual employees are less likely to be empowered and therefore less likely to develop their own leadership skills. There are many challenges a leader faces while creating an organisation in which people continually learn. An organisation that aspires for high growth and globalisation of vision, there are always complexities and uncertainties, it is always the great leadership that mitigates these risks and plays a critical role in directing the strategic change management process and guide the organisation into the future.

Key differences between leadership and management

Leadership provides the vision and management controls the organisation. The key responsibilities of management are-

- Coping with organisational complexity
- Planning and budgeting
- Operational control
- Implementing strategy
- Staffing and resourcing
- Controlling and problem solving
- Efficient and effectively operations

The key responsibilities for leadership are-

- Creating vision and setting a direction
- Formulation the strategy
- Communicating with stakeholders to align them to the set vision
- Dealing with change
- Motivating and inspiring actions
- Recognising and rewarding people

Leader influences the attention of the employees, helping them to stay there attention focussed on the goals and inspiring them to create actions to achieve the goals

Role of Leader in a learning organisation

- **Leader as a designer** – designing the strategy, structure and core values of the organisation

- **Leader as a teacher** – creating awareness for effective strategy execution
- **Leader as a steward**- leader assumes role of stewardship for all the people in the organisation

Leadership skills for effective strategy implementation

- Building a shared vision
- Overcoming challenges
- Creating mental models
- Systemic thinking
- Effective decision making
- Managing change
- Coaching for engaging and developing others
- Unlocking leadership potential in others
- Performance management
- Motivating through vision and culture

Role of Emotional intelligence in strategic leadership

Emotional skills are more important for the success relatively to intelligent question. The five major components of emotional intelligence are –

- **Self awareness**- ability to recognize and understand personal moods and emotions and drives
- **Self regulation** – ability to control and redirect disruptive impulses and moods
- **Internal motivation** – passion exhibited by an employee to work for internal reasons beyond money
- **Empathy** – ability to understand the emotional make-up of other people and is the skill in treating people
- **Social skills** – proficiency in managing relationships and building networks and an ability to find common ground and build rapport

Leadership vision and values

The core values of an organisation generally do not change drastically over time, but facilitate the actualisation of its vision.

Leadership and culture

A company's leadership culture is a distinct and powerful part of its organisational culture. Leadership culture is the system often unspoken norms and assumptions that guide how managers take leadership or fail to take leadership.

Levels of agility in leadership culture

- **Expert leadership** – managers operate within silos with little emphasis on cross functional teamwork
- **Achiever leadership** – managers articulate strategic objectives and make sure they have the right people and processes in place
- **Catalyst leadership** – animated by compelling vision that includes high levels of participation, empowerment and teamwork

Leading strategic change

- Each organisation has formed as communities of people with multi-cultural diversity and brings in different characteristics
- For any idea to succeed, it must align with one of the four different types of cultures
- Best practice in any leadership is to take a system based approach that emphasizes alignment between different parts of the organisation rather than taking piecemeal approach
- The alignment of new ideas with strategy enables the change process and creates stakeholders value for the organisation

Impact of chaos in leadership

Leading transformation requires more advanced people and process skills. Transformation always impacts people significantly, requiring shift of mindset, behaviour, culture to implement the new direction.