

Leaders of the Future

by Peter Arthur-Smith, Leadership Solutions, Inc.®

“The significant problems that we have cannot be solved by the same level of thinking which created them. We have to learn to see the world anew.” Albert Einstein

“American organizations are over-managed and under-led,” Warren Bennis in book, ‘Why Leaders Can’t Lead’ (Jossey Bass).

In our recessionary and turbulent times, there’s one thing workplace people and society at large are looking for: *leadership*. Unfortunately, the one thing both groups feel is lacking is *leadership*. Most people are willing to ‘go to the wall’ and beyond, to overcome our current woes, but, to step-up, they yearn *leadership*.

Even so, they don’t yearn traditional leadership; they yearn a fresh brand of leadership. A brand that we will call Level 3 leadership: which focuses on people and effectiveness thinking (*effectiveness brings breakthroughs*). Such a brand is contrary to our current traditional Level 2 leadership, which is heavily intertwined with management (*management focuses on systems and efficiency*). Of course, we do need both management and leadership, but with the right balance.

With these definitions in our pocket, we can portray a clearer picture of the fresh leadership brand people so much desire. Coupled with this picture, we can also gain a pretty good glimpse of what future leaders (Level 3 leaders) will be doing. (Note: Jim Collins, in his book “Good to Great,” wrote about Level 5 leadership. It is envisaged Level 3 will be more than enough right now, where Level 1 is what society experienced as it entered the industrial age.)

Future leaders (Level 3 leaders) will place a high emphasis on orchestrating an extraordinary experience for all their stakeholders (customers, suppliers, alliances, staff, managers-leaders at every level; as well as owners/shareholders). Focus like this will reinforce their “people thinking” mode. Those few companies that adhere to this principle today (and they are definitely in the minority), consistently experience strong returns-on-their-investment and above average growth: so they must be doing something right.

By contrast, Level 2 manager-leaders focus on how much money they can make for owners and shareholders and view all other stakeholders as somewhat secondary. They are much more interested in squeezing the bottom-line and having systems that channel money to them as fast as possible. This is why many companies have brilliant billing systems, but their customer service quite frankly leaves much to be desired. Such behavior dulls the motivation and commitment of their perceived secondary stakeholders; consequently their results will be acceptable but not great.

Linked with this clear distinction, Level 3 leaders will have the tools and techniques to support their fresh brand. *Strategic Frameworks* will provide them with great position-

ing and the ability to spot the next market wave: whereas Level 2 managers-leaders rely upon inflexible and numbing strategic plans. Level 3 leaders will be making more optimal decisions through the use of *option solving* (a technique utilizing people’s intuitive capability in a more focused way). Level 2 manager-leaders, on the other hand, will still be stuck with rational analysis and problem solving. Rational analysis too often stalls decisions or reduces them to the lowest common denominator, where they lose context and texture. Problem solving, when you think about it, tends to be a tedious and somewhat negative activity in itself.

You are now beginning to discern a philosophy shift with many more examples of fresh tools and techniques behind it. Level 3 leaders will make organizations “sing,” while Level 2 managers-leaders often make organizations creak and groan. When your organization *sings*, your people will be fully in their stride, your customers will be advocating your enterprise at every turn, suppliers will recommend your firm to others, and your alliances will do everything they can to aid your success. Beyond that, your owners/shareholders will be more than satisfied with their return-on-investment.

When things creak and groan, organizations are not especially profitable and the people within them just “do their job.” Many stakeholders take a “business as usual” approach and don’t contribute more than they can get away with.

As many firms reach Level 3 leadership they will have less need for Wall Street or banks to finance them, because they will generate most of their cash needs themselves. This will force Wall Street and banks to change some of their less favorable habits or die. Level 2 managers-leaders are heavily dependent on Wall Street and finance houses, which is why they suffered so much with the Great Recession.

A new wave is coming bringing “Leaders of the Future,” who will make their organizations “sing.” What about you?

If you wish to know more about how to make your organization “sing,” then please contact:

Andreas Verykios –Europe – (+352)621 37 25 06 or andreas@lse.lu

Chris Garratt –Europe- (+352) 2631 3384 or chris@ileadershipsolutions.com

Denise Lalonde – New York- (212) 974 1438 or denise@ileadershipsolutions.com

Ed Frontera – Florida – (561) 715 0447 or ed@ileadershipsolutions.com

Holly Duckworth – Oregon – (503) 887 4112 or holly@ileadershipsolutions.com

Jim Leonhard –California – (415) 482 7766 or jim@ileadershipsolutions.com

Olger Draijer –Europe-(+352) 45 88 35 or olger@ileadershipsolutions.com

Paul Schonenberg – Europe – (+352) 621 23 3131 or paul@lse.lu

Peter A. Arthur-Smith – New York- (212) 332-8907 or peter@ileadershipsolutions.com