Visionary Leadership: How to Leverage Your Unique Contribution
By
Linda D. Henman, Ph.D.

In most organizations you’ll find more people who understand how to run fast than there are people who can decide which race they should enter…more people with well-honed skills for producing results in the short run than visionary strategists. Certainly, you need both to succeed, but most organizations are replete with those who can plug ahead and lacking on those who can plan ahead. Your tactical “to do list” (plugging away) will often keep you in the game today, but only a clear strategy can ensure your success tomorrow. Therefore, as the senior leader, you must understand the nature of strategy, embrace the changes it brings, set priorities for achieving it, and choose the right people to drive your vision. Only then will you outwit your rivals and claim your unique position.

The Nature of Strategy

As the senior leader, you are the architect, steward, and guardian of the strategy. It is a job that cannot be outsourced, completed, or scheduled. It is the most uncertain thing leaders do because it involves speculation about unknowns and requires a journey into murky waters. However, coupled with hiring and developing talent, it ranks as the most important thing you do…and makes success more certain. Effective strategy formulation concentrates actions and resources on critical issues, gains commitment, provides rationale for allocation of resources, and enhances communication. Yet, it is neither automatic nor self-evident. Therefore, I typically encounter a three-fold problem among my clients relative to strategy: they confuse strategy with tactics; they don’t hire enough strategic thinkers who can handle the situational and episodic nature of strategy; and they make strategy an annual event, not an ongoing process.

Strategy is “what” you are trying to do, not “how” you’ll do it. It involves setting the destination for the organization, not planning the way to get there. In fact, premature tactical planning often kills strategy development because planning, by its nature, works bottom up; strategy functions top down. Planning relies on facts, operations, and budgets, whereas strategy demands the synthesis of these data and creative thinking about how to leverage your unique contribution. Obviously, both strategy and execution are important, but too many organizations mistakenly concentrate on the tactics before they have a clear strategy. Strategies are few; tactics are many. Strategy comes first, tactics second.

In the past decade, however, many organizations have confused operational effectiveness and its merits with strategy. The importance of operational effectiveness became apparent in the 1980s when it formed the core of the Japanese challenge to Western companies. The Japanese were so far ahead of their rivals that they could offer lower cost and superior quality at the same time. Therefore, the success of operational effectiveness and its tools unwittingly drew organizations toward imitation, homogeneity, and benchmarking. Operations, tactics, and execution are crucial to success, but only
when leaders lose their preoccupation with improving them can they focus on their unique contribution and deliberately choose to deliver an inimitable mix of value.¹

Generic solutions, best practices, and benchmarking cannot succeed in the long run because each organization is an incomparable system. A system is a collection of parts that interact with each other to function as a whole. Systems thinking is a discipline for seeing wholes rather than parts. It is the framework for noticing interrelationships rather than things, for seeing patterns of change rather than static snapshots. If something is made up of a number of parts that do not interact, and the arrangement of these parts is irrelevant, this is a pile of materials rather than a system.²

Organizations that embrace systems thinking tend to be more strategy-driven. They separate themselves from the herd behavior that drives organizations to imitate one another in an attempt to be all things to all customers. As a leader, you need to go beyond the orchestration of operations to define your organization’s matchless position and make the tough calls about trade-offs. You can’t import your strategy from another organization because your system is unmatched. Instead, you must define your distinctiveness and leverage it in new ways—the only path to a unique contribution. To illustrate the differences in approach, consider this model, an adaptation of the Tregoe Model:³

### Strong Strategy

#### Quadrant A
**Unique Contribution**
- Proven track record
- Clear direction
- Strong execution

#### Quadrant C
**Future at Expense of Today**
- Clear vision of future
- Weak plans for execution
- No assigned accountabilities

#### Quadrant B
**Instant Gratification**
- Strong short-term goals
- Planned implementation
- No clear vision of future

#### Quadrant D
**Laurel Resting**
- Past success but no commitment to future
- Failure to ask, “Is this still worth doing?”

---


Weak Strategy

Each quadrant represents desirable or undesirable ways for companies to operate.

**Quadrant A** represents an organization that has established a unique contribution that includes a strong strategy and the clear tactics to support it. Based on a proven track record, this organization has identified those decisions that have led to success in the past and that promise success in the future. By responding to customer needs, developing talent, implementing effective operations, and defining sound financial objectives this organization has acknowledged what it must do to beat the competition and has identified ways to implement this strategy. An organization that has clarified its unique contribution commits itself to excellence, the foundation of strategy. High-performance organizations that have stood the test of time and promise to continue productivity in the future provide examples of this. When a commitment to excellence exists, passion and profitability often follow.

**Quadrant B** organizations often succeed in the short term. Despite current profitability, they lack a strong strategy. They engage in effective operations that have accounted for their success in the past, but success is doubtful in the future. In the long run, rivals for shared resources take over, but for a period of time, these organizations can stay afloat with hard work. Quadrant B organizations frequently offer good products or services and are passionate about what they do, but they lack excellence or financial strength.

Members of these organizations frequently resist discussions of strategy because what they’re doing seems to be working. In a Quadrant B kind of organization, I often encounter a significant commitment to lean processes, Six Sigma, or Total Quality Management, all tactics for driving a strategy. The leadership makes solving immediate problems their primary focus, and strategy formulation seems like a distraction from that priority. Investing the time to engage in a strategy formulation process will lead them to fewer wasted hours and distracted efforts in the future, but for an organization accustomed to instant gratification, the future seems too far off and too abstract. Yet, most failed organizations get buried strategically, not tactically. They may have been making the best horse-drawn buggy in the world when they went under. They may have had strong day-to-day tactics, but they picked the wrong direction or chose too many directions simultaneously. In other words, the problem usually isn’t an inability to produce a quality product or service; it’s knowing what customers will want more of in the future.

**Quadrant C** depicts an organization that has invested the time and energy to write and develop a strong, clear strategy. However, they have failed to formulate the ways they will execute. Some of the high-tech companies and pharmaceutical manufacturers offer examples of how an organization might operate in Quadrant C. This kind of situation most often occurs when leaders have left the strategy setting session with no accountabilities for each of the initiatives. When no one has a vested, personal interest in the outcome, you risk tactics, execution, and implementation, not to mention your overall success.
Quadrant D companies are resting on their laurels. Most of the major airlines exemplify this quadrant. At one time they may have had some clear direction, perhaps some strong leadership and committed employees who developed the processes and systems for driving the business. But, for whatever reason, these best practices have eroded. Apparently no one has asked recently, “Is this still worth doing?” Usually companies that operate in quadrant D for very long don’t stay companies for very long.

If your organization is operating in Quadrants B, C, or D, first leadership must rid itself of the strategies and tactics that no longer produce results, to begin sloughing off the decisions of yesterday in order to make the pivotal ones for tomorrow. To limit your servitude to the past, try asking the critical question: “If we did not already do this, based on what we know today, would we start doing it?” If the answer is “no,” stopping the initiative, curtailing it sharply, or limiting resource allocation to it can alert you to opportunities to respond to today’s demands and to commit today’s resources to the future. Deciding what you will not do often becomes as important as deciding what you will do. Sometimes this means a change in strategy; often it requires a change in tactics; and occasionally, it even demands a different strategy, because, in fact, there may not always be a market for the world’s best horse-drawn buggy or even an effective buggy-whip.

The key to a successful strategy is to make enough good decisions—not to avoid mistakes. Strategy looks to the future, which by its nature is unpredictable. Your most successful strategies will align commitments that you have to make now with future uncertain, unpredictable circumstances. No one knows what those circumstances will be, and the future is fickle. Successful leaders do make mistakes, often significant mistakes, but they keep a strategic perspective. Therefore, the most successful leaders are curious about tomorrow, leverage their organization’s unique contribution, and build on a position that others cannot readily replicate. These give them their strategic focus and help them take the first step toward improving their strategy formulation.

Strategic Focus

The strategic focus of a given organization decisively affects its nature and direction; it is the driving force that defines its excellence, value, and passion. Collins calls the intersection of these three dimensions the “hedgehog concept.” It’s a single organizing idea, a basic principle or concept that unifies and guides everything you do. The driving force is the foundation of your unique contribution, those strategic areas that exert the greatest influence on your outcomes. Clarifying what it is and leveraging it to its fullest allow you to do something exceptional and explain your unique contribution.

Another way to think about the intersection of your passion, excellence, and value is to consider the world with your organization versus without it. The difference defines
you unique added value—what would be lost to the world if your organization disappeared. In The Harvard Business School management programs, facilitators ask participants to consider variations of the following:

- If you stopped doing what you’re doing, to whom would it matter?
- Who would miss you most?
- How long would it take another organization to step into the void?

The answers to these questions will help you understand and recognize the unique contribution your organization makes.5

The challenge of senior leadership is to offer a disciplined approach to strategy—an intellectual framework to guide decisions and serve as a counterweight to the quick and easy fixes. This requires an examination of which changes and requests the organization will respond to and which ones it will reject.

Conclusion

Strategy identifies your unique contribution—something you can do that others cannot match. It defines the nature of your organization, impacts financial responsibility, and guides your choices. Done well, it allows you to survive, not only to endure but to prosper in the fickle future that lies ahead. However, it does not exist in a vacuum. It requires visionary leaderships at the top of the organization because leaders at lower levels lack the perspective, confidence, and authority to decide about, much less oversee strategy. Constant pressure for results will entice them to compromise and relax trade-offs. Your job, as the senior leader, is to teach others in the organization about strategy and to choose what not to do as often as what to do.

References


