



10 Principles of Strategic Leadership And How to Retain Leaders



Most companies have leaders with the strong operational skills needed to maintain the status quo. But they are facing a critical deficit: they lack people in positions of power with the know-how, experience, and confidence required to tackle what management scientists call “wicked problems.”

Such problems can't be solved by a single command, they have causes that seem incomprehensible and solutions that seem uncertain, and they often require companies to transform the way they do business. Every enterprise faces these kinds of challenges today, according to [strategy+business](#).

A 2015 PwC study of 6,000 senior executives, conducted using a research methodology developed by David Rooke of Harthill Consulting and William Torbert of Boston University, revealed just how pervasive this shortfall is. Respondents were asked a series of open-ended questions; their answers revealed their leadership preferences, which were then analysed to determine which types of leaders were most prominent. Only 8 percent of the respondents turned out to be strategic leaders, or those effective at leading transformations (Rooke and Torbert refer to them as “strategist” leaders).

The study suggests that strategic leaders are more likely to be women (10 percent of the female respondents were categorised this way, versus 7 percent of the men), and the number of strategic leaders increases with age (the highest proportion of strategic leaders was among respondents age 45 and above).

These leaders tend to have several common personality traits: They can challenge the prevailing view without provoking outrage or cynicism; they can act on the big and small picture at the same time, and change course if their chosen path turns out to be incorrect; and they lead with inquiry as well as advocacy, and with engagement as well as command, operating all the while from a deeply held humility and respect for others.

When the same survey was conducted in 2005, only 7 percent of respondents were identified as strategic leaders. In other words, in the course of a transformative decade marked by the collision of technological breakthroughs, financial crises, demographic shifts, and other major global forces, the leadership needle barely moved.

Given this small percentage of senior leadership equipped to manage large-scale transformation, companies are often forced to bring in leaders from outside. But as we've observed in countless organisations over the years, significant change in a company is more likely to succeed if it is led from within. Perhaps most alarming, the leadership gap is typically hidden from view.

It's in the do-or-die moments, when companies need a strategic leader most, that they discover the current leadership isn't up to the task.

The following ten principles can help unlock the potential strategic leadership in an enterprise. These principles represent a combination of organisational systems and individual capabilities — the hardware and software of transformation. You may have already adopted some of these tenets, and think that's enough. But only when you implement all of them together, as a single system, will they enable you to attract, develop, and retain the strategic leaders who've eluded you thus far.

The first three principles of strategic leadership involve nontraditional but highly effective approaches to decision making, transparency, and innovation.

1. Distribute responsibility.
2. Be honest and open about information.
3. Create multiple paths for raising and testing ideas.
4. Make it safe to fail.
5. Provide access to other strategists.
6. Develop opportunities for experience-based learning.
7. Hire for transformation.
8. Bring your whole self to work.
9. Find time to reflect.
10. Recognise leadership development as an ongoing practice.

Strategic leaders are skilled in what organisational theorists Chris Argyris and Donald Schön called “double-loop learning.” Single-loop learning involves thinking in depth about a situation and the problems inherent in it. Double-loop learning involves studying your own thinking about the situation.

Strategists have the humility and intelligence to realise that their learning and development is never done, however experienced they may be. They admit that they are vulnerable and don't have all the answers.

By following the ten principles outlined here, you will give yourself the skill and influence to pave the way for others who follow. That's fortunate, because the ability to transform amid societal and business challenges and disruptions is essential to your company's success — and perhaps even to its survival.

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