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Managers Are Failing to Execute Strategy—How Can Organizations Help?

A company can have the most elaborate and innovative strategy, but if managers aren't able to harness the talent of their teams and lead them in the right direction, the strategy will likely fail. But the American Management Association's latest research found most managers spend less than half their time implementing their organization's strategy. Page 4







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The critical managerial skill is transforming a non-like-minded group into one with sufficient alignment. Alignment is the direction a group agrees to go in after dialogue. When all commit to one direction, even if they don't fully agree with it, the group has an aligned opinion. By Michael Taylor

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Making a Plan Really **Means Surviving** Reality

he best schemes o' mice and men / Gang aft a-gley." That line appears in the poem "To a Mouse" by the Scots poet Robert Burns. Getting beyond the Scottish dialect, it means that no matter how much you plan, your scheme will rarely go the way you want it to.

This is a particularly bleak view, and it may seem that it's futile to make plans at all. In today's business world, managers spend a lot of time creating plans, but too often, these plans don't survive their first brush with reality. However, the failures are often not a fault of the plan itself—they can be attributed to a lack of execution.

In its most recent research, Canadian Management Centre (CMC) and AMA Global found that many managers are not focused on executing their organization's strategy. They also discovered that nearly half of leaders feel disconnected from their organization's strategic

Regina Jiron, in her article "Why Strategies Fail to Become Reality," points out that while managers are the linchpin between a company's strategic aspirations and its operational achievements, without the right tools, support, and environment, even the most capable managers can

Michael Taylor, in "Aligning Employee Goals with Required Outcomes," offers a framework to help get team members aligned enough that a plan can be successfully executed.

Protrand melale

CMC and AMA Global knows that cultivating a vision that prioritizes development and empowerment ensures that both the organization and its people thrive together. Reach out today to find out how to develop the skills your managers need to make plans a reality.

Christiane Truelove Guest Editor, CMC Quarterly

CMCQUARTERLY

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Strategy Without Alignment and Execution Is a Map That Leads to Nowhere

Why do so many organizational strategies sound great but fail to produce their desired results?

In certain cases, it's understandable. Executing a strategy effectively requires consistency, follow-through, and laser focus. That's hard enough in the most propitious circumstances—but people change, business conditions fluctuate, and work environments shift. In addition, managing hybrid teams (with many transitioning to fully in-office schedules) requires skills many managers still haven't perfected, and communicating strategy with crystal clarity—let alone executing it—can be an uphill battle.

If the underlying reasons for strategy execution failures aren't adequately addressed, the cycle is likely to repeat itself. But how often, and why, do these failures actually happen?

To find out, we reached out to over 1,100 North American professionals—including managers, directors, VPs, and executives—to gain insights into their involvement in shaping and implementing organizational strategy.

The results of this research indicated that in today's business world, 48% of managers spend less than half of their workweek on activities directly related to executing strategy. Not only that, they're often surprisingly disconnected from their organization's strategy. So what's the underlying cause?

Our research showed that managers and many leaders at more senior levels struggle to get their messages across to their teams. In fact, respondents say that communication and decision making are the skills they feel need the most improvement.

Translating strategic plans into actionable tasks is best done with these skills, in addition to coaching capabilities, emotional intelligence, the ability to manage across generations, and other related competencies.

With consistent focus on the development of managers and leaders, success is more likely, and failures that do happen can be analyzed in terms of relevant skill gaps in those roles—so they can be avoided in the future.

Manny Avramidis

President & Chief Executive Officer

Menos du

AMA Global

Managers Are Failing to Execute Strategy—How Can Organizations Help?



anagers are the central nervous system of every organization, communicating strategy to their teams and ensuring they successfully execute it. A company can have the most elaborate and innovative strategy, but if managers aren't able to harness the talent of their teams and lead them in the right direction, the strategy will likely fail.

In effective organizations, managers

are laser focused on making their organization's vision a reality. They spend most of their time implementing strategy through their team. Shockingly, these days that appears to be the exception rather than the rule.

Canadian Management Centre and AMA Global's latest research found that managers are not focused on this key area. Most managers spend less than half of their time implementing their organization's strategy, raising questions about their dedication, focus, efficiency—and above all, whether they are adequately trained to meet the challenges facing today's managers. The unintended consequences of not focusing on strategic implementation is that organizations fall short of achieving their goals. Our survey identified the

skills managers need to effectively execute strategy, and determined which are in short supply, contributing to management's crisis of focus.

Approximately 1,100 people were surveyed—including managers, directors, VPs and executives. Unless otherwise specified, the results summarized below indicate overall results for "leaders," and for purposes of this article, the term includes all of the above job titles, as the responses about how much of their time they devote to implementing their organization's strategy shows similar trends. Some results below specifically indicate "managers" if appropriate for the question asked:

- Managers are deeply disconnected from their organization's strategy. Many don't contribute to shaping it.
- Although leaders in general strongly value effective communications, they are overwhelmingly struggling to get their message across.
- · Communication and decision making are the skills in greatest demand.
- Managers also highly value skills that help them motivate their teams, such as team building, coaching, managing talent growth, and performance feedback.
- · Managing across generations is a widespread trouble spot.
- Dealing with hybrid and remote work remains difficult for most managers.

The vast majority of all leaders surveyed (including managers), and particularly senior leaders, agree that their jobs have evolved over the past five years in ways that contribute to the skill gaps troubling organizations. While most organizations provide training to help leaders handle their rapidly evolving roles. many are trailing in this area, and the widespread lack of focus suggests that the training offered may be inadequate.

The part-time manager

Today's managers and leaders at all levels are battling unprecedented distractions, in their own work and that of their teams. They can easily fill their days dealing with emails, virtual meetings, and productivity tools. And, of course, knowledge workers have access to an irresistible worldwide

Only 48% of survey respondents said they spent more than half of their workweek implementing their organization's strategy.



web of distractions that can readily hijack their attention when work is demanding or

These distractions appear to be driving a crisis of focus. Only 48% of survey respondents said they spent more than half of their workweek implementing their organization's strategy. The proportion was lower for line managers: 43%. Even more disconcerting: About 1 in 7 leaders overall (14%) and 1 in 5 leaders at organizations with more than 10,000 employees (21%) said they spent less than a guarter of their time implementing strategy.

These findings raise poignant questions. What are they spending the rest of their time on? How many millions or billions of dollars could organizations save by improving their leaders' focus and reducing tactical tasks and distractions? And if there's so much leakage in leaders' efforts, particularly with line managers, how focused are their teams? To what extent are organizations failing to achieve senior leadership's goals due to this lack of focus on strategic implementation? And are organizations adequately training their managers to handle their rapidly evolving roles?

We also found that nearly half of

leaders (for all levels surveyed) feel disconnected from their organization's strategic direction. Overall, 45% of respondents said they had "some" (35%) or "little or no" (10%) involvement in defining their organization's strategy. Naturally, a greater proportion of senior respondents said they were "heavily" involved in defining strategy, and respondents at larger organizations were less involved. About a quarter (26%) of those at organizations with more than 10,000 employees said they had "little or no" involvement in defining strategy. As one version of this saying goes, while it is true that "too many chefs spoil the dish," a lack of ownership or affinity with a strategy could deplete a leader's enthusiasm for implementing it.

Skills needed to be a strong leader

What does it take to be a strong, effective leader at all levels, from line managers to VPs and executives? What key interpersonal skills that support effective strategy implementation are in short supply? We asked respondents to identify which of 10 widely recognized management competencies they would rank as "important."

As mentioned earlier, a large

majority of respondents (85%) identified communication as vital. But topping the list, 86% cited "decision making and problem solving" as a critical skill. This makes sense. After all, the buck stops with leaders, and the more they move up, the more they are called upon to make difficult decisions. At every level, managers must decide how to best support implementing their organization's strategy, and they must prioritize how to best use their limited resources. Often, choosing what *not* to spend your time on is just as important as what you *do* spend your time on.

Survey respondents also valued three sets of skills needed to motivate and focus individuals and make them work together: "team building and motivation" (77%), "performance coaching and feedback" (77%), and "managing talent development and growth" (74%).

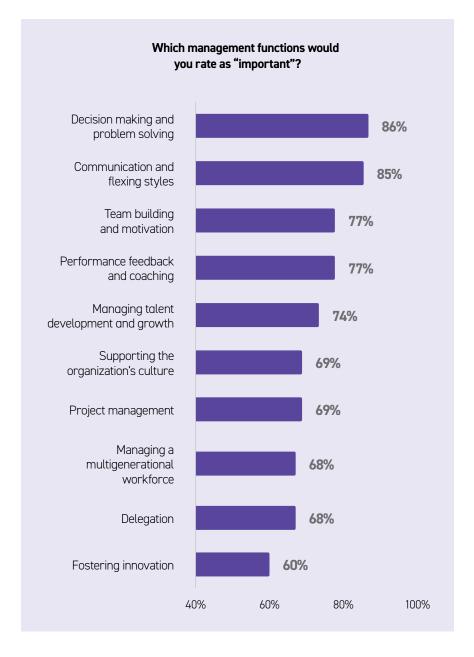
It's worth noting that "fostering innovation" was identified as a key skill by the smallest proportion of respondents (60%). This may support the idea that organizations are in a period of adaptation and consolidation, adjusting to the dramatic shifts that have occurred in the past five years. It may also be a sign that innovation has been such a strong focus for so long that managers take it for granted.

The generation gap

Curiously, despite Covid, rapidly evolving technology, and other developments, the largest proportion of respondents (73%) cited the challenge of "managing generational differences and work styles" as a significant change. The proportion was highest (82%) for organizations with 1,000 to 4,999 employees.

Much of the challenge appears to focus on fundamental interpersonal and workplace skills. One respondent offered this explanation: "The workforce has drastically changed, making it more difficult to find a one-size-fits-all approach. The need to be dynamic and flexible is greater than ever."

Another elaborated: "One of the biggest challenges is in managing across multigenerational teams, including identifying how to motivate a team composed of very different EQ (emotional



quotient) and driving factors. Loyalty is not as important as in the past. To lead a successful team, leaders need to stay up to date on how different generations think and are motivated."

While the friction associated with managing across generations may be intensifying, this is by no means a new phenomenon. As we've noted, there are profound differences in how generations work and view work. For instance, experts say Baby Boomers tend to "live to work," while Gen Xers "work to live," prioritizing productivity so they can get more done in fewer hours and have a richer life outside of work. Additionally,

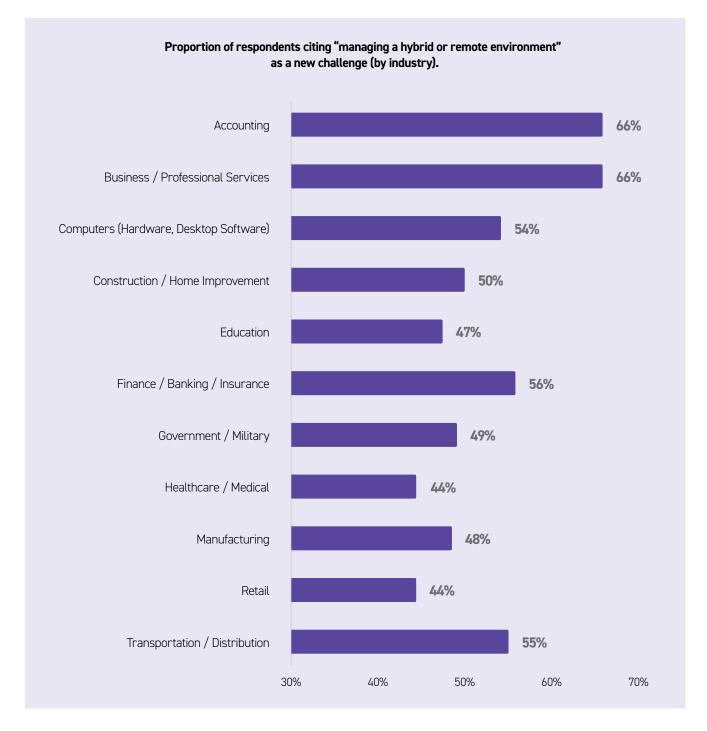
different comfort levels with technology can cause tensions, particularly given the frustrations sometimes faced by older leaders who may not be "digital natives." On the other hand, older leaders may resent assumptions that they cannot adapt to new ways of working.

Our data suggests that generational differences are making it more difficult for managers to execute their organization's strategy. Fortunately, there are techniques, such as making mentoring a constant and expanding communication strategies, that savvy managers and organizations can rely on to bridge the gaps.

Managing hybrid and remote teams

The second most common change our survey identified is perhaps less surprising: "managing across a remote or hybrid environment," cited by about two-thirds (65%) of those who said management roles have changed. Organizations with 5,000 to 9,999 employees and professional services industries, such as accounting (see chart), were the most likely to be struggling with this.

Remote and hybrid work have affected many millions of workers and upended office culture, seemingly abolishing the decades-old norm of the weekday commute. Some leaders perceive this as hindering the performance of teams. One respondent lamented dealing with "remote staff who now are needed onsite, but have become accustomed to remote work." Remote and hybrid settings introduce an element of distance between managers and their teams, which can make it more difficult to execute strategy. Coaching is essential to bridging the gaps, but line managers in particular must adapt their coaching skills. Face-to-face approaches often don't work well virtually. Instead, managers need an entirely new set of skills, from innovative listening techniques to new measures of success.



Top executives were far more likely to see a need for improving assertiveness and confidence.



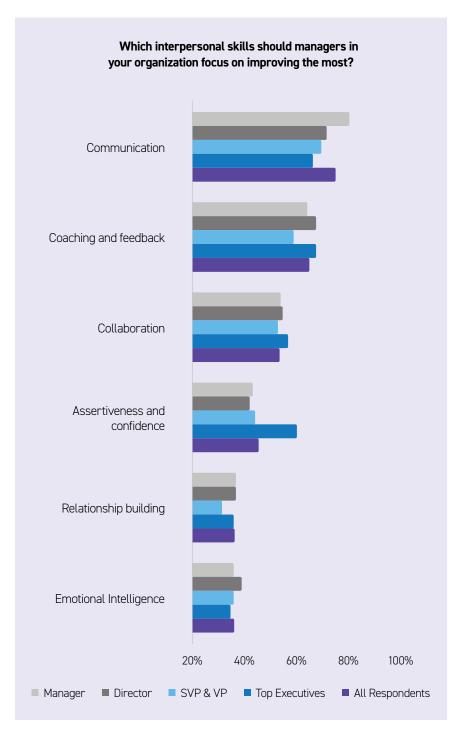
Key opportunities for improving management

When looking at other skills they said managers needed, in addition to communication, most respondents pointed to "coaching and feedback" (63%) and "collaboration" (52%), followed by "assertiveness and confidence" (44%). These relatively high proportions suggest that organizations could significantly improve performance by enhancing learning and development to boost managers' interpersonal skills. Relationship building (35%) and emotional intelligence (35%) are the skills least in short supply, but they're still sought by more than 1 in 3 organizations.

Respondents' views on which skills need to be improved were relatively consistent regardless of job level or gender, with a few notable exceptions. For one, SVPs and VPs were less likely to regard "coaching and feedback" as lacking (57% versus 63% overall), perhaps because they deal with higherlevel managers who possess these skills. Still, it's significant that more than half of VPs and SVPs view this as an area of potential improvement. Second, top executives were far more likely to see a need for improving assertiveness and confidence (58% versus 44% overall), perhaps because these skills drive the decisiveness and bold action that produce results and efficiency at a high level.

Senior leaders can increase their teams' energy, focus, and productivity by getting line managers in the habit of trusting their employees, and employees in the habit of trusting their managers.

Editor's note: This article was condensed from the white paper "Why Managers Are Failing to Execute Strategy, and How Organizations Can Help."





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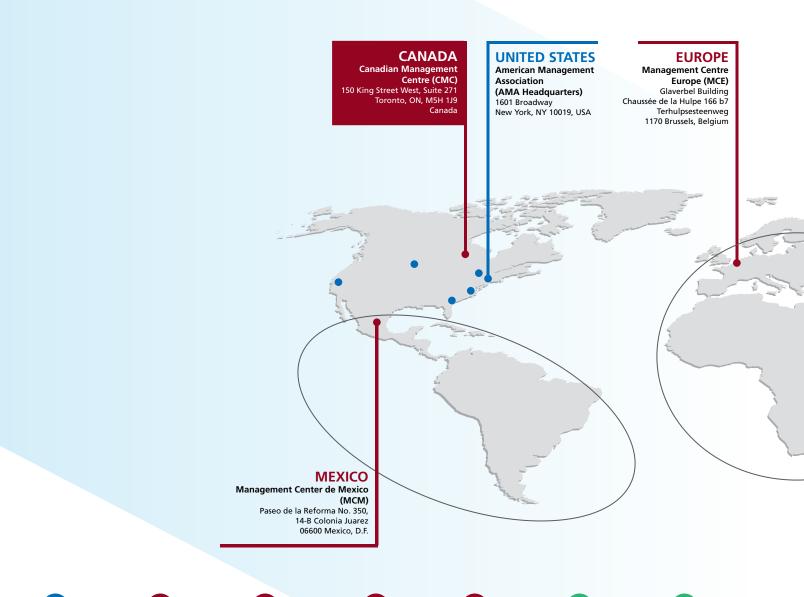
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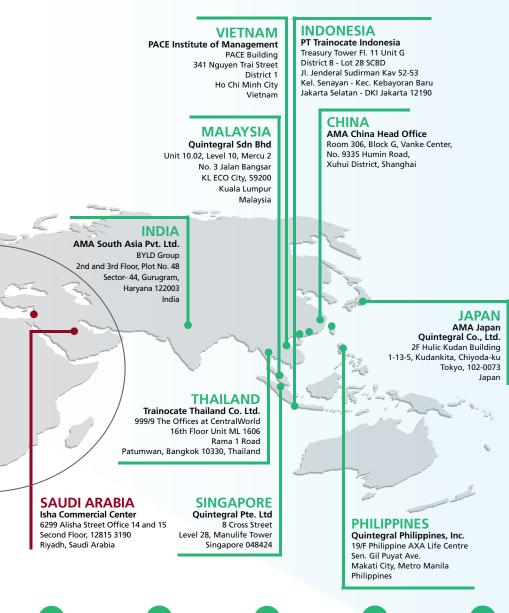
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ALIGNING EMPLOYEE GOALS

with Required Outcomes

BY MICHAEL TAYLOR



When asked what role alignment plays in their work, executives say they spend as much as 50% to 80% of their time creating and maintaining it. They believe they are continually being judged on their ability to align team members' goals in ways that produce the best outcomes for the company. And though they agree with the responsibility, they note that, interestingly, alignment is not in their job description. It's assumed. When asked, "Where were you trained how to create and sustain alignment if it is so much of what you do, and you are expected to do it well?" "At the school of hard knocks" is the response—in those exact or similar words.

Creating and sustaining alignment is a self-taught managerial skill, mostly occurring unnoticed through osmosis. Every manager's capability is unique, resulting from each one participating in different groups, attending different managerial trainings, watching their managers, mentors, and consultants, and judging what worked and what didn't, all blended over time with their mental models and personal demeanor.

Facilitators have their proprietary methods for creating alignment in groups, and most consultants have alignment approaches built into their methodologies. And employees have their own individual alignment methods born of life, even if not from their managers. Consequently, when a CEO and the other seven members of the C-suite interact to set goals and create the plan to attain them, there are eight private, proprietary, undefined, and undocumented alignment methods trying to operate on each other.

Most executives feel they do it well, though we now know these self-assessments are overly optimistic, primarily due to the absence of data to inform them otherwise. The common behavior at the end of a group meeting typifies this. The leader asks, "So, are we all good with this? Are we on the same page, good to go?" The attendees offer a range of responses, including affirmation in the form of genuine, audible yeses, silent smiles, and almost imperceptible head movements that could be interpreted as a yes. We all know how to fake alignment. It's an always-on personal safety mechanism.

The problem is that by the time a group's supposedly agreedupon goals haven't turned into enough results, it is impossible to blame the gap on a lack of alignment back when the goals and actions were being formed. When the first performance metrics arrive, the fog of execution—in the form of project management issues, change management omissions, vendor underperformance, personnel changes, and other everyday action issues—is so dense it can't be traced back to misalignment at the source. Nor is it anyone's desire to do so. So we keep trying to improve our ability to execute, believing that is where the faults lie.

It is commonly accepted that alignment within a group with shared goals is essential to attaining them, whereas misalignment causes inaction and errant, unilateral, delayed, and conflicting action. But what is the ideal amount of alignment between a manager and his or her employees? When can they

be confident that they are sufficiently aligned to step onto the implementation field validly expecting to win? The answer is, when they possess such strong like-mindedness about the why, what, who, when, where, and how that they can coordinate their actions with minimal communication. Named after Thomas Schelling, former Harvard professor and 2005 Nobel Prize Recipient for Economics, this state is when a group has its "Schelling point."

Many businesspeople in their 40s and 50s reminisce about "that team" they were on where "we just flowed." Their Schelling point was so strong that they could take unplanned action when needed, confident others would endorse it. When they saw others take unexpected action, they assumed it was with good intent toward the common goal-not "Now, why did he do that!?" Unfortunately, it is very rare for this group state to occur naturally. The vast majority of the time, it needs to be created.

Six Sigma teaches us to fix the largest and earliest quality leaks—to repair the leaky faucet before innovating how to stop the sink from overflowing. Let's start with the word alignment. The moment a manager says, "We need to discuss x, decide where it needs to be in the future, and how to get there," they form a non-like-minded group. How?

When people learn that a subject will be discussed, they already possess thoughts about it, to lesser and greater degrees. They may be aware of them: "Thank goodness, that thing's not going well." And they may be tacit: "We never do enough change management." On average, business groups will immediately possess 130 to 190 unique opinions about a topic. On average, even before speaking to each other, the group will agree with 17% and disagree with 83% of them. That is, we go into meetings about important subjects such as strategies, policies, programs and projects, business relationships, problem solving, and similar with our peers agreeing with one out of five things we are thinking and non-like-minded with four. How much a group agrees overall about their views and opinions on their shared topic is not its alignment but its like-mindedness. Their alignment is how they agree to act toward it after the meeting. It is the sum of that natural 17% plus how much they genuinely reconciled their non-like-mindedness into agreed action.

We agree and disagree with each other's opinions on the why, what, when, who, and how of something to lighter and stronger degrees. Using mathematics derived from the work of Professor Schelling to "measure the distance between people's heads on a shared topic," the like-mindedness of hundreds of groups measured has been between 44 and 85 on a scale of 0 to 100, where 0 is complete divergence and 100 is complete likemindedness. The average is 72. In short, no group was ever fully like-minded.

Though this can be a good thing, and is often desired and expected, the critical managerial skill is transforming a nonlikeminded group into one with sufficient alignment.

Why only sufficient alignment, when you've been taught to get groups aligned and others promise to get your group aligned? First, total alignment is not required for quality coordinated action, and second, you don't have the time. As mentioned, when some think they should "go right" and others think "left," the group is non-like-minded on that opinion. Alignment is the direction they agree to go in after dialogue—left, right, forward, backward, or stay put. When all commit to one direction, even if they don't fully agree with it, the group has an aligned opinion.

When a group has 130 to 190 opinions on a shared business topic, of which 83% are non-aligned, about 132 opinions must turn from "We each think this..." to "We all agree to do that..." for full alignment. If it averages 20 minutes for a group to reconcile their non-like-mindedness into an aligned opinion, that is over five days of nonstop talking, and two weeks with breaks and leg stretches. The managerial skill, therefore, is selecting which subset to discuss and reconcile to create the group's Schelling point.

As an applied research organization, we at SchellingPoint

worked to find a universal frame any manager can use with any group for any topic. As we did, Professor George S. Day of the Wharton School co-authored *Strategy from the Outside In: Profiting from Customer Value.* In response to experiencing management teams claiming to be customer-centric going into strategy development exercises only to leave with internally focused goals, he suggested that outside in thinking needed to be developed. His book and teachings invite leaders to start by clarifying who they want to bring value to and what that value must be. Then, they can declare what they want. These two connected lists of outcome requirements should then ripple through the organization's objectives.

The Outside In Scorecard implements this principle for any topic, not just strategy. Though it has been used for Fortune 50 corporate strategies and two-year business plans for newly funded early-stage ventures, the frame also has been used on strategic weapons, doula support for pregnant mothers, tropical disease eradication, drug discovery, merger integrations, procurement groups, and entire U.S. states to drive decarbonization programs.

The Outside In Frame™



If we are to better align employees' goals with their manager's required outcomes, the manager needs to start by clarifying their goals. Tiers 1 and 2 drive this.

Tier 1

Tier 1 asks a group to clarify the intended value recipients for the topic for which goals are being set—who they are and what value they need to receive from the topic. This applies whether it is a customer-facing manager or the chief procurement officer.

Note that this is the tier most first-time users struggle with. It requires empathy and the ability to step into the intended value recipient's shoes. However, the significant benefit we've observed is how it causes groups to clarify and crystallize their well-meaning but intangible purpose and vision statements. This is what Professor Day advocates and most managers and their employees need.

Tier 2

Tier 2 then allows the manager to declare what they need out of the topic for the company, business unit, function, department, team, project, business relationship, or subject requiring quality coordinated action. This might be economic—revenue, margin, cost reduction—brand and reputation, relative strength, agility, recruiting power, or employee retention, depending on the subject and the group.

With the two layers of Outside In objectives defined, we continue working inward:

Tier 3

Tier 3, the Value Generators, challenges the group to identify the product, services, features, or capabilities that will produce the value in Tiers 1 and then 2.

Tier 4

Tier 4, the Core Processes, asks the group to identify the processes that need to be sustained, adjusted, strengthened, added, or stopped to bring the Value Generators into play and support them.

Tier 5

Tier 5, the People Resources, asks what organizational structure, internal and external talent, skills, and knowledge are required for the essential processes to operate.

Tier 6

Tier 6, the Enabling Assets, asks what other assets, such as facilities, IT systems, funding, partnerships, and intellectual property, are required by the people and processes.

Tier 7

Finally, Tier 7, Culture and Governance, asks the group to define the cultural assets to be sustained, added, or removed for Tiers 3 to 6 to operate successfully. Governance asks the manager and the employees to clarify how they will monitor their achievement at each tier and respond to performance gaps.

When complete, there should be an unbroken "ends and means" logic thread from Tier 1's objectives to Tier 7's actions. The content at the tier below enables those above, and there is a line of sight from top to bottom.



As a group steps through each tier, its opinions on where it is today and where it needs to be tomorrow will start with some like-mindedness and much non-like-mindedness. Do not waste precious time kumbaya-ing about where the group agrees. Acknowledge it in the context of the tier then focus on turning the key non-like-mindedness into alignment. Also, for the highest quality, ask the group to avoid discussing or debating the viability of objectives or what could be done to accomplish them. At this point, stick to the need, not the ability.

As you close each tier, do not ask, "So, do we all agree?" You're just going to get those genuine "yeses" and meaningless other gestures. Instead, flip the question over 180 degrees. Ask, "Good work, but before we close this tier and move down to the next, where might someone outside the room say it is incomplete or inaccurate?" Then pause. This question provides the most psychological safety for dissenters who otherwise would say nothing to speak up. When someone responds, usually their input is valuable, and when they do not, you want to ensure they aren't on the resistant part of the commitment spectrum. Don't casually "bat off" what they say, but instead respect them for

saying it and process it objectively. When the group sees you doing this in Tiers 1 and 2, their courage to respond when asked in Tiers 3 to 7—where they must take action—increases.

If you are in an organization with multiple leaders and managers operating across multiple functions, the Outside In Scorecard gives you a single frame for any strategy, policy, program, innovation, relationship, problem-solution, or other groupdependent activity. Every manager can take a subject and use it as a tangible vehicle for creating sufficient alignment within a group, whether internal or external. People can move between functions with a common dictionary, which means even those in different silos can have a shared frame to gather around. The tiers provide the workflow, and as with any universal frame, the more often you use it, the easier it becomes and the guicker the results. 👊

Michael Taylor is the co-founder of SchellingPoint and specializes in new methods and technologies to improve collaborative actions, transformations, strategies, innovation, mergers, business relationships, projects, policies, and important decisions.



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Why Strategies Fail to Become Reality BY REGINA JIRON

- \rightarrow Adapt.
- \rightarrow Innovate.
- \rightarrow Transform.

These aren't just buzzwords—they're survival tactics echoing through boardrooms as organizations grapple with relentless change and mounting pressure to stay ahead. Strategies are

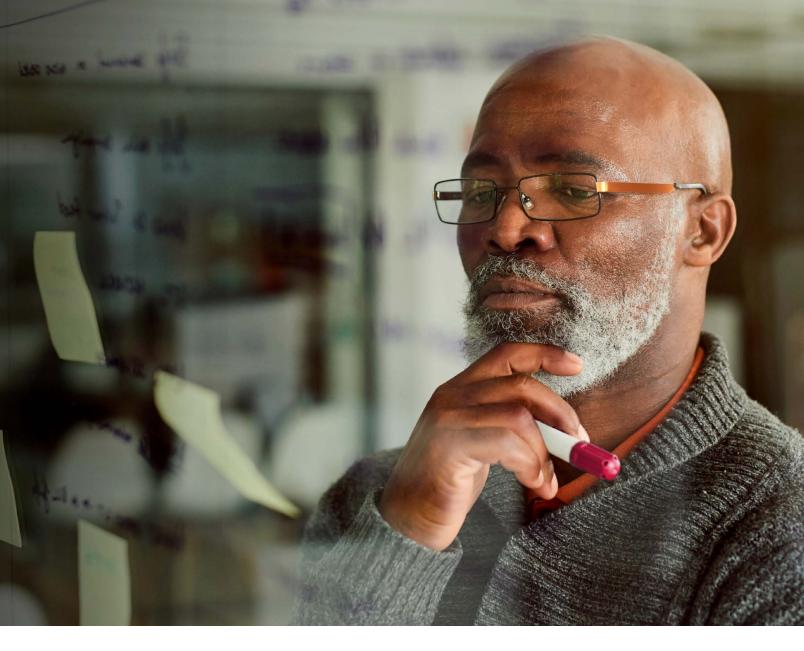
drawn up with high hopes, yet when it comes to execution, many managers find themselves hitting invisible walls. Despite their dedication and expertise, turning strategic visions into operational reality remains a daunting challenge.

So, what's really going on here? Why do capable managers struggle to bring strategies to life, and how can organizations step in to bridge this gap? Let's dive into some potential underlying issues and explore innovative solutions that could make all the difference.

THE STRATEGY-EXECUTION GAP: WHY MANAGERS STRUGGLE

Before organizations can solve the execution puzzle, they must understand the challenges managers face when turning strategy into action—and why so many efforts fall short.

Misaligned vision and reality. Strategic plans often look brilliant



on paper but stumble when they meet the gritty realities of dayto-day operations. A 2013 survey by the Economist Intelligence Unit found that 61% of companies struggle to bridge the gap between strategy formulation and execution (Why Good Strategies Fail: Lessons for the C-Suite). Managers are caught between ambitious goals and the actual capabilities of their teams and resources. When the grand vision doesn't sync with on-the-ground realities, managers are left scratching their heads on how to connect daily tasks with high-level objectives.

Overreliance on traditional KPIs. Key performance indicators (KPIs) have long been the yardstick for measuring success. However, an overemphasis on traditional KPIs can create tunnel vision. Factors such as team morale, adaptability, and alignment with broader goals often slip through the cracks, leaving managers without a complete picture of progress.

Competing priorities and limited resources. Managers today juggle a multitude of responsibilities with finite resources. A

2024 Workforce Trends Report by Leapsome showed that 6 out of 10 managers report feeling more overwhelmed than they did a year ago. Tight budgets, lean teams, and urgent operational demands often push strategic initiatives to the back burner. The immediate need to "keep the lights on" overshadows long-term strategic execution.

Communication gaps and organizational silos. Communication breakdowns can derail even the most well-thought-out strategies. When leadership's vision doesn't trickle down effectively, managers are left in the dark. Add organizational silos into the mix, and you have departments working in isolation, making unified action nearly impossible.

Lack of adaptive support systems. Rigid frameworks and outdated processes can tether managers to a fixed path, even when agility is needed. Without adaptive support systems, managers can't adjust their approaches in real-time, leading to missed opportunities and strategic misalignment.

TOOLBOX: INNOVATIVE SOLUTIONS FOR STRATEGY EXECUTION

Addressing these challenges requires fresh thinking and creative tools that empower managers to close the gap between strategic vision and operational reality.

→ Embed strategic "context coaches"

Managers often struggle to connect the dots between overarching strategic goals and the day-to-day decisions required to achieve them. Context coaches provide clarity by offering actionable insights that make high-level strategies feel tangible and achievable. They act as a bridge, translating organizational objectives into meaningful guidance for managers navigating real-world challenges.

- **How it works:** Context coaches are senior advisors embedded within teams, helping managers understand strategic priorities and align their actions with organizational goals.
- Example: A manager under pressure to accelerate a product launch consults with a context coach to evaluate tradeoffs.

 Together, they assess whether speeding up aligns with strategic priorities or if maintaining quality should take precedence.

 The coach provides insights that help the manager make an informed decision.
- **Benefits:** Managers gain a strategic sounding board, reducing misalignment between vision and execution. This support enhances their ability to act with purpose and clarity.

→ Foster micropilots for strategy testing

Large-scale strategic initiatives often fail because they haven't been tested in real-world conditions. Micropilots provide a controlled environment for experimentation, allowing managers to refine strategies through actionable insights before a full rollout. This approach reduces risk and increases the likelihood of success by iterating on smaller, less costly scales.

- **How it works:** Managers design small-scale, time-bound projects to test key elements of a strategy, gather feedback, and refine their approach.
- **Example:** Before overhauling the entire customer service protocol, a company can pilot new communication techniques in one location. Feedback is gathered, adjustments are made, and the refined approach is then rolled out company-wide.
- Benefits: Micropilots enable data-driven learning, minimize risks, and build confidence in executing strategies on a larger scale.

→ Implement an outcomes marketplace for resource allocation

Traditional resource allocation can stifle creativity by prioritizing rigid budgets over innovative ideas. An outcomes marketplace reimagines this process, enabling managers to compete for resources based on the strategic value of their initiatives. This encourages innovation, accountability, and a stronger connection between funding decisions and organizational goals.

- How it works: Managers pitch their initiatives on an internal platform, where proposals are assessed for alignment with strategic priorities. Funding is allocated to projects with the highest potential impact.
- **Example:** In a tech firm, managers propose software development projects. Each proposal is evaluated for its contribution to strategic goals such as market expansion or innovation. Projects with the highest alignment receive funding.
- **Benefits:** This model fosters merit-based funding, ensures alignment with strategic priorities, and motivates managers to think strategically about their proposals.

→ Replace reviews with flexible strategy checkpoints

Annual performance reviews are often too rigid and retrospective to provide meaningful support for strategy execution. Strategy checkpoints introduce a dynamic, forward-looking approach by offering real-time feedback and opportunities to adjust course. These sessions focus on collaboration and adaptability, keeping strategies relevant and actionable. The frequency of these meetings can adapt to the project's needs—occurring more often during critical stages and scaling back as the project reaches a steady state.

- How it works: Managers participate in regular informal discussions with leadership to review progress, address challenges. and refine their execution approach as needed. These meetings are designed to be agile, evaluative, and solution-driven.
- Example: A regional sales manager meets monthly with leadership to conduct a deep dive into market feedback, identifying trends and challenges to refine sales strategies. This ongoing dialogue enables timely course corrections and ensures strategies remain effective.
- Benefits: Checkpoints promote a culture of agility and proactive management, preventing minor issues from escalating into major roadblocks.

→ Leverage predictive analytics for real-time insights

The ability to foresee potential roadblocks can be a game-changer in strategy execution. Predictive analytics tools provide managers with real-time data, enabling them to anticipate challenges and take proactive measures. This shifts managers from a reactive to a forward-thinking mindset, allowing strategies to stay on track.

- · How it works: Predictive dashboards monitor strategic initiatives, alerting managers to potential issues and opportunities through real-time data analysis.
- Example: A logistics manager receives an alert about potential supply chain disruptions due to geopolitical tensions. Armed with this insight, the manager adjusts sourcing strategies proactively.
- Benefits: Predictive tools enhance decision making, mitigate risks, and maintain momentum in strategy execution.

ightarrow Form cross-functional "execution pods"

Organizational silos often hinder collaboration, innovation, and alignment. Execution pods bring together cross-functional teams to work on specific strategic initiatives, combining diverse perspectives to solve complex challenges. This approach ensures cohesive action and reduces the friction of siloed operations.

- How it works: Interim, project-based teams are formed from different departments to tackle specific goals. Members collaborate closely, leveraging their unique expertise.
- Example: Launching a new app involves an execution pod with members from development, marketing, legal, and customer support. This collective effort ensures all perspectives are considered.
- Benefits: Cross-functional pods foster innovation, streamline collaboration, and ensure a unified approach to executing strategy.

ightarrow Encourage "strategy sabbaticals" for recalibration

Strategic thinking often takes a backseat to daily demands, leaving managers stuck in reactive mode. Strategy sabbaticals offer intentional time away from routine responsibilities, allowing managers to reflect, recalibrate, and return with a fresh perspective. These breaks spark creative thinking and help managers refocus on long-term goals.

- How it works: Managers step back from operational tasks for short, structured periods to reassess their approach and explore new ideas.
- Example: A manager takes a one-week sabbatical to attend a leadership retreat. He returns energized, with new ideas to tackle challenges and enhance execution.
- Benefits: These sabbaticals inspire creativity, reduce burnout, and enhance a manager's ability to think strategically.

→ Embrace a fail-forward culture

Organizations often fear failure, discouraging risk taking and innovation. A fail-forward culture reframes failure as a stepping-stone to success, encouraging managers to experiment and learn from their mistakes. This mindset fosters creativity, resilience, and a willingness to tackle ambitious goals without fear.

- **How it works:** Organizations encourage managers to take calculated risks and view failures as learning opportunities. Lessons learned are shared to inform future initiatives.
- **Example:** After an unsuccessful marketing campaign, the team conducts a transparent debrief to analyze what went wrong. Insights are documented and shared across departments.
- **Benefits:** A fail-forward culture empowers managers to take calculated risks that drive innovation and continuous improvement and build resilience.

LEADERSHIP AND ORGANIZATIONAL SUPPORT: ENABLING MANAGERS

Even the best tools and approaches can only go so far without strong leadership and a supportive organizational framework to sustain them.

Leaders as strategic guides. When leaders shift from directors to mentors, they empower managers to think critically and act autonomously. This approach builds trust and encourages a deeper understanding of strategic objectives.

Continuous learning hubs. Establishing a learning culture, emphasizing the difference between training and learning, is priceless. Hubs for ongoing education keep managers abreast of the latest tools, methodologies, and industry trends. This commitment to learning fuels adaptability and keeps execution strategies fresh.

Alignment audits. Regularly reviewing departmental goals and resources ensures they remain in sync with overarching strategies. Alignment audits identify gaps and provide a roadmap for adjustments.

Digital collaboration tools with strategic context. Investing in

technology that embeds strategic context within collaboration platforms enhances communication. Managers gain real-time access to strategic updates, ensuring everyone is on the same page.

MOVING FROM VISION TO REALITY

Managers are the linchpin between a company's strategic aspirations and its operational achievements. But without the right tools, support, and environment, even the most capable managers can falter.

The business landscape is only going to become more complex and unpredictable. Organizations that recognize and address the hidden challenges of strategy execution, and empower their managers, will not only survive but thrive.

It's time to move beyond traditional approaches and equip managers with the innovative support they need to bridge the strategy-execution gap.

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How to Resolve Conflict in the Workplace



Conflict is part of life, and that includes our work life. It is natural and it will happen. We are not "wrong" for finding ourselves at odds with ourselves and/or others from time to time. Some people become so uncomfortable (and clueless) that they won't admit they find themselves in conflict. Not accepting conflict will make it harder for them, and the people around them, to solve the problems creating the conflict. Conflict is difficult and will never be truly comfortable. But it is also an opportunity to change the status quo.

CONFLICT RESOLUTION LEVELS

Conflicts can be solved on various levels. First, we can let it go for now. If we gain more insight later into the matter at hand, we can change our minds, and sometimes we can just move on altogether and leave the conflict behind. What we first believed to be a conflict no longer is.

When we do believe something needs to be worked on to be solved, we don't always need deep, thoughtful consideration. For



example, when you and I disagree over what to have for dinner tonight, and we both love pasta *and* rice, we don't have to have a hard time solving the matter. You can have your way tonight, and tomorrow I will (or the other way around).

But sometimes we disagree on a deeper level. Using the same example about dinner options, this time I might say neither option works for me, while you are stuck on these options and will accept no others. Since we are committed to have dinner together, we have to solve the issue on a deeper level.

Many people solve issues on a "this *or* that" level, but solutions are often nonbinary and complicated. Solutions may include exploring concepts such as: What are our needs? What are our true wishes, concerns, and core values? What matters most to you? What matters most to me? Where can we find each other—what is our common ground?

CONFLICT MANAGEMENT STYLES

Not every conflict needs to be solved on a deeper level. But deeper-level solutions are needed when these factors are present:

- We are committed to the relationship (we care about each other and each other's goals).
- We are committed to solving this issue (this matter means something important to both of us).
- We have to collaborate on working out the issue (we still have to work with each other after the conflict is resolved).

When we care about the relationship and the goal, but we don't have skills, we resort to solving the problem on a surface level. This will lead at best to a compromise—we both give up something to gain something else. Neither of us feels truly satisfied because we haven't changed our minds (and hearts) on each other or the topic. We experience a gain, and a loss.

At worst, problems won't be solved when one's dominant style is—perhaps unconsciously—avoidance. There is no progress in any direction. Being stuck feels horrible, but for whatever reason (lack of awareness and/or lack of skills), there is no work on the relationship or problem.

Sometimes we resort to giving in (accommodating the other person) or competing (when it's a win-lose situation). In this case, one of the collaboration ingredients might not be present. When we give in, we might not care about the goal as much as the other person does, so giving in makes perfect sense to us. Other times, we might not be committed to the relationship, so we sacrifice that to get to our goal. For example, during a sports game, we prefer winning over becoming friends with the opposite team.

However, more often than not, people lack insight into which conflict management style is the best fit for a situation and which skills will allow them to solve problems collaboratively. They would prefer to keep the relationship and get to their goals, but they don't know how to get there.

WHY SKILLS ARE NEEDED FOR CONFLICT RESOLUTION

When we are clear on the matter and what it means to us and the other person, and we believe this is a matter worth working out, we need skills. And we need them badly, because our human nature is, in fact, against working out conflicts collaboratively.

Human nature, aka our brains, tells us to stay away from threats in two ways: fight or flight. These instinctual reactions will come up when we find ourselves in situations in which the stakes are high and opinions differ. Our emotions will try to run away with us, and we will do exactly the opposite of what we want to do: crush the other and dominate or overpower them, sacrifice

the beneficial relationship to get what we want, roll over on our backs and give in, or sacrifice the goal on a surface level to maintain the relationship.

ACCEPTING AND WORKING WITH DIFFERENT POWER DYNAMICS

I've noticed a lie people tell each other: "We're all equal, so we can work out every conflict equally." It's a version of, "My voice matters as much as yours, period." But this is way too simplistic, and to me. simply not true.

Power and social influence are real. My voiced opinion doesn't matter as much as the president's/CEO's. My voice is not as influential as that of someone in the company who has a much bigger following/network than I do.

To bring this point home on a very basic human level, we are well aware of who could hurt us more than we can hurt them, financially or otherwise, on a safety/security or freedom level.

This is how I see equality: We are equally worthy of being fellow human beings. We are all worthy of being treated respectfully and with care. But we are not equally powerful. I could fire someone who couldn't fire me. And vice versa, someone could fire me whom I couldn't fire. Another entity could force our company into a takeover, and our company could acquire another company that could not acquire us. Just being aware of, and accepting, power dynamics helps us to empower ourselves with skills, depending on the hierarchical situation we find ourselves in. We just have to accept this in the light of an opportunity to create agency, as opposed to being fearful and staying stuck.

RESOLVING CONFLICT AS THE BOSS

When we are on a higher hierarchical level and are in conflict with a subordinate, we have to work harder on "making it safe" for the other to be honest and clear about the resolution they want to achieve. We have to work harder to get them to trust us and believe that we care about them and their goals.

In modern terminology, this is called creating psychological safety. We need to do this work so that those who find themselves in situations with less power feel psychologically safe to speak their minds. Simply put, we have to work on skills that show them that speaking up in an effective and respectful way won't get them in trouble.

RESOLVING CONFLICT AS THE SUBORDINATE

When are on a lower hierarchical level, we have to work on skills that empower us to speak up effectively. We have to believe that we are worthy of being listened to and that what we say matters to us and the company. We have to know how and when to speak up. Speaking up doesn't mean being loud or speaking most of the time or in every setting. Being listened to also doesn't mean that we'll get what we want. It simply means getting on your senior person's radar.

We have to work harder on skills that will make us speak up when it matters so that we are understood as valuable contributors to the shared company goals. When we are perceived as valuable contributors who provide senior executives with relevant information and viewpoints, we will be listened to and potentially even be consulted.

DEVELOPING ACTIVE LISTENING **SKILLS FOR ALL**

When we are at ease, we are generally open to taking in different viewpoints on matters. But when we are in conflict, we are not at ease. In fact, we feel hemmed in and our viewpoint narrows. Human nature works against us. Getting ready to fight or flee doesn't allow us to relax and focus on others' needs and viewpoints. This state doesn't even allow us to focus on our own long-term goals. Our brains just want to fight off or avoid the imminent threat.

Luckily, there are skills that we can learn and practice to pause our own thoughts, relax our minds, and fully focus on the other person's expressions/state of mind. When we practice that, we reflect back to the other person what we've understood. We check in on whether we truly understood what they were trying to convey. When we do this successfully, a shared understanding has been created. When we then also share our viewpoints, a greater shared understanding has been created. We have created common ground. From there, we can go into options and opportunities and then pick a solution.

ASKING EFFECTIVE QUESTIONS

To get the conversation started, and keep it going, you need to ask good questions. These are usually open-ended questions that allow for some reflection on both sides. And there are various conflict resolution processes we can follow to get to a full result.

But the reality is, not all interpersonal conflicts are ready to be solved today. Some circumstances are beyond our control, even for those who are well equipped with skills and good intentions. Being aware of how safe we feel to be open and honest, how awake and focused we are, and in what context we find ourselves (maybe one of us is running out of time allotted for this conversation) can help us decide whether we are ready for a next step in the process or will call it a day.

Ultimately, when we have good intentions for ourselves and the other, and we've practiced active listening and asked good questions, we've worked on our (professional) relationship. And that's a win regardless. 👊

Hanne Wulp, the founder of Communication Wise, has more than 20 years of professional experience as an attorney, mediator, facilitator, and trainer/coach. Her mission is empowering leaders and teams to communicate effectively, influence others in desired ways, and handle difficult conversations confidently and clearly.



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How Critical Thinking Enhances Managers' Use of Al

BY HAYWOOD SPANGLER



A senior leader I coach recently asked me to review an artificial intelligence training curriculum developed to introduce employees to new AI tools custom designed for their organization. The curriculum was well organized, with lessons oriented to different functions and roles. However, my client and I agreed that something was missing: There was no content related to thinking critically about the results AI provides. In this article, I'll explore why critical thinking skills are important for employing AI in management practices and share insights I gained from researching the relationship between critical thinking and the use of Al.

WHAT KIND OF AI?

Al isn't a single "thing." There are varieties of artificial intelligence. The artificial intelligence most of us experience in the practice of management is generative AI. You may already be aware that generative AI can simplify tasks such as writing job descriptions, and it can quickly review documents such as contracts.

Generative AI may be able to offer insights and recommendations to support other managerial tasks, including creating employee development plans, articulating employee goals, coordinating vacation requests, and gauging employee satisfaction and engagement. Likewise, developers of management-related generative AI predict that managers will be able to use the technology to identify the best opportunities for their employees based on skills and interests. It will provide data to help managers engage in more informed talent-retention conversations with employees about their expectations and the trajectory of their careers.

Regarding managers' additional strategic responsibilities, generative AI may offer data-driven recommendations and predictions to support resource allocation, hiring decisions, and project plans. In addition, generative Al's capacity to analyze large volumes of data and to identify patterns may provide insights that support better decision making regarding market trends and customer behavior.

RELEVANCE OF CRITICAL THINKING

Critical thinking involves distinguishing between valid inferences and logical fallacies and between factual evidence and biased opinion. It involves deductive, inductive, and analogical reasoning. Pioneers in the development of Al. speaking in the news media, have raised our awareness that generative Al replicates our brain's ability to develop heuristics—rules of thumb—based on past experiences and apply them to similar present situations. Therefore, generative AI is perhaps more like what psychologist Daniel Kahneman calls our System 2 Thinking—fast and automatic—it is like what he calls our System 1 Thinking—deliberate and reasoned.

In our human thought processes, heuristics can turn into cognitive biases, or mental shortcuts that inaccurately simplify uncertainty. These mental shortcuts allow us to act more quickly, although not always more wisely. Oversimplifying uncertainty does not lead to the most realistic decisions. Similarly, as many of us are aware, current generative AI can produce biased information or conclusions. While we are capable of thinking critically to compensate for our mental shortcuts, generative AI cannot identify and correct assumptions and biases in the information it synthesizes for us. Consequently, continuing to hone your critical thinking skills is essential for effectively incorporating AI into your practice of management.

Through my research on the relationship between critical thinking and various applications of Al, I have arrived at two key insights.



Applying critical thinking to generative AI is not a matter of time. It is a matter of mindset.

INSIGHT 1: DEVELOP DIGITAL LITERACY

Digital literacy involves practices every manager can easily implement:

- Requesting and reviewing source links for information provided by an AI model.
- Identifying AI hallucinations, or fabricated information generated from data sets. Stay alert to incoherent answers and test the model with contradictory questions.
- Recognizing deep fakes, or audio and video content designed to provoke strong emotional reactions. The shocking nature of such content is a clue: additional indicators include inconsistent lighting around a subject's face.
- Understanding the "black box" issue in machine learning. Al cannot explain its own thought process, and even coders may struggle to decipher how conclusions are reached once neural pathways are engaged.

INSIGHT 2: DEVELOP RESEARCH-RELEVANT CRITICAL THINKING SKILLS

While digital literacy helps in spotting fakes, critical thinking equips us to assess information that isn't fraudulent. Think of the oath taken in courtroom dramas (and real life): "Do you swear to tell the truth, the whole truth, and nothing but the truth?" Critical thinking ensures we can determine that the information we receive from generative AI is not only authentic but also complete and relevant to our work.

If you peruse the web for topics related to AI and management, you will find phrases such as "Al provides insights," "Al curates data," and "Al finds patterns in data" for managers. These phrases reflect the fact that we should understand generative Al as a research tool—a kind of virtual research assistant that can quickly sift through numerous sources. This perspective indicates that the critical thinking techniques applicable to Al are similar to those used in traditional research methods known well to many managers, such as doing literature reviews and conducting surveys and interviews. These techniques include assessing the credibility and relevance of various sources.

Michael Shermer, a historian of science, suggests that the scientific method teaches researchers to "doubt until proven true." When you practice digital literacy, you may not need to maintain such a strong skepticism regarding the findings of generative AI. Nonetheless, a position of equilibrium—neither overly credulous nor strongly doubting—is useful.

The articulate responses generative AI provides to queries can suggest it is deliberating about its answers. However, generative AI is not a thinking conversation partner. It essentially provides a report, rather than an evaluation of the data in the report or a reasoned argument. If you want to test your ideas and conclusions, it cannot effectively function as your devil's advocate or friendly opposition.

Recognizing generative Al's limits and potential leads to these key critical thinking skills for evaluating Al-generated

- Seek corroborating evidence from non-Al sources to verify Al-provided data.
- Look for disconfirming evidence that challenges AI data. Does such disconfirming evidence sufficiently undermine the Al material to warrant its dismissal?
- Collaborate with others to identify and fill gaps in the Al-provided information.
- Use your own deductive and inductive reasoning to weigh evidence, draw conclusions, and make decisions.
- Remember that correlation does not equal causation.
- Recognize that statistical modeling rests on assumptions that the future will resemble the past and that a sample accurately reflects its parent population. Sometimes, reality does not conform to these assumptions.
- Use your own ability to reason by analogy to stimulate new ideas.
- Realize that generative AI supplies data to support arguments or decisions; it does not independently make an argument or decision (although it can appear to do so by offering a response to a complex question, such as "What should our corporate strategy be for the next three years?").

As you consider these critical thinking techniques, you may reflect that these will take time, and the appeal of AI is that it will reduce work. Recognize that generative AI does save time by reducing the legwork of research. Critically assessing the data provided by generative AI is faster than first culling sources yourself. In short, applying critical thinking to generative AI is not a matter of time. It is a matter of mindset: our willingness to embrace and enhance our capacities to reason, deliberate, and decide. 👊

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HOW AI

Will Transform the Leadership Landscape



Artificial intelligence is one of the most fascinating developments facing the business world. In the right hands, it could be positive. But in the wrong hands, it could be devastating. To succeed today as a CEO or senior executive, you must review the external environment with a keen eye toward perfecting results to help your organization survive.

Executives must adapt to the disruptions to their style of leading as AI becomes a catalyst for transformational change. But how should they adapt? This article proposes that executives can use a new form of leadership in an AI-dominated world. Much of what I share here comes from my interviews with 47 senior executives in Australia, New Zealand, Japan, Hong Kong, and South Korea.

LEADERSHIP IN POST-AI WORKPLACES

Leaders are contending with a great deal of disruption in a post-Al world. The emergence of Al has had multidimensional effects on companies across the globe. In this environment, leading companies have to initiate the ability to learn quickly and exploit organizational knowledge, as senior managers anticipate future needs and build collective support and understanding to respond to new trends.

Continuous learning in an organization breeds intellectual capital and helps the company acquire an extraordinary approach to adaptability. Stephen Hawking famously said, "Intelligence is the ability to adapt to change." To advance in the AI era, organizations need a systemic and integrated perspective in which all business units quickly and accurately recognize environmental changes and effectively interact with each other. This approach will enhance the organization's ability to respond to the external environment.

The disruption caused by AI also requires companies to adopt new pillars of leadership. In the days of mythical heroes such as Hercules, leaders relied less on analytical power and more on physical strength. But the age of AI further expands executives' reliance on knowledge to wield power. Many CEOs and senior executives believe that success in using AI to build competitive advantage only requires an investment in technology. But they deny the importance of leadership. Leadership styles will have to change in light of the emergence of new conceptual skills that will drastically change business models. While AI will enable organizations to predict the future—and already has become a competitive advantage—it has not replaced humans, who will need leaders.

Big multinational companies such as Google, Apple, Alibaba, Tesla, and Toyota, which happen to be among the most successful in the development of Al, have increasingly focused on leadership skills. These companies have realized that leadership cannot be outsourced, and leaders' tasks cannot be left to algorithms and robots. The integration of leadership and automation requires companies to abandon aspects of traditional leadership and move toward a new leadership style called "adaptive intellectual leadership."

PILLARS OF ADAPTIVE INTELLECTUAL LEADERSHIP

Denise Rousseau, professor at Carnegie Mellon University and part of the Center for Evidence-Based Management, once said in an Academy of Management meeting: "If you do not love the goals that you have, then love the goals that you are near." The nearest goal for executives today is to embrace AI.

At first, executives may face fear and insecurity, but accepting this challenge and change is necessary. Many CEOs set high goals for their organizations and human resource divisions and attempt to motivate them to achieve these goals. Leading in a world of artificial intelligence requires integrating AI into those broad technology domains, followed by better training and development.

This leadership style relies heavily on a concept that Farshad Asl, a motivational speaker, bestselling author, and leadership expert, mentioned in his book *The No-Excuses Mindset A Life of Purpose, Passion, and Clarity.* He argued that the mind is powerful and stated, "We need to think bigger. We need to dream bigger. We need to act bigger because we can create a much bigger version of our lives when we embrace artificial intelligence." The following actions will support this leadership:

Develop an inverted organizational pyramid. Leading in an Al world requires a divergence from the traditional organizational pyramid hierarchy. Senior executives will have to design their organizational pyramid in reverse and from the bottom up. CEOs will no longer be identified only as the highest-paid executives but also as servant leaders. Ken Blanchard, one of the best scholarly practitioners of leadership, argued that leadership is not something you do to people but something you do with people. W. Edwards Deming, the post-WWII management consultant to Japan, specified the need for continuous improvement and learning due to the widespread receipt of new information and technological breakthroughs.

Leaders in the age of AI must be trusted. For example, Scott Kirby, the CEO of United Airlines, took a private jet out of Newark Airport while thousands of people's flights were compromised due to delays caused by a lack of air traffic controllers. According to the Associated Press, Kirby later gave each customer 30,000 flight credit miles with a contrite apology for being insensitive. This is a modern example of authentic leadership.

Foster a learning culture. Leaders in the AI age will have to expand their organizations' culture of learning and trust by using a trickle-down leadership strategy that reaches everyone in the value chain. To do so, the CEO and C-suite must be fully trained in the nuances of AI and then provide training workshops for other employees and for customers and suppliers along the value chain. Through these workshops, CEOs and senior leaders will help develop the learning process and trust throughout the organization.

Build multidisciplinary teams. While the concern about AI may

Key Pillars of Adaptive Intellectual Leadership



be new, humans have always grappled with challenges posed by new technologies. Before AI, it was robots, when the threat loomed that they would replace humans in assembly lines. Many employees resist change due to a fear of being replaced. But does this replacement mean removing humans from the future business model? The answer to this question is no. The main reason that AI cannot replace humans is the fact that we have adaptability, while AI is limited in its adaptability.

The cooperation between humans and AI can lead to improved analytics. Al and people working together can provide better ideas to solve organizational problems when they're equipped with advanced information synthesizers and work in multidisciplinary teams. Executives need to create extraordinary synergy between humans and AI by developing multidisciplinary teamwork skills in their workforce.

Develop an AI strategy. CEOs who seek to develop AI skills in their organization must become highly capable strategists. Success in the age of AI is dependent on being continuously engaged with the organization's external environment. CEOs must incorporate AI into their organizational strategy and use various digital tools to maximize their agility in response to

environmental threats and opportunities. Embracing an Al strategy also means encouraging higher goals that can set a precedent of acquiring and storing knowledge in a knowledgemanagement database.

The field of AI is growing, and while there is not enough information available to address its full effect, its impact can only increase. To address AI concerns, CEOs and executives must embrace adaptive intellectual leadership. This leadership style can help CEOs build a better workplace that keeps up with, and continuously improves, the use of technologies such as Al. By initiating the inverted organizational pyramid, leaders can develop learning and trust at the lower echelons of the organization. And by developing multidisciplinary teams across business units, CEOs can weaken the mental barriers to innovation and help develop and implement strategies for the more efficient use of Al. 👊

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Elevating Management: The Evolution from Tactical to Strategic



THE MANAGER FRAMEWORK—HELPING MANAGERS ADAPT TO MODERN CHALLENGES

Successfully addressing today's management challenges is essential for organizations to thrive and stay competitive, but conventional models and strategies for developing managers are not sufficient to meet this need. The makeup of today's workforce has been transformed by significant shifts in both society and business. With global talent sourcing, hybrid and remote work environments, those transitioning to fully back in the office, and multigenerational teams—combined with increased business demands and constant change—managers and their staff are faced with a range of new and evolving challenges.

For example, consider the following statistics from the our whitepaper, Why Managers Are Failing to Execute Strategy, and How Organizations Can Help. This report summarizes findings from an AMA Global survey that explored how effective managers communicate strategy, translate it into actionable plans, harness their teams' talents, and inspire them to focus on bringing leadership's vision to life.

Among the key findings, the survey found that of all managers who responded:



Believe that the role and responsibilities of a manager have significantly changed over the past 5 years



Report the role of the manager has changed by managing generational workforce differences and work styles



Report the manager's role has changed from managing remote and hybrid environments

In the AMA Global survey, communication was one of the key development areas identified as essential to address to tackle today's challenges, as reflected in the following statistics:



Ranked "communication" as the biggest interpersonal skill leaders need to improve



Ranked "flexing communication style" as a critical management skill



Said management needs to communicate better



68%

See a need for better managerial communication



Cited "decision making and problem solving" as a critical skill



Value "coaching and feedback" to motivate, focus and work better together While communication is clearly a priority, it is just one aspect of management that needs to be addressed in order to manage effectively in today's environment. The new Manager Framework was created to reflect these complex and dynamic new business realities—and help managers be more effective in responding to them.

The framework serves as a visual guide that synthesizes the key development needs essential for a manager's success. It is designed to help managers strike a balance between building the core skills they need in their role and fostering a humancentered approach to personal and team development.

This framework was developed through comprehensive AMA Global research which included surveys, participant feedback, and insights from leading subject matter experts. The analysis led to the following conclusions:

- Managers need to adopt a more "human-centered" approach to management, focusing on both their own development and that of their teams. In knowledge-based environments, managers should prioritize managing for outcomes rather than time spent on tasks. This approach requires engaging employees as individuals, appealing to their intrinsic motivators rather than treating them as cogs in a machine.
- A "command-and-control" or overly directive management style limits effectiveness in knowledge-based work. Knowledge workers require more self-direction to stay engaged, motivated, and productive. While a manager can "command" longer working hours, they cannot "command" someone to put forth more intellectual effort, be more creative, or apply deeper critical thinking.
- Most managers aspire to grow, learn, and develop continuously. They want to actively participate in their development, both for the present as well as what it might be in the future. Effective managers also blend their own technical skills with strong people management skills—for example, by fostering more collaborative relationships and by enhancing their leadership behaviors to drive both employee and organizational performance. Building on these key concepts, the framework is based on the common trajectory of a successful technical expert's promotion to people manager, then advancing to a team and business manager, and ultimately evolving into a visionary and strategic leader.
- >>> As managers gain confidence in understanding their functional role, their focus moves to building their people management skills. Through practice, they develop selfreliance and competence in these interpersonal areas. Managers also increase their focus toward fostering collaborative ties which serve as the foundation for evolving their leadership behaviors. Managers can enhance how they lead teams to approach opportunities and change, while motivating them through dynamic business cycles.



The path to effective management involves a significant evolution from technical proficiency to strategic leadership. Embracing a human-centered approach allows managers to foster not only their personal growth but also the success of their teams. By transitioning from a directive management style to one that emphasizes collaboration and engagement, managers can create an environment where everyone feels valued and motivated.

As managers progress in their careers, they develop critical skills necessary for inspiring their teams and navigating the complexities of change. This ability to lead effectively through challenges is crucial for achieving sustained success, both for the organization as a whole and for the individual team members they support. Ultimately, the journey of a manager is about cultivating a vision that prioritizes development and empowerment, ensuring that both the organization and its people thrive together.

American Management Association is dedicated to providing the best professional development solutions to enable you and your business to meet challenges with confidence—and empower you to achieve extraordinary performance.

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