

Business leadership despite uncertainty

Company bosses are running out of patience over the lack of progress in the Brexit talks, and rightly so. Two years after the referendum there is still little clarity as to what it will mean for British businesses. Not only are they faced with the uncertainty of Brexit, they are also having to deal with a myriad of international shockwaves of recent times, with unpredictable American economic policy following the election of Donald Trump being just one example.

The British Chambers of Commerce is currently seeking extra details from the government, asking 23 “real world” questions it says urgently need answers as the UK’s EU exit approaches.

But as businesses await clarity on these points (and they might be waiting a long time...) there are several things company bosses could be doing in the meantime to increase their business’s flexibility and agility, helping them to overcome the challenges that may lie around the corner.

Agility - Ready, fire, aim

The design of modern weaponry is instructive here, given its move from the traditional concepts of “ready, aim, FIRE!” to “ready, fire, AIM”, as missiles seek their target after launch, rather than before. Following the Brexit vote, many business plans will now be past their sell-by-date, or at very least, at risk of being outdated in the near future. Adjusting live-inflight is a skill that leaders need to develop urgently, as uncertainties often turn to new realities at rapid speed.

Resisting command and control

Old-style leadership behaviour often acts as a barrier to agility, especially in such a rapidly changing business and economic environment. Evidence from the last few years is clear: such behaviour is already at play and getting much worse. Leaders need to resist the impulse to default to ‘command and control’ style behaviour, in order to create space and time to focus on scanning the changing landscape, the market and the competition. This starts with the question “How can I increase my personal capacity by 50%?”

Realistically, we know that long hours are already par for the course – even more so in times of change. Working longer is an unlikely solution (even if it was, it’s hardly a smart solution).

Getting out of the way

Fundamental to achieving the vision and agility required of executive leaders today is the ability to mobilise senior managers, letting them run more of the day-to-day operations with authority to play what’s in front of them. Effective leaders invest in strengthening senior managers’ individual capabilities and create the right environment for collective success. In turn this frees them up to focus their energies on strategic activities rather than routine management tasks. This kind of investment is too often de-prioritised in periods of economic stress.

Micro-management: the final curse

In times of uncertainty, many senior leaders have a tendency towards chronic micromanagement, rather than getting out of the way.

This was clear in the aftermath of the last financial crisis, when many executive leaders began to obsess about the minutiae of everything that crossed their desks. In an extreme example, the CEO of a major accountancy firm slashed discretionary spending authorities: any cost above £500 had to be approved by him personally.

In an effort to ‘take control’, he was not alone in trying to ensure everything was done in the right way (a management task) rather than doing the right things (a leadership responsibility). Not only

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is this a false economy, left unchecked, this behaviour spreads to taking over day to day problem solving from their team to the point of almost doing their job.

Micromanagement at the top of organisations leads to huge internal inefficiency and dysfunctional top teams as self-preservation behaviours become common place. It also prevents a business from becoming agile and outward looking.

Agility is key

Uncertainty on the scale before us on both sides of the pond demands a different response. And the burning question for many business leaders now is “how agile is your organisation?” Becoming match-fit means Executive teams free to pursue opportunities in the new reality, senior managers liberated to deliver more of day-to-day business as usual, both ready to adapt in-flight quickly as needs be. Get this right in uncertain times, dividends will flow thereafter.

Final word...

Uncertainty has the potential to undermine business growth – especially for those companies unable to react quickly and adapt their business plans accordingly. Agility and fast decision-making are critical success factors for organisations and their senior leaders. Only those that look up and outwards, scanning the horizon to identify threats and opportunities early, will have any chance of making it out the other side of this difficult time.

Mike Taylor is Managing Director of Accelerating Experience, an award-winning Business Performance and Leadership Consultancy.

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