Leadership Strategies for a Disruptive and Uncertain World

Hamilton Teixeira / July 4, 2018

Enduring companies stand the test of time by surfing the waves of social and economic change cresting around them and by tapping into cultural undercurrents to capture hearts and minds. Leading an organization to remain relevant and maintain growth in the midst of rapid change is complex, as the advisors at IRC Global Executive Search Partners can attest.

Communities around the world are grappling with a host of challenges that threaten to undermine everything we take for granted, from climatic conditions, to social and political norms, to the way we produce and use energy. The scale of the challenges facing humanity and the pace of technological change are far greater today than in decades past. Solutions too are emerging rapidly and are being tested in the real world in real time.

Innovations today spread across the globe in a matter of months, weeks or even days, changing the way we interact and do business before most people have an opportunity to grapple with their impact, or deliberate how, when, or if they should be applied. Think Whatsapp and the lack of a standard etiquette guiding its use in different contexts. Or Facebook, and the lack of oversight and control on its use to mine personal data or manipulate public opinion.
As one technological advance ushers in the next and knowledge is shared with an ever-greater pool of talent, each generation is more saturated with information than the last and, we trust, more qualified to perform the jobs of tomorrow. The ability to read the cultural pulse and play to that rhythm with brand image and messaging is a common quality in many of today’s business frontrunners.

At a time when political figures are whittling away at ethical mores with little restraint, leaders in the private sector have an opportunity, if not an obligation, to fill the moral void and inspire the best in their employees and customers by setting an example and taking a stand on issues once considered unrelated to the running of a company. Savvy leaders know that today’s consumers use their money to exercise choice, often in support of companies they view favourably on social and environmental grounds.

Seasoned executives know when to adapt their businesses and when to hold steadfast to core values and proven tactics. Trident Holding Group CEO Andre Stokes, who participated as a panellist in IRC Global’s C-Suite Roundtable held in Miami in April 2018, said he frames all the changes underway in the context of how they play into two key elements: How a company serves its customers and how employees are empowered to deliver. Engaging clients and customers to align products and services with expectations and empowering teams to deliver on those expectations play a critical role in building a successful and enduring company primed to excel amidst the uncertainty of modern times.
Put Integrity First

Classic leadership qualities that combine hard, technical skills with the ability to reach employees, clients and customers on a personal level, often referred to as soft skills, are more important than ever in today’s frantic attention deficit business environment. The modern workforce demands more; a steady income no longer motivates employees sufficiently to stay on, especially in a fluid and buoyant job market where turnover is a growing concern. Employees need motivation and inspiration from the top.

Honesty is critical if a leader wants buy-in from staff, according to ProAXIS President Philippe Kuperman, who also participated in IRC Global’s recent C-Suite Roundtable. “A leader, in order to be credible, must come across as honest to earn the respect of the rest of the organization,” said Kuperman. That honesty must be conveyed throughout the company by formulating clear messages and communicating directly with the entire staff, top to bottom, he added.

Today’s most effective business leaders embody the mission they’ve articulated to their rank and file and presented to the market, bringing head, heart and hand to all they do. Agility and humility are critical to adapt and
embrace change, spearhead disruptions and motivate stakeholders at every level. No longer can the c-suite be considered the ultimate destination awarded for the achievement of knowledge and power. Knowledge in the modern sense needs to be “topped up” by learning, unlearning and relearning on a continual basis. Power in progressive companies is increasingly shared by c-level executives and bestowed on those team members best equipped to develop a company’s competitive advantages.

Honesty, integrity and transparency are now demanded of all organizations, not just those listed on a stock exchange. Leaders of tomorrow embrace openness today and are prepared to defend their decisions and justify their compensation. Corporate social responsibility is not an option, it’s a part of doing business, and customers, as well as employees, increasingly demand that the companies they support and work for make environmental sustainability and the well-being of their staff and the communities they serve central to their ethos.

Be Agile and Adapt

More than ever, strong leaders must surround themselves with quality, knowledgeable experts to stay abreast of all the technological changes underway, ProAXIS President Philippe Kuperman added. “If you are expecting people to respond in a certain way, you have to do it first,” he said. Remain flexible and adaptive and embrace change and new technologies, he advised, noting, “If a leader doesn’t grab the bull by the horns, they’ll be left in the dust.”

Many traditional companies are taking cues from start-ups as they seek to adopt more nimble business strategies and remain at the fore of their industries. Being satisfied with past success is no preparation for an uncertain future and spending too much time coming to a decision in a large hierarchical bureaucracy eats into the time available for execution, according to TheVentureCity CTO Victor Servin, who worked with telecom giant Millicom before joining his small firm. The start-up spends 10% of the resources deciding what to do and 90% implementing the decision, whereas large organizations tend to do the opposite, he said, adding that agility requires making decisions quickly and being comfortable with chaos.

Another value borrowed from the start-up environment is the growing emphasis on quality of life. The Start-up culture has always been
characterized by the combination of hard work, good fun and big pay-outs. Competition for talent and the phenomenal growth of the technology sector have created a broader expectation that the workplace should be a fun environment. Younger generations in today’s workforce are more motivated by fun and purpose as much as by money. More and more companies now strive to offer their employees a great working environment as well as adequate time off to enjoy a good quality of life to attract and retain top talent, and to improve productivity.

Diversify and Innovate

Diversity of age, gender and heritage within the leadership team and throughout an organization is essential to stimulate new ideas and to remain connected to different demographic groups across generations, internally and within distinct target markets. A host of independent reports point to the same truth: Diverse teams lead the most profitable corporations and are the most innovative. Disruptive products and solutions are the result of diverse ideas, many of them considered crazy or impossible when first proposed. Cross-pollination of new ideas should be encouraged across disciplines and rewarded in order to keep team members motivated and interests aligned.
Many products and services that once appeared unshakable are now subject to competition from new actors. Start-ups promoting and nurtured by the sharing economy, for example, have disrupted traditional hospitality and transport services, without even a legal framework to stand on. Buy-in from users of such platforms and the proudly disruptive culture within these organizations makes them virtually unstoppable, and their iterative approach to business allows them to succeed and grow in a sea of uncertainty to the chagrin of traditional competitors.

The way organizations are structured is evolving too. The conventional hierarchical chain of command model is unlikely to be entirely replaced by “flat” decision-making by consensus at large companies, but management is becoming less centralized and bold leaders are delegating more responsibility to independent teams. A more level structure allows companies to develop in more areas in parallel while nurturing expertise in more disciplines, this keeping team members engaged. Failure of the individual units within this kind of structure is more likely, but considered part of the troubleshooting, or learning, process.

Engender a Sense of Purpose

Transformative leadership reinvigorates companies and reenergizes them to grow market share and attract new talent, according to Carmen Matos, Executive Search Lead at NBC Universal Media, who also participated in IRC Global’s C-Suite Roundtable in April. A veteran of Mastercard, Matos recalled the impact made by Ajay Banga when he began his tenure as President and CEO, redefining the brand by turning the public mission of the company on its head. “Mastercard is not a financial services company. We are a tech company in the payments business. We are not here to charge interest, we are here to make the world better,” he had said, she recalled. “He gave us a purpose. No matter what you do, capture hearts and minds.”
Executive Summary

- Constant change is the new normal. Successful leaders build teams of experts to stay at the forefront of emerging trends, embrace new technologies and anticipate their impact on business as usual to adapt strategy and avoid allowing their companies to become obsolete. Any strategy beyond an 18-month horizon should be malleable to account for the inevitable need to adjust it along the way.
- Transformative leaders are fluent in managing chaos and take a more iterative approach to growth than what was typical in years past by fostering agility and nimble, decentralized decision-making within their organizations.
- Business leaders are best prepared to navigate uncertainty by nurturing their curiosity and being proactive to learn, unlearn and relearn continually.
- The conventional bureaucratic top-down hierarchical organizational structure of large corporations is being replaced by more level, distributed decision-making supported by greater transparency and collaborative, influential leadership by example more typical of the start-up environment.
• No industry is immune to disruption. Barriers to entry are being eroded by new technologies and innovative business models. Even the most successful companies need to challenge themselves and entertain the possibility of competition from new actors in order to pioneer alternative business models and stay relevant.
• Greater competition for talent and exemplary corporate citizens are encouraging forward-thinking business leaders to consider the quality of life of their employees to attract the best minds and promote greater retention. The idea that work should be fun has overflowed the start-up context and has become mainstream.

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Hamilton Teixeira is an accomplished marketing-oriented executive leader with an aptitude for bringing a holistic approach to solving complex business problems.
Prior to entering the executive search profession, he had a successful career in such multinational organizations as Kellogg, Bausch & Lomb, Timex, Tropicana Juices and Rayovac within Brazil and other Latin American countries. In various roles as CEO and executive VP, he gained valuable experiences building management teams, turning around operations and starting new businesses. He contributed to the performance improvement of these companies in the region and implemented new Kellogg, Timex and Rayovac plants in Brazil.
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