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**SPECIAL
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How to be a visionary leader

Do leaders like Steve Jobs prove that the 'vision' model of leading a successful organisation is a myth? **Chris Golis** explores the need for a different definition of vision and how it can help you to run your business better

A sine qua non (an indispensable element) of nearly every talk or blog on leadership is the importance of vision. Typically, the author says that unless the leader has visualised and articulated a dream that they can then successfully communicate to the team, they will fail as a leader. This is a popular thesis. For example, one article I picked out of the 222 million hits when I Googled 'Vision Leadership' provided the following quote:

'Leadership success always starts with vision. Henry Ford dreamed of a car families could afford. Steve Jobs dreamed of an easy-to-use computer that would unleash creativity. Nelson Mandela dreamed of an integrated, prosperous South Africa.'

– Forbes 2/4/2009



However, when you read the above you do wonder if it is hindsight talking. Is this really how successful leaders start? I don't know about Ford or Mandela but I have read Walter Isaacson's wonderful authorised biography of Steve Jobs, who relates how Apple started. In 1973, Jobs was working for arcade game company Atari, Inc. He was assigned to create a circuit board for the video game Breakout. According to Atari co-founder Nolan Bushnell, Atari offered \$100 for each chip that could be eliminated in the new machine. Jobs had little specialised knowledge of circuit board design and made a deal with Steve Wozniak to split the fee evenly between them if Wozniak could minimise the number of chips. Apple was eventually started in 1976 and the Apple I was similar to the Altair 8800, the first commercially available microcomputer.

Do successful leaders develop a vision and align their organisation/motivate their people to achieve that? There is a counter view that was perhaps best stated in 1993, when IBM was in trouble and Lou Gerstner stepped in to steer the company. He famously said, 'The last thing IBM needs right now is a vision'.

My own experience says the 'vision' model is a myth. As a venture capitalist, I was involved for 25 years with start-up and growing companies, and far more important than vision for success was flexibility. Success came not from developing a vision and following it through, but more due to a combination of being flexible, chasing the right opportunities and keeping a very tight control on costs and cash.

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Consequently, whenever I heard someone talking about the importance of vision, I would usually shut my eyes and go to sleep (metaphorically, if not literally). To me a leader is a person who sets attractive goals and has the ability to attract followers who share those goals. Goals are tangible

COMPANY VISION IN PRACTICE: ING DIRECT

Can you articulate your company vision and strategy in a one-page document? ING DIRECT head of broker distribution Mark Woolnough, suggests that the answer to this question should be 'yes'

In Woolnough's world, the company vision is underpinned by values that every staff member can not only relate to, but can also explain in terms of how those values align with their role and how they go about performing it.

"The other aspect of culture which is very important, regardless of size, is that you have very clear parameters; ground rules," he adds. "Yet within those you give people the opportunity to take ownership. You find tasks where, directly and indirectly, they're empowered to make decisions and shape outcomes. And you check in along the way."

Setting the values, culture and ground rules, however, is just the start. Woolnough explains that it's up to you as the leader to manage to that culture and make sure that it's infectious. The company vision and purpose need to be aligned, but also resonate with each and every team member.

"It's really important that you can support your staff but, more importantly, that they can articulate where they believe what they do and how they go about doing things – the 'what' and the 'how' – actually relate to the success of the organisation," he says.

In other words, everyone should know how and why their job contributes to the company. To that end, Woolnough explains that, at ING DIRECT, every business unit, and therefore every management team and individual, has a 'plan on a page'. And he believes that this is a strategy brokers can adopt successfully.

It's no use, for example, spending ages working on an enormous strategy document for your brokerage if it just gets filed away never to be seen again. Woolnough suggests distilling your vision into a plan on a page, that's underpinned by your own company values.

"It's there, it's a visual, it's in front of people, it's a daily reminder that motivates and drives performance and direction," he says. "If you're a one-man broker or if you're a broker with 50 people in your office, I absolutely encourage you to have a plan, but absolutely insist that that plan be simple and straightforward and easy to articulate to a customer, a business partner or a staff member."



COMPANY VISION IN PRACTICE: AMP BANK

Getting your staff to care about your company vision is all about creating an 'us' culture, believes AMP Bank head of sales and marketing Glenn Gibson



Getting your staff to engage with your vision is closely related to how you go about performance management, says Gibson.

He explains that, for him, translating company vision down to an individual level is a case of making sure that everybody in the team understands the 'wheres', 'hows', 'whats', and 'whys'.

"If everybody knows where they're heading, how they're going to get there and their part of it, it then just enhances the vision," he says.

"It's not just the admin person owning the admin section or the sales person owning the sales section. It is everybody realising that 'I'm an important contributor to the vision, because I'm doing this part which enables me to deliver on the whole thing'."

He explains that creating a collaborative 'us' mentality is vital – especially when it comes to operations that are the size of a regular mortgage broking business.

"In the corporate world, 'us' is very important. In a broker environment, it is even more important," he says.

"Because when you're talking to most broker entities that are about three people – maybe two loan writers and an admin staff – it has to be 'us'."

targets that can be reset if the environment changes or the market is rejecting your product or service. The process is more one of 'ready, fire, aim' rather than 'ready, aim, fire'.

A DIFFERENT DEFINITION

So, is there no need for vision by the leader? The answer is no but it requires a different definition of vision. I first heard it in a talk given last year by the professor of organisation behaviour at London Business School, Nigel Nicholson who defined vision as the leader seeing things the rest of the team do not see. Successful leaders use their ability to see what others do not see to frame their actions and build a successful business.

Successful leaders use their ability to see what others do not see to frame their actions and build a successful business



Perhaps the best modern example has been Steve Jobs. He did not just transform one industry. Through his ability to see what others could not see he transformed four: personal computing with the Mac/iPad; music with iTunes/iPod; communications with the iPhone; and the movie industry with Pixar.

Leaders fail when they lack insight – into themselves and the worlds they inhabit. Again, Apple provides a wonderful example in the form of John Scully, who is immortalised by this famous quote while he was CEO of Apple:

'Apple was supposed to become a wonderful consumer products company. This was a lunatic plan. High-tech could not be designed and sold as a consumer product.'

He could not have been more wrong. Scully is also famous for another quote:

'The future belongs to those who see possibilities before they become obvious.'

Sometimes, the irony of life is truly delicious.

So, vision is important provided he or she is looking at the right things. Again I refer to Nigel Nicholson, and in particular his latest book, *The 'I' of Leadership*. The insight that really resonated with me was critical leader relationships (CLRs). Nicholson argues that these are the people who help leaders with their most difficult decisions. In organisations they can be upward, downward and lateral, but Nicholson argues that perhaps the most useful are external, be it a spouse, personal coach or adviser. According to Nicholson most leaders take CLRs for granted, but successful leaders typically have CLRs that provide the following:

- **Help:** e.g. Bill Gates and Steve Ballmer in the early years of Microsoft
- **Insight:** e.g. Warren Buffett and Berkshire Hathaway vice chairman Charlie Munger
- **Challenge:** e.g. Walt Disney Company's Michael Eisner and Frank Wells
- **Feedback:** e.g. Leighton Holding's Wal King and Dieter Adamsas were a formidable pairing
- **Ideas:** e.g. Steve Jobs was always on the hunt for creative intellects
- **Support:** e.g. Margaret and Dennis Thatcher

SELF-MANAGEMENT

Nicholson suggests that one task leaders should undertake at least annually is an analysis of their CLRs, and makes reference to one of Australia's more successful CEOs, Flight Centre founder Graham 'Skroo' Turner.

Turner apparently read a paper by Nicholson on evolutionary psychology and business published in the Harvard Business Review, which led him to reorganise Flight Centre into units of families (stores), villages (clusters of stores) and tribes (aggregates of villages totalling no more than 150 people). This is known as Dunbar's number and is the size below which self-management can be maintained.

There are two key messages we can take from Nicholson's book and its title. The first is the pun on 'I'. Leaders should use their inner eye to become self-aware and be able to answer authentically the question: 'Who am I and why am I here?' Good leaders are self-aware.

The second key message focuses on a new word, 'decentre'. Many leaders suffer from 'I-strain', an overuse of the word 'I': 'I did this', 'I do that', 'I make the decisions'. The first-person pronoun is

interspersed widely in their conversation. Good leaders get inside the heads of other people rather than focusing on themselves, and use that knowledge to build successful relationships, particularly CLRs.

Of course these are the first principles of emotional intelligence and while the exhortations to be self-aware and empathetic are all well and good, my belief is that unless you have a theory of temperament such as the Humm-Wadsworth, the exhortations will soon be forgotten. I call it putting on the 'Humm' glasses, and once you have put them on you never look at yourself or other people the same way again. **MPA**

THE HUMM-WADSWORTH MODEL

The Humm-Wadsworth model consists of seven components:

Normal **N**

Hustler **H**

Mover **M**

Double Checker **DC**

Artist **A**

Politician **P**

Engineer **E**

Each of us have all seven in our personality – typically two to four of them will be strong in each of us, while others will be average or weak. This combination of components is one of the major factors in determining our temperament – our emotional predisposition. Psychologists tell us that these components or drives are responsible for about 90% of our non-rational behaviour.



Chris Golis is an adjunct lecturer at the SP Jain Centre of Global Management and an author and lead presenter of emotional intelligence courses. He is now in his third career teaching practical emotional intelligence to managers and salespeople. Previously he had successful careers in IT and venture capital. Visit www.emotionalintelligencecourse.com