



ZENGER | FOLKMAN

Is A Lack Of Strategic Vision Holding You Back?

by Jack Zenger

Is A Lack Of Strategic Vision Holding You Back?

Self-perceptions are not always accurate. Examples of that abound. For instance:

- “87% of MBA students at Stanford University rated their academic performance as above the median.”
- “For driving skill, 93% of the U.S. sample put themselves in the top 50%.”
- 94% of professors rated themselves above average relative to their peers.
- 32% of the employees of a software company said they

performed better than 19 out of 20 of their colleagues.

Having strategic vision seems to be a blind spot for many leaders who are highly capable in most other elements of their job.

What Is Strategic Vision?

To ensure we’re talking about the same thing, let’s define strategic vision as the ability to:

- Envision the longer term
- Adopt a broader view of the organization, seeing it in the context of its competition and the current economy

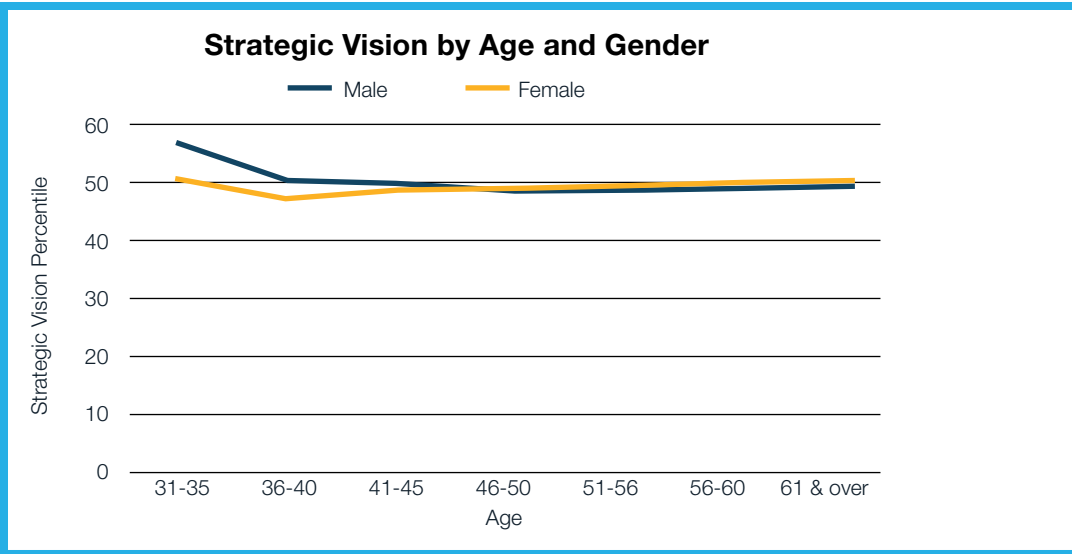
- Define a distinctive, unique mission for the organization
- Define the path by which the firm can grow in the long term
- Repeatedly move the organization forward in creating greater value

The strategic leader helps others to understand the vision so that it can be translated into challenging and meaningful goals and connects the big picture to tactics and short-term goals.

Does the lack of strategic vision hold people back?

Consider these three facts:

1. The major difference between those who get promoted to the higher levels in organizations versus those who remain at lower levels is strategic vision. Some have argued, in fact, that every level in an organization requires a distinctive set of competencies, i.e., one for senior leaders, one for middle managers and one for supervisors and first level managers. Our firm has a database of more than 1.5 million assessments (known as 360 feedback assessments) describing more than 130,000 leaders. Only one competency consistently separates senior leaders from those in the middle or lowest level—Strategic Vision.

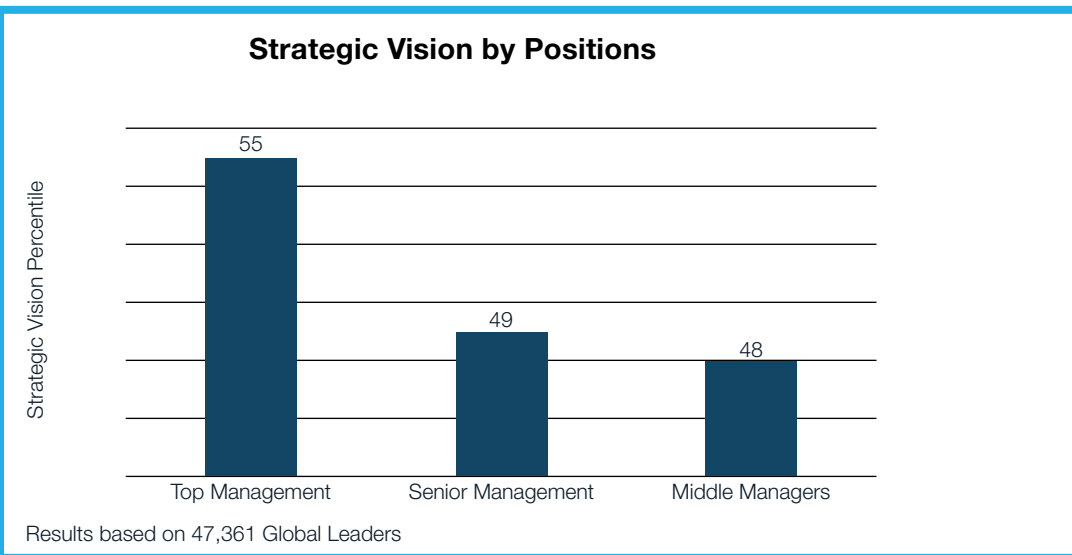


In a study we conducted on more than 47,000 global leaders we found the biggest single differentiator between top management and middle managers was their strategic vision.

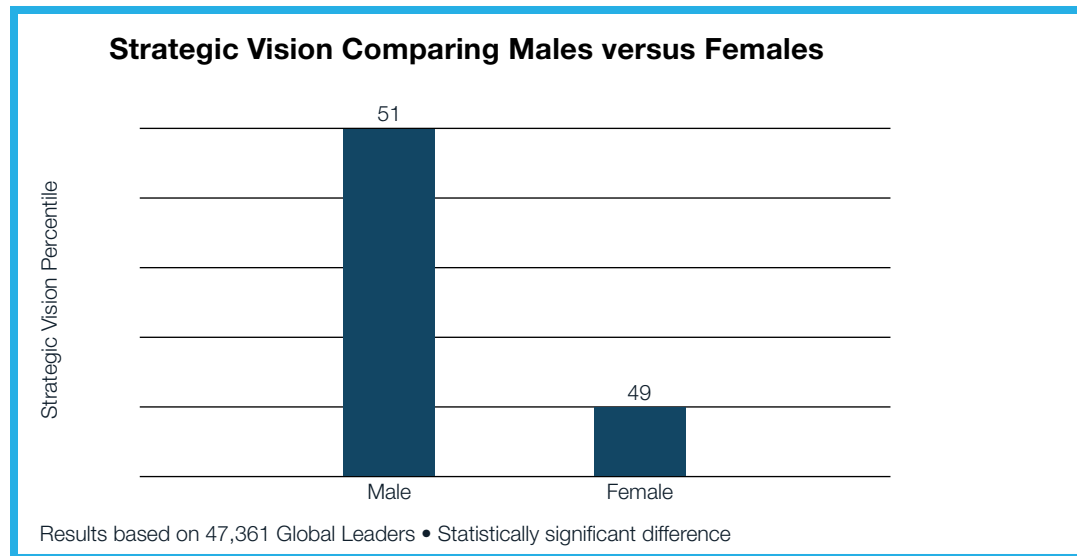
2. My colleague Joe Folkman and I conducted a study on a group of derailed executives. Our analysis showed that one of the top causes for these people losing their jobs was that they were not viewed as being strategic.

Some of the typical comments describing them were:

- “Operations oriented, not strategic”
- “Couldn’t lead an organization or set strategy for the future: over-reliance on narrow set of technical expertise”
- “Handled narrow roles well, but floundered in organizational navigation and setting strategic direction”



3. There is a surprising dearth of women in the most senior leadership positions in organizations. While there are several potential explanations, our data shows that one of the two competencies on which women score lower than men is “strategic vision.” Could this help to explain why only 3% of CEOs are women?



- We found that males rated more positively in this competency than females.
- The chart above shows that there is an overall difference between males and females, but the difference is not huge. Perhaps the more telling point is when this difference is most observable.

As we looked at different age groups, males rated more positively at earlier ages. The gap didn't close until they were in their mid-40s. Managers who are seen as high-potential and put on a fast track are most often identified at 27 to 35 years of age.

How You Can Develop Strategic Vision

If you want to change and improve, where do you begin? Following is a list of eight things that may help you start:

1. Spend time with customers. Constantly look for opportunities to talk with important customers. Understand how they think, and what products or services they'd like to have but are not currently available.
2. Understand your organization, their strategies,

goals and how they make money. What makes them distinctive?

3. Analyze the competition and what makes them successful. What are the strengths and weaknesses of your competitors?
4. Be able to articulate the largest threats and opportunities your organization faces.
5. Clearly link your specific work goals to the organization's strategy.

Can you see a clear “line of sight”?

6. Devour information about your company, its financials, the competition, global trends, industry trends and general financial news.
7. Become a student of strategy by reading the best books and attending webinars and seminars.
8. Seek coaching from those in the organization who are perceived by others to have broad strategic vision.



The Future of Strategic Thinking

Many have the belief that strategic thinking is something reserved for the chosen few who currently are at the apex of an organization. We think there is a healthy trend emerging in which senior executives seek the inputs of many others to help shape

the organization's future. Sam Palmisano, CEO of IBM in 2003 launched an online, interactive "values jam" that involved all employees for 72 hours to determine what IBM's values should be.

It was Georges Clemenceau, the French Prime Minister, who is reputed to have observed, "War

is too important to be left to the generals." Corporate strategy may be too important to be the sole responsibility of a few people. The best leaders understand this principle well: Good ideas don't always cascade down, but most often bubble up to the top from underneath.

About Us

Zenger Folkman relentlessly seeks to rise above the inconsistent, and sometimes misleading, nature of popular leadership philosophies and beliefs brought on by opinion. The discipline of leadership and those who pursue it deserve better. Our most valuable asset is the expertise of combining hard data and statistical analysis with logical explanations and actionable application that help individual leaders thrive and organizations succeed.

