



TEN 'MUST HAVE' CAPABILITIES

FOR A BUSINESS LEADER TO CUT
THROUGH IN A CLUTTERED MARKET

Insights from the Mindshop
2017 Business Leader Survey



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About the study

In December 2016 Mindshop surveyed 120 experienced business leaders and advisors from around the world to gather their thoughts on the challenges and opportunities for the year ahead.

The survey gathered information on a range of topics, from business confidence, strategies, training needs, growth opportunities and barriers to success.

Analysis of the data has uncovered a wealth of insights which led to a focus on ten key capabilities which business leaders will need to succeed in 2017. To allow leaders to address each of these capabilities, we have injected strategy suggestions to embed into their business and build skills in each area.

An overriding theme from the survey results was that capability will be the key to getting cut through with customers.

How do you currently rate against each of the 10 capabilities?

At the end of this report you have the opportunity to rate yourself on each of the key capabilities and use this information as a guide to manage your priorities for skill development in 2017.

'Capability, the key to cutting through in a crowded market'

TEN 'MUST-HAVE' CAPABILITIES

FOR BUSINESS LEADERS TO CUT THROUGH IN A CLUTTERED MARKET

Based on survey results conducted December 2016 of over 120 business leaders & advisors

1 MANAGING MILLENNIALS



Understand the values and needs of this generation to align your employee engagement strategies

3 SIMPLIFYING COMPLEXITY



Focus on improving systems and processes, leveraging technology effectively so it works for you

5 CUSTOMER CENTRIC BUSINESS MODEL



Re-imagine your business model by putting yourself in your customers' shoes, how will you add value?

7 CHALLENGE STRATEGIC PLANS



Create a concise, workable and evolving plan through the lens of your organisation's vision for the future

9 CHANGE STRENGTH



Avoid implementation failure by addressing the key elements of change success: readiness, capability and attitude

2 LEAD BY EXAMPLE



2

Embody the traits and values you want your staff to emulate to generate direct commercial results

4 RAPID PRIORITISATION



4

Focus only on what is urgent & important rather than prioritising based on the 'squeaky wheel'

6 BE THE COACH IN YOUR TEAM



6

Magnify the abilities of your employees and increase their overall capacity

8 DELEGATION TO AN "A" TEAM



8

Engaged employees with clear role definition and empowerment to succeed will free up your time

10 AGILITY



10

Balance stability with dynamic capabilities to respond quickly to changing market conditions

1. Managing Millennials

Millennials, Gen Y (or people born after 1980 and before 2000) will have a huge part to play in the success of your business in the future.

Balancing cultural activities to maintain staff engagement (such as celebrations, skill development and team building...) versus optimising productivity will be a key to attracting and retaining great staff from this generation.

Work / life balance and integration via technology tools is an important consideration for this group, employees will expect flexible work hours and locations as standard options from employers. An employer who's values and ethics align with their own will also be important to this group who will seek the freedom to have control over their own destiny and the opportunity to express and evolve their ideas.

Strategy ideas

1. **Recruit the right people** in the first place that are a fit for the culture and core values for your organisation. The skills and qualifications of the candidate is only one component of the decision matrix you should apply when hiring.
2. **Regular communication and collaboration** via daily stand-up meetings, weekly strategy updates to the team and using social media tools for just-in-time collaboration and chat between the team will help Millennials feel more engaged and connected with the organisations goals and strategies.

Survey Insight #1

#1

Improving management & leadership skills was the number one growth acceleration strategy identified by business leaders for 2017



2. Lead by example

Demonstrate strong leadership by actively embodying the traits and values you want your staff to emulate. Doing rather than simply talking will lead to direct commercial results through improved employee engagement and productivity. Be open to learning and adapting. Here are some ideas in which you can lead by example:

1. Create trust by delegating, being truthful and avoiding blaming others
2. Encourage an atmosphere where making mistakes as a path to learning is encouraged
3. Open dialogue; listening and learning from others in a respectful manner
4. Display balance in your work and life
5. Achieve commercial success and stated goals

Strategy ideas

1. **Be visible** by walking the halls, spending time with team members to discuss issues and opportunities. Too often leaders are heard but not seen.
2. **Articulate what constitutes demonstrating the core values of the company** and audit yourself on whether you are demonstrating those traits weekly. If for example 'continuous learning' is a core value and the leadership are not embodying that trait then why would the team?
3. **Set clear KPI's and under promise and over deliver** on achieving those for yourself and the team. Show humility and a focus on continuous improvement to demonstrate to the team you are prepared to adapt behaviours as and when needed.

Survey Insight #2

32 % of business leaders surveyed identified leadership skills in the top 3 capabilities in which they needed to invest time in 2017.



3. Simplifying complexity

Making technology work for you, not the other way around will allow you to simplify the complexity in your business.

Focus on improving systems and processes, leveraging new technologies effectively means focusing on the outcomes you are hoping to achieve. Avoid chasing the latest trends that may look good on paper, but don't necessarily work in practise, chewing through valuable implementation time that could be better employed elsewhere.

Ensure processes are documented and well aligned with employee roles to provide focus, efficiency and a level of redundancy if staff are on leave or resign. Having processes in people's heads will cause disruption if they are absent.

Strategy ideas

1. **Identify and remove process risks** in your business by completing a Failure Mode Effect Analysis on your organisation or department.
2. **Pilot new technologies with a 'super user' group** before exposing the rest of the organisation to them. This will avoid blockages from 'laggards' and allow the super user group to iron out bugs before rolling out to the entire business.

Survey Insight #3

The top response by business leaders when asked how they would free up capacity for themselves in 2017 was to

**improve
systems & processes**



4. Rapid prioritisation

Every person on the planet has the same 24 hours in the day to use wisely. The key difference between those who are successful and those who are not is the way they prioritise their time.

Often financially struggling businesses are the ones where their leaders have no time, too busy to address the urgent and important tasks.

Conversely, successful business leaders are effective at prioritising tasks, delegating to quality suppliers and team members. Thriving leaders have fantastic clarity of vision and strategies for the months ahead, allowing them to rapidly prioritise where to invest their time wisely.

Whilst it is difficult to resist the urge to address the 'squeaky wheel', the benefits of effective time management will be seen in both increased capacity and reduced stress.

Strategy ideas

1. **Have a 'stop doing' list.** Make a list of all your tasks for the month ahead. Highlight what are the 20% of things you do that provide 80% of the growth in your business. Review the list of tasks remaining and determine what you can stop doing or delegate.
2. **Review the decision filters you use** to determine a high priority task. Often leaders focus on the 'easy to do' tasks rather than reflecting on those tasks that will have the biggest impact on achieving their vision and strategies.

Survey Insight #4

#1

The biggest concern for business leaders in 2017 is finding time, closely followed by 'an inability to change'.



5. Customer-centric business model

Your customers' needs are evolving rapidly so you will need to re-imagine your business model now to succeed in the next 2-3 years by putting yourself firmly in their shoes.

How will customers buy from you in the future? Where will you add value? How will you continue to differentiate your offering from that of your competition? What new products or services will you need to develop to stay relevant? What markets will you need to be in?

Now look at your current business model and ask yourself some hard questions. What has to change in 2017 to start you on the path to adapting your business model? Standing still will lead to your 'cash-cow' products or services quickly becoming 'dogs' as customers change how and what they are buying.

Strategy ideas

1. **Review your products & services strategy** for the next 2-3 years using a product portfolio analysis tool. Where are your 'wild cat' products, how will you re-invent your existing 'cash cow' products?
2. **Complete the Alex Osterwalder business model canvas tool** to trigger new ideas and strategies for your business model for the coming years.
3. **Set-up a sounding board group of your "A" class customers** to test new ideas, discuss strategies and their evolving needs. Run these quarterly to inject regular new thinking into the business and keep plans grounded and innovative.

Survey Insight #5

Refinement or reshaping of the business model

is the number 3 strategy identified by respondents to accelerate success in 2017.



6. Be the coach in your team

How will you coach your team to achieve their maximum potential?

Liz Wiseman's book 'The Multiplier Effect' notes that leaders who magnify the abilities of their direct reports increase the overall capacity of their team by a multiple of 2X. 'Multipliers' develop rather than use talent, they explore mistakes rather than casting blame, consult with decision making and support staff to get things done rather than controlling the entire process through micro-management.

Great coaches ask probing questions of their teams, they listen well and are firm on ensuring those around them are accountable for achieving stated strategies and goals.

Strategy ideas

1. **Understand the core problem solving tools** from Mindshop to help coach and hold team members accountable. These are Now-Where-How, Mindmapping, Pareto, Force Field and One Page Plan.
2. **Map each team member on the coaching matrix tool** to determine how to adapt your coaching approach based on their level of enthusiasm versus their level of skill in their role.
3. **Work on your listening and questioning skills** to ensure you listen more effectively and ask better questions. As they say you have two ears and one mouth for a reason and you should balance your communication focus accordingly.

Survey Insight #6

Coaching and developing people was the number one skill in which business leaders needed to invest time with

46

% of respondents placing this skill requirement in their top 3 for 2017.



7. Challenge strategic plans

Do you have the knowledge to effectively challenge your current and future plans? Do you have the skills to help develop a clear plan for 2017?

In a market disinclined to change leaders can't simply accept their current strategic planning process as the most appropriate way forward. Curiosity about your industry, undertaking research, using the right strategic tools and asking the right questions as to why a particular decision has been made are first steps to being able to add value in the strategic planning process.

How will you challenge your organisation's plans in 2017?

What tools do you need to learn to be more effective at strategic planning for your business?

Survey Insight #7

Business leaders rate
strategic thinking
as the number 2 skill in which they
need to invest time in 2017.

Strategy ideas

1. **Be comfortable with six core planning tools in Mindshop** - One Page Plan, strategic SWOT, Issue Ranking, Mindshop Process, 8 week team cycle, Decision Matrix. Fluency in these tools empowers you to tackle the development and implementation of powerful strategies for your business.
2. **Ask 'why' when presented with a strategic plan.** Use the '5 whys' tool in Mindshop to challenge peers to articulate why they are heading down a chosen path or seeking to make that decision. Huge benefits can be gained from the discussions stemming from asking 'why'.



8. Delegation to an 'A' team

You don't have to run flat out towards burn out to achieve success as a business leader. Surrounding yourself with quality team members and suppliers will enable you to achieve your goals, control your stress levels and enjoy the journey.

The key to success is an engaged employee enthusiastic about their work, taking positive action to further your organisation's reputation and interests.

Quality clients and suppliers who 'fit' your model and core values will also be vital assets, avoiding distractions of poor quality support or the frustration of demanding clients.

Defining clear roles and expectations for employees and suppliers will allow for effective delegation and free up capacity to focus on building your business.

Strategy ideas

1. **Review the roles and responsibilities of your team and suppliers.** Are they clear enough? What is your process to hold them accountable? Are you still doing too many tasks you shouldn't be doing?
2. **Simplify the complexity** by reviewing tasks, strategies and initiatives that add very little value to the way you do business and stop doing them. Give your team and suppliers the time to go the extra mile for customers, being innovative and strategic.

Survey Insight #8

'Finding the time' was the number one concern for business leaders in 2017, with 'delegation' identified by over

50 % of respondents as one of their top 3 strategies to address the issue.



9. Change strength

As the pace of change increases so will your organisation's susceptibility to 'change fatigue', an apathy towards change initiatives, resulting in projects becoming unfocused and lacking energy, the reason why a mere 30% of project implementations succeed. To ensure your strategic plans are successfully implemented, you need to rebuild the skills and resilience in your team to embrace change.

Your organisation's probability of change success is hinged on a number of factors: how ready the organisation and employees are to implement change, the skills, people, training and resources needed to implement change and the overall attitude of the organisation in relation to change.

Strategy ideas

1. **Determine the change success probability** for your organisation using Mindshop's change success model and diagnostic tool before you progress with a strategic plan. Embed into the strategic plan actions to ensure probability of change success is boosted.
2. **Break down the size and complexity of the strategies until action is taken** by the individual or team responsible. This will help to avoid procrastination.

Survey Insight #9

An **inability to change**

was the second most concerning aspect of doing business in 2017 for business leaders along with the lack of ability to implement.



10. Agility

Customer lifetime value is a key metric for your long term success as a business. To stay engaged with a client long-term, a business needs to stay relevant, innovate and continue to add-value year on year. This organisational agility will also need to be reflected by its leaders by keeping up with market trends. Are you attending the latest industry conferences, reading blogs and following social media channels of your target market clients?

Are you continuously learning new tools and techniques to stay relevant?

Survey Insight #10

Respondents rated their confidence about the business climate in 2017 as

+1.95

on a scale of -5 to +5.

Strategy ideas

1. **Complete a capability audit.** What are the top three capabilities you need to improve on in 2017 to help you stay relevant to clients?
2. **How can you re-invent your top five client relationships** in 2017 to add greater value and potentially increase their spend with you?
3. **Achieving growth** will force changes to your business and inject fresh client experiences into the way you do business.



How do you stack up?

Give yourself a score out of ten for each of the capabilities identified in the report you need to succeed in 2017, with 1 being very poor and 10 being very good. Total up your score to see how you stack up when reflecting on the capabilities you need for success as an business leader in 2017. Where are your top 3 areas for improvement?

| | CAPABILITY | SCORE |
|-------------|---------------------------------|-------|
| 1. | Managing Millennials | |
| 2. | Lead by example | |
| 3. | Simplifying complexity | |
| 4. | Rapid prioritisation | |
| 5. | Customer-centric business model | |
| 6. | Be the 'coach' in your team | |
| 7. | Challenge strategic plans | |
| 8. | Delegation to an 'A' team | |
| 9. | Change strength | |
| 10. | Agility | |
| GRAND TOTAL | | |

How did you score?

0-40

Need to invest considerable time on capability

41-65

Average capability levels. Needs improvement

66-100

Above average. Focus on key capability areas to improve on in 2017

Conclusion

Capability will be a key point of difference for business leaders in 2017. Use this report to focus in on the key areas of capability where you need improvement over the year ahead. Where are your quick wins?

Mindshop looks forward to supporting your learning journey and improving your levels of growth and profit in 2017.

About Mindshop

Mindshop has delivered business and leadership training to hundreds of thousands of people globally via its network of advisors since it was founded in Melbourne, Australia in 1994. Mindshop supports advisors to deliver growth and profit solutions to any size client by providing:

- Innovative coaching technology
- Face-to-face and online training programs
- A community of leaders sharing best practice
- Hundreds of business solutions including tools, workshops & products

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