As organisations grapple with more volatile times, leaders are being asked to make a major shift in the way business gets done. It’s clear that the competencies that have led to success at the top, to date, will not be the ones that will lead to success in the organisations of the future. One feature that’s emerging that can help unlock performance is for senior executives to adopt more enterprise wide thinking to complement their daily functional work.

Recently, a CEO told me how he listened in despair at an executive team meeting as members discussed cost cutting measures. One executive explained how “I’ve already done my bit to cut costs” and withdrew from the discussion. There was no interaction to assist with others to help meet their targets and no offer to do more.

It’s this sort of thinking that needs to change, ensuring senior leaders balance a purely functional role within their own operational silos with taking a more enterprise approach.

In short, senior executives need to start thinking like a CEO – the one person in any organisation who cannot pass the buck and say it’s up to someone else – and think about the organisation as a whole.

Transformation in any organisation requires a mindset change so that the entire senior management team thinks and acts from a broader perspective for the greater good.

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Striking the right balance

For any organisation, this transformation requires a significant mindset shift and needs to be driven by the CEO, so that executives have the confidence to think and act from a broader perspective. They also need to be reassured that their reward structure will reflect their contribution from an enterprise level and not just meeting their own operational targets.

There is no ‘one size fits all’ solution on how this balance is struck in any top team – but the CEO will know where that balance should be directed, given whatever challenges the enterprise faces at the time.
Creating a truly agile operation requires senior executives to make a journey from a functional mindset to an enterprise way of thinking.

Building blocks to enterprise-wide thinking

The good news is there are some building blocks that will help the process. Key executives should ask themselves, “What’s keeping me up at night? Is it worrying just about my own budgets or the performance of the whole organisation?” The answer should provide insight about whether they’re addressing that balance or not.

Another driving factor can be whether senior executives actually know what their colleagues are doing to achieve in their own part of the enterprise. This comes down to how much information is being shared about enterprise performance, and whether there are internal mechanisms in place to promote collaboration. It also depends on the extent to which the executive team has defined its own unique contribution to the business and a set of interdependent, enterprise-wide accountabilities on which they will focus their time and energy to deliver maximum impact to the business.

Even in an organisation performing well by any external benchmark, the biggest risk can be complacency, often characterised by a tendency to slip into more functional thinking and overlook shifts in the external market that will come back to hurt them in the future. Greater enterprise-based thinking is important to help identify risk factors at anytime and amongst all organisations.

A new level of efficiency

The benefits can be enormous. When senior executives work collaboratively and share resources, the organisation is more likely to engage in robust dialogue. This ensures better and timely decision-making processes, the ability to spot opportunities, and ultimately get better at adapting to its environment.

Creating a truly agile operation requires senior executives to make a journey from a functional mindset to an enterprise way of thinking. It’s not an easy journey. Success for most organisations will not be achieved by continuing in the traditional siloed ways. We cannot all be CEOs, but we can all think like one a little more – for the health of the overall organisation and everyone within it. For those executives who make the journey, one thing is certain – their impact becomes greater, their roles more satisfying, and they never want to go back.

Key executives should ask themselves, “What’s keeping me up at night? Is it worrying just about my own budgets or the performance of the whole organisation?”

The journey from a functional to an integrated enterprise-wide mindset

<table>
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<tr>
<th>Key questions to test for enterprise mindset</th>
<th>Functional mindset response</th>
<th>Integrated mindset response</th>
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<tr>
<td>What is your role?</td>
<td>‘I am the expert... I lead my function and bring my knowledge to the table’</td>
<td>‘I am an enterprise leader... I seek to know more and bring more than my functional knowledge to the table’</td>
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<td>How do you add value?</td>
<td>‘By doing the best I can with what I’m responsible for’</td>
<td>‘By providing unique insights into how we win in this business and make money, and by prioritising where we spend money across the whole business’</td>
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<td>What is your decision-making process?</td>
<td>‘I break problems down and analyse the parts’</td>
<td>‘I look at the overall picture and how things fit together’</td>
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<tr>
<td>What is your attitude to change?</td>
<td>‘I know the way because what we are doing is working’</td>
<td>‘I believe we have to adapt our business to changing conditions if we want to win in the marketplace’</td>
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Watch Helen summarise the key points of her article http://www.haygroup.com/au/focus13video4