



LEADERSHIP ACUMEN Feature Article

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Ode to the Executive

We are all experts in “Management”.

Especially those who have worked hard in their schooling, committed themselves to a profession or industry, sacrificed family and personal time, learned to work across multiple time zones connected by portable technologies while shrugging off jet-lag. Those that have made it to the top of global organizations are indeed an elite group – less than 1% of the world’s population. As a result, they know – at least they think they know – what it takes to be a good executive.

And then there are “other” experts: academics and consultants that have studied companies, governments, NGOs and their senior leaders. They too have a perspective. And of course, there are the employees – anyone who has ever worked for a manager or vice-president; the union leader that has negotiated with senior leaders – they know how it *should* be done.

Finally there are the members of the public. Now more than ever, they are better educated, world-wise, “plugged-in” to media, and emboldened to have an opinion and expectations about Management (perhaps even without truly understanding all the elements at play in the life of an executive).

Other than spirituality, it is the field that has more books, journals and newsmagazines in print!

Management, Leadership and Governance theories have come and gone. Some have proven to be timeless – others, flavour of the month. The world has witnessed great leaders (both good and bad), and yet in our communities every day there are unsung leaders making the lives of people in our society a little better or more meaningful.

However; the world keeps changing. And with its changing conditions, the context for what makes for excellence as an executive also keeps shifting. Some of the executive theories of the past that are now “gone”, were actually good for their time. And indeed, great leaders (such as Winston Churchill), were great leaders only for a certain time.

Today’s global corporation is a relatively new evolution, a result of two trends:

- one of growth to prominence in a global niche and reliably replicate products services to mass markets;
- the other, towards “high touch” servicing of local needs.

Some statistics of today’s global corporations are staggering:

- The top 200 global corporations control over 25% of the world’s assets, and yet employ only 0.3% of the global workforce
- Over 1 billion people looking for jobs can’t find work
- The waste created to produce 1 laptop computer is approximately 47 times that of the computer itself.
- Worldwide government subsidies to business exceed \$1.5 Trillion

Connected with this, the responsibility and accountability of this elite group to shareholders, employees, governments, communities, plus society and the environment at large are awesome.

The top 5% of the world's population (by wealth) is largely comprised of executives, and their privileges are significant:

- The wealthiest 5% of the world take in 48% of global annual income
- The top 1% of the world have 56% of the overall wealth, whereas 85% of the population own basically nothing
- In 1998 in the USA, the average CEO earned 419 times that of the average worker in 2010 it was **XXX**
- The wealthiest 20% of the world account for 86% of total private consumption

Thus, in return for such privilege, our expectations for balance, integrity, competence, insight, ethics, expertise, broad knowledge and context for decision-making, plus fair, consistent practices from these individuals is also significant.

Our global societal challenges need to be attended to by our executive cadre, as perhaps *only they* have access to the information to see the bigger picture, to assess the interdependencies/ causal links, and have the ability to mobilize and share the resources required to address such concerns as:

- Over 420 million people live in countries unable to grow their own food. By 2025 this is expected to exceed 1 Billion people, yet we have enough food production to feed all the hungry if it weren't for barriers of distribution and corruption
- Global production of hazardous wastes has reached 500 million tons/yr and is now starting to irreversibly pollute our groundwater aquifers, which themselves are being depleted faster than they can naturally re-fill
- Approximately 30% of the coral reefs are severely damaged (up from 10% in 1992), while over 60% of the world's fisheries are being exploited beyond capacity
- The ecological footprint of humanity (with current practice) is 35% larger than the ecological capacity of the world
- While carbon dioxide concentrations in the atmosphere over the last several million years have varied from 200 parts per million at the depth of the ice ages to 270 ppm during the warming periods between them, he warned, we have now reached 379 ppm -- and that figure is going up by 3 ppm per year.
- Women in the world hold title to less than 2% of owned land
- Functional and auto-immune diseases such as diabetes, atherosclerosis, allergies, emphysema, cancer, and AIDS, are the growing afflictions of our time in the more developed countries and are rooted in lifestyle and environmental factors. Meanwhile diarrhea, malnutrition, and malaria are still the major killers in lesser developed countries.

Many of the outgoing generation of executives were good for their time; however they have also unintentionally led us to this current state; and again the world keeps changing at a faster and faster pace. And so, today's executives are faced with challenges and complex perspectives that our parents largely did not face.

This is what makes the career of an executive exciting! Today's dynamics of the marketplace also apply to executives:

- we expect more for less!
- we expect continuous improvement
- the newer (younger), more improved products (executives) must compete with the 'proven' established ones.
- Kaleidoscopic change occurs in an instant – completely re-framing expectations, demands, and definitions of excellence

Like high performance athletes, today's executive is more like a marathon runner than a sprinter – but also has to be part of a team with great balance and combination of power and stamina, perhaps more like rowers. And while

the sports metaphor quickly breaks down, the officers of global companies are indeed part specialist, part celebrity, part mentor, part teacher, part learner, part explorer, part parent/spouse, contributor to community, and ultimately human.

Against often super-human expectations, we make mistakes and hopefully learn from them. We go through cycles of passion and depression – but with the expectation that our energy and motivation is mostly kept high. Most of us are lucky, but sometimes our luck runs dry. However, the lasting executive draws back upon some mysterious “well” of tenacity to regain our footing, persevere through the challenges and re-emerge – usually for the better.

The old hero model of leaders as one of “conquest” is being replaced today by one who is a “*facilitator of sustainable value creation*”. This is a recognition that today’s challenges are simply beyond the brute strength, knowledge and mental sharpness of any solitary person to address. This also comes from the realization that our leaders of today and tomorrow, must be able to sustain what we have achieved in-synch with powerful social, environmental, and competitive dynamics, while pursuing growth and evolution. It is further challenged by the need to leverage and sort out ownership of intellectual capital being shared across multiple geographic, cultural and wealth/poverty zones; as the global knowledge economy truly becomes a reality.

There is a new world order ever evolving, and YOU dear executive hold that order in your hands. Choose wisely.

[Statistics pulled from:

“State of the World” 2000 - 2003, The Worldwatch Institute

“Natural Capitalism”, Hawken, Lovins and Lovins

“The Hidden Connections”, Fritjof Capra

“From Naked Ape to Superspecies”, Dr. David Suzuki and Holy Dressel

Sir David King, the British government's chief scientific adviser to the EU]