



WHITE PAPER

WHAT SENIOR LEADERS DO: THE NINE ROLES OF STRATEGIC LEADERSHIP

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Advancement from the operational to the strategic level represents one of the most critical and challenging professional transitions a leader can make. And not all leaders can make the move successfully. The frequency of senior executive failure, churn and turnover is significant. Articles such as *Fortune* magazine's "Why CEO's Fail" (1999) provide numerous high-profile examples. A study by Manchester Consulting estimates that four in 10 senior leaders fail within the first 18 months on the job (*Across the Board*, 2000). According to Drake Beam Morin, Inc., two thirds of all major companies worldwide have replaced their CEO at least once since 1995 (Bianco, Lavelle & Merritt, 2000), and a DDI survey of Corporate Leadership Council members found that approximately three fourths of companies worldwide are not confident in their capability to effectively staff strategic leadership positions over the next five years (Corporate Leadership Council, 2000).

From McKinsey's "The War for Talent" (Chambers, Foulon, Handfield-Jones, Hankin & Michaels, 1998) to the recently published *Grow Your Own Leaders* (Byham, Smith & Paese, 2000), more and more executives have recognized the importance of recruiting, identifying and preparing effective leaders;

it remains one of management's highest priorities. With the speed of change facing business today, the need for effective senior level *strategic* leaders, who can formulate and execute business strategies to produce desired results, is seen as critical to the very survival of the business.

Contrasted with operational leaders, whose primary role is to manage day-to-day business operations, leaders who transition from operational to strategic leadership must assume a variety of key roles to achieve longerterm strategic business results in pursuit of profitable sales growth, increased market share, implementation of change, and the strategic alliances that will help achieve these goals.

Quite often, one of the biggest barriers to success in making the transition to strategic leadership is a lack of insight into the roles that leaders need to assume at the senior strategic level. A taxonomy is needed that defines and helps to clarify the nature of these roles and the transition leaders must make to perform well in these roles. This in turn will help better prepare leaders to be successful, and to provide a framework for their development and deployment.

DEFINING THE SHIFT FROM OPERATIONAL TO STRATEGIC LEADERSHIP

Based on extensive experience in assessment, development, and coaching of senior leaders, DDI has identified nine such roles (see sidebar on the next page) that characterize senior strategic leadership. These roles describe the situations of senior strategic

leadership, and reflect the most vital and important functions of today’s successful leaders. While strategic leaders are not typically engaged in all nine roles “all the time,” they will often be involved in situations related to more than one role at any given time. The relative importance placed on each role is dependent upon the business situation in which the leader is engaged. Thus, in one situation a strategic leader may initially be focused on developing a long-range course of action or set of goals to

STRATEGIC LEADERSHIP EXPERIENCE

Just because leaders have been highly successful in operational/functional roles doesn’t ensure their success as senior strategic leaders. Yet organizations routinely rely on these very people to move into these critical roles. The result—senior strategic leaders who are unprepared to effectively deal with the situations and challenges they must face.

Through the powerful content and hands-on leadership simulation of Strategic Leadership Experience, participants will learn how to think and act more strategically—to strategize ways to grow the business, gain acceptance of their strategies, and execute them to achieve desired business results.

Session Objectives

Helps leaders:

- > Improve their ability to deliver better business results by applying the nine leadership roles in the workplace.
- > Bridge the gap from operational to strategic leadership.
- > Minimize derailers that can impede their success as a senior leader.
- > Establish peer networks across organizations and functions.

align with the organization’s vision (the “Strategist” role). The focus might then subsequently shift to building passion and commitment toward those goals among the people who need to take ownership of the strategy or vision (the “Captivator” role). The nine roles have general applicability across all senior leadership positions, and are not unique to any particular job; however, the particular focus on any given role at a point in time will be determined by the business issues being addressed at that time. Ideally, an executive team would collectively represent capabilities across the full spectrum of these roles.

Following are the nine key strategic leadership roles and brief definitions of each. A more complete description, including illustrations for each, is included in the appendix.

NAVIGATOR—*Clearly and quickly works through the complexity of key issues, problems and opportunities to affect actions (e.g., leverage opportunities and resolve issues).*

STRATEGIST—*Develops a long-range course of action or set of goals to align with the organization’s vision.*

ENTREPRENEUR—*Identifies and exploits opportunities for new products, services, and markets.*

MOBILIZER—*Proactively builds and aligns stakeholders, capabilities, and resources for getting things done quickly and achieving complex objectives.*

TALENT ADVOCATE—*Attracts, develops, and retains talent to ensure that people with the right skills and motivations to meet business needs are in the right place at the right time.*

CAPTIVATOR—Builds passion and commitment toward a common goal.

GLOBAL THINKER—Integrates information from all sources to develop a well-informed, diverse perspective that can be used to optimize organizational performance.

CHANGE DRIVER—Creates an environment that embraces change; makes change happen—even if the change is radical—and helps others to accept new ideas.

ENTERPRISE GUARDIAN—Ensures shareholder value through courageous decision-making that supports enterprise—or unit-wide interests.

These nine roles are important at senior strategic levels because they help leaders understand what to do to be strategic. They address the broader challenges leaders face as they transition from managing more narrowly focused “silos,” to taking on the challenges of more enterprise-wide leadership. These challenges include factors such as their increased span of influence, loss of tactical control, broader consequences of failure, the business scope they are addressing, their own visibility, and a greater variety in stakeholders they need to satisfy. Several factors will determine a leader’s success or failure in meeting these challenges, such as his or her underlying skills or leadership competencies, knowledge, experience, and executive derailers.

ORIGINS OF THE NINE ROLES

The nine roles of strategic leadership are based on more than 30 years of research and practice in the field of executive assessment. They were formulated as a result of extensive input from our clients, as well as job analyses done by DDI’s psychologists.

These analyses included reflecting upon thousands of executive positions across hundreds of organizations throughout the world that DDI has been involved with over the years in regard to executive assessment, and executive coaching and development. Common themes or patterns underlying the leadership challenges emerged. Those themes or patterns formed the foundation for the strategic leadership roles.

In addition to the above research, DDI checked the relevance and credibility of the nine roles with more than 100 senior-level leaders from more than two dozen organizations that participated in field tests of an executive level accelerated development program, Strategic Leadership Experience (SLE). This program provides an in-depth immersion in a business simulation and an opportunity to experience the nine roles (see sidebar description of SLE on page 2). In follow-up debriefings with SLE participants, these executives strongly reinforced the relevance and application of the nine roles to their “real world” leadership and business challenges.

There are numerous models found in the literature that describe various roles senior leaders perform. Each of these capture important and relevant roles appropriate to senior leadership, although none appear to represent the full range of roles we have defined through our analyses. They do, however, add further support to the relevance and “construct validity” of DDI’s nine roles.

Table 1 highlights elements from four of these models, and the corresponding DDI leadership roles:

TABLE 1: Range of the DDI Roles Compared to Similar Roles Defined in Other Leadership Models.

| DDI ROLES | Covey ¹ | Belbin ² | Gallup ³ | Mintzberg ⁴ |
|------------------------|-------------------------|---------------------------------------|---------------------------|-------------------------|
| NAVIGATOR | _____ | _____ | Formulation | Disseminator Monitor |
| STRATEGIST | Pathfinding | _____ | Strategic Thinking | _____ |
| ENTREPRENEUR | _____ | Plant | Creativity | Entrepreneur |
| MOBILIZER | Aligning | Company Worker, Completer-Finisher | Activator | Liaison |
| TALENT ADVOCATE | Empowering | Resource Investigator | _____ | Leader |
| CAPTIVATOR | Empowering, Modeling | _____ | Stimulator, Persuasion | Spokesperson |
| GLOBAL THINKER | _____ | Chairman | _____ | _____ |
| CHANGE DRIVER | _____ | Shaper | _____ | _____ |
| ENTERPRISE GUARDIAN | _____ | Monitor-Evaluator | _____ | Disturbance Handler |

¹Hesselbein, F., Goldsmith, M., & Beckhard, R. (Eds.). (1996). *The leader of the future: New visions, strategies, and practices for the next era*. San Francisco: Jossey-Bass.

²Belbin. R. M. (1981). *Management teams: Why they succeed or fail*. New York: Wiley.

³Buckingham, M., & Coffman, C. (1999). *First break all the rules: What the world's greatest managers do differently*. New York: Simon & Schuster.

⁴Mintzberg, H. (1973). *The nature of managerial work*. New York: Harper & Row.

In addition, DDI’s nine roles are aligned with the writings on leadership of many thought leaders who discuss the roles or capabilities leaders must assume in today’s business environment. For example, in summarizing results of their 1999 research on “The Evolving Role of Executive Leadership,” the Andersen Consulting Institute for Strategic Change identified a number of characteristics outstanding leaders need to possess. Among these characteristics were the “ability to develop an effective strategy for achieving the vision” (DDI’s Strategist role), and “the ability to inspire people to commit to achieving the vision” (Captivator role); “creating a network of relationships that helps to get things done” (Mobilizer); “encouraging people to challenge the status quo,” and “be willing to challenge the system when change is needed” (Change Driver); and

“actively expand his/her knowledge of other cultures (through interactions, travel, etc.)” as well as the need to “appreciate the value of diversity” and “effectively motivate people of different cultural backgrounds” (Global Thinker).

In *New Roles for Leaders*, Tom Hornsby and Larry Warkoczeski (2000) describe several roles of leadership, among them: Create a New Mindset (Change Driver); Leader as Coach, and Develop Employees (Talent Advocate); Communicate Effectively (Captivator); Manage Boundaries (Navigator; Global Thinker); and Making the Transition (Change Driver). Russell Reynolds Consulting (Haapaniemi, 2000) describes six qualities of leadership, including: Recognize Opportunities (Entrepreneur); Radiate Vision (Captivator); 80/20 Mindset (Mobilizer); Get the ‘Right Stuff’ (Navigator); Organizational Improvisers, to get the right

people in the right place (Talent Advocate); and Learning Obsessed. Stuart Skorman, CEO of Hungry Minds, an online learning company, includes personal attributes such as contending with constant change, drive innovation, and inspire and motivate (Change Driver, Captivator) as key qualities of leaders in the new economy. In describing Competencies for the New Century, Conger & Benjamin (1999) describe the need for future leaders to be Strategic opportunists (Strategist), Globally Adept (Global Thinker), Keen Data Analysts (Navigator), and Learning Evangelists (Captivator). And finally, in a 1990 *Industry Week* article, Tom Peters describes how chief executives in the coming decades will need to be, among other things, globalists (Global Thinker), network managers (Navigator), skill-base creators (Talent Advocate), and seekers and lovers of change (Change Driver).

RELATIONSHIP OF ROLES TO LEADERSHIP COMPETENCIES

Much of the writing about leadership describes the skills or behavior of leaders (competencies) rather than *what* they do (roles). We believe both approaches are necessary to fully develop leadership talent and that they are interrelated. As noted earlier, DDI's nine roles are grounded in extensive experience and research in competency-based leadership assessment; however, the nine leadership roles should not be thought of as a *replacement* for competencies. While the roles describe the “whats” of leadership, the competencies describe the “hows.” Competencies can be thought of as the underlying skills or behavioral building blocks inherent in the situational-based roles. Thus, while roles describe the various contexts in which clusters of competencies are applied at

senior leadership levels, competencies describe behaviorally specific skills and abilities that impact effectiveness in those leadership contexts.

Both competencies and roles are important to effectively capture aspects of leadership behavior. From a diagnostic perspective, assessment of core competencies provides an excellent framework for evaluating specific strengths and development needs related to executive advancement or placement decisions. By using the nine roles as a template for reviewing the challenges or experiences the executive has faced, or is likely to face in upcoming assignments, additional insights can be gained that are useful in interpreting the application of competency evaluations, and helpful in shaping development. Typically, however, once executives are determined to have advancement potential by virtue of strengths on key competencies, they often are released into their new positions without ever being provided with a full appreciation of the various roles they will need to assume in applying their leadership skills. By looking both at competencies and the roles, the highest priority development needs can be determined to fit current or planned job challenges vis-a-vis the roles.

To illustrate this point, imagine trying to train an athlete for the decathlon without ever describing the ten events. The training would of necessity be focused on the skills necessary for success, i.e., the “competencies” of speed, strength, agility, coordination, etc. But without an appreciation for how these skills need to come together and be applied in the various events or “situations” the athlete will encounter, overall performance will likely be sub-optimized. Similarly, many executives report that, after being in

their positions for several months, there were many aspects of their jobs that they never expected and were not adequately prepared to handle. They didn't have a good understanding of the "events" or *roles* associated with applying their skills to the situations they encountered. Clearly, the combination of competency-based diagnostic assessment and development based on groupings of those competencies linked to the nine strategic leadership roles, provides the most robust opportunity for building leadership bench strength.

SUMMARY

The leadership crisis is one of the most important issues facing businesses today. The effective identification, development and deployment of senior strategic leaders are central to addressing this crisis. In addition to focusing on the skills or competencies important to leadership success, it also is important to understand the situations that must be addressed or the roles strategic leaders must assume. DDI's nine roles of strategic leadership provide a useful framework for understanding those situations. Furthermore, the linkage of competencies to the nine roles provides very powerful and unique insights that are helpful to addressing this leadership crisis.

DDI's roles framework is a viable way to think about senior leadership activities. The application of these nine roles to leadership selection, development, and deployment decisions can have a significant impact on the success of those leaders and, ultimately, their businesses, as well.

APPENDIX

The Nine Roles of Senior Strategic Leadership

NAVIGATOR—*Clearly and quickly works through the complexity of key issues, problems and opportunities to affect actions (e.g., leverage opportunities and resolve issues).*

Navigators analyze large amounts of sometimes conflicting information. They understand why things happen and identify possible courses of action to affect events. They know which factors really matter in the overall scheme of things.

Illustrations

- > *Identifies root causes quickly.*
- > *Displays a keen sense of priority, relevance, and significance.*
- > *Integrates information from a variety of sources and detects trends, associations, and cause-effect relationships.*
- > *Creates relevant options for addressing problems and opportunities and achieving desired outcomes.*
- > *Translates complex situations into simple, meaningful explanations that others can grasp.*
- > *Provides others with relevant context for work.*
- > *Overcomes personal and organizational biases in looking at data; avoids "not the way we do it here" thinking.*

STRATEGIST—*Develops a long-range course of action or set of goals to align with the organization's vision.*

Strategists focus on creating a plan for the future. Part of this plan might involve capitalizing on current opportunities and future trends (Entrepreneur) and understanding complex information related to future events (Navigator). Strategists make decisions that drive the organization toward its vision.

Illustrations

- > *Continuously looks beyond the current year.*
- > *Perceives what drives the business.*
- > *Uses financial data for a successful business.*
- > *Grasps big-picture, enterprise-wide issues across boundaries.*
- > *Recognizes risks and pursues actions that have acceptable levels of risk.*
- > *Links the organization's vision and values to the business strategy.*

ENTREPRENEUR—*Identifies and exploits opportunities for new products, services, and markets.*

Entrepreneurs are always alert for creative, novel ideas. They might generate the ideas themselves or take existing opportunities or proposals down a new path. Entrepreneurs are able to look at events from a unique perspective and develop ideas that have never been thought of.

Illustrations

- > *Takes calculated risks to capitalize on emerging trends.*
- > *Looks beyond the boundaries of the organization for new growth opportunities (partnerships, new technologies, applications).*

- > *Turns threats (from competitors, government policies, and new technologies) into business opportunities.*

MOBILIZER—*Proactively builds and aligns stakeholders, capabilities, and resources for getting things done quickly and achieving complex objectives.*

Mobilizers gain the support and resources they need to accomplish goals.

Illustrations

- > *Leverages and integrates the capabilities of resources across all levels of the organization to accomplish complex, multiple-level objectives.*
- > *Anticipates and diffuses roadblocks to desired goals.*
- > *Uses necessary and appropriate lobbying techniques to gain support for actions from decision-makers.*
- > *Utilizes creative networking approaches to identify contacts who can help in attaining goals.*
- > *Develops alternative/contingency plans.*
- > *Empowers others relative to achieving the strategy.*

TALENT ADVOCATE—*Attracts, develops, and retains talent to ensure that people with the right skills and motivations to meet business needs are in the right place at the right time.*

Talent Advocates ensure that the organization has people with potential to meet present and future organizational needs. Talent Advocates are less concerned with filling specific positions than with attracting and retaining talented individuals.

Illustrations

- > *Relentlessly identifies and secures high-potential talent.*
- > *Identifies the best people (internal and external), gets to know them, and stays in touch with them.*
- > *Links development assignments to current and future needs of the organization (as determined by the business strategies).*
- > *Increases readiness of high-potential talent by providing developmental opportunities.*
- > *Minimizes barriers to achievement; maximizes the individual's likelihood for success.*
- > *Builds and facilitates a culture that embraces development.*
- > *Promotes employee retention by analyzing and understanding its drivers.*

CAPTIVATOR—Builds passion and commitment toward a common goal.

Captivators build upon an established foundation of trust to instill people with feelings of excitement and belonging. Captivators transfer the energy of their message in such a compelling way that people take ownership of the strategy or vision and are empowered to carry it out.

Illustrations

- > *Conveys a simple, vivid picture of the organization's vision and goals.*
- > *Moves people from compliance to commitment.*
- > *Instills others with a strong sense of belonging (they understand how they will benefit).*

- > *Generates energy and enthusiasm through personal passion and conviction.*
- > *Keeps the message alive and ongoing.*

GLOBAL THINKER—Integrates information from all sources to develop a well-informed, diverse perspective that can be used to optimize organizational performance.

Global Thinkers understand and accept international and cultural differences and behave in a way that accommodates people's varying perspectives. They also discern differences in individual styles and adapt their approaches accordingly.

Illustrations

- > *Considers the implications of issues, decisions, and opportunities beyond the boundaries of own country/culture.*
- > *Understands the different perspectives and approaches in order to effectively handle cross-cultural challenges/individual differences.*
- > *Identifies opportunities for global leverage (for example, opportunities to develop R&D strategy from a global point of view).*

CHANGE DRIVER—Creates an environment that embraces change; makes change happen—even if the change is radical—and helps others to accept new ideas.

Change Drivers focus on continuous improvement. Always challenging the status quo and breaking paradigms, they identify ideas for change and become the force driving the change home.

Illustrations

- > *Sees the possibility for change.*
- > *Recognizes the need for change before it becomes critical.*
- > *Sells ideas for change.*
- > *Funds and supports the implementation of change and rewards behavior that supports change.*

ENTERPRISE GUARDIAN—*Ensures shareholder value through courageous decision-making that supports enterprise- or unit-wide interests.*

Enterprise Guardians rise above the parochial nature of the job and make decisions that are good for the shareholder, even if the decisions cause pain to individuals or to the organization.

Illustrations

- > *Refuses to trade long-term for short-term gain.*
- > *Possesses the courage to make difficult decisions in times of success.*
- > *Objectively upholds the interest of the enterprise by putting aside emotions and personal relationships.*
- > *Takes responsibility for unpopular decisions and their aftermath.*

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