

What do you anticipate from business leaders in this present world? Organizational gift, Financial knowledge, marketing know-how, data-crunching ability ...The list continues. However, these whole general business skills will not go far without that one thing that connects all of them together: strategic leadership.

In our unstable business field, leaders are confronted with continuous key transformations. New technologies as well as new global challenges such as climate change have all made planning and decision-making more difficult. Also, this new world system brings new duties for businesses and for those who direct them.

This is the reason why the new strategist is required. Anybody who wished to direct an organization to success requires the skill to develop and implement strategies that reach to the changing situations. In this book chapter, you'll find out what professional strategists do, the skills they require to have, and the tools they can utilize to supervise their work. You'll find out about the duties they have as well as the practical solutions they can execute in their path to becoming the strategic leader that all contemporary company requires.

## Chapter 1 - Strategists in this present world need to think about values and meaning, not profit.

If you questioned an executive at Nippon Telegraph and Telephone – the world's leading business during the 1990 – what its aim was, the reply you'd probably get is profit. What other thing could it possibly be?

These days, businesses such as Apple as well as Google are leading. Also, the combined value of the leading 3 in the year 2018 was in fact eight times more than in 1990. However, for the new big names, success is essentially more than the financial profits.

Only Maximizing profit just doesn't cut it again. Individuals gradually expect social duty from firms. Also, the strategy needs to show that.

Therefore, before even going to the basis of the business, the first thing you have to think of is the underlying philosophy – which needs to be a humanitarian one in this present word. That implies that it needs to begin with the idea that the aim of companies is to serve individuals.

The reason is that no one actually believes again that material wealth alone is what motivates humans. As human beings, all of us have a longing for dignity as well as equality, and we expect our work surrounding to show that. We want businesses to offer us not only with nice things; however, with purpose as well as a vision of the future.

Think of firms such as Google or Lego. It's not only their colorful interior design or attractive architecture that accounts for their success. The distinction is in the spirit. Individuals who work there feel satisfied by their jobs; it makes them feel as though a part of something that bigger – and also that they're changing the world and making it a better place.

That longing for meaning can't be overlooked.

Also, for strategists, it implies making the most of the benefit formed by the business in line with these values. How can this occur?

A beneficial first step is to have a clear picture of the aim of the business in concrete terms. In order to assist with this, the strategist can ask: to who is the firm responsible, and what advantage do we wish to get for them?

Also, a good method to structure the reply is to use the time-honored stakeholder management method. The concept behind it is that firms must be led in line with the interests of their stakeholders.

Who are the stakeholders?

These are individuals or groups who achieve a thing out of the firm and who influence it in return. The list continues from the obvious such as owners as well as customers to workers and suppliers and even to society at large. How can these groups can be prioritized is the question for the strategist.

## Chapter 2 - For a sustainable business, a unified corporate strategy is important.

In contemporary businesses, individuals in different types of positions have strategic duties. There's not only the CEO; there are as well board members, individuals who belong to the executive team, chief technology officers, chief finance officers, not to name strategists themselves.

A broader spread of duty is a good thing. But, the issue appears when the general corporate strategy becomes nothing except a sum of its parts.

That is not sufficient.

What exactly is a corporate strategy?

There are two kinds of strategies in the field of strategic management. There is the business strategy on one hand – which consists of several small business-specific strategies. They handle the problem of how the business will compete –the whole thing it requires to do in its certain business area to be successful. Also, there's the corporate strategy on the other hand– the main strategy that directs that company overall.

The corporate strategy is not only about the how of managing a business – it replies the question of where to compete. Meaning, it examines the business aspects where the company needs to act in the future to improve its success. It discovers how the business will form added value.

When we talk about the top level, the most significant strategy work is forming a corporate strategy. Also, this is basically about forming an externally-focused strategy. It implies reacting to and acclimatizing to changes in the social and economic surroundings.

Also, reacting to them implies not only identifying and following trends; however, also understanding that they don't remain forever. As a matter of fact, the longer a trend has been in existence, the more it's possible to come to an end, and new chances to be formed based on the exact opposite. For instance, the trend towards digitization is being substituted already by its

opposite, with e-commerce giants such as Amazon and Zalando creating their own brick-and-mortar shops.

However, it doesn't end with trends. Also, corporate strategy is basically about forming a holistic business idea— something that holds together the different aspects of a firm and offers a path for growth in the future. For instance, manufacturers of cars have begun to present themselves as offering mobility rather than only selling cars.

Also, as soon as everything is clear at the top level, the responsibility is to bring the organizational structure as well as management systems together to back up the corporate strategy. By doing that, everything can be consistent and the business a well-oiled machine serving a shared aim based on a clear vision of the future.

## Chapter 3 - The chief strategy officer has to be an active force of strategic business growth.

Now that you know the significance of strategy, you might be thinking who the person who can lead this entire work is. Also, although a lot of individuals in a company may strategize in all kinds of manners, at times even without realizing it, there is one role who performs this full-time: and the person is the chief strategy officer.

It may seem a little bit mysterious; however, if done properly, the chief strategy officer possesses the possibility to be the catalyst for transformation in a company.

Therefore, who is the chief strategy officer, and what precisely is their job?

The variety of tasks that a normal CSO perform is really very diverse. Not surprisingly, developing a strategy as well as supporting its implementation is the top priority. Also, this can comprise of anything such as making radical transformations as a result of new business situations to competitors as well as market analysis and setting new initiatives in place. However, CSOs as well perform things such as create the business portfolio as well as spearhead mergers and acquisitions. Also, they support the CEO in forming the general course of the company.

Also, CSOs have a vital part to play as stewards of the business philosophy as well as values – they can be the people to ensure that the leadership takes choices individually and with the business’s long-term advantage in view.

Also, the good thing is that there’s no one right method to get these whole things done. As a matter of fact, researchers have recognized four key kinds of CSO who can all accomplish good things in the role. The one that functions well for your business depends on the situation.

Who are these CSO?

The advisor is the first one. The advisor is mainly good at creating a strategy as well as competitor analysis. Also, they possess good communication skills and perform well at directing a small strategy team.

There is also a specialist. Specialists, as the name implies, usually possess expert knowledge as well as years of experience in aspects such as finance or marketing, and they perform well as a sounding board for the CEO as well as the management team.

Coach is the next one on the list. A coach is a generalist and possesses comprehensive know-how in management. That kind of person would be good at managing strategic initiatives that are targeted at changing the company.

Lastly, there’s the implementer. They usually possess great political as well as negotiation skills and have the tendency to communicate the most, at every level of the company. Implementers are good at leading big departments.

## Chapter 4 - The strategy department has to be a core of strategy work in the business.

Nowadays, the majority of the businesses identify the significance of strategy for a well-functioning business; also, the majority possess a department committed to the strategy. Yours definitely has one as well.

However, what exactly does it do and how do you tell if it's effective?

Defining a thing as vague as strategic success can be quite complex. It's not a situation of figures such as the profit margins. Also, various stakeholders might have various ideas of what a successful strategy seems like. This is the reason why it's a good thing to possess some ground principles for an effective strategy department.

To begin with, the most significant duty of a strategy department is directing the whole strategic activities in the company. Nevertheless, strategic work occurs everywhere all through the company, and the struggle can be in noticing how all of it is connected. If the strategy department separates itself from the entire activity, it loses effect. Also, it forms a feeling that it's locked away secretly in the headquarters, doing strange things nobody can understand. Rather, it's better to make things clear. By doing that, the entire company can gain from it.

At this stage, you're definitely thinking about how this whole transparency, as well as the connection, can be accomplished.

Fortunately, the author as well as his team of researchers, together with Roland Berger Strategy Consultants, have discovered some solutions. After examining the strategy departments in four key firms, they've hit on the vital aspects to concentrate on. Everything revolves around the concept of integration as well as leadership.

Social integration is the first aspect. This is basically about allowing cooperation between every various department in a company and stakeholders in order for everybody to feel as though they're inputting and their voice is heard. It's one means to make sure that there is trust, openness, as well as support in talking about strategic topics.

Content integration is the second one. This implies developing a common knowledge of strategy as well as objectives in a company. In this aspect, the strategy department can be most beneficial where it assumes a neutral responsibility, independent of certain interests of different stakeholder groups. By doing that, strategic work can be achieved for the entire company, cutting across certain groups.

Also, lastly, there is functional leadership. This is the future-focused activity of the department – how it really forms strategy. The department searches for trends to recognize them, and also

works on their consequences for the company as well as its units. Also, when choices are made, they have to be clearly justified, in order for everybody to see the reasons.

The more networked as well as interactive the strategy department is, the better it can serve the remaining areas of the company – and be recognized for the value it creates.

## Chapter 5 - Strategic leaders assist the organization to create a profitable as well as a successful future.

During the period when the national Swiss railway was searching for a new head of strategy, it had relatively a long wish list. They were searching for a versatile person who could see both the big picture and the details –in charge of everything such as the whole corporate strategy individual department ones, and comfortable working with the CEO on the business model, creating new work ethics with HR. Somewhat too much on a single person's place!

Also, the skill to achieve it boils down to strategic leadership.

Conversely, strategic leaders handle value generation – they ensure that the firm remains on a path where it remains profitable. Therefore, leaders have to be great strategic thinkers, able to know and understand every external strain that affects the company.

However, a strategy is not only about analyzing as well as thinking. It has to be practiced. Also, this implies that every other person in the company as well has to be dedicated to the vision. Nevertheless, a manager can't do everything on his without all the other workers.

Consider it like this– strategic leadership is essentially a social and political activity. It's basically about working in the social environment of the company – negotiating as well as inspiring dialogue. A strategic leader has to possess the skill to form a community of colleagues, who all work with each other towards shared goals.

It ought to be clear by now that a strategic leader has to be both a visionary and a great implementer, with great communication abilities on top.

However, it doesn't end there. For the people who want to dip deep into details of what precisely makes the great strategic leader, researchers have created a tool. It's known as the Model of Strategic Leadership Competency – or MSF Model in short. It's a comprehensive analysis of competencies based on watching how leaders are successful acts. Also, it specifies a means to assess a person's capabilities in order for them to know what to work toward.

Therefore, for instance, one quality it names as vital is the ability to offer a strategic path. Looks obvious, right? What is the other thing a strategic leader would do?

However, the trouble is identifying precisely when a person has done that successfully – and how they could improve in their role.

To assist with this, researchers have divided it into a scale. Therefore, at the fundamental level, you only require the capability to think about the future. However, if you wish to perform at a high level, things become more involved. It's about knowing your customers as well as how their benefits can be made a strategic priority –and incorporating the wider broader into strategic development.

## Chapter 6 - In order to be effective, strategic work has to make use of the appropriate tools.

You wouldn't begin constructing a house or even making a chair without the appropriate tools. The strategy could be a little bit more abstract than carpentry; however, it's a craft as well – and possess its own tools that the craftspeople can utilize to assist their work.

Also, similar to any craft, the tools come in various forms. First of all, there are the process tools, which we'll examine. They're just like the hammers and the wrenches, and the one you pick is determined by what you are attempting to accomplish. Also, we have the strategic initiatives – these are the fancy strong tools you require once in a while if you wish to do some actual structural work.

First of all, let's discuss the processes. When we talk about strategic planning, there are a lot of formal processes accessible to direct your work. The good thing is that none of them is better

than the other one – it's a situation of selecting the one that works for you in a particular circumstance. Some processes, such as the command approach, are more top-down and concentrate on the ability of management to lead and create goals. Other ones, such as the planning approach, are essentially about putting frameworks in place that allow choices to be taken systematically in steps.

Also, usually, it's a good thing to mix and match, reliant on the circumstance. For instance, the Red Cross usually makes use of an annual planning approach; however, when a crisis occurs—such as a humanitarian disaster – it changed to the command approach so as to decide fast.

Processes assist your planning work well; however, if you wish to form momentum on change, that is the point where strategic initiatives come in.

In the business-as-usual, strategic initiatives are interventions. They function best when strategists think that immediate change is needed.

That implied that they're actually beneficial in situations of uncertainty when the ability to react dynamically becomes vital. Rather than using the normal slow process of decision-making, they improve flexibility. The reason is that they can directly deal with certain themes that are vital to the success of a business. Also, their effect can be immediate as well.

For instance, by having in place a new strategic initiative after the 9/11 terror attacks, Lufthansa succeeded to prevent bankruptcy. It reacted immediately to a new circumstance, implemented a technical overhaul for its planes, and it also took the opportunity to check its internal processes. Due to that, it survived the difficult periods and made over a billion euros in extra cash flow over three years.

## Chapter 7 - Strategists have to be up-to-date.

Are you that old to recall renting videos from Blockbuster? See, like a really long time, right?

Or perhaps you're really young that you've never even heard of Blockbuster– and there is an explanation for that.

Blockbuster Video didn't adjust to the times and has since been substituted by innovative companies such as Netflix. Its strategy didn't succeed to modernize.

Also, it's not only videotaping that is out-of-date nowadays. Old methods of thinking about business are as well on their way out, and paradigms are changing.

Blockbuster is only one illustration of a business that's failed to acclimatize. All types of long-established companies such as banks and bookshops are suffering, as online shopping, as well as mobile banking, take over.

With new business models appearing all the time, businesses have to keep instantly devising new ideas. For instance, start-ups are thriving and old businesses see themselves in a challenging spot since their accustomed method of working is not sufficient anymore.

Consider the sharing economy as well as its platform-based business such as Airbnb. It's a completely new business kind– and offers a big challenge to old hotel chains. They have to look for means to compete, for instance by devising new offerings for clients such as personalized complimentary services or event management.

It's obvious that the strategy has never been more needed.

However, strategists have to adapt with the times. The future has to be instantly rethought and strategy with it.

Being contemporary doesn't imply being fashionable. It implies being able to clearly notice the signs of the times and understanding as well as engaging with them. It implies the skill to be set for the future.

What precisely does this entail for strategists?

To begin with, they have to stop being specialists who are distant from the organization's day-day life. Rather, they need to be at the core of what is going on.

Also, they have to improve at generating dialogue as well as negotiation with stakeholders. By doing that, they can be the interface between groups, mediating while leading when hard choices need to be made. They allow for decisions while maintaining responsibility.

The architect of the future is the strategist. However, different real architects, their design stays forever uncompleted and regularly improved and enhanced.

## The New Strategist: Shape your Organization and Stay Ahead of Change by Günter Müller-Stewens Book Review

In spite of unprecedented transformation in the business field, the strategy has to be rethought, together with the duty of strategists. All business is unique in its challenges and situations; however, everywhere the new strategist must be a leader at the interface of every department. Strategists must be architects of the future who react to transformation while carrying out their duties to the individuals who use and gain from their companies.

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