

## **A Leadership Team for the Mismanagement Crisis**

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Organizations need to ensure that they have a real leadership team in place. This team should be composed of well educated and experienced managers who share in the strategic planning process and have the capability to balance the need for efficient operations with the benefits of maintaining a kind of entrepreneurial edge. Once organizations have created effective control systems, management structure and strategic focus, they need to look toward the future.

Managing the future is a very complex task and requires those with experience and track records. Research shows that employees who have been promoted to leadership positions are not likely to be qualified for the organization's top levels. Consequently, top leaders and professional managers usually come from the outside.

With the introduction of a real leadership team, the organizations become more professionalized, overcoming the mismanagement vulnerability. This is a mayor change, even more so than the shift from startup to early stages of growth. The reality is that some people will leave, and others with adequate coaching will make this transition. If not, the future will not begin.

The practices that are put in place to integrate leaders, managers and employees, and insiders with outsiders are critical for the development and exposure of the leadership team. By carefully selecting leaders and executives, it is possible to provide fresh perspectives and depth and breadth of experience. The leadership team should include real entrepreneurs, operational experts, administrative-process oriented professionals and human capital champions, all becoming active participants in the strategic work.

What is important for organizations is a proactive, rather than reactive, approach to seeking ways to extend and build value. The composition of the leadership team will rapidly undergo changes as the organization moves from the early stages. At a certain point, the technical

imperative can be necessary, but the entrepreneurial mindset will takeover in the way to the future. These days, markets are requiring powerful knowledge, combined with the capacity of moving quickly, showing creativity, flexibility and agility for executing under any circumstances

We have always called for the high professionalization of organizations focusing on their strategic purposes, with experts having a broader view and vision of the market and industry. To supplement the skill, expertise and experience of the leadership team, organizations can use executive and advisory boards or councils composed of different required disciplines. The idea is to overcome any possibility of becoming victims of the group think and re-cycling knowledge, products, services, processes, technologies and approaches. A core challenge here is to change, grow or die by integrating organizational resources and capabilities, searching for opportunity-profit domains and developing resonant leadership. To achieve these complex results, leaders will have to embrace three organizational keys:

1. Cultivating emotional relationships with communities that inspire and sustain hope.
2. Learning, practicing and mastering new patterns of behavior.
3. Reframing the thinking models about situations and about human life.

The core of this new execution requirement is to ensure the most efficient and effective coordination of key organizational activities in a way that enhances profitability. For example, capabilities and opportunity domains interact with one another: Capabilities define where the company can best play, and opportunities extend capabilities. The leadership team maps out opportunity domains with its strategic focus and modifies this focus over time, as the industry and the market changes, and organizations seek future growth. Leadership also ensures that its capabilities and opportunity domains are really in balance.

As organizations grow and change, a key concern for the leadership team is how to manage their human capital, and above all, maintain its entrepreneurial attributes.

The most common mismanagement an entrepreneurial organization makes is preparing people inadequately, and maintaining the wrong people as the organization grows. For every business cycle you need a different mix of members to do their job and pitch in particular requirements. It is important for the leadership team to maintain the flexibility and the broad skills needed to accomplish a lot in a relative short time. It is difficult to think about educating to develop future skills when the organization is reacting to external forces.

The way to the future is to customize a map to real entrepreneurial success, by combining different types of entrepreneurial behaviors for each of the business stages. For example, there are four types of entrepreneurial mind-sets:

1. The Personal Achiever
2. The Super sales person
3. The Real Manager
4. The Expert Idea Generator

Formal education on entrepreneurship can be helpful to cope with complex realities. The aim is to help people on how to assert themselves, how to listen to others, how to identify opportunities, and how to prevent or resolve conflicts. It is important to note, however, that research indicates that business education has to overcome frequent problems: the educational or curriculum design and the inability of the trainer to utilize the adequate skills or express the key qualities while teaching the course or the seminar. If these problems are overcome participants can increase their entrepreneurial abilities in a remarkably brief period. Of course, if you want to learn about entrepreneurial and intrapreneurial behaviors you should be exposed to real entrepreneurs.

These days, students, business people, leaders, managers, professionals and consultants should carefully read “Intrapreneuring: Why You Don’t Have to Leave the Corporation to Become an Entrepreneur” by Gifford Pinchot. The researcher defines an intrapreneur as any of the dreamers who do things and take the responsibility for creating real innovation within the company. It is someone who figures out how to turn an idea into profitable action. The entrepreneur is someone who fills the role of the intrapreneur outside the organization.

After all, in turbulent times, the future belongs to those who can find opportunities where others see only problems.

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