

DRAFT: ADVANCED LEADERSHIP PROGRAM 2010

Module 5 - "Transformational Strategy for Global Competition"

Bali Handara Resort, 14-16 July, 2010



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The Global Financial Crisis (GFC) has dramatically reduced global growth. The open, trade-dependent economies of the Asian region have been hard hit. Foreign Direct Investment (FDI) has declined at a time when large low labour cost economies, such as China and India, are seeking to expand their share. Smaller emerging regional economies, including Indonesia, must learn to compete more effectively for FDI by reducing barriers to both foreign – and domestic – investment, including lowering regulatory and ownership barriers. With deregulation and increasing foreign involvement come transparency and growing competitive intensity. Those firms which anticipate, and prepare for the new basis of competition will prosper and grow. Those which continue to play by the old rules will disappear: this is Schumpeter's '*Creative Destruction*' process at work.

As the rules of the game change so must the Strategies, Structures, Systems and Skills of the Companies which seek to compete in this – fast changing – environment. The ability to lead and sustain, change itself, becomes a source of competitive advantage. Building the capacity to change requires a leadership team which both acknowledges the imperative to change – and has a structured approach to guide the whole organisation through a holistic – *Transformational - Strategy for Global Competition*.

In 2010 there are very few Companies, BUMN – or even Government Departments – who would not claim to have a '*Strategy*'. Despite this surveys by the World Economic Forum suggest that less than half a percent of those surveyed feel their organizations are performing at their full potential. The challenge for both private and public sector leaders is therefore not just to set a clear strategic direction – but to translate that strategy into action. This requires both employees – and *all other key stakeholders* – to understand, and support, the strategy.

This Module builds on 38 years of 'Hands-On' experience by the Course Leader and Harvard University Professors Robert S. Kaplan and David P. Norton's findings plus extensive research that at the majority of companies they studied: '*strategy ... is almost completely disconnected from execution*'.

This Module will use both Class presentation and interactive Case Studies to:

- Build an understanding of the fundamental forces which are driving change in the Global – and Regional – economic and Geo-Political environment, the critical challenges which will face Companies – and Governments – in the Post-GFC world – and the implications for strategy
- Teach a proven Transformation Strategy Framework which will show how it can be applied within participant organizations
- Identify the key barriers to change and define how to overcome them
- Demonstrate the importance of creating a 'Performance Culture' to sustain change

At the end of this Module participants from both the private and public sectors will understand the latest findings from both research and consulting, on how to engage the team in developing a transformational strategy for global competition, and how to translate this strategy into action by means of new behaviours and culture resulting in superior and sustained organizational performance.

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