

ADVANCED LEADERSHIP PROGRAM 2013

Module 6 - "Transformational Strategy for Global Competition"

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The Global Financial Crisis (GFC) dramatically reduced global growth. The open, trade-dependent economies of the Asian region were 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. 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 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 which builds capabilities to respond to Global Competition*.

Today there are very few Companies, BUMN – or even Government Departments – who would not claim to have a '*Strategy*'. Despite this, surveys by Booz and 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 that all employees – *and other key stakeholders* – understand, support – *and help execute* - the strategy.

This Module builds on 40 years of 'hands-on' experience by the Course Leader and draws on research and surveys by Harvard University Professors Robert S. Kaplan and David P. Norton suggesting that at the majority of companies they studied they found that - '*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 and how to apply this within *your* organization
- Identify the key barriers to change and show 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 their leadership teams in developing a transformational strategy for global competition, and how to translate this strategy into action by means of new behaviours and cultures resulting in superior and sustained organizational performance.

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