Short-Term/Long-Term Leadership

Survival of the Fittest

A previously unpublished chapter from The Whole Brain® Business Book, by Ned Herrmann
Short-Term/Long-Term Leadership
Survival of the Fittest

Chapter Headlines
• Left mode, short-term thinking is necessary for survival.
• Right mode, long term thinking is needed for mature results.
• Situational whole brain leadership thinking is needed for long-term success.

“A year from now you may wish you had started today.”
– Karen Lamb

Many companies, even those with a long-term vision and a solid business plan, fail to survive infancy. The actuarial statistics are ominous. For every 100 new businesses, fewer than 30 survive the first two years, and fewer than 10 survive the first decade.

Very early in the life cycle of any new business it becomes apparent there is too much reliance on the future dream and not enough realization that you have to deliver the product or service and invoice it in order to generate cash, and cash is always in critically short supply. If there is a D-quadrant dreamer involved in this infant stage, the wake up call comes early, even if it’s filtered out.

Whatever action the company takes, it must happen and it must happen fast. Entrepreneurial thinking must be curbed in favor of operational action. Long-term vision must be put on temporary hold in favor of immediate implementation of short-term plans.

It doesn’t take long to discover who is needed to build the product, deliver it, render service, and collect for it—in general, the employees who can produce short-term results. Others need to be reassigned or laid off. Since what little capital there was to start the business has already been consumed, the critical issue now is cash flow. Survival depends on cash generation and an accelerated planning cycle, if there is one, is in terms of weeks and months, rather than years.

Under these conditions management mentality must be almost entirely left mode, A/B-quadrant dominant. It’s a 10-hours-a-day six-days-a-week focus on short-term results. The people in charge can’t be bothered with anything that does not produce immediate results, and when those results happen and people are recalled or newly hired to deliver the product or service, or help run the business, the management in
charge must reorient them to the short-term business plan because that’s what is producing results.

Those few businesses that survive infancy and move into the adolescent stage tend to perpetuate the management that has brought them this far, and by so doing establish a management culture that has an A-quadrant/B-quadrant DNA. These leadership genetics are pretty well established by this time, and as incremental success is achieved, the mode of leadership is cloned. The long-term vision that was put on hold has long since been forgotten, and along with it the needed action to make provision for the future.

As the company moves through adolescence and begins to mature, it’s relatively easy for outside observers to comment that the company is beginning to run out of gas. There are no new products available. The services are becoming obsolete. Competitors are now delivering better stuff at lower prices. The short-term mentality that avoided infant death set the pattern for death to occur in late adolescence.

To be in the ten percent of companies that survive the first ten years, the leadership must move from being left-brain survival focused to being “Whole Brained.” What’s needed is not just the right direction of leadership mentality but the competencies that go along with a more opportunistic Whole Brained leadership.

This level of leadership includes having a vision of the company that will take it into maturity. A long-range business plan providing the human resource assets capable of new product development, marketing and sales savvy and capable of the risk taking needed to grow. The pendulum that swung from the founding dream to the hard-nosed survivor must now swing back to a multi-dominant center position that can conceive and deliver mature business results.

The left-mode management DNA will treat the swing to the right as a virus and the organization’s immune system will try to throw it off. Early diagnosis of this illness is very elusive. The first medication is instant rationalization. The thinking trap is believing that the “leadership style that took us through infancy and near bankruptcy is good enough to now take us to our corporate destiny.”

Shifting the mentality of previously successful leadership into what is required for future growth is extremely difficult. If the company wants to be among the businesses that achieve “prime,” then it must find the leadership to accomplish the mental shift to situational wholeness, either from inside or from without. The entrepreneurial founder who stepped aside for survival may also have to relinquish this role as well for the good of his/or her business.

Ultimately, for a company to achieve optimal long-term business results it must have situational Whole Brain® leadership. This is not a theory. This is hard reality.

Note: The terms “infancy,” “adolescence” and “prime” have been popularized by management expert Ichak Adizes in his books The Crisis of Mismanagement and Corporate Life Cycles. Both books are filled with illustrative examples of problems and solutions.

So What?

- Left mode, A- and B-quadrant leadership thinking is essential for short-term survival, but hinders growth and future development.
- Right mode, C- and D-quadrant thinking is essential for redirecting a company’s leadership potential to its ultimate vision.
- Whole Brain® leadership thinking applied situationally to everyday business needs is essential to long-term corporate success.
**Clients**

Herrmann International clients that are putting the Whole Brain® system to work to outthink, outpace and outperform the competition include:

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