



SUSTAINABLE STRATEGIES FOR THE FUTURE:

Management, Innovation and Humanization

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The endeavour to generate competitive organizations has become increasingly complex. As a result their capacity to develop business projects over the long-term must be linked to an identity of its own. They must have a sense of direction and management flexibility, in addition to a permanent drive for innovation and differentiation, within a structured context built around a community of people within those organizations.

Entrepreneurs and company managers permanently face the challenge of devising sustainable growth strategies in a highly competitive environment, and which is in ongoing transformation. There is an environment of swift market and geographical changes, as well as change in consumer behaviour, technologies, information exchange or new operators in most industries, and all without precedent in the global economy.

Thus, the mechanisms of “strategy making” are varying constantly. The old way of strategic planning, hermetic, linear and predictable in behaviour is fast becoming a relic of the past. Business strategies are shaping up to be long-term road maps, but with an enormous dose of permanent management and adaptation. Strategic flexibility thus becomes a management paradigm for sustainability and growth of business projects. Organizations need to, then, develop a more dynamic focus and business leaders need to aim for flexibility and persistence in managing the organization. As a result, successful organizations in the future will be those whose leaders remain congruent in the face of uncertainty and capable of effectively managing change.

A breath of fresh air in business management

A sophisticated art; this is what business management is becoming today due to the constant transformation undergoing the rules of the game of many business activities. The unshakable position of many traditional industry leaders is cracking under the pressure of new competitors who are innovating with their own business models, by alternating their value proposition and how they are structured in daily operations. Today, players from emerging economies are not satisfied with merely joining the international competition; instead they constantly question and disrupt it. The struggle for attracting and retaining talent is one of the most intense worldwide. What a wonderful time for true business management and the development of long-term sustainable growth strategies!

In the future, successful organizations will be those whose leaders remain congruent in the face of uncertainty and capable of effectively managing change.

It is precisely at a time such as this, a time of crisis or growth slowdown, which we are experiencing now, when the logics and praxis of business dynamics require greater coherence. This is one of the basic tenets of business management. Solid business projects in leading companies are deeply impregnated with a quasi-permanent sense of direction, and a series of guiding principles of consolidated management. They are



characterized by coherence in the decision-making process established within the course set for the organization, where the long-term view takes priority over the short-term view so notable in the day-to-day operations of many companies.

Business Models

As Professor Gary Hamel states in his latest book “The Future of Management”, competition in the future will fundamentally be in Business Models, which is the designing and structuring of a unique project, differentiated from main competitors. There is no other differentiating factor in the new competitive international context than that of an original business model which seeks out new clients or their unattended needs with a specific value proposition supported by people and their talent. Therefore, the most innovative organizations who are drawing up sustainable long-term business projects share a number of common characteristics which boost their capacity to compete:

- 1) They have longer action timelines than their competitors;
- 2) They are more focused on the market and the unattended needs of potential clients, based on very powerful competencies and capabilities-closely connected to strategy and company operations;
- 3) Innovation options are evaluated more from a strategic viewpoint and less from its relationship with financial performance measures;
- 4) They take a more experimental rather than analytical approach to the market;
- 5) They have a higher tolerance for failure in innovation;
- 6) They stress learning by doing;
- 7) Each and every one of the employees knows the implication of innovation in their work;
- 8) The most sophisticated consumers or the real observation of their behaviour is incorporated in innovation processes in the initial stages of the project;
- 9) Coherent innovation management systems are in place.

The people in the organization

An organization’s mission is tremendously conditioned by how we structure and manage the active participation of people in business projects. I personally consider it important to endeavour to structure organizations as Communities of People by creating mechanisms of participation, responsibility, cooperation, as well as attracting and retaining talent. All these would go toward design of a specific identity of an organization within a distinctly unique business model, untransferable to other organizations.

Organizations structured around people are those who have a greater development potential in sustainable business strategies.

In communities, there is a voluntary exchange and collaboration amongst its members which is governed by norms and values which in turn are shaped by working and living together. The capacity and willingness of a community’s members to collaborate actively with others is more far-reaching than posts or absurd, detailed job descriptions. Members are more autonomous and are more motivated by peripheral impulses than by the basic nucleus, tending to favour human relations and gestalt enrichment, such as emotions and knowledge. The most successful companies are those who adopt a management style based on these principles.



In fact, organizations structured around people are those who have the greater potential of developing sustainable business strategies. This implies the existence of a new model of participation and involvement of people in organizations, creating new forms of property, of governance in organizations, as well as management of talent and knowledge exchange within organizations. Consequently, we must engender a milieu which favours the humanization of our organizations which would allow the enrichment of people, without sidestepping the organization's sustainable development in future.

All things considered, we can see that not only is the struggle for attracting and retaining talent quite a widespread one among entrepreneurs, but it is also going to be a management priority in coming years. Although, the meaning will differ radically from organization to organization, in my opinion, the success of companies in the striving to attract and retain talent will depend upon a company's attractiveness in terms of humanization. This means that people will feel they play a leading role in the future of their organization, where responsibility and freedom are not mutually exclusive, and where business transformation is continuous and not traumatic.

Seven Traits of a Sustainable Development Strategy:

1. A clearly defined and differentiated identity in a competitive environment.
2. Constant commitment to innovation.
3. A decided process of growth and internationalization.
4. An intensification of commitment to accumulation and dissemination of information.
5. A permanent sense of exploration and curiosity for new markets, products and innovative management mechanisms.
6. Organizational structures as Communities of People.
7. A network of collaborators and partners who boost the internal capabilities of the company.