From the President

During a recent visit to CCL's office in Singapore, I enjoyed a thought-provoking exchange with a group of CEOs from many industries. We of course discussed the critical skills for leading effectively through a recession. But we also asked ourselves this important question: when the economy finally starts to improve, will we be ready to drive growth in our organizations?

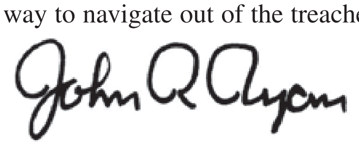
This is a something I ask myself—and the men and women I'm privileged to lead—quite often. We're all caught in a brutal recession, and it remains unclear how long it will last. Eventually, though, it will end. When it does, organizations that can take advantage of emerging opportunities will have the best chance to grow. In my estimation, those organizations will have leaders who are highly skilled in three key areas: collaboration, mental agility, and judgment.

In a recent CCL global survey, 97 percent of executives and managers said collaboration is vital for organizational success. Yet just 47 percent of these same executives said their colleagues are good collaborators. That's an alarming disparity—and businesses will face dire consequences if their leaders insist on clinging to a command-and-control leadership style. Already, some companies are mastering the art of nurturing good ideas at all levels while also working effectively across business units and geographical boundaries. Under the leadership of Chairman and CEO John Chambers, for example, Internet networking and communications equipment giant Cisco Systems has made collaborative leadership throughout the company a top priority in recent years. Not surprisingly, Cisco entered the recession in very strong fiscal shape and is poised to stay out in front of its competition when the economy recovers.

In an excellent column on Yahoo! Finance in 2007, business strategy guru and author Ram Charan wrote about a second key ingredient for driving growth: mental agility. In responding to recessions, he says, successful businesses often reposition themselves in the marketplace. They keep close tabs on what customers want and adjust their strategy to deliver it. Repositioning is hard work. It requires sifting through mountains of options and finding the precise one that connects with clients. An agile mind becomes a must.

During my meetings in Singapore, CEOs mentioned the cover story from the January 31, 2009, issue of *The Economist,* titled "Asia's Shock: Where the Crisis Is Hitting Hardest." Many Asian countries have successfully positioned themselves as leading exporters. But with demand for their goods drying up, these nations need new avenues to economic growth. Increasingly, business enterprises around the world must adjust as well, and success starts with a nimble and open mind.

Finally, there's the importance of judgment, which involves making some important wagers about the future of your business. First, you need to make bets on your people. You want to have the right ones to execute your strategy when the recovery takes hold. In the meantime, the recession offers a unique, if painful, opportunity to think hard about how to restructure your organization. Which employees do you keep? Are there others you should let go? Make some bets on new talent that will be required as the recession winds down. Look for partnerships that extend your reach. Take a chance on entering new markets. Your reward could very well be new revenue streams that drive growth and impact over the long term—and keeping your eyes on that horizon is perhaps the best way to navigate out of the treacherous times we find ourselves in now.



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