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ACTUAL ISSUES OF LEADERSHIP AND VISION FOR LONG-TERM SUCCESS

Abstract. The article is devoted to actual problem of forming the clear vision as basic component for long-term success of the organization. Being an experienced manager or head of a company is not enough to be a true leader. Transition to a new paradigm of leadership and understanding of the world as dynamic, changeable, risky and complex stimulates the emergence of new concepts of leadership. Leadership vision is not only the ability to focus on the most important aspects of oneself or the business, but the ability to look much further ahead, beyond the horizons of strategic planning. Clear vision, mission and values form the basis for building the organization's strategic foundation and allow to get the competitive advantages. Without a clearly defined vision and mission it's impossible to specify the goals and strategy and to develop the effective action plan.

The concepts of "leader" and "leadership" are considered. Relationship with vision, mission, strategy, goals and action plan are discussed. Data of successful companies and borders for higher results achievements are analyzed. Concept of successful vision is formulated, features of successful vision are discussed.

Keywords: *vision, leadership, goals' achievement, strategy, management, business development, success.*

Introduction. The concepts of "leader" and "leadership" have been formed and developed throughout the history of human civilization. At each stage of the socio-economic formation and level of organizational development, society asked the questions: "What kind of leaders are needed now", "What styles and forms of leadership are the most effective"? Until a few decades ago, American management was characterized by the saying: "If the boss says to jump, you can only ask how high". Authoritarian management and tight control have been replaced by leaders who can inspire. And today they are already talking about "leadership of the servants", i.e. about socially-oriented management, which is close to the "soft" Scandinavian management model. Management and leadership styles are heavily influenced by mental and cultural differences and traditions in different countries. And although large successful companies are concentrated in some regions, among their founders we can find representatives of different countries and cultures. So what is the key to effective leadership and management?

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There are about 57,000 public companies in the world, and only 4 % of them have more than \$ 1 billion in revenue. There are many companies that fail to meet their revenue targets, but hang just below the threshold, unable to cross it.

Those who have reached the desired level are forced to fight to keep it. Every week, one company drops out of the S&P 500 list (Konovalov, 2021).

What is the reason? Many leaders believe that they effectively manage the business, which is confirmed by quite decent financial results. But in fact, current processes are in their field of vision, but they do not look to the future, in which the factors of success are laid down. They believe that they are effectively in control of all processes, when in fact the future of their business, small or large, depends on their own thinking as leaders. And this thinking should include three essential elements – vision, strategy and people.

The purpose of the article is to investigate factors, which are forming effective leadership, and allow to achieve the long-term success.

Analysis of recent research and publications. The most significant contribution to the theory of leadership was made by American researchers. Among foreign researchers, the problem of leadership was dealt with by: R. Dilts, E. Dearing, A. Meneghetti, G. Minsberg, J. Russell, R. Stogdill et al.

In the works of scientists who study leadership, one can single out a focus on five main categories: personality, interpersonal relationships, social behavior, social situation, social group. These categories form five conceptual approaches, within the framework of each of which separate theories are developed that explain the essence and nature of leadership.

The situational theory of leadership was developed by T. Heilin, C. Jib et al. Interaction theory – by K. Gib, K. Clifford et al. The most important model of leadership efficiency – by F. Fidler, motivational theory – by M. Evans. Humanistic approach – by R. Blake, R. Likert and others. Attributive Theory of Leadership – by R. Lord, J. Fotis et al. The theory of normative decisions – by V. Vroom and F. Yetton. Transformational leadership – by B. Avolio, B. Basta et al., P. Blonsky, A. Zaluzhny, A. Makarenko, B. Parygin, V. Mikhailichenko, O. Romanovsky, A. Rudska, L. Pashko and others are also investigated leadership (Hryshenko, 2015; Yakushko, 2016). But despite significant advances in the study of leadership, both in terms of psychology and business management, the question of what is decisive in effective leadership and management remains open.

Formulation of the main material. Vision, mission and values are key components of strategic management, they form the basis for building the organization's strategic foundation. Without a clearly defined vision, mission and values, it is impossible to specify the goals, principles and values of the organization.

Business leaders' understanding of how values, mission, and vision interact with each other allows for well-thought-out and successful strategic plans that give businesses a competitive advantage. However, practice shows that business leaders talk about goals, missions, goals and visions, but in many cases do not understand the difference between them. Whereas a clear vision is critical to the

future of the company. Also in the literature you can find 2 types of pyramids (Fig. 1), illustrating the relationship between the vision, mission, strategy, goals and action plan (<https://www.productplan.com>, 2022; Rachitsky, 2022; Painless, 2014).

There is still open question, what is the 1st component – mission or vision. Mission describes how important for us and society is what we are trying to achieve. Vision describes, how our future would look like. On our opinion, without clear understanding to which future are we going, it's difficult to clear, what war we trying to achieve.

In other words, relationship between vision, mission and goals could be described on example of house building. If the idea is to build a family house, the vision will determine where it will be built, what kind of house it will be, what it will include and how to look like. The goals are about what we need to do to build this house. The mission reflects how this house will be useful to the local community – as a landmark, as a hostel, or simply as a house to live in (Konovalov, 2021).

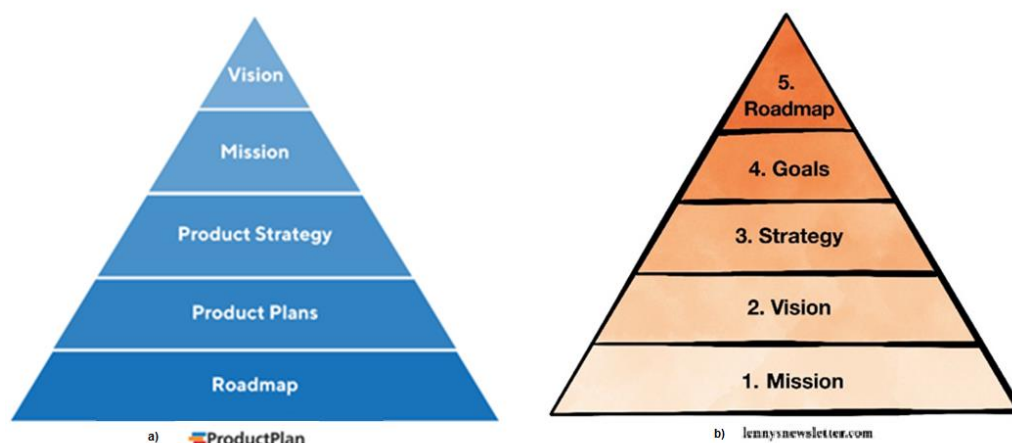


Figure 1 – Relationship with vision, mission, strategy, goals and action plan (<https://www.productplan.com>, 2022; Rachitsky, 2022)

Observations show that quite a few businesses, social or political leaders actually have a vision. Today's leaders often fail to explain what their vision is and how it can be made a reality. They replace vision with KPIs and don't consider that without vision no amount of time, money or resources can help. As Sun Tzu noted in *The Art of War*: “Strategy without tactics is the slowest path to victory. Tactics without strategy is just hustle before defeat”. Why than in the modern world leaders are more focused on tactics than on strategy and often forget about clear vision?

Vision is the aspiration for the future that we strive to make today a reality. It is a collective agreement and a tough decision about where we want to be in the future and what our future will be. Vision is a pragmatic, multi-dimensional space of the future that we seek to explore and benefit from. A goal is a task to be completed that helps achieve the vision. The goal is always finite and remains

relevant to a specific vision. The difference between a vision and a goal is simple: a vision can be passed on to the next generation, while goals remain relevant only for a certain phase of development.

A mission statement is a promise to those who may be affected by the business or the potential impact of the company's activities on society. The mission statement simply reflects this. The vision is inspiring and draws people to it; we never see anyone inspired by a mission statement. People are interested in what will make their life better. However, the mission is important because it reflects the promise to the society that supports and provides various resources. Neither missions nor goals determine the future. They are just steps along the way (Konovalov, 2021).

Vision is a collective understanding of where we want to be in the future and how it will look, strategy is a team agreement and purposeful implementation of how to get into the future in the most effective way. Successful vision relies on effective communication and, importantly, the ability to encourage others to own the vision. The vision must be clear and simple enough for people to believe in and act on, and strong enough to resonate and inspire. Answer six simple questions to find out how strong your vision is:

- Who will benefit from your vision?
- How much can you expand your vision?
- Who takes full responsibility, you or others?
- How does your vision correspond to the present?
- Can you explain your vision in two minutes?
- Does your vision excite people?

Organizations that are not prepared to think about their vision for the future will not survive in the long run. Investing in a clear vision is a bet on the future (Konovalov, 2021).

Companies with a strong and compelling vision have 20 to 30 times higher market value than companies with just a great product. Tesla, for example, reached \$ 1.25 trillion, more than all other major automakers combined. Such capitalization is beneficial for banks through Tesla's vision to create a new standard for mobility and service.

The vision is pragmatic and functional, otherwise it is just a dream or an illusion. In this way, the result of the vision can be calculated, reflected in the balance sheet, presented to investors or financial institutions and therefore accepted by banks. Vision reflects the value created for customers over their lifetime, which is supported by a quick response when people recognize and appreciate this value. In other words, the vision determines the size of the market niche that the company will control for a long time. Amazon controls over 40 % market share, making it the most famous retailer in the world.

If a vision is a collective understanding of where we want to be in the future and how it will look, then a strategy is a team agreement and purposeful execution of how to get into the future in the most effective way.

Expanded strategic advantages allow you to explore new opportunities big enough to make huge changes and change the rules of the game. Microsoft has

evolved from a business model based primarily on selling products, licenses, and devices to a cloud platform as a service. Siemens made a strategic transition from energy and manufacturing to digitalization and won.

The world, changed since COVID-19 pandemic, requires new leaders with anti-crises abilities, expanded vision and big heart to support people around. At the end of 2020, Boston Consulting Group conducted a survey among 4 thousand people from four countries (France, Germany, Spain, Great Britain) and a series of interviews with experts, and made interesting conclusions. In particular, a successful leader today must combine three dimensions: “head” (it's about forming a vision of the future and determining priorities), “heart” (what concerns communication with people) and “hands” (the ability to perform certain actions and ensure results). In usual times, managers pay the most attention to the “head” (69 %), “hands” (44 %), but not enough to the “heart” (only 25 %). BCG specialists are convinced that although “head” and “hands” are necessary skills for every manager, they are not enough to be a successful leader in today's world.

The weight of the “heart” is now increasing, the pandemic and even more war have only emphasized this trend (<https://kmbis.ua>, 2021; Galushko, 2004). Among the “heart” qualities of a leader, respondents consider attentiveness (37 %), empathy (33 %), the ability to listen (31 %), team development (29 %), self-reflection (26 %) to be the most important (<https://kmbis.ua>, 2021).

Conclusions. Thus, an effective strategy associated with a bright vision is aimed at winning the market and provides an ultimate competitive advantage that can be estimated at an additional 40 % of the market value.

The purposefulness that a vision brings helps improve operational efficiency and efficient use of resources. Focus is a great tool in the skillful hands of visionary leaders to achieve extraordinary results. There is no room for illusions or empty promises in a clear, bright and well-articulated vision and growth strategy based on a culture of disciplined performance and accountability. Excellent work efficiency accumulates an additional 20 %.

Vision allows you to make deep and effective decisions that help move uncertainty to your desired destination. When people are free to know where to go and what they are aiming for, they generate incredibly valuable ideas and make informed decisions. They recognize that their solution should generate solutions and meanings, not new problems, and direct their thoughts and actions accordingly.

Conflict of Interest and other Ethics Statements.

The author declares no conflict of interest.

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Олег КОНОВАЛОВ

**АКТУАЛЬНІ ПИТАННЯ ЛІДЕРСТВА ТА БАЧЕННЯ
ДЛЯ ДОВГОТРОКОВОГО УСПІХУ**

Анотація. Стаття присвячена актуальній проблемі формування чіткого бачення як базової складової довгострокового успіху організації. Бути досвідченим менеджером або керівником компанії недостатньо, щоб бути справжнім лідером.

Перехід до нової парадигми лідерства та розуміння світу як динамічного, мінливого, ризикованого та складного стимулює появу нових концепцій лідерства. Лідерське бачення — це не тільки здатність зосереджуватися на найважливіших аспектах себе чи бізнесу, але й здатність дивитися набагато далі, за межі стратегічного планування. Чітке бачення, місія та цінності є основою для побудови стратегічного фундаменту організації та дозволяють отримати конкурентні переваги. Без чітко визначеного бачення та місії неможливо визначити цілі та стратегію та розробити ефективний план дій.

Розглянуто поняття “лідер” і “лідерство”. Обговорюються зв’язки з баченням, місією, стратегією, цілями та планом дій. Проаналізовано дані успішних компаній і межі досягнення вищих результатів. Сформульовано поняття успішного бачення, обговорено особливості успішного бачення.

Ключові слова: бачення, лідерство, досягнення цілей, стратегія, менеджмент, розвиток бізнесу, успіх.