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Learning how to think

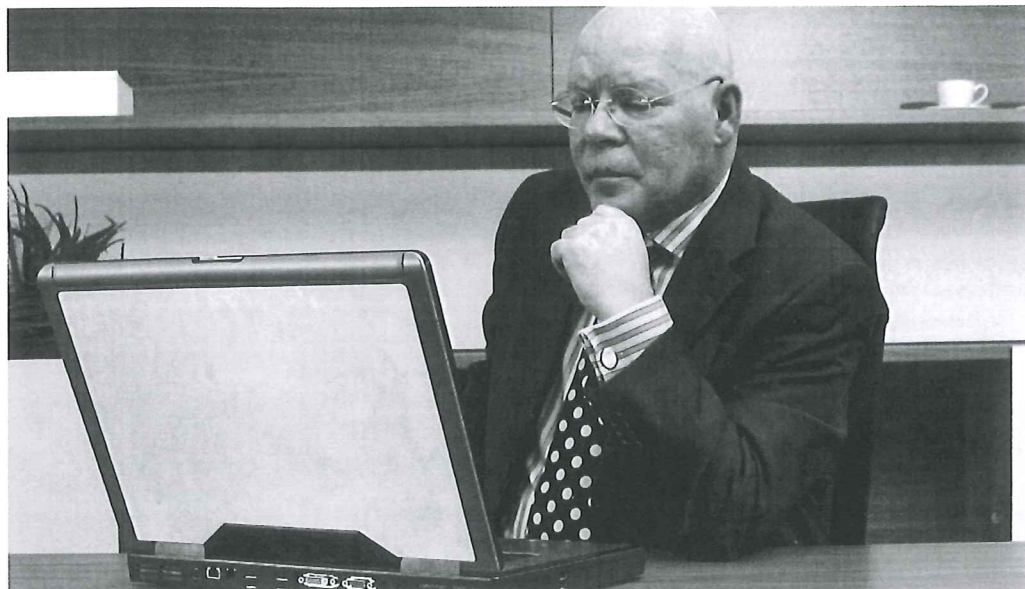
IF WE HAVE LEARNED anything from the global financial meltdown it is the above. The credibility of the MBA education lies not in the business disciplines and analytical skills that it imparts, but in the maturity of thinking, diverse perspectives and decision-making skills that it conveys.

A command of skills in critical analysis and business modelling is useful but not sufficient in an emerging global business world characterised by three fundamentally important pillars of intuitive decision-making: context, complexity and connectedness.

Sadly, the real world regularly fails to conform to the two-dimensional, linear models that populate business text books. The real world is a highly complex, dynamic, uncertain and ambiguous place in which to make business decisions. Business leaders, therefore, are required to achieve results in an unpredictable and demanding environment. To do so, requires them to be, as Peter Drucker memorably wrote, "purposefully opportunistic" – in short, to master context, complexity and connectedness.

But this requires us to confront two realities: the perceived inability of MBA programmes to be relevant to business needs and the degree to which business leaders truly understand what those needs are. Firstly, business schools are now recognising this reality and, globally, are shifting focus, curriculum and modes of classroom delivery in order to demonstrate applied relevance. In this context, The University of Auckland Business School is implementing a range of executive education initiatives designed to have alignment with the key economic imperatives facing New Zealand and to impact on practicing managers.

In its MBA programme (which targets experienced managers) the school has progressively introduced experiential applied courses covering areas such as complexity management, decision making, innovation and entrepreneurship, business growth, leadership and executive coaching. As one of our recent MBA graduates remarked, "You taught me how to think not what to think".



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In the customised executive education area the school works closely with major New Zealand organisations to develop programmes designed to maximise talent management in those organisations. And, in the globalisation space, the school has launched the Global Executive Leadership Programme "to create true global thinkers, leaders and organisations capable of driving sustained international growth". This latter programme is a partnership between the school, The ICEHOUSE, NZ Trade & Enterprise and the Thunderbird School of Global Management in Phoenix, Arizona.

All three of these initiatives go well beyond the popular (mis) conception of what takes place in an MBA programme and the impact that such university-based education has on both individual business leaders and the organisations they serve. All three of these approaches to executive education are designed to challenge the participants, to expose them to new perspectives, to confront the limits of their current thinking, to recognise gaps in their knowledge and to grow networks. Equally important, these programmes all recognise participation inevitably results not just in professional development but also in personal transition. Participation changes thinking and hence changes behaviour. Thus Coaching has emerged as a critical

part of executive education in that it positions business leaders to apply their learning in the business environment in the context of both personal change and organisational change leadership.

Which brings us to the second reality: do New Zealand's business leaders understand the needs that will confront our economy and our ability to sustain, let alone grow, our living standards in the coming decades? Do our business leaders truly understand and embrace Drucker's strategic concept of being "purposefully opportunistic"? What is the alternative?

It is very evident that if we, as a geographically isolated economy that remains highly dependent on commodity trade, are to sustain our place in a complex and increasingly competitive global economy then we have little option other than to think in a more agile and adept fashion than our competitors. At the very least we must think at or above the level of those with whom we will do business over the coming decades. If we don't, we lose.

Mastering context, complexity, and connectedness means that we can no longer afford the luxury of the 'University of Hard Knocks'. We have little choice other than to equip our emerging business leaders with the knowledge and the skills to sustain value creation.

Thus today's business leaders need to recognise their responsibility

not only to their stakeholders, but also to the wider society and economy that sustains the profitability of their business. Business leaders recognise the need for capital investment to drive their businesses. But increasingly the global economic imperative demands investment in human capital to drive and sustain business at all levels – particularly SMEs which, lacking the resource cushion of large organisations, are particularly vulnerable in rapidly changing and uncertain environments.

Business leaders that fail to implement these attributes in their organisations are indulging in a high-risk game. Being "purposefully opportunistic" demands that organisations be geared to recognise emerging opportunity (first-mover advantage) and are prepared to move as these opportunities are recognised. Contextual knowledge and understanding fosters the ability to spot emerging opportunity. Complexity management fosters the ability to understand and monitor the often ambiguous and uncertain drivers of opportunity. And connectedness fosters the ability to engage and build effective alliances. Collectively they underpin confident, high-value decision making. And all are primarily acquired through the medium of today's executive education. It's your choice. ■