Eight Critical Capabilities for a Complex World

By identifying and developing eight key capabilities, leaders can capture the big opportunities hidden in today’s complex business landscape.

**MANAGE COMPLEXITY**

Solving problems and making decisions under fast-changing conditions.

**WHAT DOES IT LOOK LIKE IN A LEADER?**

- Keeps an eye out for indicators of change
- Builds diverse teams to solve problems
- Looks at organizations as complex systems

**WHY IT MATTERS NOW:**

Fewer than 33% of leaders express confidence in their ability to manage complexity.¹

**MANAGE GLOBAL BUSINESS**

Identifying and capturing opportunities unfolding in global markets.

**WHAT DOES IT LOOK LIKE IN A LEADER?**

- Crafts a global strategy that also incorporates region-specific tactics
- Seizes opportunities in emerging markets
- Navigates culturally complex, often nuanced business situations

**WHY IT MATTERS NOW:**

By 2025 almost half of Fortune 500 companies will be based in emerging markets, up from about 5% in 2000.²

**ACT STRATEGICALLY**

Adjusting strategies to capture emerging opportunities or tackle unexpected challenges.

**WHAT DOES IT LOOK LIKE IN A LEADER?**

- Understands competitive forces that shape relevant industries
- Identifies and evaluates strategic opportunities
- Communicates a compelling strategic vision

**WHY IT MATTERS NOW:**

71% of learning and development professionals said their leaders are not ready to lead their organizations into the future.³

**FOSTER INNOVATION**

Building reliable innovation processes and a collaborative, creative environment.

**WHAT DOES IT LOOK LIKE IN A LEADER?**

- Establishes the structures that best support innovation
- Effectively manages systems and processes
- Encourages people to discover new ways to achieve success

**WHY IT MATTERS NOW:**

Three out of four executives think their firms lack the kind of ideas needed to drive growth.⁴

**LEVERAGE NETWORKS**

Systematically developing networks to achieve organizational goals.

**WHAT DOES IT LOOK LIKE IN A LEADER?**

- Leverages network to gain insight into complex problems
- Creates networks to enhance influence
- Treats networks as mutually rewarding relationships

**WHY IT MATTERS NOW:**

Leaders who excel at networking are also great collaborators, which is a highly sought-after skill.⁵

**INSPIRE ENGAGEMENT**

Fostering a culture that creates meaningful connections between employees’ values and those of the organization.

**WHAT DOES IT LOOK LIKE IN A LEADER?**

- Understands individual employee’s values and needs
- Shapes work assignments to meet different needs and values
- Fosters an inclusive work environment

**WHY IT MATTERS NOW:**

Only 13% of employees Worldwide are engaged at work, which makes engagement and its impact on retention a significant concern for HR leaders.⁶

**CULTIVATE LEARNING AGILITY**

Routinely seeking out and learning from new experiences.

**WHAT DOES IT LOOK LIKE IN A LEADER?**

- Seeks out opportunities to discover new approaches and acquire skills
- Rapidly analyzes problems and synthesizes information
- Searches for lessons in both successful and unsuccessful outcomes

**WHY IT MATTERS NOW:**

Organizations whose leaders can navigate a complex world are three times more likely to be in the top 20% of financial performance.⁷

**DEVELOP PERSONAL ADAPTABILITY**

Remaining focused and effective in the face of uncertainty and ambiguity.

**WHAT DOES IT LOOK LIKE IN A LEADER?**

- Deals flexibly and creatively with challenging situations
- Builds resilience by effectively managing stress, time, and energy
- Recognizes that past approaches often do not work in current situations

**WHY IT MATTERS NOW:**

60% of CEOs believe that adaptability to change is the top skill needed for leadership, up from 40% in 2013.⁸

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