THOUGHT LEADERSHIP TWO CURRENTS

D S T

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THIS TRENDING TOPIC IS WRITTEN BY BRAN MARTENS, JUNIOR RESEARCHER AT DUTCH SCHOOL OF THOUGHT, UNDER SUPERVISION OF LECTOR MIGNON VAN HALDEREN. Thought leadership is in. The concept is widely known and its popularity is on the rise. It is being applied with increasing frequency in organisations as a result. The expanded presence of thought leadership in annual reports is the primary evidence of its strength. Multinationals such as Ernst & Young, **KPMG and ManpowerGroup have now** integrated it in their long-term strategic planning. The term 'thought leadership' is spreading like wildfire in the for-profit as well as the non-profit world. One thing is certain: thought leadership is not limited by market boundaries and is therefore also not tied to a certain sector or specific market area like marketing is.

A great example illustrating this is the American Joel Salatin. His Polyfarms, an agrarian for-profit organisation, has been lauded by the agricultural sector and beyond as being visionary, a thought leader. Thanks to his direct, no-nonsense approach and revolutionary vision on agriculture, he has been able to inspire the sector with innovative ideas. Another example is Oxfam Novib. As a non-profit organisation, it applies thought leadership as part of its business strategy. Using this 'new' approach, the global organisation hopes to reinforce its voice in the fight against poverty. Although these are proven examples that thought leadership is currently experiencing a growth spurt, there does not appear to be much of a clear understanding of this 'new' form of positioning.

This may be blamed primarily on the various interpretations that are shooting up out of the ground like mushrooms. Thought leadership is, for example, often set forth as a form of content marketing (Kim, 2014). From this perspective, people see a thought leader as a trendsetting organisation that shares its relevant knowledge and expertise with stakeholders. Others consider thought leaders more as being a 'knowledge expert or guru' within the sector (Vlees, 2014). This point of view seems to suggest that there is currently a sort of Red Queen race among companies in the same industry. Everyone wants to secure this thought-leadership position but for most companies, the following expression applies: 'It takes all the running you can do, to keep in the same place'. Others view thought leadership

as a form of innovation. From this standpoint, thought leadership should apply to organisations that place a permanent focus on the continued development of their products or services (Miller, 2014). Finally, there is also a group that does not see the future of thought leadership as being very rosy, and dismisses it as being a fad. A temporary phenomenon that has gotten a lot of attention in a short period of time, and which will disappear silently through a back door. One thing is clear from all of this: there is no consensus right now about this new way of positioning.

This tug-of-war has resulted in a broad spectrum of diverse views. An expansive ocean of different visions as it were, several of which are floating close to each other, and others which are drifting miles apart from one another. In order to offer more clarity in this spectrum, this paper will make a distinction between two currents of thought within thought leadership. Although a divide might give rise to the suggestion that this should mean two extremes, it is important to emphasise that these two currents are related. And that this must be examined. Nonetheless, there are substantive differences, or better vet: divergent points of departure. The purpose of this article is therefore to gain a better understanding of the actual difference between the movements, and to ultimately defuse some of the heatedness of the debate. We would like to clarify that this paper will not make any judgements regarding the accuracy of one particular vision or even several visions. It presents an observation, the goal of which is to clarify.

The strategic thought leader

If we look at the essence of the first current, it appears that thought leadership is viewed as a strategic way of elevating the positioning of an organisation to a new and perhaps higher level of relevance. The time-honoured positioning of the products, services or corporate identity of the organisation is let go. The focus lies on sharing innovative knowledge and expertise on themes that, in fact, go beyond the level of products and services. This is an attempt by organisations to set themselves apart on a different or more abstract level.

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The crux of this current involves organisations positioning themselves as experts in strategically determined matters or themes in industry or society. Akzo Nobel does this with the 'Human Cities' theme, Philips with 'Aging Well,' and Unilever focuses on 'Sustainable Living'. Offering unique and innovative perspectives on these themes is a new way for organisations to increase their added value and prove this to their support base. Various experts in the literature also refer to it as a 'new' or 'novel' point of view (Van Halderen, 2013; Badings & Liz, 2013; Young, Laurie, 2013). A novel point of view may be seen as the stepping stone to everything else. In fact, a company's novel viewpoint is the ideology of an organisation which it wants to use to inspire and share renewed insights with stakeholders on the theme it advocates. In 'A Sophisticated Marketer's Guide to Thought Leadership', Jason Miller summarises this as follows: 'In a nutshell, thought leadership is about sharing insights and ideas - and a unique point of view - that provoke new ways of thinking, spark discussions and debate, and inspire action.' (Miller, 2013) Dove's 'Natural Beauty' campaign is also an example of this.

Craig Badings explains the rationale for this method of positioning as follows: '...While thought leadership may not result in a quick sell, what it will do is truly cement your brand with your public in a way that has a far deeper stick-ability factor. It builds trust, takes your conversations with customers to another level so that when the time comes to present your offering they are so vested in your brand that the sale is as good as done.' (Badings, 2013) In Badings's view, thought leadership offers organisations the opportunity to forge a deeper relationship with their stakeholders. By supplying stakeholders with innovative knowledge and expertise, and thereby alternative solutions for relevant issues, efforts are made to develop a closer relationship of trust. In this way, stakeholders' preference for an organisation is structurally reinforced. This adds an extra dimension to organisations' motivation to share knowledge. This current therefore takes a strategic approach to thought leadership.

The objective of sharing knowledge and expertise is for an organisation to prove its competence as an expert. According to management professor Roger Mayer, competence is one of the three elements that make it possible to build trust in an organisation. Within the context of his vision, competence must be viewed as the qualities and skills a company has at its disposal (Mayer, 1997). When an organisation has this particular ability and manifests it, the chance of winning the trust of its stakeholders increases. The sharing of knowledge and expertise is the weapon of choice for promoting this. However, when it comes to successfully building trust, proving competence is not enough. Mayer talks about two important elements: the integrity and benevolence of an organisation. He teaches us that the integrity of an organisation is determined by the extent to which it retains its identity, standards, values and principles. Returning this to the context of thought leadership, this means that a pronounced innovative perspective must fit an organisation's identity and motives. One organisation in which we see a strong link between the communication of a novel viewpoint and its identity is IBM. Systems thinking is in the company's DNA (Van Halderen, 2013).

Benevolence is actually about what drives an organisation to offer solutions. Better yet, this is the extent to which an organisation acts based on an intrinsic motive to contribute to satisfying the needs of its customers and other stakeholders. Linked to the 'why' or 'core-purpose' rhetoric of Simon Sinek, companies that hold onto what they are and what they stand for are benevolent organisations with integrity. Their 'why' guides every step they take as an organisation (Sinek, 2011). Above all, they are keenly aware of their environment, and these organisations often arise as a result of a natural will, or cry for change. At the same time, this forms the prelude to the second current within thought leadership.

What we can learn from this current is that there are organisations that approach and apply thought

leadership as a strategy, the primary goal of which is to be or become a thought leader within, once again, a strategically determined theme. This gives these organisations the opportunity to position themselves at a more abstract level, and in doing so, set themselves apart from the competition, and even more important, create added value for stakeholders.

The revolutionary thought leader

The second current is characterised by the organisations that are, by their nature, revolutionary, and thus take actions that are based strongly on their core purpose. Their 'raison d'être' is allimportant. These are the organisations that aren't afraid to swim against the tide because they hold the belief that things can and must be done differently. They are game-changers that introduce a twist to their thoughts and actions in their industry and in society. This is why they do not avoid breaking the conventional thought patterns in their sector. These organisations are driven by a strong ideology; it feeds their motivation. This makes them 'thought leading by heart, not by recognition.'

If we are going to talk about game-changers, then Tesla is a shining example. Since the birth of this electronic car brand in 2005, in a short period of time, the American developer has grown to become a formidable challenger of the established order. The foundation for this is that Tesla has a clear picture of its ultimate goal. The car brand wants to ensure that everyone drives affordable, electric vehicles.

Tesla doesn't set trends, but takes the lead in embedding a sustainable means of transportation. It claims leadership in the change that it wants to espouse in industry (and society). In looking at the company's goals, it becomes clear that these are not only about making a contribution, but one may even describe them as a goal in life. Bringing about permanent change in the automobile industry is the higher purpose that they would do anything to achieve. The ambition to achieve this is the inexhaustible energy source for their environmentally friendly engine. Although this may sound revolutionary, the green 'maniac' overtakes its own industry at full speed now and then. There is, in principle, nothing wrong with this, but sometimes it does meet with resistance.

"The main question is of course whether the world is mentally ready for the future reality Tesla envisions." For example, Tesla is blamed for killing the traditional car trade. The reasoning behind this was Tesla's decision to sell cars directly to consumers without the intervention of dealers. It is also only possible to buy the cars online, and the owners of these electric sports cars can only go to the company's own service centres for repairs and maintenance. Although this is, on the one hand, innovative for the industry, it does serve to feed the irritation in the conventional car market. Tesla's unconventional methods have also led to a great many lawsuits in the United States (Schenk, 2014).

By producing fully electric vehicles (in both the high and, in the future, low price segments), Tesla hopes to paint a future in which cars running on fossil fuels will no longer be necessary (Schenk, 2014). This is a rather bold statement to the established order. And that's not all. Governments, including the one in the Netherlands, are also being challenged. The headstrong manufacturer claims that governments are not taking enough initiative to build a network of charging stations. Since Tesla is not interested in slowing down, the car brand is installing these stations all over the world itself. The owners of these sports cars can fuel up for free at these super charging stations, for the rest of their lives (Schenk, 2014). This naturally rubs traditional car manufacturers the wrong way.

The main question is of course whether the world is mentally ready for the future reality Tesla envisions. Nevertheless, the car brand offers the world an innovative perspective on the automobile industry. It believes that things may be done differently, and show this. As the innovator and designer Daan Roosegaarde once strongly stated: 'Interventions are created to make people take another look at things that already exist.' Not only in words, but mostly in actions.'

Another revolutionary thought leader is, in our view, the Dutch chocolate producer Tony Chocolonely. The company was started in 2006 at the initiative of Teun van de Keuken in response to the shocking results from his study on the chocolate sector. This study revealed that there are nearly 500,000 people (adults and children) on cocoa plantations in Ivory Coast and Ghana who are living and working in slave-like conditions. Even today, Tony's ultimate goal is to eliminate modern slavery in the chocolate industry. The industry must be 100% slave-free. A novel perspective, a new voice in what has been the heavily institutionalised cocoa industry since its inception, that works on the basis of the conviction that 100% slave-free chocolate is economically impossible.

This link between the novel viewpoint and core purpose feeds Tony's revolutionary approach. And this serves as a 'bulldozer' to pave the way for innovation and continued development.

One thing that characterises Tony's Chocolonely is that it is not only driven by a novel view point of view on a relevant theme ('Crazy about chocolate & serious about people'), but that this perspective is also its core purpose. This link between the novel viewpoint and core purpose feeds Tony's revolutionary approach. And this serves as a 'bulldozer' to pave the way for innovation and continued development. The chocolate brand declares that there's a better way, shows that change is possible, and at the same time, aims to serve as an inspirational example for the entire industry. It even takes it one step further: Tony's views itself as a means to fight modern slavery, and therefore consciously seeks out tipping points in the industry (Tony's JaarFairslag [annual report], 2014).

Revolutionary thought leaders therefore use a novel perspective as their foundation, and build their organisation further on this basis. These are organisations that believe in change (as well as the need for it), and offer new, refreshing solutions to realise it. In order to achieve this goal, they constantly look for alternative paths to get there. This does not, however, mean that obstacles are avoided. These organisations actually seek to break free from conventional thinking and offer choices, so that solutions may be presented to stakeholders. This results in assigning direct meaning to future realities.

Two currents

It should be obvious that the points of departure and motives in each of the two currents are different. On the one hand, there is the vision that thought leadership is mostly a positioning strategy with commercial motives as the primary driver. On the other, there is the idea that thought leadership involves organisations that act on the basis of their core purpose, inspire today's society and reshape it with novel ways of thinking.

The idea often arises that contributing to change in society and having commercial interests or goals are incompatible objectives. Combining the two is considered to harm the authenticity of the organisation and its motives. However, there are also organisations such as Philips, with its Liveable Cities programme or social enterprises that manage to strike a balance between their business and social ambitions. These organisations operate on the interface of market and society. There are also examples that show that one current doesn't have to be abandoned at the expense of the other. Example:This is why it is more interesting to concentrate on a combination of the two currents. In our view, the strength of thought leadership lies in the middle of the spectrum (Van Halderen, 2015), at the point where the two currents meet.

Thought leadership and the role of the communication manager

Thought leadership is a strategy supported throughout the organisation, and which involves every department within the organisation. Although it is not specifically assigned to a particular department or management team, communication plays an important role in the entire process.

Implementing a thought leadership strategy is a continuous process that consists of several phases. Given the versatility of communication professionals, this means that there are different roles for them in the offing. To gain a better understanding of this, it is a good idea to explain the role communication can play in each phase. These phases are: discovery, shaping, engagement, application and communication. The model below, a free interpretation of the Thought Leadership Framework (Van Halderen, 2013), is a detailed explanation of the phases.



Five phases of a thought leadership strategy <u>& the role of a communication professional in each phase</u>

DISCOVERY SHAPING ENGAGING APPLICATION COMMUNICATION 5 3

> "The concept of this cover was to try and connect with Pink Floyd's live shows; famous for their lighting, ambition and madness... hence the prism, the triangle and the pyramids. It all connects, somehow, somewhere."

> Storm Thorgerson (Thorgerson, 2007, pg. 52, 56, 76)

Discovery

The advantage the communication department or professional has is that it (or he or she) occupies a central position (or should ideally do so) within the organisation. During this phase, it is up to the communication professional to study the organisation's potential. The question naturally is whether or not the organisation is ready mentally and in terms of processes to author a thought leadership strategy. Additionally, these professionals act as agents of the organisation's identity and organisational culture. Their primary duty is to ensure that the strategy is permanently aligned with the organisation's identity and other business strategies. The relationship between these must be safeguarded.

"The goal is of course to inspire the market and society, to point out new paths, and to find a listening ear among likeminded stakeholders. Communication naturally plays a central role in this."

Shaping

The core of a thought leadership strategy is made up of the novel viewpoint that an organisation has. It is the communication professional's task to acquire a thorough understanding of the philosophy during the brainstorming sessions and think-tank meetings, and then to further shape this body of ideas. Once this has fully taken shape, the communication professional is responsible for making sure the employees understand the philosophy. The goal of this is for all members of the organisation to become well-versed in the concepts.

Engagement

Ensuring departments commit to the novel viewpoint is not enough on its own. As was previously mentioned, the goal must be for employees to identify with the philosophy and give it meaning. Employees' engagement is not the only important thing; their actual contribution to the greater good is also important. The departments have to become empowered so that there is room for internal innovation. The shaping of a thought leadership position is intended for creating a framework; the actual content must have a broad support base. The philosophy has to penetrate to the very core of the organisation so that it becomes everyone's story. The communication professional must consciously capitalise on this by constantly getting employees involved, asking for feedback, keeping them up-to-date as transparently as possible, and inviting them to contribute ideas.

Application

It is important for the innovative perspective to be supported internally, and for a link to be made with the various activities within the organisation. Thought leadership is not just about the mental aspects, but it must also trickle down into the processes. As someone monitoring the process, the communication professional can make this necessary conversion in cooperation with the relevant members of management.

Communication

The last phase is dominated by 'evangelising' the novel perspective. The goal is of course to inspire the market and society, to point out new paths, and to find a listening ear among likeminded stakeholders. Communication naturally plays a central role in this. Efforts must be made to find the right strategy (and a mix of resources geared toward this) so that it is possible to create a platform. After all, the philosophy must be able to connect with the audience, and be placed on the public agenda.

Final conclusion

This article makes a distinction between two visible currents within thought leadership, namely: the strategic and the revolutionary thought leaders. Several analyses have been made to determine what lies at the heart of the currents and where the essential differences may be found.

The first current (the strategic thought leader) is characterised by the fact that this often involves existing organisations that aim to use thought leadership to set themselves apart from the competition on a more abstract level. With increasing frequency, these organisations are trying to move closer to their social responsibility, even though this does not necessarily have to be the case. They are moving away from old ways of thinking which involve positioning themselves at a products, services or brand level.

The second current focuses more on organisations that naturally assume responsibility for their role in their immediate surroundings and/or society. They enjoy a higher awareness. Typical of these organisations is that they generally originate based on their strong and critical look at society. They are driven by a strong core purpose and assume a leading role in the change they wish to see. These organisations are therefore often used as a means to serve as a role model, and to achieve these revolutions in thoughts and actions. Tony's Chocolonely is an excellent example of this.

The point we are making in this article is that in spite of their differences, both currents can be complementary and reinforce one another. One does not have to contradict or exclude the other. This makes it all the more interesting to - within thought leadership - look at where the two currents meet. This is the point of departure for organisations in terms of their strategies and at the same time, where they can create added value for stakeholders on a social level using novel perspectives. Take Tesla as an example. It is important to achieve positive changes in the world (local, regional or national) without the organisation having to distance itself from its commercial interests. To describe it in fairly metaphorical terms, thought leadership serves as a sort of gate to another dimension. Organisations undergo evolution in which they let go of the status quo thought processes. It is however possible to contribute to society and achieve financial growth at the same time.

Finally, in implementing a thought leadership strategy, there is a substantial role set aside for the communication professional. There are three main reasons for this:

The communication professional as analyst and adviser

The communication professional can guide the organisation's ambitions. This requires strong analytical skills. It means that communication professionals must be given space and create the space they need to take a critical look at the organisation. This must also involve studying whether or not an organisation truly has the potential to be thought leading. These professionals also have the natural position (and potential) to be the person within an organisation who challenges these internal conventions. It is also important for them to inspire, advise and activate management in doing so.

The communication professional as creative partner

Internally, communication professionals are organisations' creative partners in crime. Think-

tanks must be set up and efforts must be made to keep stakeholders' level of engagement high. These professionals can also contribute to articulating and shaping the novel or renewed body of ideas.

The communication professional as identity monitor

A thought leadership strategy stands or falls with the identity and culture of an organisation. It is the communication professional's duty to preserve the relationship between the two at all times. This is why it is vital to have a helicopter view and monitor the process.



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