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Prof. Mansoor S. Almalki



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PROF. MANSOOR S. ALMALKI · MARCH 31, 2026

A few months ago, I was reviewing a strategy with a group of senior executives for an organization. The room was impressive: sharp minds, polished presentations, and a vision document that could have won an award for its ambition. The organization had invested significantly in technology. Their data infrastructure was world-class. Their market analysis was precise.

Then someone asked a simple question.

"Who is going to lead this in five years?"

The room went quiet.

Not because there was no answer. But because everyone in that room knew, privately, that the honest answer was uncomfortable. The strategy was brilliant. The leadership pipeline to carry it forward was thin.

I have sat in enough boardrooms across enough sectors to know that this moment, that particular silence, is not rare. It is one of the most common and least discussed vulnerabilities in institutional life today.

The Illusion of Readiness

We live in an era of extraordinary institutional investment. Governments are committing billions to digital transformation. Organizations are deploying AI at scale. Entire sectors are being reimaged from the ground up.

And yet McKinsey's State of Organizations 2026, one of the most comprehensive studies of institutional performance published this year, arrives at a conclusion that should stop every leader mid-sentence. It states that leaders of the past are not prepared for the reality of 2026, and that navigating today's complexity demands not an upgraded leadership orientation, but a fundamentally different one.

The paradox is almost elegant in its cruelty. The more sophisticated our systems become, the more human leadership matters. And the more it matters, the less systematically we tend to invest in it.

Most organizations are running twenty-first century strategies on twentieth century leadership infrastructure, and calling themselves ready. The greatest threat to leadership development is not budget cuts. It is the comfortable illusion of already doing it.

What Satya Nadella Understood That Most Leaders Miss

In 2014, Microsoft was drifting. It had some of the world's most talented engineers, a dominant market position, and a strategy that looked reasonable on paper. What it lacked was a leader capable of reimagining it from the inside out.

When Satya Nadella became CEO, he did not arrive with a new product roadmap. He arrived with a new question: what kind of leaders does Microsoft need to become?

He dismantled a culture of internal competition, one where employees competed against each other for performance rankings rather than collaborating to solve problems, and replaced it with one of continuous learning. He famously declared that Microsoft needed to shift from a "know-it-all" culture to a "learn-it-all" one. Within a decade, Microsoft's market capitalization grew from roughly \$300 billion to over \$3 trillion.

The technology did not change first. The leadership culture did.

Harvard Business Review captured the underlying principle in a 2026 piece I found myself returning to repeatedly: leaders grow competence by adding skills and frameworks, but they grow capacity by unlearning, changing prior scripts about speed, reassurance, and control that served them in stable environments but become liabilities in volatile ones.

*Competence makes a leader effective when conditions are predictable.
Capacity makes them effective when everything is not.*

Most leadership programs build competence. Very few build capacity. In a world defined by volatility, that distinction is the difference between an organization that executes its vision and one that produces elegant documents describing it.

The Pipeline Nobody Is Talking About

Picture the graduate analyst who joins an organization at twenty-two. He learns to navigate ambiguity in his first role. He manages his first difficult team member at twenty-seven. He leads his first cross-functional initiative at thirty-one. He makes his first consequential strategic call at thirty-five. By forty, if the organization has invested in him deliberately, he is ready for senior leadership.

That journey takes fifteen years. You cannot fast-track what you first decided not to plant.

This is why a finding in Korn Ferry's 2026 Talent Trends Report, drawn from a survey of over 1,670 global talent leaders, deserves to be read with great care. It found that 43% of organizations plan to replace entry-level roles with AI. The logic is seductive: automation delivers immediate cost savings and efficiency gains. But Korn Ferry's own analysts issue a warning that cuts through the short-term arithmetic. Eliminating entry-level positions today does not just reduce the salary bill for 2026. It hollows out the leadership bench for 2035.

Entry-level roles are not operational positions. They are the first chapter of a leadership story. They are where future executives develop the judgment, relational intelligence, and scar tissue that no executive program, however well-designed, can manufacture after the fact.

Singapore understood this before it became a global conversation. For decades, the city-state has run its Civil Service College as a piece of national infrastructure, not a prestigious perk for high-potentials, but a systematic investment in developing public sector leaders through deliberate cross-sector mobility, stretch assignments, and structured reflection. Tens of thousands of public officers move through its programs annually. Ministers and permanent secretaries regularly rotate across ministries, by design, not by accident. It is widely credited as one of the primary reasons Singapore executes complex national agendas with a consistency and speed that larger, wealthier nations struggle to match.

Leadership capacity does not emerge spontaneously from ambition. It is built. Deliberately. Over time. At scale.

A Factory, Not a Program

In the 1950s, General Electric built a leadership campus in Crotonville, New York that would become the world's first major corporate university. At its peak, it developed over 12,000 leaders per year at every level of the organization. Jack Welch, whom Fortune magazine named Manager of the Century in 1999, called it GE's most important competitive asset. Not its patents. Not its capital. Its leadership factory.

The distinction matters. A program selects a handful of high-potentials and sends them through a curated experience: episodic, exclusive, and forgettable at the organizational level. A factory embeds leadership development into the operating rhythm of the institution itself, through stretch assignments, real-time coaching, quarterly succession reviews, and a culture where experimentation is protected rather than punished.

The performance data is not marginal. Organizations with leadership development embedded at all levels report being in the top 10% of their industry's financial performance 54% of the time, compared to just 31% for those with programs at only a single level. That gap is not a training outcome. It is a compounding strategic advantage.

The Nations Getting This Right

Some of the world's most dynamic economies are now at precisely the inflection point where this shift from programs to systems matters most, and a few are moving faster than the global conversation has recognized.

Saudi Arabia offers one of the most instructive examples anywhere in the world. The Kingdom has committed SAR 202 billion to education in 2026 alone, established a national Human Capability Development Program of genuine ambition, and created institutional frameworks that reflect a rare alignment between national strategy and human investment. What distinguishes the Saudi approach is not merely its scale. It is the deliberate linkage between leadership development and national execution capacity. The Kingdom is not simply training individuals. It is engineering the conditions for leadership to emerge, multiply, and compound across an entire society.

The question that animates the most forward-thinking institutions in this environment is the right one: not how many leaders do we have today, but what system are we building to ensure we never face that boardroom silence again.

The Question That Changes Everything

I want to return to that room.

The silence after "Who is going to lead this in five years?" did not last long. Someone changed the subject, the agenda moved on, and the session ended on a note of collective optimism. The strategy document was approved. The roadmap was endorsed.

Six months later, two of the organization's most critical transformation initiatives had stalled. Not for lack of funding. Not for lack of technology. But because the leaders capable of driving them, the ones with the judgment, the relationships, and the institutional credibility to navigate resistance and maintain momentum, were not yet there.

That silence in the boardroom was not a failure moment. It was an invitation that went unanswered.

The organizations that will define the next decade are the ones that hear that silence and treat it as a strategic alarm: not a conversation for the next offsite, not a note for the HR department, but a governance-level commitment to building leadership capacity as seriously and as systematically as they build any other critical infrastructure.

They design for it. They measure it. They protect it when budgets tighten. And they lead it from the very top.

That decision, made today, not after the next transition stumbles, is what separates the organizations that will define tomorrow from the ones that will be defined by it.

If You Lead an Organization, Ask Yourself ...

Do we have a leadership development system or only occasional programs?

Is our leadership pipeline deep enough to absorb unexpected transitions at the top?

Are we investing in leadership capacity broadly, or only at the very top?

Does our board treat leadership development as a governance priority, not just an HR one?

Are we building the leaders we need for 2030, or managing the ones we have today?



Saudi Thought Leadership exists to explore exactly these questions, where global insight meets local ambition, and where reflection becomes the beginning of strategy. If this edition opened a conversation worth having, share it.



ABOUT THE AUTHOR

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Prof. Mansoor S. Almalki is a strategy consultant and board member who has spent more than fifteen years leading change inside institutions: first in higher education, then across corporate governance, AI readiness and national transformation. STL is where that experience becomes published thinking, a research and development practice and a think tank by design, built to put Saudi ideas in front of decision makers at home and abroad.



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