



Leadership *Thoughtware*
Business Development through Leadership Development

Attributes of Outstanding Executive Development Programs

Leadership *Thoughtware's* Research & Development Team recently conducted a literature review to determine the attributes of outstanding executive development programs. This research piece represents the findings of this review.

Executive Development Programs are formed with the understanding that leadership talent directly affects organizational performance

A fundamental theme that was articulated in all of the research was that leadership clearly affects organizational performance. Studies link leadership at the executive level with the organizations ability to achieve desired results. While this may seem to be a 'blinding flash of the obvious,' it is important to note that those studying effective organizational performance over time could not escape the connection between effective executive leadership and organizational performance, even though they tried (Jim Collins, Good to Great). A natural outflow of this agreement is that attracting and retaining talented leaders is, therefore critical to the organization's success.

Competencies to be developed are linked to emerging business requirements

As organizations seek to grow their executive leadership talent pool, there is frequently a requirement to uncover key competencies that distinguish exemplary versus average performance. Yet, many organizations still focus on what is necessary to be exemplary today. As a result, leadership and executive development focuses on what is necessary to compete effectively today, not tomorrow. This is not a strategic approach toward building competency in the organization. Instead, we must focus on the critical challenges that the organization will face within the next three to five years, and understand the competencies required to succeed in that future environment. Those competencies that emerge are often focused on the 'soft' side, rather than the technical.

"Soft" side or people-focused competencies are often seen by an organization as nice to have, rather than critical to the organization's current success. We all know that taking the time to develop people oriented skills, especially at the managerial or director level, and when faced with pressing technical challenges today, is put aside as something that isn't as important. Yet, as we explore required leadership

competencies, we have seen that the need is greater at higher levels of the organization to focus on the critical skills of leadership; clarifying the vision, shaping the culture, building coalitions, creating change.

The development process is 'owned' by the CEO and the executives in the organization

If it is true that executive leadership directly impacts the organization's ability to achieve desired results, then it is also clear that the CEO and other executives in the organization must drive the executive leadership process. Selection, development and retention of these future leaders become critically linked to the organization's success. Yet too frequently this development process is shuffled off to the human resources organization, or the individual.

Let us be clear about one key point. Development and growth is clearly the responsibility of the individuals in an organization. No matter how good any development process is, if you don't want to grow you won't. So each person who seeks to become an executive in an organization must be dedicated to individual growth. Some call this seeking wisdom. Others call this developing better situational awareness. Whatever the language, until an individual is willing to learn new things, examine him or her self, and experiment with new ways of thinking, they will not develop.

However, no matter how much an individual wants to grow, without the appropriate process in place, their talent, and desire to grow, will not be put to good use in an organization. Development may occur, but to what end? Appropriate and effective human resource systems focused on selection, development and reward and recognition of potential executive talent is critical to the organization's success. Yet, while Human Resources may provide effective and efficient processes to identify that talent, it remains the key responsibility of the CEO and other executives in the organization to utilize those processes to achieve the desired output: future executive talent.

Requires effective performance management

A key linking pin in any executive leadership development effort is an effective performance management process. Receiving open, honest, behaviorally based performance appraisal is key to becoming a contributor to an organization. Often, however, performance appraisal is focused only on the contribution to the organization, the achievement of technical or financial goals.

In the best organizations, however, leadership qualities and competencies are also appraised. The focus becomes, it's not just what you do, but also how you do it. Did the individual leave a trail of bodies after the achievement of a significant project? Would people be willing to work for this individual? These 'soft' side questions begin to shape the individual's behavior early and continuously throughout their career. After all, who would want to follow someone who had been abusive, arrogant, individually focused?

A second key element is that the performance appraisal system must be tied to rewarding top performers with challenging assignments. Leaders learn best through challenging assignments (Corporate Leadership Council). Completion of a challenging assignment is frequently a reward in itself for executive leaders who are often

achievement motivated. The choicest assignments must be reserved for those who demonstrate the ability to achieve results, effectively.

A third key element is that an effective performance management system will also ensure that appropriate and effective action is taken on low performers. Additionally, it will ensure that ineffective leaders will not be promoted to higher positions without remedial development or action.

Links succession management and talent review with developmental opportunities

Succession planning and talent review are two key human resource processes that effective executive leadership development efforts take advantage of. Succession planning identifies the individuals that may be able to step into positions as they open in an organization. However, ineffective succession plans ask for the identification of two candidates to fulfill a current role. Those candidates can be from any place in an organization. Some organizations tell a story of every sitting executive identifying the same outstanding individual to fulfill their role.

Talent review studies more broadly the entire talent pool. It identifies, from the director level to the top (and often may reach into the managerial ranks) the key talent in the organization and devises special assignments for developmental purposes. Each of the senior members of the organization is reviewed by a 'board'. This board evaluates the current competencies of the individual, on both the 'hard' and 'soft' side. They then determine the appropriate next assignment for this individual, and link the succession planning process into this talent review.

Continuous development is part of the organization's culture

Arrogance is the demise of any organization (John Kotter, Corporate Culture and Performance.) An organization that closes itself off from information from customers and the external competitive environment is doomed to failure. That organization cannot grow and change to meet the demands of the marketplace. Likewise, an individual must be open to examining current strengths and areas for development, learning new things, and incorporating those new ideas into everyday behavior. When an organization culture thrives on this level of adaptability, it will be successful. And an organization is only as adaptable as its individuals.

A development process, no matter how robust, can only be effective if it is reinforced and supported by the organizational values, work processes and behavioral norms.

Utilizes enterprise wide and customized development approach

Effective executive leadership development focuses on enterprise-wide and individualized approaches toward development.

Enterprise wide development focuses on the development of key competencies that must be developed for the organization to be successful in the future. A centralized approach delivering the same message, about common management methodologies and processes creates and reinforces the development of those skills.

At the same time, customized development ensures that leaders focus on individual opportunities for improvement. These may include a wide range of possibilities, from traditional classroom experiences to on-job developmental experiences, to special projects. Assignments of on-job experiences (through the talent review and succession planning process) must be tied to developmental needs. At the director level and above, development occurs through successfully completing challenging assignments as well as classroom experiences.

Executive coaching and assessment is a key path

What is abundantly clear is that these experiences require time for reflection and honest self-appraisal. Reflecting on past actions and behaviors, and learning the lessons of those requires reflection. Unfortunately, time for reflection is often in very short supply for these individuals. Developmental moments are moments indeed.

At the same time, executive leadership development programs engage in effective and useful appraisal of an individual to develop an individualized development plan. Either through an assessment center, 360 feedback (tied to the organization's future competencies), or a series of interviews, the individual engages, and is interested in, receiving feedback regarding current leadership behaviors.

Executive coaching, combined with effective assessment, is frequently used to provide aid in honest self appraisal, reflection, and deepened learning for leader-executives.

Effectiveness of Leadership Development Process is measured

One of the mysteries of any management or leadership development process is how to effectively measure the effectiveness of the effort. Yet, a key to successful executive leadership development is exactly that. Linking development efforts to profitability and productivity is difficult, given that there are many variables that contribute to the rise and fall of those items. However, linkages to turnover, especially amongst the targeted population as well as specific behavioral changes, pre- and post- intervention are two clear possibilities for measurement.

Trends in Leadership Development

There are several key trends in leadership development that have emerged during the past several years.

External leadership programs that include attendance at executive development sessions. These are conducted at leading universities throughout the world, including Harvard Business School, Sloan School at MIT, University of Chicago, etc. The benefit of these programs is that they provide an opportunity for members of an organization to learn from the country's leading authorities on business, while at the same time meet other potential executives from various industries.

Internal leadership programs. The increasing trend in these internal offerings is that they are highly customized to the organization's needs. Case studies, discussion topics, etc. all are tuned to the organization and its business challenges.

Temporary 'stretch' assignments to develop or test leadership skills. These assignments are identified after a full review of the individual's performance, and tied to the talent review and succession planning process. An individual's specific strengths are identified, their developmental opportunities noted, and assignments crafted specifically to develop those competencies. Frequently these assignments may include international assignments or job rotation (moving a manufacturing person into a technology role or a sales role.) Job rotation is a useful tool, best tolerated at the more junior levels in an organization, however, if carefully considered and crafted, can also be effectively implemented at the more senior levels in an organization. If at the more senior levels, however, a strong supporting staff in the new role is critical.

Action learning projects. Action learning projects have gained in popularity during the last few years. In these projects, participants tackle resolving real, strategic issues for the organization. Examples may include introducing a new product line in a foreign country, establishing a strategy for a new product offering, or target market, dramatically reducing cost in one portion of the business, etc. Goals and targets are clearly established, time frames determined. Frequently assignments in the project are determined based upon developmental needs and may include an opportunity for job rotation. A facilitator (either external or internal) is used to work with the group of 6-8 individuals and focuses on the 'soft' skills, provides just-in-time training and acts as coach and/or mentor to the group. The participants may or may not be relieved of their current duties, depending upon the size of the goal. If relieved of their current duties, they will have a clear job assignment outlined for them upon completion of the project.

Coaching and/or mentoring. Executive coaching has become increasingly popular during the past five years. Executive coaching provides an opportunity to discuss the specific situation and real-life solutions for difficult problems. Mentoring provides a similar structure, however, the mentor is someone from within the organization while the executive coach may be external or internal.

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