

# How Can Organizations Develop Their Leadership Capability?

By Dave Millner, Consulting Director, Kenexa\*

*"... and when Daedalus had finished making the wings, he gave instructions to his son, saying: 'Icarus, I advise you to take a middle course. If you fly too low, the sea will soak the wings; if you fly too high, the sun's heat will burn them. Fly between sea and sun! Take the course along which I shall lead you.'"*

Even in ancient Greek mythology, the desire for individual learning and the need for leadership, guidance and direction were apparent. Today, the ongoing challenge of leadership capability is described as the War for Talent, Leadership Capability, Emotional Intelligence and Talent Management. Whatever you call it, this challenge still remains difficult to achieve. Many organizations do whatever it takes to attract, develop and retain those people who demonstrate talent and leadership. Yet organizations may not be sure that they have the right people, the ability to acquire them, or to grow their own.

## The Business Environment

In light of this scenario, how do training, learning and development fit? Let's examine the business environment in which we operate. It has shifted significantly over the past decade and will continue to change at an increasing pace as the implications of e-business become further embedded within organizations. Business leadership today is about "doing the right things right." When leaders succeed in doing the right things, the measures of business success inevitably follow. Acquiring talented people is a prime ingredient of this success and the survival of organizations ultimately depend upon it.

The era of standard processes and systems is over, where change initiatives occurred to shake things up and where an organization placed customers at the forefront of everything it did. We now have a technology-driven environment, where products and services become out-of-date within months rather than years, and where competition is increasingly fierce. There is an obsession with being first to market with new products, marketing initiatives, brands and delivery channels. The leadership role now embraces both internal and external customers and has to work across disparate functions to make things happen with extreme speed and efficiency.

The emphasis for the leader is to ensure that both people and resources add value as the stakes become higher.

Change is now a constant way of life. Responsiveness, focus and quality are the watchwords of high-performance organizations and the leaders within them. Change is demanding on leadership and applies pressure to the management of people, processes and systems. As your leader attains greater levels of responsibility and wider span of control, increased levels of complexity must be managed in terms of wider collaborative activity. This includes not only managing people on your team, who may not be based in the traditional office surroundings, but also suppliers, consultants and partnership arrangements. The emphasis for the leader is to ensure that both people and resources add value as the stakes become higher.

## The Role of Training

Given that the leadership role is now more results-oriented, more demanding and more complex than ever before, can training and development respond to meet these needs? Leadership ranks second behind quality as the most popular training area; if the significant investment spent on leadership training programs is any guide, the answer to this question is "yes." A buoyant marketplace exists with a vast array of suppliers offering specific skills training including service management, interviewing, coaching and managing of performance issues and continuous improvement.

Professional suppliers will ensure that the training methods used are practical, relevant and easy-to-use in the real world. However, it is important to determine:

- How does training help leaders in the present and future to deal with the increasing ambiguity and complexity of their leadership role? How trainable is this area after all? Is it better developed through role experience and focused support and mentoring?

- What behavioral focus does the training provide? What research has been completed to ensure that the behaviors being developed are shown to improve business results?
- How does training help leaders make the link between the results they need to deliver and how they will deliver them?

Successful leaders are those who understand how they can be successful by identifying results, and who recognize how they should behave to achieve this by applying their core competencies, knowledge and personal characteristics. Having an enjoyable training experience is important, but the bottom line must revolve around how their learning experience will impact the organizations' results. Training must be results-oriented and include a focused follow-up activity and evaluation procedure to ensure that HR is able to prove the Return on Investment.

The leadership dilemma is that it is too complex an area for there to be a simple solution.

### The Role of Development

It is also important to consider the role of development. Based on Kenexa's extensive experience working with organizations to identify development solutions and analyzing previous research on the subject, two clear themes emerge:

- Effective leadership development tends to revolve around non-trained activities, and as a result, takes time.
- Experience in different roles is critical for effective development as it provides specific situations to apply new learning and training techniques.

Figure 1 identifies development activities to help foster new leaders and improve business performance.

Figure 1

Activity	Features
Focused Role Change	Providing a leadership opportunity with a specific development plan and business rationale behind any move (e.g., gaining exposure to cross-functional team working to influence senior partners and stakeholders).
Redesign of Role	Reshaping a leadership role with a specific agenda and business rationale based on the aspects of the role that will help develop the specific individual or group of individuals.
Special Project	Providing a results-oriented project or assignment that relies on existing capabilities and provides specific individual learning and development opportunities.
Action Learning	Team-based opportunities where a group of individuals apply specific ideas and tools to real business problems and issues.
Feedback: Assessment Processes (360 Degree, Assessment/Development Center, Psychometrics)	Provision of business-oriented feedback relating to competencies and behaviors or work styles and preferences with a clear and sustainable program of support to ensure that learning is translated into tangible action and improvement.
Coaching and Mentoring	Provision of insight, guidance and support that enables learning to be translated into business related activity.
Self-Development	Individually driven ad-hoc development activities (sometimes appraisal driven) that range from competency and behavior change to professional business courses.

It is important to have a performance framework that serves as a model for improvement. Through the identification of researched behavioral clusters or competencies and personal characteristics, Kenexa's development of competency and performance models (via psychometrics) have been subject to significant performance rigor and are more likely to relate to improving business performance. These take time, however, and cannot be lumped together—a common mistake among organizations that believe a shopping list of behaviors and value-based statements can help identify the leaders and future talent of tomorrow.

### Leadership Experience

"...Daedalus led the way in flight and was anxious for his companion, like a bird that leads its young from the nest into the air. He encouraged Icarus to follow him and showed him the skills that were to destroy him; drawing on his years of experience, he moved his wings and looked back at those of his son."

Drawing again on the past, it is important for a leader to create a climate for learning and development and to show others how to get there. The key is that the leader must learn from experience so that he or she applies the same capabilities in other more complex scenarios.

You may have an individual team manager (Level 2; see table below) who effectively manages a team of people that provides a diverse range of processes and associated outputs to customers. However, to assume that those same capabilities can be transferred to the role of a Unit Manager (Level 4; see below), where the focus is different, poses significant risk. This risk is commonly taken by organizations on the basis that past performance predicts future performance. Although this may be a sound basis from which to make a decision, the Leadership Experience continuum provides additional insight. Figure 2 shows an example of how job features can be clearly distinguished based on role.

Based on the Leadership Experience continuum, the wider the jump in leadership experience:

- The more certain you need to be that the individual has undertaken a rigorous development program to compensate for an apparent lack of experience.
- The greater the level of development support that will need to be available to individuals in their new leadership role.
- The greater the risk in moving the individual to that leadership level.

This is not to say that these risks shouldn't be taken because, in the real world, theory and pragmatism must be balanced. However, the success or failure of a leader may be influenced by these issues; to "write off" an individual because he or she didn't meet expectations is not always the individual's fault.

Training and development can help to generate the right sort of behavior, but the focus should be on reinforcing what you want people to do and ensuring that you have the organizational systems in place to sustain it.

Figure 2

Level	Distinguishing Features	
Levels 6, 7 & 8	General Manager (Level 6) Chief Executive (Level 7) Global Executive (Level 8)	(Vision)
	<ul style="list-style-type: none"> <li>Defines the strategic parameters of the organization and shapes the future</li> <li>Integrating role across businesses by bringing initiatives and issues together</li> </ul>	<ul style="list-style-type: none"> <li>Defines the strategic parameters of the organization and shapes the future</li> <li>Integrating role across businesses by bringing initiatives and issues together</li> </ul>
Level 5	Business/Functional Head	(Strategy)
	<ul style="list-style-type: none"> <li>Directs and develops the strategic direction of the business or function</li> <li>Translates the vision into strategic initiatives and objectives</li> </ul>	<ul style="list-style-type: none"> <li>Provides strategic leadership ensuring that deliverables support organizational requirements</li> <li>Provides input into the strategic vision and direction of the organization</li> </ul>
Level 4	Unit Manager	(Operational Direction)
	<ul style="list-style-type: none"> <li>Directs the operational activity of a unit by turning the strategic initiatives into action</li> </ul>	<ul style="list-style-type: none"> <li>Establishes the operational activity to be undertaken</li> <li>Provides some strategic input and refinement and has a strategic and operational perspective</li> </ul>
Level 3	Section Manager	(Managing Results)
	<ul style="list-style-type: none"> <li>Manages a number of teams by performance managing team leaders</li> <li>Manages operational activity by turning operational plans into tactical performance plans</li> <li>Provides input into the operational plans</li> </ul>	<ul style="list-style-type: none"> <li>Provides individual leadership through inspiration, influencing, motivation, enabling, translating and cascading</li> <li>May relate to a specialist managing the deliverables from a complex project where managing a range of people is required</li> </ul>
Level 2	Team Manager	(Performance Management)
	<ul style="list-style-type: none"> <li>Manages direct reports in a team environment or through projects</li> <li>Ensures that results are delivered through others by turning tactical performance plans into individual performance plans</li> </ul>	<ul style="list-style-type: none"> <li>Manages processes and compliance to systems and procedures</li> <li>Has a clear day-to-day "hands on" approach and requirement</li> <li>Provides input into functional performance plans</li> </ul>
Level 1	Individual Contributor	(Delivering Results)
	<ul style="list-style-type: none"> <li>A "doer" who turns individual performance plans into actions and results</li> <li>Focus will be in a technical functional specialty</li> </ul>	<ul style="list-style-type: none"> <li>Alternatively may be working within given procedures and guidelines</li> <li>Provides input into individual performance plans</li> </ul>

### The Way Forward

The challenges for attracting, developing and retaining the leaders of tomorrow have not changed. However, the speed of change is faster than ever before. Any gaps in capability now become evident more quickly. More than learning knowledge and skills, attracting and retaining tomorrow's leaders requires a multi-faceted approach to help deal with the demands placed on these individuals. This includes:

- Individuals' self awareness, which is absolutely critical for successful leaders
- Business, strategic and commercial knowledge
- Leadership styles via psychometric assessments
- Behaviors that drive successful performance
- Organizational and product-specific knowledge where necessary

Ultimately, this approach is about enabling leaders to deal with the complexity of leadership roles that have now emerged and handle unforeseen challenges that impact different parts of an organization. Leaders need to inspire others to achieve and to grow as quickly as their environments and responsibilities demand. But it is essential to remember that being in a leadership role can be lonely and frustrating; you must be prepared to take the rough with the smooth. No amount of training or development can prepare you for every possibility.

"...Icarus left his guide and, drawn by a desire to reach the heavens, took his course too high. The burning heat of the nearby sun softened the scented wax that fastened the wings and the wax melted. Icarus moved his arms, now uncovered, and without the wings to drive him on, vainly beat the air. Even as he called upon his father, Icarus fell into the sea and died; he had not listened to his leader and had thought that he was more able than he actually was." ■

[www.kenexa.com](http://www.kenexa.com)  
866.391.9557