CRF Leadership Roundtable

CORPORATE RESEARCH FORUM

PRESENTERS:
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WHAT'S THE ISSUE?

- Spend on leadership development seems to be constantly rising, while many surveys indicate confidence and trust in leadership is low.
- Concerns about the quality of the leadership pipeline and the effectiveness of leadership development are not new, but the demands of today's fast changing world mean they are more acute than ever.
- HR and L&D functions are under pressure to demonstrate that their approaches to leadership development work, and provide value for money.

We convened this Leadership Roundtable to explore:

- Whether there really is a leadership crisis, or is it just hype?
- The nature of conversations taking place in organisations today around the subject of leadership.
- What leadership development is taking place and the evidence it is working.

Our aim was to capture the themes from these discussions to build a broader research dialogue around leadership, and to inform our research agenda for 2015.

THE STATE OF LEADERSHIP

We asked what conversations are taking place within organisations today on the subject of leadership. The following themes emerged:

- The difficulty of defining leadership and establishing how it can be measured.
- The need to align definitions of leadership with organisation purpose and strategy: what works in one context may not be right for another.
- A lack of quality and quantity of leaders to deliver business strategy.
- The need for leaders to develop commercial acumen.

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- The challenges of leading in a world where the goal posts are constantly shifting; today's leaders need to help others make sense of complexity and create an environment where others can succeed.
- Different types of leadership required for new business challenges such as expanding in emerging markets, digital business, or balancing business as usual and innovation.
- Concerns that some leaders are fit for now but will not suit what is required in the future.
- Leadership vs management – is there too much focus on the former at the expense of the latter? Is 'sexy' leadership development used primarily to motivate or retain high potentials, when what is really needed is better management?
- A shift away from a model of 'heroic' leadership.
- Move away from command and control leadership towards transparent, collaborative, adaptive styles of leadership.
- Moving from rigid leadership competency models towards more values-based leadership models: is leadership as much about 'who you are' as what you do?
- Achieving a balance between leadership and specialist skills – the model of promoting the best specialists to lead is problematic. To what extent is it necessary to insist that talented technical specialists master the basics of management, even if this does not come naturally?
- Increasing involvement in risk management and compliance for leaders
- Generations X and Y – does leadership mean something different for them? If so, what?
- The difficulty of identifying leadership talent early in career and filling the pipeline.
- Need for personal resilience – too many leaders 'crashing and burning' after promotion.
- The importance of organisation context – there's a risk of 'cleaning the fish but not cleaning the pond'. Is investment too focused on individual development without paying attention to the health of the culture within which they operate? How can individual and organisation development interventions be better aligned?

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LEADERSHIP DEVELOPMENT

Idunn Jonsdottir of IESE Business School in Barcelona, Spain, highlighted some key trends in leadership development:

- Traditional classroom training is still used, but is increasingly complemented by other learning methods. Examples include use of gaming and simulations to teach leadership, or videos or MOOCs to complement face-to-face learning.
- The learning journey is getting longer. It now typically begins before a formal programme, with webinars, pre-work, or contact between participants on social media. Teaching is often delivered in modules, spread over a longer timeframe.
- Modules are often delivered in different locations, to broaden participants' perspectives. IESE delivers some programmes in Silicon Valley to give participants insight into how innovative organisations operate.
- Experiential learning is becoming more common. For example, IESE programme participants attend Barcelona football club to experience how to form winning teams.

Eve Poole, an Associate Lecturer at Ashridge Business School, described how developments in neuroscience can be used to shape leadership development:

- Neuroscience suggests that people are hard-wired to remember things that are challenging, and that the best learning happens when people experience things that make their heart race. Learning is optimised when participants develop emotional 'muscle memory', so that the techniques learned on the programme can be accessed instinctively in real-life high-stress situations.
- Eve and colleagues developed a leadership simulation, which was very different to the typical calm classroom environment of most leadership development. The programme simulated high-pressure situations leaders typically face, and involved a degree of discomfort.
- Analysis of the results found a correlation between increased heart rate and quality of learning; follow-up research after six months showed the learning had stuck.

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Further discussions in the room highlighted the following themes around leadership development in organisations today:

- The importance of a 'blended' approach to development that combines classroom teaching with action learning, on-the-job experience, mentoring and support from line managers.
- Increasing use of customised programmes, which are specific to individual organisations and often delivered by internal leaders.
- The level of support provided by the organisation environment is crucial to whether learning is sustained. The commitment of the individual to learning is also extremely important.
- It is difficult to get senior people to commit time away from the job, either as teachers or participants. They need to see where the value lies for them and the organisation.
- There's a danger in trying to develop the 'perfect' leader. Development shouldn't be about trying to make people something they're not, but helping them on a journey to discover their own style of leadership.
- The requirements of leaders are different at the top, middle and front-line; leadership development needs to differentiate what is needed at each level.
- Views differed as to the value of leadership competencies. Some organisations are moving away from detailed competencies towards broader descriptions of good leadership, leaving it up to individuals to add the detail. For others, benchmarking competencies meant they could identify leadership strengths and weaknesses to focus on. Concerns were also expressed that competency frameworks work against diversity and lead to 'people like us' being promoted.
- The VUCA context and fast pace of change mean leadership development needs to focus more on values and setting expectations of behaviour. Leaders are increasingly expected to role-model the right behaviours.
- An interest in positive psychology and strengths based approaches to leader development.
- The challenge of balancing the need for rigour around leadership definition, without drowning leaders in indigestible levels of detail.

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CRF OBSERVATIONS

There are a number of observations that we would make:

- It is extremely important to define what we mean by leadership, particularly as it is context-specific (e.g. different leadership styles needed in turnaround vs steady state).
- The purpose and definition of leadership must clearly link to the commercial and strategic outcomes the business is trying to achieve.
- By focusing on leadership, it is important not to underestimate the importance of good management. Many business failures are the result of enthusiastic bad management.
- Good leadership can be transient – many once successful leaders end their careers in failure. We need to understand the causes of derailment and what can be done to avoid it.
- There is no universally applicable text book style of leadership – this is one of the reasons we are sceptical about the value of leadership competency models.
- Some skills are more 'teachable' e.g. setting vision and strategy; others must be learned through experience; and some (e.g. intelligence) are inherent and can scarcely be changed.
- Leadership development must start with business strategy and objectives – HR has a tendency to jump straight into detail without giving this sufficient thought.
- As in so many other areas of people development, there is a lack of rigorous evaluation of whether leadership development activities work in practice, or offer value for money.

NEXT STEPS

We intend to spend the next 12 months conducting a critical appraisal of the current state of leadership development, identifying what works, in what circumstances, and why. We will also consider how to evaluate the effectiveness of leadership development. We will work with member companies and leadership experts to review current practice and highlight how leadership development can be improved. We would be very interested to hear the views of members.

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RESOURCES

The Neuroscience of Leadership Development

By Lee Waller, Megan Reitz, Eve Poole & Patricia Riddell

Recasting Leadership Development

By Morgan W McCall

The New Edge of Leadership Development

By Lucy Ball & Eve Poole

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