Emerging Leaders

A White Paper Outlining the Research and Best Practices for Leadership Development Programs

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Introduction

The purpose of this white paper is to provide a resource for those interested in creating a leadership development program for emerging leaders. In this paper, the definition of emerging leader is an individual who transitions from an individual contributor role to a manager or supervisor over the work of others. The inherent definition of leadership, therefore, for purposes of this paper implies leadership as the act of influencing, orchestrating, and coordinating the activities of a group to accomplish objectives. While leadership is widely recognized to be far more complex, and the act of leading does not require authoritative relationships within a formal structure, for purposes of this paper the emerging leader will have a managerial, supervisory, and an authoritative component to his or her leadership assignments.

The development of leaders, especially first time leaders, is an important function to both society and business. There is little doubt that one of the most demanding positions of leadership is found at the first-time, or emerging levels. Obstacles faced by first-time leaders are complex, containing a host of issues to include problems such as:

- Being a working manager.
- Dealing with vague or incongruent instructions by upper management.
- Leading one's peers for the first time.
- Resisting the urge to micromanage or simply revert to individual contributor tactics and do the work by oneself.

These, and several other issues, are compounded by the lack of training and understanding of what management and leadership in an organization is really all about. Often, the first time leader shockingly discovers management cannot fix every problem, or that management's role is often far less glamorous and powerful than imaged. These delusional notions arise from a culture that sees power in authoritative hierarchical structures. As a result, first-time leaders are susceptible to discouragement, struggle with managing resources and relationships, and demonstrate a difficult time transitioning from individual contributor to leader. Organizations must therefore focus on development efforts that address the issues faced by emerging leaders at all points in the continuum. This includes setting expectations of what leadership is, providing tools that enable success for first-time leaders, and aligning the values, skills, and capabilities of leaders with the needs of the organization in a consistency with the culture.

Culture plays a significant role in leadership development. Peter Drucker [1] emphasized the importance of drawing on customs, cultures, histories, and the personality of an organization when building successful management processes and programs. Such efforts enhance the

adoption of organizational mission and structures. Drucker called management a liberal art, and emphasized the social role management plays in the organization.

> *Management, in most business schools, is still taught as a bundle of techniques, such as techniques of budgeting [...] The essence of management is to make knowledge productive. Management, in other words, is a social function. And in its practice, management is truly a 'liberal art.' [1]*

As the modern society has moved more firmly into an information age, the role of management becomes the facilitation that makes information and knowledge productive on behalf of the organization. The concept of the social function of management [2][i], and then the use of the term 'liberal art' by Drucker suggests there is an importance to management and leadership which extends beyond the notion of simply promoting someone into a position and letting that person "do their thing." In fact, research shows those who are not included in a carefully constructed development program have a reduced chance of success as a first time manager.

The purpose of this white paper is to provide a reference document for leadership developers. The contents of this paper synthesize over 50 articles, websites, research studies, and the personal experience of the author. In this paper three overarching themes emerge. First, there is a strong case for investing in leadership development. Second, there are a number of enterprise models that work and can be used to conceptualize new programs. Third, selection methods for emerging leaders are not easily packaged into quantifiable formulae, but rather identifying future leaders is intensely qualitative, process oriented, and requires long-term frames of reference.

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In this section of the white paper I address the reasons for focusing on developing leaders, particularly first-time leaders. This section reviews the challenges and qualities of emerging leaders; and, concludes by considering return on investment issues for development programs.

Emerging Leader Challenges

First-time managers wrestle with three fundamental issues. First, the transition from individual contributor to directing the work of others requires a paradigm shift by the new leader [3]. New leaders may struggle with the role of distributing assignments. Second, the more intensely immersed in leadership one becomes, the more important the raising of social capital becomes [4, 5]. Leaders need a supporting network of resources and information-flow around them. Third, there is a significant disconnect between the perceptions non-managers and non-leaders have regarding the power, authority, and nature of the role of a leader or manager [3, 6, 7]. This misperception leads to confusion, disappointment, and discouragement in first-time leaders.

Getting work done through others.

The transition from successful individual contributor to manager creates a paradox for the individual making the advancement. As an individual contributor, success likely came by achieving individual goals, putting in extra effort, demonstrating stellar technical or business competence, or through the application of sheer will-power and personal effort. As the individual rises to the first level of leadership in an organization, the first challenge presented is how to make assignments to those who were formerly peers. As the peer group observes an individual being plucked from their ranks and awarded the authority and responsibility of leadership, the peer group being left behind may manifest resentment - a "why him or her" response. Such responses are common and create a challenge for the first-time leader particularly when it comes to making assignments and delegating work. Commonly, first-time manager authority is openly challenged and even seditiously repudiated [6]. Without understanding the basis for this psychological reaction, and without tools to engage resistance head-on, first-time leaders take their first step towards failure by avoiding delegation. The downward slide is continued when the first-time leader resorts to old models for creating success – individual effort. The concept of reverting back to previous success models is known as rearview anchoring and is the source of frustration to the organization because this reversion breaks down the social processes of leadership. As leaders progress through the various pipelines, new tools and techniques are needed in order to progressively harness the efforts of others within the organizational context.

Building social capital

A second issue faced by first time managers is the challenge of building partnerships and developing teamwork [6]. In order for first time leaders to lift their leadership into action, they

must develop an ability to generate reciprocating social contracts [3]. A reciprocating social contract is a relationship with other peer managers, superior managers, and other resource controllers in an organization who can lend capacity to complete an assignment. Since leadership in a complex post-modern society is in reality about relationships among leaders and collaborators [2] strong pro-social [8] tendencies are needed to complete even the most basic assignments.

The role of manager or leader requires the inherent ability to create social capital. Social capital is the ability to influence individuals acting within a social network [9]. The degree to which leaders can access this influence for productive means is in essence the leader's social capital which can be spent in achieving his or her leadership objectives. Social capital is therefore an informal measure of a leader's power [5, 9]. If the concept of leadership as a social function, which is presented by modern scholars [2, 10-12], is correct the transformational, connected, and authentic leaders stand a far greater chance of success as emerging leaders in a modern organization. Leadership models inherently generate large quantities of intra organizational goodwill. In a society where collaboration is required, and resources are limited and shared in a multi-matrixed organizational power-structure, qualities of collectiveness, connectedness, and authenticity succeed[8, 13].

Misperceptions of Management

First-time leaders are susceptible to a naïveté of limited or wrong expectations about what it means to be a leader [7]. Myths of total authority, being in complete charge, calling the shots, and making things happen are dashed when administrative burdens, a mass of meetings, and stifling or shifting priorities from higher authority descend upon the new leader. The mundane activities and problems of management sometimes create conflicts with operational activities, which can induce a form of paralysis in the first time leader. While the role of manager may differ by organization and culture, effective leadership development assists the emerging leader in his or her expectations of what an organizational leader really does and which cultural factors support, impede, or constrain individual leaders. Setting the proper expectations, that is, clearly helping emerging leaders understand the multifaceted role of administration, delegation, coordination, and social integration relative to the organization is vital.

The emerging leader may not appreciate the role since he or she can no longer be measured by individual output. Setting expectations around the nature of organizational work vs. individual work is helpful. Furthermore, emerging leaders, especially those emerging because of high proficiency in their job, may be misguided if there is a belief that the new leader must be the source of all information or knowledge. The modern manager does not have to understand each job every individual in his or her organization performs. Rather, the modern manager must understand how to create, manage, and leverage symbiotic relationships that create synergies. The manager's role is to orchestrate, prioritize, and facilitate. Managers who fail to recognize their value in the managerial function damage team efforts when they devalue their "captain/coach" role simply because they do not understand the import of their often intangible efforts [3, 7, 13].

First Time Managers have Unique Needs

Managers at different organizational levels have different types of skill and training requirements [14]. The research shows soft skills typically desired by junior leaders consists of: Leadership, communication, team building, self-awareness training, conflict management, and creativity. They typically prefer these skills to be delivered through job experience, collaborative group discussions, one-on-one coaching, some classroom instruction, and the use of feedback assessment vehicles. Hard skills desired by first time leaders consist of: Computer training, problem solving, decision making, presentation skills, time management, strategic planning, and quality/process improvement. The preferred delivery method for hard skills includes classroom, job experience, literature, computer-based training, and coaching.

Qualities of the Emerging Leader

The talents and demonstrated skills of seasoned leaders are developed over a life-time. The skills needed by a leader differ from position to position throughout the leadership pipeline. Seasoned leaders understand how to: Be assertive, define work for others, build and leverage social networks, manage conflict, and build and use power effectively [7]. The emerging leader however, may wrestle with each of these processes through an experiential tug-of-war in seeking his or her unique abilities in leadership. Without question, achieving these qualities is a process that lasts a life-time. One of the most important roles of a leader is to make decisions, or judgment-calls [15]. While judgment is enhanced by experience, it nevertheless requires balance, character, and courage [15, 16]. Leaders operating effectively in the modern society benefit from a moral compass of integrity and self-respect over public esteem and drive for glory. Not only do followers recognize the direction a moral compass points, the inclusion of a moral compass allows a leader to exhibit courage, take risks, and make tough decisions [15]. In other words, a leader has to be willing to make decisions on behalf of the organization; and, the organization must want the leader to make sound decisions that align with organizational values and goals. Therefore, the quality of those decisions depend on the characteristics, experience, and even morality of the leader and how those characteristics intertwine with the characteristics of the organization. Determining what type of qualities a leader possesses, or is likely to possess, becomes a critical function in assessing developing leaders.

Emerging leader qualities - what to look for.

Spotting a leader is not an easy task – often lists of skills, qualities, and attributes desired are concocted. However, rather than creating lists, developing ability statements can be more useful. For example, Charan et al. [3] suggests two of the most important abilities of leadership include (a) harnessing other people's energy – i.e., people acumen, and (b) understanding how the business makes money (or the organization operates to achieve success) – i.e., business acumen. People acumen, and business acumen (or more broadly, one might say organizational acumen) create a two-faceted superstructure under which leadership might be assessed. By using the people and business framework (Figure 1), organizations interested in developing leaders can

structure the desired qualities within a cultural perspective of people acumen and business acumen.

Overly focusing on the people component leads to a supportive-disloyal leadership style [17] wherein a subordinate leader's behavior is overly oriented towards individuals in the organization at the expense of the organization's efficient or proper functioning. On the other hand, leaders overly focused on the business of the organization without concern for people will over-tap resources and hurt long-term capabilities.

FIGURE 1 - THE EMERGING LEADER'S MAGIC QUADRANT
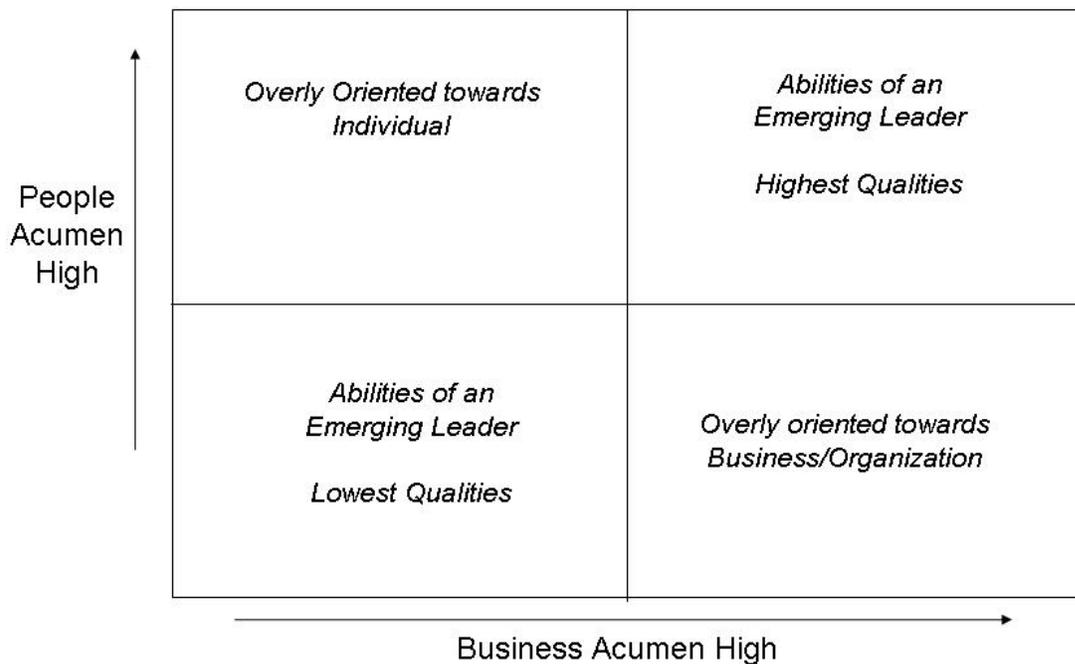
Within a framework such as presented in Figure 1, potential leader qualities can be customized to fit the culture with tools such as those presented by Lombardo and Eichinger's [18] which facilitates a customized leadership architecture process. While the customization of qualities is desirable, there are also key characteristics that transcend all organizations. The literature on leadership development identifies over 50 characteristics of a leader; and each discussion varies depending on the author and the content-focus of the article [12, 19-33]. A synthesis of these various articles surfaces ten fundamental qualities that can be outlined as those desired in emerging leaders:

TABLE 1 – QUALITIES OF EMERGING LEADERS

Desired Qualities of an Emerging Leader
Builds team environment
Deals well with ambiguity
Passion for growth and learning
Communicates a vision effectively
Sees things in broad global perspective
Designs meaningful work for employees
Manages and measures the work of others
Analyzes and synthesizes data to make logical decisions
Builds business and organizational relationship vertically and horizontally
Makes sense of situations, including paradox, and draws productive conclusions

An important lesson learned in leadership development is to focus on aligning competencies, qualities, and capabilities of the desired leader with the needs of the organization. An interesting phenomenon surfaces in the research. The least demonstrated strengths by managers and leaders are also those that are the most critical competencies for successful organizational leadership [3, 34]. A special emphasis on the critical competencies and skills needed by managers that enhance organizational competitiveness and success should receive priority. This principle is exhibited in figure 2. Most of the least frequently demonstrated skills found on the right side of the chart are also identified as important for both the organizational competitiveness and the success of first time managers. This mismatch suggests programs must pay attention to development of the skills needed by the organization, and not just pay attention to the overarching concepts of leadership in general.

Critical Organizational Leadership Competencies
- Creativity
- Deal with ambiguity
- Team building
- Innovation management
- Motivating and inspiring
- Planning
- Strategic Agility
- Managing vision

Most Important Skills for First-time Managers
- Planning
- Job design
- People selection
- Delegation
- Performance monitoring
- Coaching
- Performance measurement
- Communication
- Social relationship building
- Resource acquisition

Least Frequently Demonstrated Strengths
- Political savvy
- Sizing up people
- Innovation management
- Business acumen
- Managing and measuring work
- Planning
- Fairness to direct reports
- Directing work of others
- Problem solving

Source: (Eichinger, 2007)

ROI – The Challenge of Measuring Return on Investment

U. S. Corporations spend an estimated $50 billion on formal training [35]. The amount of that training dedicated to leadership development is unclear. Multiple points of view exist relative to the effectiveness of development training. For example, Collins and Holton [36] conducted a meta-analysis on the effectiveness of managerial leadership development programs[ii]. This study surfaced two key points: First, organizations did not consistently measure their development programs for effectiveness. Second, there was a lack of correlative evidence corroborating return on investment for leadership development. On the other hand, research by Effron, Greenslade, and Salob [37] indicate top companies utilize development programs consistently and produce traceable results. Perhaps the key to development success lies within how leadership development is organized for accountability.

A *Harvard Business Review* case study [38] examines an organization's leadership development budget when under pressure of growing corporate expense. The leadership budget is targeted for disproportionate cuts because there is an inability to tie development investments to

a recognizable financial return. The article points out the mistake of viewing leadership development expenses from a purely fiscal perspective. Expert respondents to the case suggested a variety of models to help take the leadership development budget off of the sky-line. For example, Tichy[iii], a well-known leadership development expert, suggests a model that distributes leadership development responsibility. Tichy provides two key suggestions. First, assure the head of HR reports directly to the CEO. This keeps the importance of development high on the priorities of the organization. Second, the majority of the development budget should be decentralized. When leadership development programs are centralized an excessive general and administrative expense burden surfaces; and, local leaders are relieved of formal responsibility for developing leaders within their organization. Tichy suggests a formula that GE uses which allocates 80% of the leadership development responsibility to local business units and 20% of the responsibility resting at the corporate level. Balance is achieved and the development activities of most value naturally occur without excessive G&A pressures from centralized budgeting[iv].

Overall, measuring ROI for leadership development is difficult because an ROI for leadership development must be viewed from the point of view of how the team, business, and capabilities are improved by associating the net present value of leadership impact and converting that impact into a bottom-line figure. Leadership development is neither a short-term solution, nor does it translate into short-term measurable returns. However, organizations, such as GE, Nike, and others, which commit to long-term development of people, demonstrate a long-term ability for outstanding market performance.

II. Models that Work

This section of the white paper previews several existing models that successfully develop leaders within the organization. The section reviews the concepts of leadership development, reviews successful models, and concludes by identifying a number of websites that contain useful development information and programs.

Developing Leaders

The best leadership development processes effectively evaluate a candidate's ability to make the turn into a new leadership passage, and provide tools for success after the turn. Unfortunately, few companies address the transitions needed between passages [3]. Leadership camps, courses, programs, and schools last from a couple of days to a year depending on the level of interaction and the level of the targeted position. Clearly, the most successful programs have long-term orientations to leadership. Even when the course is short, the connection to the leadership development process is retained over the long run. Coaching, mentoring, follow-on development, experiential opportunities to exercise skills and interaction with senior leaders are the hallmarks of successful development programs.

In an article entitled "The Growing Importance of Leadership Development" [39] the successful development of new leaders must have an organizational driver and connection to how the organization functions. The objectives of leadership development should include providing a foundation for succession planning and identification of the next generation of leaders. The study included a survey of 426 respondents and found the following methods are actively used:

TABLE 2 – DEVELOPMENT METHODS

| Popularity	Method
% used by companies in the study	
57%	External programs provided by universities or professional organizations.
51%	Internal programs.
48%	Temporary internal assignments to develop leaders (stretch assignments).
47%	International assignments to develop leaders.
45%	Programs developed by consultants
41%	Job rotation.
22%	Mentoring

Effective development methods identified in studies by Kesler and Kirinicic [40] showcase the practical experience model utilizing a crossroads methodology. This method uses a process to identify assignment opportunities for developing leaders based on the needs of the individual relative to his/her potential within the organization. The approach is validated by Conger and Fulmer [41], who identified the following keys to effectively moving talent through the internal pipeline and into positions that impact organizations:

- Focus on development of people, and not on maintaining a list of candidates.
- Identify roles that can provide experience needed to groom candidates for next level of responsibility.
- Create transparency that creates an open process. People need to know where they stand.
- Measure and communicate results regularly.
- Business alignment and flexibility is needed. Cookie-cutter approaches should be avoided because development of leaders is situational.

The crossroads method is based on the concept of a leadership pipeline which characterizes and defines the passages from one point in leadership to another based on skills needed to successfully make the transition [3]. There are six passages or transitions in the leadership pipeline.

FIGURE 3 – THE SIX PASSAGES OF THE LEADERSHIP PIPELINE
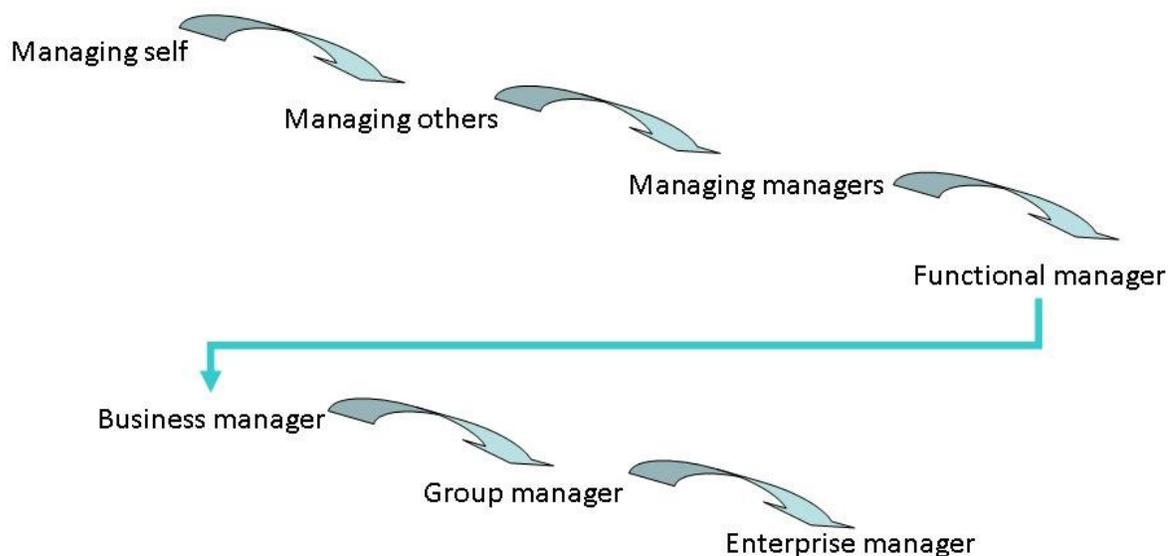
Not only does the move through each phase of the leadership pipeline require new skills, leaders traversing the pipeline must also leave old ways of working behind. Frequently, new leaders entering a new passage use the skills that were successful in a previous passage. This is a grave mistake; skills must be aligned with the current passage in which the participant is operating. Leaders must avoid rear-view anchoring, which is the process of looking backwards to previous success models. Singularly looking back keeps the leader in a model that does not allow him or her to reach full potential or to achieve success in the current role. Therefore, leadership development approaches need to consciously inform emerging leaders of this phenomenon and provide tools to negotiate pipeline transitions.

Leadership development researchers acknowledge common characteristics of successful leadership development programs. Most of the characteristics are evidenced in the highly successful GE model (which will be discussed later). For example Salopek [42] emphasizes the importance of executive buy-in, using existing leaders to serve as instructors and mentors, connect programs to sound business requirements, use action learning methods, and create a sense of prestige around the idea of moving into a leadership development program. Leveraging organizational models to aid in the growth of future leaders is an important construct [43]. While the individual candidate is ultimately responsible for his or her aspirations towards leadership, the top officers of the company are also responsible for identifying internal candidates, which saves recruiting and turnover costs, and improves morale and hope in the workforce. Top officers, and organizational leaders who give sufficient time to mentoring and developing internal talent enhance the organizational productivity. For example, a simple technique of engaging aspiring leaders by sharing personal stories contributes to cultural development as well as inspiring future leaders to continue the organizational legacy [44]. Sharing leadership stories provides a strong connection between the leadership vision and the future leaders' ability to incorporate that vision for productive mutual gain [45].

Aspiring leaders should be engaged in a broad range of technical and leadership assignments, and they must be given adequate authority to achieve success. Many experts support the practical application methods. Mintzberg [46], for example, states the most effective management training should be experiential, leveraging existing practical experiences. Mintzberg downplays the effectiveness of formal classroom settings because they yield mostly academic value. Unfortunately, the experiential approach, while highly effective, is rarely utilized according to a study on the selection of leaders and leadership development [47]. Action learning methods account for only 20% of development techniques. In sharp contrast, academic (either internal or external) methods account for over 70% of the leadership development processes used by organizations. In fact, while corporate university models may have a positive impact on performance [48], they are difficult to manage, expensive to implement, and require constant effort to link the university-model with the business. These data points alone may explain why GE's Crotonville, as a leading example of successful leadership development, is uniquely successful. Clearly, action learning should be a top priority of organizations focused on leadership development.

Action learning theories support the notion that leaders develop by doing [49]. This point is critical for emerging leader development because young high potential leaders start out with limited understanding of organizational and business scope [50]. They therefore need indoctrination and integration into the pragmatic problems and functioning of the business. However, indoctrination at external functions (i.e., a formal school focusing on theory only) that is not connected to action development may do more harm than good. Weiss suggests using strategic planning events as leverage for development processes by: (a) including high-potentials in strategic planning to give greater voice, (b) involving high-potential leaders as shadow strategic planners, and (c) soliciting high potential leaders' input and (d) sharing information.

Models from Big Companies

GE's Crotonville - The shining star in developing leaders

In 1956, GE launched its first 13-week advanced management course in Crotonville. The then CEO, Ralph Cordiner, concluded from the experience a specific sustained need for management development, particularly in the area of multifunctional general managers capable of running a decentralized company. Crotonville symbolizes leadership development and is the lever and a centerpiece to make change happen at GE [51].

Key lessons from Crotonville.

The Crotonville organization reports directly into an executive manager and not into the human resources function. A full time academician is engaged to develop educational programs. GE avoids overly focusing on cognitive skills (finance, marketing, accounting, supply chain, etc.) because those skills alone create a lack of integration with the "real world" of the organization. Rather, the GE model connects participants to real business problems from their own divisions and empowers the participant with relevant action plans. Live GE cases are developed from the participant's organization. Exercises are therefore more than hypothetical and include a natural element of stress and risk. For example, participants make presentations to executives on the real world problems from their (home) office. This often leads to relevant no-nonsense debates over emotionally-charged topics.

Attendees range from corporate entry level leadership positions to top-level managers. Classes are taught by GE leaders including managers from field divisions, human resource executives, line of business executives, and functional executives. In other words, the GE experience is practical and based in reality. New managers who attend are sent back to their units armed with feedback and ideas on where to focus and how to solve their own real-world problems. This process is known as action learning [52]. Difficult assignments are brought with the employee into the training environment thus preventing the common mistake of development programs, which is to arm an individual with tools and solutions that are abstract and not grounded in the problems he or she will face. An example of a GE training session is outlined below.

Four-week business management course:

- The first two weeks lay the ground work for action learning by receiving speeches from faculty at leading business schools. Interestingly, this method is extensible to smaller organizations because the resources of Princeton, Stanford, and a number of other institutions are made available online. Putting together top-notch academic curricula to intertwine with experiential processes is now possible for any organization.
  - Team building is an essential component of the Crotonville experience and outward bound activities are common. During the first week teams are initially introduced at a series of outdoor team building activities. For example, the wall is a classic exercise. To complete the assignment, all members of the team must get over a 14 foot high barrier.
  - During the first weekend, a raft is constructed to float across a one mile stretch of the Hudson. Safety precautions are taken; equipment and materials necessary to construct a reliable raft are provided.
- Late in 2nd week teams are constructed (4-5 people each). A number of projects are selected and each project has two teams assigned to it. Each team works independently, though it works on the same problem. The result is two sets of recommendations. GE's action learning projects have included: Transportation systems, major appliances, mobile communications, information services, medical systems, and a host of others [52].
- The teams spend the first few days reading, briefing, and developing a plan. Following this problem indoctrination period, teams take a road trip to the problem area where they spend the 3rd week working on the problem at the site of the problem.
- In week 4 they return to Crotonville with drafts of findings and recommendations. Outside consultants are then used to quickly review the plans, provide insight, and identify gaps. This serves as a final preparation before formal presentation.
- Each team is allotted 90 minutes to present the findings during the fourth week. Interestingly, presentations are not given to the class, but to the senior Vice President who heads the operation where the problem is manifest. This creates a tough-open exchange environment. The success of the process is unquestioned however; over half of the recommendations get adopted in some form.
- Six to eight months later, the teams are reassembled for a follow-up meeting and reinforcement training.

Pepsi.

Pepsi is another company successfully integrating leadership development programs with real-world issues. While their program is designed primarily for executives, the lessons learned are important and can be applied to the development processes of first time managers [53]. Key lessons include:

- Existing leaders need to be involved and take time to work with aspiring leaders.
- Keep development models an internal process.
- Make programs a personal event and stay focused on real business issues.
- Get out of the office, keep teams small, and encourage collaboration.
- Provide feedback and measure outcomes.
- Have aspiring leaders envision the future.

The BBC.

The BBC undertook a large initiative to train over 7500 potential leaders[v] [54]. This comprehensive one-time program operated in conjunction with an academic institution – Ashbridge Business School. The program combined face-to-face, online, and one-to-one coaching modules. The objectives of the program were designed to integrate BBC values into the leadership of the organization, and to implement skills that were needed to allow the organization to move forward competitively. The BBC example demonstrates how to leverage an academic institution and rollout a comprehensive quick-hitting program.

Scalability Discussions

Techniques matter.

Workshops are generally well-received; but keep in mind people are potentially reluctant to share deep feelings in the early stage of development processes [55]. Therefore, existing leaders who take the lead in sharing experiences establish a model for emotional connection [45].

Build development models with both structured and unstructured time [55]. Allow time for ad hoc break-out forums where "birds of feather" conversations can occur. Focus on inside out (i.e., person first, then organization second) [56] activities. Leadership is a people-centric concept; often first time leaders receive heavy managerial responsibilities and therefore need to understand how to balance between mission accomplishment and concern for employee welfare. This paradox should be thoroughly debated.

Specific elements of successful leadership training courses include a focus on: (a) influencing, (b) communicating, (c) time management, (d) networking, (e) constructive use of politics, (f) how to behave strategically, (g) giving and receiving feedback, and (h) goal setting and stretching [56].

Mentoring is important.

All leaders should be mentoring and all leaders should have a mentor [57]. Roger Enrico, as the Chairman of Pepsi suggested developing the next generation of leaders is a responsibility of current leaders [53]. Mentoring not only helps the next generation, but it is an important opportunity to exhibit leadership and conduct self-reflection. Preparation by both mentor and mentee are essential. The mentoring relationship should not be auto-assigned, because it is a two-

way mutual arrangement and needs to be customized. When entering a mentor-mentee relationship, there are four questions to consider:

- Will the mentor challenge me to raise the bar?
- Is there a good learning fit?
- Does the mentor have experience, time, and willingness to help?
- Am I comfortable in this relationship (mentor or mentee).

Initializing the mentor-mentee relationship can be difficult. Table 3 provides a list of ideas for getting started.

Mentoring Initiation Ideas
- Get to know each other   - Talk about experiences   - Explore mentee's goals   - Explore relationship needs   - Define deliverables   - Discuss assumptions, expectations, and limitations – be candid   - Discuss options and opportunities for learning

Peer mentoring should also be considered. In a fast moving organization or industry, peers are often in the best position to offer advice and information because the knowledge in an information age is like an organizational currency; however, the currency changes or evolves and often the edge belongs to those in the trenches. Information and success models accumulated by experts over long periods of time can lack relevancy if senior individuals are not in a position to absorb the most current trends [58]. In such cases, peer relationships provide emotional as well as business support with a high degree of relevancy to current trends.

International Implications

While the importance of certain leadership characteristics may vary by country and culture, the concept of leadership is nevertheless internationally relevant [19]. Studies show each culture has a specific and unique leaning towards leadership capabilities. For example, results-driven and strategic-action is the number one capability valued in the United States. On the other hand, Australians and British leaders place more value on articulating a strategy with a tangible vision and active values. Other cultures place an altogether different focus on developing leadership capabilities. However, to show that preferences vary even within major regions, Korea's number one leadership focus is to generate a catalyst for strategic change [19, a full chart is

available on page 537 of the reference] while the Japanese focus on enabling followers to perform[vi]. Priorities from one culture cannot be assumed as the same for another.

While striking differences occur from one culture to the next, there is nevertheless an overlap when the top five most valued capabilities are assessed. In such a case, a connection between the cultures of Australia, Unites States, Germany, and the United Kingdom exists with an 80% overlap between valued leadership capabilities [19]. In other words, each of those countries consistently place the six capabilities identified in table 4 in their top capabilities rating matrix, indicating an opportunity for synergy:

TABLE 4 – LEADERSHIP CAPABILITY PREFERENCES OF WESTERN NATIONS

Leadership Capabilities
Get results – manage strategy to action
Empower others to do their best
Exhibit a strong customer orientation
Articulate tangible vision, values and strategy
Be a catalyst of cultural change
Be a catalyst of strategic change

Coincidentally, the overlap in terms of capability preferences between the U.S., Germany, the U.K., and Australia (capabilities listed in table 4) were lower with France (60%), Italy (60%), Japan (60%), and Korea (40%). Thus, confirming less commonality can be assumed between transnational programs that extend beyond the U.S., Germany, the U.K., and Australia [19].

Connected leadership – an emerging international trend.

Internationally, the ideal of connected leadership is emerging as a priority. In an international study [33] a changing nature of leadership surfaced discovering a shift towards leadership that is: (a) flexibility, (b) collaboration, (c) cross-boundary, and (d) collective. The study revealed the following key points:

- Challenges go beyond individual capabilities – team is important, and social networking is critical.
- Rewards should balance short-term gains and individual needs with collaborative environments and long-term objectives.
- Create environment where others can succeed.
- Inclusivity – or collective processes are highly valued. Interdependent decision making – implementation of matrixed stakeholders in decision processes is emerging.

- Global organizations have fewer boundaries and rely on collective leadership far more than US-bounded organizations.

Table 5 below highlights the shift occurring in global organizations. The priorities of leadership change over time. In 2002, for example, the number two priority was resourcefulness, while in the future rankings the number two priority is building and mending relationships. Thus confirming the move to connected forms of leadership as the future model for success.

TABLE 5 – A GLOBAL SHIFT IN LEADERSHIP PRIORITIES

Individual Leadership Categories	Future Rank	2002 Rank
Leading employees	1	1
Building & mending relationships	2	5
Change management	3	7
Participation management	4	6
Resourcefulness	5	2
Decisiveness	6	4
Doing whatever it takes	7	7
Straightforwardness and composure	8	3

Source: [33] (Note: 2002 #7 ranking was a tie).

A study conducted on 18,425 business people in twelve countries using the POFILOR system[vii] confirmed similarities and differences in both the nature of leadership competencies and the importance of leadership competencies across countries [32]. The study underscores the notion that over generalizing leadership approaches in transnational situations is problematic. Each culture must first be understood and considered when determining the importance of various leadership capabilities. For example, across four discriminate functions (self-leader, vision leader, technical leader, delegation leader) Japanese were balanced at low levels while Americans were balanced at a moderate level across all four. The study confirmed that while certain capabilities may have international relevance, the value of a capability changes depending on the culture. This study also confirmed the findings of Martin [33] in that the U.S., the U.K., and Canada seem to have similar alignments. To underscore cultural contrast, the Chinese fall highest on delegation, technical, and vision leadership but low on self-leadership. Mexicans fall high on self, technical and vision, but low on delegation; and the Dutch fall high on vision, moderate on self and delegation, and low on technical leadership. The key point is that leadership development across cultural boundaries must consider the cultural norms that are in place and that it is precarious to construct one common development structure that fits all cultures. Thus, transnational organizations have to build elements of flexibility and cultural awareness into leadership development programs.

Australian leadership development centre.

While international differences in leadership characteristics and capability-preferences exist, the Australian leadership development centre provides corroborating evidence that leadership development best-practices do have transnational commonalities http://www.leadershipdevelopment.edu.au/Content_Common/pg-best-practice-guidelines.seo. Therefore, important considerations when undertaking a leadership development initiative in international conditions should include:

- Less than 15% of learning from classroom-style development practices result in sustained behavioral change or leadership development.
- Leadership development is a process not an event.
- Leadership development should be needs-based not wants-driven. Focus leadership development where it can have the highest impact on the organization.
- Experiential programs are excellent ways to start leadership development programs because the opportunity to practice, digest assessments, and associate with successful leaders is provided.
- Effective leadership development should include specific goal driven, on the job projects – real work projects should require the desired leadership behaviors to be effectively utilized in order to succeed.
- The leadership development process should be thought of as a journey (6-12 months) with various checkpoints for reflection. Journaling and coaching are techniques to facilitate the process.
- Mentoring should exist for those in the journey.
- Those involved in the journey should be held accountable.
- Map skills of an individual to highest potential of need. Place people in situations where their dominant skills will drive improved performance and will help them achieve success individually while providing a strong contribution to the organization.
- Use cohort models to develop leaders – this helps generate networks and starts the critical process of social capital building.
- Encourage self-nomination for candidacy, and then screen for the best candidates.
- Existing supervisory ratings (i.e., performance reviews) may not be good indicators of leadership potential.

Additional Websites and Resources

- www.eep.com/merchant/newsite/best_practice.html
- www.captus5.com
- www.salesacademy.ca/leadership_skills_assessment.html
- www.aldc-online-leadership-shop.com/page5.htm
- www.banffcentre.ca/departments/leadership
- www.ccl.org/lead
- www.expertchoice.com/products/index.html
- www.lominger.com

III. Selection Methods

This section of the white paper focuses on selection methods, instrumentation, and preparing an organization for developing leaders.

Assessing Individuals

Select the right person.

Selecting the right type of person to undergo a leadership development program is important for a variety of reasons. For example, young talent, while both high potential and high achieving, may also possess arrogance [39]. Promoting the wrong person into leadership has devastative effects upon organizational capability. Tools such as the 360 degree feedback mechanism can be useful in assessing junior leaders and emerging leaders. While the data may not exist in the same richness as with senior leaders, the process, and the peer feedback of a 360 is valuable in assessing junior leaders [56]. A major consideration for selecting individuals to participate in leadership developing is the quality of growth. Focus on developing individuals with the most room to grow relative to the needs of the organization [48]. In this process the role of Human Resources [18] in the leadership development process should aid to:

- Initiate and design the development experience
- Partner with top management to select the right people and develop the right programs
- Help top management understand their role in talent development
- Manage talent supply
- Close gaps where talent vacuums exist

Tools and Instruments for Selection

<u>Leadership Skills Inventory</u>

A number of tools exist to aid in the process of selecting an individual to participate in leadership development programs. For example, the Leadership Skills Inventory (LSI) [59] has a number of arguments supporting its validity http://www.salesacademy.ca/leadership_skills_assessment.html. The instrument is a 125-item Likert-scale questionnaire reporting on strengths and weaknesses in 9 categories:

- Fundamentals of leadership
- Written communication skills
- Speech communication skills
- Values clarification
- Decision making skills
- Group dynamic skills
- Problem solving skills
- Personal development skills
- Planning skills

Centers for Leadership Instruments

Another series of instruments come from the Australian leadership center http://www.aldc-online-leadership-shop.com/page5.htm. Additionally, contributors to the center for creative leadership, of the Banff Center, (http://www.banffcentre.ca/departments/leadership/) publish tools that are adaptable for business use. For example, Weiss has a tool called "LEAD" which is a CD-based tool that helps develop techniques for building critical leadership skills. Prices start at $145 per person (www.ccl.org/lead).

Expert Choice Instrument

In an article entitled "From Sorcery to Science: AHP, A Powerful New Tool for Executive Selection" [60] a product called Expert Choice (EC) used analytic hierarchy process to test consistency in decision making against a hierarchical decision tree (http://www.expertchoice.com/products/index.html). This instrument validates an individual's propensity for decision making processes that align with an organizational direction.

360 Instruments

The 360 degree tool surfaces as a common tool used by businesses for an initial stage of leadership selection and development. The Centre for Creative Leadership (http://www.ccl.org/leadership/index.aspx) and Banff (http://www.banffcentre.ca/departments/leadership/) both have numerous references to using 360 assessments in this way. 360 Feedback tools [61] must focus on the ratee and not cater to the rator. If tools are properly constructed, the 360 process can be valuable to the emerging leader's development. However, most 360 implementations in business provide the 360 feedback confidentially to the ratee – this confidentiality unfortunately eliminates coaching that could result if mentors and developers were privy to the results.

Biodata Instruments

Biodata, or the use of biographical data, is also a common way to assess leadership potential. Biodata reflects performance outcomes from previous events and can to some degree predict future capabilities or performance. Past records of success are the most commonly used indicator of executive talent [62]. Biodata is successful because:

- Biodata can help predict values, attitudes, beliefs based on prior life events.
- People, based on their experiences and their nature, seek or avoid situations on the basis of perceived compatibility with self perceptions. A biographical integrative model uses antecedent life experiences from critical junctures in a person's development.
- Biodata focuses on how leaders make meaning and how the meaning is generated by important life-events.

Further research is needed on the nature and implementation of biodata instruments, and to find linkages between biodata processes and existing performance review procedures.

Preparing and Assessing the Organization

A common theme surfacing in the literature on leadership development is the involvement of existing leaders in the development of emerging leaders [3, 6, 7, 20, 51-53, 55]. Organizations preparing to focus on leadership development should consider an interim assessment of attitudes of existing leaders towards investing in emerging leader development. Issues that surface include a lack of time, lack of clear objectives, and a lack of framework which cause existing leaders to pull back or to withhold efforts.

Conclusion

This white paper reviewed the literature on leadership development with a special focus on emerging or first-time leaders. The paper synthesized the literature in three specific areas. First, a clear case is able to be made justifying investment by organizations in the development of existing and future leaders. Second, there are best practices that yield high results, such as experiential-based and action-learning models that are far superior to pure academic training that is not connected to real-business issues. Furthermore, international implications exist for leadership development. A one-size- fits-all solution is not wise, given each culture's unique value placed on various leadership characteristics and capabilities. Third, selecting the right person is critical and a variety of tools are available to aid in the selection process. However, there is no one singular tool that comprehensively assesses potential leaders. Customization of each tool is needed to assess alignment of the requirements of the organization with the propensities of the individual. Furthermore, organizational assessment may be necessary since existing leaders must take an active role in the development of future leaders.

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End Notes

[i] Post-modern implications of leadership imply leaders are actors among other members of a social community. Leadership is, therefore, a fluid process requiring the ability to acquire and sustain social connections in vertical as well as horizontal relationships.

[ii] The analysis spanned 1982 to 2001

[iii] Tichy has conducted a number of leadership development studies and has worked extensively with GE and Pepsi.

[iv] Tichy consistently suggests an 80/20 rule. Keep 80% of the responsibility with local units and 20% at the corporate level maintains a workable balance. As Tichy points out in his response to the case, the organizational structure is an important consideration. The best companies with excellent leadership development track-records have the head of HR reporting directly to the CEO. Another important 80/20 rule is also needed: 80% of executive development is attributed to on the job and only 20% is formalized. Therefore organizations should show restraint in trying to do too much formal centralized training. Tichy does provide a number of ROI formularies, but from a strict accounting perspective, these formulae may not align with a strict fiscal "bottom-line" perspective. Leadership development is soft-dollar investment with long-term hard-dollar returns. Cost cutting measures designed to relieve corporate financial ratios are unlikely to appreciate the long-term nature of investing in developing leaders.

[v] Anyone managing more than three people.

[vi] A full chart discussing the various international culture's leadership tendencies is available on page 537 of the reference.

[vii] (a multi-rater performance feedback instrument developed by PDI http://www.personneldecisions.com.sg/offerings/ind.asp)