

Research

Is Something Rotten in the State of Leadership Development?

Richard Boston, Director of LeaderSpace

Nick Holley, Co-Director of the Centre for HR Excellence



Contents

Principle 1	3
Principle 2	12
Principle 3	19
Principle 4	22
Conclusion	27
Acknowledgements	28
References	29



Is Something Rotten in the State of Leadership Development?

In *Hamlet* Marcellus tells Horatio 'something is rotten in the state of Denmark'. On 10th April 2012 Barbara Kellerman from Harvard University (one of the leading academics in the field of Leadership) published a book called *The End of Leadership*. In this she questions whether there has been a failure of leadership and of the 'leadership development industry':

There are other parallel truths: that leaders of every sort are in disrepute; the tireless teaching of leadership has brought us no closer to leadership nirvana than we were previously; that we don't have much better an idea of how to grow good leaders, or of how to stop or at least slow bad leaders, than we did a hundred or even a thousand years ago... and lastly that notwithstanding the enormous sums of money and time that have been poured into trying to teach people how to lead, over its roughly forty year history the leadership industry has not in any major, meaningful, measurable way improved the human condition.¹

It has always been our intention to explore this hypothesis and the challenges in this book have brought the issues into sharper perspective. Our traditional approach to research has been to do extensive reading, carry out interviews and conduct a survey. This time we thought it would be great to bring our interviewees together into one room and work with them to create some new thinking about leadership development in real time. So in November 2012 and March 2013 we brought together a number of HR and talent leaders from AgustaWestland, Amey, B&Q, Barclays, the British Army, Citigroup, Deloitte, KPMG, GSK, Imperial Tobacco, Kelly, Kingfisher, KPMG, Mercedes-Benz, Microsoft, Nationwide, NHS, Oracle, Oxfam, Oxford Instruments, Panasonic, Shell, Vodafone and Willmott Dixon, plus some independent leadership experts and faculty from Henley Business School. There were no presentations but a series of group sessions focused around five key questions:

- 1 To what extent is leadership developable?
- 2 Are we looking for a quick fix?
- 3 Where does responsibility lie?
- 4 Is it too difficult to measure?
- 5 Is HR up to the task?

We created an animated video with answers to these questions that can be viewed on line, www.youtube.com/watch?v=_bIAACXcnj8.

What came out of these debates were four overall principles:

- 1 The goal of leadership development is to develop leadership that makes a positive difference to the organisation
- 2 Leadership is a mind set not a course
- 3 We will measure the impact leadership is having on an organisation's challenges not measure leadership development
- 4 HR will focus on addressing current and future organisational challenges not selling leadership development solutions

This report seeks to explain why there is a gap between what we know about leadership development and what we do, and provides some suggestions on how to put the principles into practice.

So why change things?

What's this supposed rot in the state of leadership development?

Figures from the US suggest organisations in America alone spend over \$170 billion dollars trying to teach their people to be better leaders². In most cases, they're continuing to do so without any firm evidence of a return on their investment. And, by and large, they're using the same techniques we've been using for centuries. Yes, we have superficial additions such as PowerPoint, iPads and interactive whiteboards. But the approach is essentially the same as the approach taken in medieval universities³. And yet so much has moved on in the world of leadership, and in our understanding of how human beings – particularly adults – learn.

'...the real 'rot' in the state of leadership development is that we already know how to make it work but we fail to do what we know is right.'

Of course, there are other approaches out there. Some companies have experimented with other, physically stimulating and highly entertaining activities – usually outdoors. These do benefit from the fact that we generally learn better when we're having fun – or feeling some other emotion that makes the experience memorable. But, just like with classroom-based learning, there's a distinct lack of evidence⁴ that these kinds of events produce any lasting learning.

In fact, there's little accountability for learning at all. Ask any organisation why it's not getting a fantastic return on its investment in leadership development and you'll soon see the fingers start pointing. HR blames the learners and the demands of their workplace, or their suppliers, or the lack of budget or buy-in from senior management. The learners blame the trainers, the materials or the day job, or the lack of support from their line managers. Line managers blame HR. The board blames anyone or everyone in the organisation, and might throw in a dash of 'market conditions' for good measure...

As psychologist Dr Ken Nowack⁵ points out, though, the real 'rot' in the state of leadership development is that we already know how to make it work but we fail to do what we know is right. We fail to follow best practice; we fail to use cutting-edge learning technologies – by which we don't just mean chucking everything on the intranet; we fail to use practice to help people embed what they've learned; and we fail to adequately measure the impact of leadership development on the things it's supposed to have an impact on. It's no surprise, then, that the four principles we came up with – principles we believe should form the bedrock of future leadership development – were really rather predictable. That doesn't mean our efforts were wasted. Far from it. If you watch the video, you'll see it touches on some of the reasons *why* we're failing to do what we know we should be doing.

Principle 1

The goal of leadership development is to develop leadership that makes a positive difference to the organisation

‘One of the first problems with leadership development is we are not focused on making a difference to our stakeholders but to the people we seek to develop.’

One of the first problems with leadership development is that we are not focused on making a difference to our stakeholders but to the people we seek to develop. While we talk about leadership development, it's often not leadership we're developing: it's individual leaders. The most common form of leadership development is to take people out of their working environment and develop them in isolation. Sure, there may be other people there from their organisation, but the attention is almost entirely on changing things within the individual people who are being developed at the time.

In doing so, we're promoting a leadership myth that lies at the core of what's rotten in the state of leadership development: our inability to see that leadership is something that happens in relationships, not in individuals. Leadership happens in the relationship between a person and the people who follow them. It happens in the leader's relationship with their environment, with the culture of the organisation around them, with its history, their predecessors, the people above them... Leadership happens in the leader's relationship with the people and the causes their leadership exists to serve. It's our failure to learn this fundamental lesson that has driven us to worship heroes and vilify demons. Churchill, Gandhi and Mandela; Hitler, Stalin and Pol Pot: we love to love them and we love to hate them, but putting these individuals up on pedestals isn't doing an awful lot of good for leadership development.



‘leadership is something that happens in relationships, not in individuals.’

We are losing track of the fact that in organisations the goal of leadership development should be, through the development of better leadership, to make a difference to the performance of the organisation that generates sustainable returns for its stakeholders whether they be shareholders, customers, employees, donors, taxpayers, recipients of charitable or public services, or ultimately society itself.

1.1. We will analyse the context of the organisation both now and in the future, and use these insights to develop all elements of the leadership mix, not just individual

You wouldn't be reading this report if you didn't think it was worth investing in leadership development, but that's not what this principle is about. It's about focusing us on the true purpose of leadership development. To paraphrase one debate 'What is the challenge to which 'leadership' (and therefore 'leadership development') is the answer?'

'What is the challenge to which 'leadership' (and therefore 'leadership development') is the answer?'

It's easy for the people commissioning and/or designing leadership development to focus more on the intervention than what it is meant to achieve. Hence the need to focus on the context in which leadership occurs; to start with the future needs of the business, then identify the gap between the organisation's current leadership capabilities and the leadership capability it'll require to address those future needs. All organisations have a strategy. The source of competitive advantage typically lies in its capability to deliver on that strategy. But in order for this to work, the thinking and talking about strategy and capability need to be simultaneous. All too often, one part of the organisation dreams up the strategy then tasks another part (HR, L&D, IT) with building the necessary capability. The problem is, it takes an awfully long time to build that kind of capability – whether it's creating the necessary technological infrastructure or developing the leaders required to take the organisation in a new direction.

Equally we cannot ignore short-term pressures and leadership development should of course reflect a balance between short and longer term needs, between focusing on the day to day while being consistent with the business vision and the need to build future sustainability. But ultimately we need to build a view of leadership that, while it takes into account the current reality, isn't limited by it, but understands the implications of the future direction and challenges of the organisation for leadership.

Organisations operate differently in different businesses, with different goals: different challenges for which leadership is an answer, and different cultures (organisational and national) and value sets that define the need for very different leadership styles. With this in mind it is clear that the nature of leadership is contextual. We must define leadership in the context of an organisation. In simple terms this principle means understanding what we are trying to achieve rather than providing a programme. We need to invest up front, quality time in developing foresight about needs rather than driving to action quickly. It means starting with a series of questions of the organisation but also its wider stakeholders:

'We must define leadership in the context of an organisation. In simple terms this principle means understanding what we are trying to achieve rather than providing a programme.'

- What is the business plan?
- What, based on the plan, are the organisational challenges we need to address?
- How and in what way is leadership the answer to these challenges?
- What does our organisation need from leadership?
- What is the wider view of who and what leadership serves, commercially and ethically?
- What does this mean for the leaders we have, the leaders we need, and their style and behaviours?
- What does it mean for all the elements of the leadership development mix – recruitment, induction, development, reward and recognition, etc?

'In this context of ever-faster change why do we believe one style can be developed and will work forever?'

Only when we know the answer to these questions, the implications of the context, can we begin to think about how we develop leaders.

In addition we assume that the context itself is stable when in fact it is changing at an exponential rate, while our knowledge about management and leadership doesn't seem to be keeping pace. In this context of ever-faster change why do we believe one style can be developed and will work forever? Instead we need to allow individuals to shine and move them from where they are to the best they can be, not try and 'teach' them to be something they never will be, especially when that something may be changing! We need to equip people with the know-how to know what they can do in different contexts that are constantly changing and evolving.

Equally if your role as a leader is most affected by your own qualities as a person and your innate leadership skills then this may be all that is needed, but in a different context it may be that innate skills are not enough, and skills need to be developed. Indeed this is not just about developing individual leaders but about creating a leadership culture, not developing teams of leaders but leadership teams.

Is there an additional principle here? Looking at the 'host' as well as the 'donor'. Creating an environment where leadership can flourish. Creating an 'enabling system' of behaviours, systems, processes etc, which allow you to maintain a balance of 'sameness versus difference' – stopping leadership evolution from petering out and becoming part of the problem.

Leadership development has come to a point of being too individually focused and elitist. There is a transition occurring from the old paradigm in which leadership resided in a person or role, to a new one in which leadership is a collective process that is spread throughout networks of people. The question will change from, 'Who are the leaders?' to 'What conditions do we need for leadership to flourish in the network? How do we spread leadership capacity throughout the organization and democratize leadership?'

'This is another area where the rot has set in. We drive for an identikit solution because it is far more efficient to use an existing model than develop something relevant for our context.'

There are no simple, existing models or programs, which will be sufficient to develop the levels of collective leadership required to meet an increasingly complex future. Instead, an era of rapid innovation will be needed in which organizations experiment with new approaches that combine diverse ideas in new ways and share these with others. Technology and the web will both provide the infrastructure and drive the change. Organisations that embrace the changes will do better than those who resist it.⁶

1.2. We will develop diverse leadership at every level that makes a difference, whether it be people, commercial or subject-matter leadership

If the context drives the nature of leadership then we don't want identikit leaders. This is another area where the rot has set in. We drive for an identikit solution because it is far more efficient to use an existing model than develop something relevant for our context. In this drive for efficient inputs we fail to deliver effective outcomes.

In the late 1950s both the British and U.S. military happened upon the same idea for developing a perfect officer: define the behaviors expected of the perfect officer, measure each person on these behaviors, and then train each person to develop the behaviors he doesn't display naturally. The selection, measurement, training, and promotion systems were then revamped to accommodate this new, scientific approach to officer development. Forty years later, after many attempts

to tweak, tune and redesign, both militaries independently decided to discard what had become known as the 'Great Man' approach to leadership development, because it didn't work. By either military's measures of leadership, this approach didn't result in the development of better leaders.

Ironically, just as its original designers were rejecting it, many business organisations began adopting the competency-based approach to developing people. Why – Great managers do not believe that those who excel in the same role all display the same behaviors. Instead, they believe that those who excel in the same role all create the same outcomes, often using different behaviors. Study any successful leader and you will not find a perfectly well rounded über-executive. Instead, you will find an idiosyncratic individual who has made the most of his unique style of leading. Don't hold your leaders, or, for that matter, any individual in any role, accountable for perfecting the same set of competencies. Instead, hold them accountable for achieving the same outcomes, using whatever style fits their strengths. Great managers do not assume that all behaviors can be learned. Instead, they operate under the assumption that while some behaviors can be learned; many others prove extraordinarily difficult to learn.

They must develop some way of distinguishing natural talents – such as empathy, assertiveness, focus, or adaptability – which are enduring and almost impossible to learn, from skills and knowledge – such as how to check a guest into a hotel or how to explain the features of a product, or self-awareness – which do improve with training, time, and practice. The competency-based approach lumps together talent, skills, and knowledge into broad competencies such as 'Handles Change,' or 'Incorporates Diversity,' or 'Strategic Agility,' or 'Inspirational Vision,' all aspects of which, they assert, can be learned with training and practice. This assertion is flawed, and as such, the competency-based approach leads managers to waste time trying to teach the unteachable.⁷

The final point implies that not everyone is cut out to be a leader so we need to ensure we develop the right people as leaders. In addition the competency model assumes that leadership is all about what is traditionally called business or team leadership where leading people is the core role, the type of leadership that plays so well to the heroic model of leadership. In reality there are other commercial and subject-matter leadership roles that require fundamentally different styles. In these roles people who don't have the right competencies to lead, and we therefore assume aren't leaders, can fulfil leadership roles based on very different qualities. Commercial leaders may be very one-dimensional in their drive for profit and value creation but in a commercial organisation this might be key for survival. They may lack emotional intelligence or charisma but they have a critical leadership role in most organisations. Subject-matter leaders may provide technical leadership that is fundamental for the strategic future of the business. They might have a deep expertise that is far more difficult to find than more generic people leadership skills. Indeed they may be far more valuable than people leaders. The key is we tend to focus on developing one type of leadership in our leadership development programmes when our organisation needs a balance of several.

We also need to ask if everyone is intellectually up to the challenge of leadership. We could postulate that the current approach to leadership is too democratic and that outcomes tend to be the lowest common denominator of an over-democratic process in which everyone has the power of veto on what is done – including those not qualified to participate in the decision making.

'Ironically, just as its original designers were rejecting it, many business organisations began adopting the competency-based approach to developing people. Why – great managers do not believe that those who excel in the same role all display the same behaviours. Instead, they believe that those who excel in the same role all create the same outcomes, often using different behaviours.'

'...not everyone is cut out to be a leader so we need to ensure we develop the right people as leaders.'

By its nature leadership development cannot be a long-term quick fix. Given the time it takes to build leadership capability in an organisation, it's arguably unrealistic to be overly precise about what capabilities will be needed by the time the leaders in question are ready.

As one article points out⁸, the vast majority of the money spent on leadership development is spent on people who've already been leading for years – some of them decades.

*A lot of leadership development is ineffective and a great deal of money has been wasted. The big heresy of our times... is that all you have to do is get the top level right. Lots of organisations have poured 80% of their resources and money into the top 10–20% of people and they've forgotten the rest. That's wrong. That's ignorance. What we know is that you have to have excellence at all levels and work as a team.*⁹

'On average, just 7% of an organisation's training budget is spent on first-line supervisors and yet these will be the leaders of the future.'



On average, just 7% of an organisation's training budget is spent on first-line supervisors and yet these will be the leaders of the future. There is a flaw in giving the vast majority of leadership training to senior leaders who are already so set in their ways that they're fairly resistant to change – generally for one or more reasons:

- They're convinced their way is right
- They're afraid to admit they might have been doing things wrongly
- Their habits are deeply ingrained and they lack the time, energy or motivation it takes to replace one habit with another, better one
- They've been plying the leadership trade for a couple of decades so they aren't likely to make a big, effective behavioural change because of a couple of classes

One of the participants in the Henley debate, who doesn't work in HR, said on the second day of the debate that he's keen for his company to get rid of this 'inverted pyramid'. His plan is to switch from investing 70% of the leadership development budget at the top of the organisation, to investing 70% at the bottom where people are more malleable and open to development. The military has been doing this for years.

One debate didn't lead to a conclusion: whether leadership development should be targeted at those who demonstrate the greatest potential for leadership or offered to everyone. We tend to opt for a more inclusive route when it comes to choosing who should be offered leadership development. From our perspective, screening people in or out at an early stage fails to take into account three things we know to be true about leadership:

- As the context changes so does the type of leadership required – an individual might not be demonstrating leadership potential in their current environment but might be fantastic in a different time or place
- Leadership attracts different people for different reasons – for instance, it could be a desire to direct the course of an organisation, to nurture and develop others, to change how we think or do things, to pass on experience and expertise, to protect the legacy of an organisation or fulfil a moral vision
- People’s desire to lead changes over time – many people only feel the call to leadership later in life, once they’ve carved out their niche as an individual contributor or once they’ve found a cause or style that suits them

There is of course a danger in inverting the pyramid. We may invest in people who don’t have the same commitment as the more senior leaders and they might just leave to go to another organisation. The answer lies with how we treat them, not assuming the problem is with them. We need to listen to them and their needs, not assume we know why they might leave, and show them that they have a future in the organisation encouraging them to show the commitment to the organisation that is a key part of the leadership mix. Our approach should not depend on waiting for them to get to a senior position, or long tenure, in order for us to get a return on investment on leadership, which highlights more flexible career structures, project work etc as vehicles, as well as real succession planning (as opposed to simply putting names in boxes).

‘Take the learning where the challenge is’. Too much leadership development takes people out of the richest learning environment available – their place of work.’

1.3. Leadership development is ongoing and should take place where the challenge is, not always in the classroom

One of the key mantras from the first day’s debate was ‘Take the learning where the challenge is’. Too much leadership development takes people out of the richest learning environment available – their place of work. They’re placed in what is effectively an airlock, they learn some good stuff, and then they’re dropped back into their natural habitat and left to get on with applying what they’ve learned. Immediately, the inertia around them kicks in, doing everything it can to maintain equilibrium and prevent the eager learner from changing anything – in themselves or the world around them.

We see three possible interpretations of the term ‘Take the learning where the challenge is’, although we’re sure there are more. One is literal: real leadership challenges happen in the workplace, so do leadership development in the workplace, rather than in fancy hotels. If, as we believe, 70% of our work-related learning happens *in* the workplace, the future of leadership development should focus on making that process as efficient as possible.

The second interpretation is temporal: leadership development needs to be delivered at the right time. This is a difficult one, as who is to say what the ‘right time’ is? One answer is ‘when they’re ready, before they need the learning and before it’s too late for them to learn it’. A second is to tailor leadership development to the individual, so each person gets the learning they need when they’re best placed to receive it. Another approach is to ensure that leadership development is a continual cycle of practice, feedback, reflection, integration and recalibration – rather than a series of biannual one-day events separated by a sea of belligerent ‘business as usual’. The three aren’t mutually exclusive.

The third interpretation of ‘Take the learning where the challenge is’ is relational: leadership is something that happens in the relationship *between*

‘If we want to develop *leadership* instead of individual leaders, we need to work with leadership teams rather than developing people one at a time.’

leaders and the world around them, not *within* leaders. If we want lasting behavioural change, we should work on change in the presence of the inertia of the system – by working directly on the relationship between the leaders and that system.

So, what does this look like in practice? We’ll offer two suggestions. The first is fast emerging as a new(ish) direction for executive coaching and leadership development. The second is based on the nugget of an idea that was developed in one of the sessions in March 2013.

Systemic team coaching

If we want to develop *leadership* instead of individual leaders, we need to work with leadership teams rather than developing people one at a time. Team interventions in the workplace have been around for a while now. However, they’ve tended to focus on the inner workings of the team, rather than treating the team as part of a wider system. Systemic team coaching addresses that, by helping the team work with its own internal dynamics *and* its interface with its stakeholders within and beyond the organisation. It also works over time, respecting the fact that leadership development does not happen instantaneously or over a couple of days but is an ongoing process. Systemic team coaching acknowledges the fact that much of the learning needs to come from the leaders themselves – through the knowledge they have and the work they do, rather than instead of it.

Leader-led leadership learning

At the time of writing, this concept is very much work in progress. It needs to be: as with systemic team coaching, its very essence is co-creation. This isn’t a ready-made model that can be transplanted from one organisation to the next. Some organisations are already trying to implement forms of ‘leader-led learning’. This approach looks to take things further than most.¹⁰ It builds on everything we’ve covered so far in this paper – the purpose of leadership development, the qualities we’re seeking to develop, the selection of those who should provide and receive that development, and the concept of ‘taking the learning where the challenge is’ (in the literal, temporal and relational sense of the term).



To us, 'leader led' doesn't simply mean that senior line managers are involved in delivering training courses. It means the line managers involved must literally be leaders in the field of leadership. They don't need an academic grounding in leadership theory, but they must be excellent leaders with the right practical knowledge, skills and mind-set for leadership and leadership development. These leaders work alongside the best people HR/L&D have to offer – experts in leadership *and* adult learning who also have the necessary skills and mind-set for the job. Critically, though, these two groups of people do not simply get together and co-create a leadership development programme that's then imposed on the new and future leaders beneath them. They work together, coaching and mentoring each other, to engage those new and future leaders in co-creating it.

The dialogue begins with the questions 'Why are we in business?', 'Where are we headed?' and 'What do we need to get there?' The new and experienced leaders work together to create a shared understanding of their context and the likely future direction of the organisation. Then they assess what capacity is needed to take the organisation in that direction – including the leadership capabilities required. Once that's clear, all three groups work together to design and deliver the leadership development 'programme' that will help build that capability. HR/L&D advise on the core learning principles, based on the latest research in leadership and adult learning. The focus throughout is on creating and milking genuine learning experiences, many of them on-the-job activities with a high probability of safe failure – failure being a key source of leadership learning. And the programme includes proper accountability, where all participants are required to provide evidence of their development.

Where does the time and money come from? It comes from the current budget of time and money allocated to the development of senior leaders. This is their primary source of leadership development – after all, leadership is largely about building the capacity of the organisation and securing the commitment of its people to the direction in which they're headed. They, like the new and future leaders, are participants in the programme. They, too, are learning on the job. And, throughout the process, they have leading HR/L&D professionals coaching them and junior staff giving them frank feedback on what it's like to work with them. This should involve how we think about the normal process of work, putting emerging leaders and experienced, talented leaders together on real work, which has to be done anyway – breaking the notion of hierarchically level teams and adopting a principle of hierarchically diverse or even 'engineered' teams.

It's a design that helps senior leaders teach, learn and role model learning. This and the nature of a shared experience create a greater sense of mutual understanding between them and their followers – the new and future leaders with whom they're working. That in itself offers an opportunity for a significant shift in mind-set. It helps junior staff appreciate the true challenges of taking a leadership role. It helps break the pattern of hero and demon worship that creates barriers between leaders and those they lead. It reduces the risk of leaders becoming magnets for high expectations and ill will. The net effect is healthier, more productive followership throughout the organisation, with everyone taking due responsibility for the organisation, its challenges and its future.

The role of HR with early talent is to provide these core leadership principles and enabling environment. The role of HR with senior talent should move from

'...Leadership is largely about building the capacity of the organisation and securing the commitment of its people to the direction in which they're headed.'

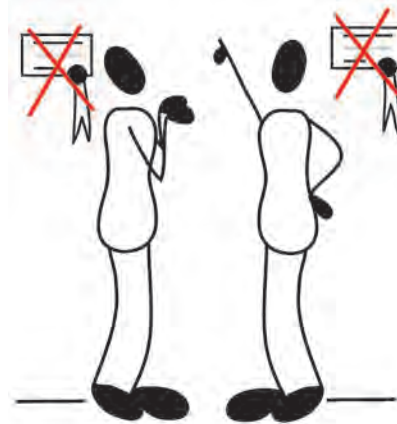
solutioning to coaching them on developing talent. It's about finding creative ways to trigger the expression of people's aspirations and help them feel safe to say what they really want to do.

This type of leadership development is contextually grounded and a continuous process that brings the learning to where the challenge is. It has the knock-on benefit that experienced leaders get to experience the context of younger generations, which in turn allows them to break some of their established views as to where the business needs to go and how it should get there. It makes people live it and do it during the learning experience encouraging both the mind-set shift and the in-the-moment enactment of the behaviours that will change the mind-sets. A leader talking to their teams to understand their aspirations and goals is something that is a priority, but perhaps resisted.

What we need is more leadership training that uses methods that are more effective than lecture, or even lecture with PowerPoint and handouts. We need to use more methods that offer opportunities to learn from specific, relevant situations. And we need to use more methods that allow for reflection. Here's another really important thing. A lot of great classroom training never finds its way back to the workplace. It never seems to make any difference in what the leader-trainee does. That's because companies spend their time and money on the training and forget about the learning. That's up to the individual, but companies usually don't even bother to set learning expectations or check to see whether a trainee is using what he or she was taught. They should.¹¹

'What we need is more leadership training that uses methods that are more effective than lecture, or even lecture with PowerPoint and handouts. We need to use more methods that offer opportunities to learn from specific, relevant situations. And we need to use more methods that allow for reflection.'

Principle 2 Leadership is a mind-set not a course



‘We need to move beyond narcissistic self-development to help people find a purpose beyond themselves that connects their development as leaders to the organisation and, in the light of the recent financial crisis, to a broader set of stakeholders and their legacy.’

Mind-sets are the key to successful leadership. There are a few ways of slicing the notion of leadership mind-sets. All of them are relatively niche where leadership development is concerned. One of our favourites¹² suggests that up to 90% of leaders are stuck in what the author calls a ‘conventional’ mind-set in which their priorities are either short-term survival, the pursuit of a quick buck, fitting in, being clever or achieving results.

It’s this ‘conventional’ leadership mind-set that led 19th and 20th century leaders to create all the great new things we have in the world and all the misery that appears to go with them. As one article¹³ points out, many pre-‘civilised’ cultures practised a form of ‘applied wisdom’ that considered human psychology and certain market principles but wasn’t subjugated by them. According to its author, Tim Macartney, the Iroquois native Americans still use one question to judge any decision: ‘When translated into action, will this decision have any kind of harmful outcome on our children seven generations to come?’ Most ‘civilised’ leadership teams have replaced this question with ‘How will this decision benefit our customers?’ Others have left the customer behind and ask instead ‘How will this decision benefit our shareholders?’ The rest tend to focus on ‘How will this decision benefit us, or more importantly me?’

Macartney asks us to try to develop leaders whose visions are rooted in strong values. He asks that we seek to create leaders who ‘contribute to a just, equitable, healthy and happy society and to energetically and positively contribute to the short and long-term health and vigour of our environment’. This requires a significant shift in mind-set. It also requires us to attend very closely to the qualities we’re looking for when developing leadership. We need to move beyond narcissistic self-development to help people find a purpose beyond themselves that connects their development as leaders to the organisation and, in the light of the recent financial crisis, to a broader set of stakeholders and their legacy. We need to ask them to articulate to what extent they are embracing this purpose, what challenges it creates – transcending the immediate and finding a wider purpose to improve the larger world.

The challenge for leadership development is it’s difficult to see how you can change mind-sets on a sheep-dip course. A course can provide a catalyst but it needs to be integrated into a much deeper development process.

Indeed we need to move beyond our old event-based ‘training’ mind-set to a developmental mind-set where an event is part of a learning journey that enhances the learning through effective reflection and application of the learning over a prolonged period of years supported by coaching and mentoring not just teaching, and even in how we select those who we feel have the potential to be leaders.

Training is something leaders dread and will try and avoid, whereas they will embrace and look forward to development. Development is nuanced, contextual, collaborative, fluid, and above all else, actionable¹⁴.

The following 20 items point out some of the main differences between training and development:

‘We need to move beyond our old event-based ‘training’ mind-set to a developmental mind-set where an event is part of a learning journey that enhances the learning through effective reflection and application of the learning over a prolonged period of years supported by coaching and mentoring not just teaching...’

Training	Development
Blends to the norm	Occurs beyond the norm
Focuses on technique/content/ curriculum	Focuses on people
Tests patience	Tests courage
Focuses on the present	Focuses on the future
Adheres to standards	Focuses on maximising potential
Is transactional	Is transformational
Focuses on maintenance	Focuses on growth
Focuses on the role	Focuses on the person
Indoctrinates	Educates
Maintains the status quo	Catalyses innovation
Stifles culture	Enriches culture
Encourages compliance	Emphasises performance
Focuses on efficiency	Focuses on effectiveness
Focuses on problems	Focuses on solutions
Focuses on reporting lines	Expands influence
Places people in a box	Frees them from the box
Is mechanical	Is intellectual
Focuses on the knowns	Explores the unknowns
Places people in a comfort zone	Moves people beyond their comfort zones
Is finite	Is infinite
If what you desire is a robotic, static thinker – train them	If you’re seeking innovative, critical thinkers – develop them

‘Should we be taking an emerging leader and changing 90% of them to fit some model of leadership, or are we better looking at the 90% of people’s natural leadership ability to drive an outcome, and then tweaking the 10% or so required for that to happen easily here in the context of this organisation.’

2.1. Leadership development has to be grounded in individual self-awareness and an individual’s flexibility and agility in adapting to the organisational context

The core of our view on leadership development is that it needs to ‘help you to be the best leader you can be in your context’. As we said earlier this isn’t about trying to get everyone to conform to some generic pattern of leadership. We should not be trying to make identikit leaders, but recognise each person is an individual in their own context. Should we be taking an emerging leader and changing 90% of them to fit some model of leadership, or are we better looking at the 90% of people’s natural leadership ability to drive an outcome,

and then tweaking the 10% or so required for that to happen easily here in the context of this organisation. Only one of these is arguably cost effective. This means we need to focus on developing people's personal awareness of their own capacities within the organisational context, expanding their minds to their leadership potential not limiting them by focusing on how they match up, or not, to some template. Awareness is the key to opening minds to different personal possibilities and outcomes. It makes development meaningful and aspirational to them by relating it to their situation and their needs. It anchors learning in the learner not the teacher. It encourages reflection, which is the key to effective learning and development.

This implies some very different approaches to leadership development, for example we believe leadership development should:

- Focus on liberating people to be the best they can be
- Encourage mobility to develop agility
- Help people to think and reflect as a core to effective learning
- Put this learning into practice in the moment
- Reflect on people's capabilities but also on the implications of the organisation's strategy for their future development
- Reflect on people's self-limiting assumptions about their own capabilities
- Help people go beyond their comfort zone and recognise that from time to time this means taking a risk
- Not punish the failures that result from taking these risks but reinforce the learning opportunity
- Stretch people to achieve more double-loop learning
- Develop these reflective and learning skills within individuals but also teams
- Make it the bottom line that leaders develop their own people through feedback and coaching (not teaching)
- Enable people to have great and relevant conversations
- Enable people to make connections with others and with the necessary knowledge and resources
- Help people identify other role models they can learn from
- Help people get in touch with what learning really is

'...we need to focus on developing people's personal awareness of their own capacities within the organisational context, expanding their minds to their leadership potential not limiting them by focusing on how they match up, or not, to some template.'



2.2. Individuals need to take equal accountability with the organisation, demonstrating the value they add from the learning

‘do leaders make organisations or do organisations make leaders?’ Our view is both.’

So many leaders go to a leadership training, have a great experience, love the program, love the trainers, love the content and then go back to work and fail to make any real changes. Within six months the only evidence of the program is the large folder in their bottom drawer.¹⁵

If our core paradigm is that leadership development is an organisational not individual issue then we need to ask the question – ‘do leaders make organisations or do organisations make leaders?’ Our view is both.

The problem is that the current paradigm with much leadership development is that development is something that is done to people. It is a time-bound event that at the extreme is seen as either a punishment or a reward, not an integral part of driving individual and organisational effectiveness. This encourages recipients to see this development as something separate to their job and their performance, something they can choose to take or leave. We need to shift this to encourage people to take accountability for their own development and generate a return on what is invested in them. An approach whereby we make it clear what the organisation needs from leadership in its current and future context helps this, whereas one based around a random capability list serves to encourage potential leaders to wait for something to be delivered to them.

There is a lot of evidence that this mind-set shift in taking responsibility for their own learning, rather than seeing it as the responsibility of the teachers, underpins effective leadership development.

Marshall Goldsmith reviewed how well 86,000 leadership training participants actually learned from the experience. He found that the people who went home, talked about the learning and worked, deliberately to implement new behaviors learned best. But those who just went back home and did no follow-up showed no improvement at all.¹⁶

If we invest money in a new system or equipment we don’t leave it up to people to decide whether they’ll use it. We need to be clear that development is an investment and people have to take responsibility for getting a return from it. We need to be clear that they are expected to reflect and apply the learning to demonstrate learning.

People develop fastest when they feel responsible for their own progress. The current model encourages people to believe that someone else is responsible for their development – human resources, their manager, or trainers. We will need to help people out of the passenger seat and into the driver’s seat of their own development.¹⁷

‘If we invest money in a new system or equipment we don’t leave it up to people to decide whether they’ll use it. We need to be clear that development is an investment and people have to take responsibility for getting a return from it.’

We need to reinforce this through the design of learning that isn’t passive or event based: development vs. training. If they simply have to sit there and listen, then go back to their day job with no effort to transfer the learning then it is hardly surprising that they don’t engage with it.

The traditional training approach has relied on external experts to ‘push’ solutions at the leaders – ‘here is how to do innovation’, ‘here is how to motivate employees’. This is based on the strange assumption that everyone in the room has exactly the same problem, at exactly the same time and needs exactly the same solution. Leaders who are submitted to trainings with this ‘push’ strategy quickly become passive, or

worse dormant and come to believe that leadership development is about someone else solving their problems. Leaders develop better in a program structure where they think through and take action to solve their own leadership challenges (with support and guidance).¹⁸

2.3. We will provide a range of engaging development options grounded in organisational challenges that stretch people to be the best leaders they can be

*Don't train leaders, coach them, mentor them... and develop them, but please don't attempt to train them. Where training attempts to standardize by blending to a norm and acclimating to the status quo, development strives to call out the unique and differentiate by shattering the status quo.*¹⁹



‘In the same way we talked about individual awareness so we have to be aware that this implies that each individual is unique and will require a different menu of learning options...’

The danger is we have commoditised learning in our effort to be efficient. We talk about tools, methodologies, processes and programmes. We have already noted the difference between training and development so we need to design development interventions that are grounded in our understanding of how adults learn and focus on effective outcomes not efficient inputs:

- **Experiential** – grounded in the reality of their roles
- **Reflective** – grounded in their own personal experience
- **Contextual** – grounded in organisational challenges now and in the future
- **Stretching** – a safe environment where people can take risks
- **Collaborative** – team as well as individual, bringing a balance of support and challenge
- **Learner driven** – a range of tools to be drawn down rather than pushed
- **Scenario based** – dynamic learning that explores alternative solutions
- **Simulations** – looking at the interaction between different people and situations
- **Multifaceted** – enabling access to emotions/feelings and intellectual thinking
- **Real time** – less programmatic and more in-the-moment development

In the same way we talked about individual awareness so we have to be aware that this implies that each individual is unique and will require a different menu of learning options from our list. We have to treat them as consumers, empowering them to pick and mix what works for them from a selection. In consumer marketing we have moved from mass marketing through segmentation to the concept of the market of one. If corporations can take advantage of insights driven from social media and big data analytics to create highly flexible nuanced offerings tailored for millions of individual consumers surely it's not beyond the wit of HR to create something similar for an audience of hundreds.

*In developing leaders, what worked with one person won't necessarily work with another. Each requires an approach attuned to his or her strengths and weaknesses. What if we took the same ingenuity and effort that we use to tailor services for our customers and put it into customizing learning and development for our internal team members?*²⁰

*Not everyone learns the same way. Consider blended learning approaches to ensure that everyone has an equal opportunity to reflect, learn and apply information and skills. Allow time to develop and integrate the new habit in one's daily routine. If the participant's manager isn't involved in the leadership initiative then you have a weak program. Peer coaching and/or mentoring can be incredibly valuable to amplify and accelerate learning from leadership development efforts.*²¹

We also have to think about who leads the learning. The people who educate the leaders of tomorrow should be those who are best suited to do so, not simply those who are keenest, cheapest or most available. Sure, they need to want to bring on the next generation of leaders, but they need to have the right knowledge, skills and mind-set to do so. We see the following as minimum requirements:

Knowledge	Skills	Mind-set
Deep, broad understanding of the organisation and its context	Emotional intelligence	Passionate about learning and self-improvement
Experience of leadership in practice – personal 'war stories' and insights	Giving and receiving feedback	Focused on stewardship of the organisation, not their own personal success
Solid appreciation of leadership theory and research	Coaching and mentoring	Committed to being a role model for responsible leadership
A robust understanding of the process of adult learning		Committed to co-creating leadership development

'The people who educate the leaders of tomorrow should be those who are best suited to do so, not simply those who are keenest, cheapest or most available.'

The knowledge components demand that experienced leaders actively participate in delivering leadership development, alongside people who have made it their business to know what the research says about leadership. 'War stories' and leaders' personal experiences are often highly engaging but are rooted in specific contexts, which means the lessons learned from them may not apply in other situations – a phenomenon seen with Jack Welch's best-selling books, based on his own experiences as CEO of General Electric.

The knowledge components, then, are fulfilled by a *team* of people providing leadership development, rather than each person needing to major on all four. The skills components aren't as flexible. Emotional intelligence is a must for anyone involved in high-quality leadership development. Coaching skills, mentoring skills and the ability to give and receive feedback will make a huge difference and any member of the leadership development team who lacks these skills will quickly become a weak link in the chain. Without these skills, any leader-led learning risks collapsing into hero worship and/or passive instruction. We'll continue to see bad habits passing from one generation of leaders to the

next and we're likely to experience imbalance and instability in the leadership development team.

In our experience, the mind-set is non-negotiable for everyone involved. Our discussion suggests we're not quite there yet. One major blocker seems to be that the HR and L&D community thinks it has the right mind-set when, in fact, it generally doesn't. Yes, most of us are passionate about learning and development. However, as a community, we fall short on the other three mind-set requirements. We're not sufficiently focused on stewardship of the organisation. We're not sufficiently committed to being role models for responsible leadership. And we're not sufficiently committed to genuinely co-creating leadership development.

Principle 3

We will measure the impact leadership is having on the organisation's challenges not measure leadership development

For all the large sums of money invested in the leadership industry, and for all the large amounts of time spent on teaching leadership, learning leadership, and studying leadership, the metrics are mostly missing. There is scant evidence, objective evidence, to confirm that this massive, expensive, thirty-plus-year effort has paid off. To the contrary: much more often than not, leadership development programs are evaluated according to only one, subjective measure: whether or not participants were satisfied with the experience. But, of course, even if they were, this does not prove the program had the impact it wanted or intended; in fact, the opposite might be true – it could be that the most satisfied participants were those who changed the least.²²

It is positively scandalous that we invest so much money in leadership development but do so little to evaluate its impact not just on developing leaders but on developing leadership that is making a difference in an organisation's ability to deliver its strategy today and in the future. There is little linkage made at the beginning between the intervention and the difference it is making beyond an assumption that doing leadership development is a good thing that all good companies do. Indeed it has become accepted wisdom that high-performing companies invest in developing leaders. But how many studies go beyond correlation at the general level to identifying specific causality at the organisational level. This isn't actually about measuring leadership development, measuring the effectiveness of the intervention, but about measuring the difference developing leadership is making to organisation's short-term performance and long-term capability building.

'It is positively scandalous that we invest so much money in leadership development but do so little to evaluate its impact not just on developing leaders but on developing leadership that is making a difference in an organisations' ability to deliver its strategy today and in the future.'

3.1. We will measure impact not input

This means having a different mind-set when we focus on measurement – not ROI and happy sheets but outcomes. It brings us back to one of our original questions: 'What is the challenge to which 'leadership' (and therefore 'leadership development') is the answer?' This means evaluating from the outcome back, asking what is the challenge to which leadership is the answer and measuring whether the challenge has been addressed through the development of effective leadership. Our leaders actually don't care about leadership development itself. They care about delivering whatever their stakeholders are demanding so they will care if leadership development will help them achieve this. We have to focus on delivering value through leadership development not measuring the value of leadership development. Therefore the outcome measures should be meaningful to leaders, business measures like performance or engagement, especially if HR wants people in the business to take responsibility for developing others.

What you measure is what you get so if we focus on measuring inputs there is a risk of people chasing the measure rather than the outcomes. It is therefore better to measure whether we are making progress to a desired state rather than hammering things down to a number. Rather than happy sheets perhaps we should have the people being developed coming back to tell stories of

what they have been enabled to do differently as leaders and the impact this has had. This type of qualitative feedback helps people have some understanding of the part they play in the relationship and the purpose of leadership in the organisation.

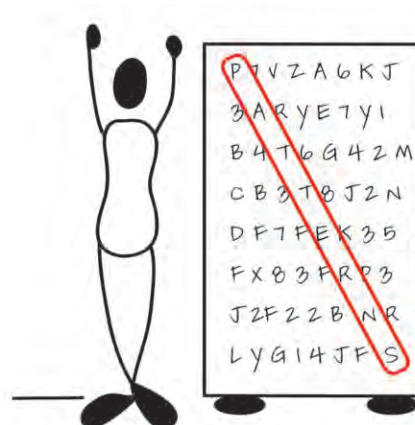
The fundamental message is that part of HR's role in the future of leadership development is to help everyone in the organisation understand the impact leadership is having on the organisation itself. And if that impact is to genuinely be understood across the organisation, it needs to be couched in terms that everyone in the organisation understands and can buy into.

3.2. We will measure the whole picture not just each element: identifying dynamic changes in patterns from a range of sources as they emerge over time, not one-off events

Most companies spend their time and money on the training and forget about the actual learning and practice that is required to develop new skills. That's up to the individual, but companies typically don't even bother to create and share learning expectations or follow up to see whether a leader is using what he or she was taught. Few companies ever evaluate whether their leadership development efforts work and even fewer provide tools to hold learners accountable for creating and tracking professional development plans. And we wonder why most leadership development efforts are typically ineffective. Link the leadership development intervention to an ongoing process involving the participant's manager and a mechanism to ensure that developmental plans are tracked and monitored following leadership training.²³

'If leadership development is about the difference it makes and not the delivery of training we need to move beyond measuring single events to measuring changes in the system and the relationships between the different elements in the system.'

If leadership development is about the difference it makes and not the delivery of training we need to move beyond measuring single events to measuring changes in the system and the relationships between the different elements in the system. We should be thinking about evaluating leadership by using a range of measures that provide a multifaceted approach identifying the patterns in the overall picture over time and including more qualitative evidence, evaluating where you have come from, where you are now and where you are going. There is a place for hard measures and we should draw together all the relevant indicators from existing sources, talent grids, succession plans, engagement scores, 360 degree feedback, etc, but then develop new ways to measure where there are gaps. Some of these may be anecdotal and inferential, especially stories and gossip as they tend to ripple across the organisation in cascades. We need to listen to these ripples and make sense of them. Just because they aren't numbers doesn't mean they are not measures of progress.



Evaluating leadership as an ongoing, multi-faceted process rather than time-bound, specific activity. It's great that the leadership participants liked the facilitator and material. More important is whether anyone notices actual behavior change after the leader leaves the training.²⁴

The measurement timeline is not linear, because the context is dynamic and impacted on by internal and external forces. Equally we need to avoid turning this measurement process into a long, drawn out process that becomes a mini industry (in one organisation there were 36 people working on measuring ROI on development!) and there needs to be a degree of immediacy and a strong feedback loop so the learning to be derived from the measure can be useful for the individual being developed.

Principle 4

HR will focus on addressing current and future organisational challenges not selling leadership development solutions

The final principle comes down to HR's own role in developing leadership and, by implication, as organisational leaders. We need to think more clearly about how we position ourselves in this debate, taking clear accountability for the development of leadership while recognising it's an organisation-wide agenda not just one for HR. We need to be more than business partners, talking in an impenetrable, jargon-filled way about leadership. We need to be leaders. We need to be experts at learning and development but we also need to be business experts driving what we do, not from our own internal functional world, but out of a deep understanding of where the business is going and the role of leadership in getting us there.

'...we also need to be business experts driving what we do, not from our own internal functional world, but out of a deep understanding of where the business is going and the role of leadership in getting us there.'



For a long time now, HR has been desperate for a seat at the top table – to be an equal voice in the creation of organisational strategy. HR's not alone, of course: IT is in much the same position – seen as a cost centre, rather than a key contributor. HR appears to have become obsessed with its own credibility in the eyes of the rest of the business, despite the fact that every half-decent CEO appreciates the critical role of people and leadership in the success of their organisation. At the same time, HR has a tendency to reinforce its position as a separate, subservient entity. The title 'HR Business Partner', for instance, sends a very clear message that the person in HR is not a part of the business, they're someone on the outside who's seeking to help. Referring to other people in one's own organisation as 'customers' sends a similar message. It says 'I'm here to provide you with a service, if you want it.' It sets an expectation that one side is selling and the other is choosing whether or not to buy. It risks creating an adversarial mind-set where HR feels it needs to battle for budget against the people who hold the purse strings.

HR needs to see itself for what it is: a part of the business. It needs to be a stakeholder, not just talk about stakeholders, which means it needs to take a very real stake in the business. Like any serious player at the top table, it needs to put the success of the organisation ahead of its own agenda, and think and act as a steward, not a service provider. If what we need from leadership relates

'If we are adopting some of the principles set out here, shouldn't we be more like Finance and say that these are the 'rules of the game'

to the success or failure of the organisation (which it will, or else, we wouldn't be doing it) then if leaders fail to engage with it perhaps they are not the right people to be leaders. At the moment, it is fair to assume that HR could be doing much more to engage people with leadership. However, if we are adopting some of the principles set out here, shouldn't we be more like Finance and say that these are the 'rules of the game' and if you don't want to be on the bus... Indeed we asked what it is that the Finance function has that HR does not. How come it's almost always the heads of Finance that are seen as the natural successors to the head of the whole organisation? One of the answers is 'clear direction'. Finance has discipline. Finance knows what it does, knows what it's for, and has clear rules and regulations through which it delivers on its role in the organisation. It never takes 'no' for an answer. But the truth is, the 'truths' of Finance are far less black and white than most people assume. Forecasts aren't fool proof, ideal debt ratios are a matter of opinion not fact, and financial models and management information are open to interpretation like anything else. But Finance moves forward with a certainty HR typically only displays when dealing with transactional and disciplinary matters that are enshrined in employment law – where, in many cases, they'll bring in a lawyer to back them up.

Not only does Finance appear to have greater clarity in its direction, its people almost always move forward in unison. As one person said: 'I've never seen a function that hunts as well in packs as Finance.' Generally speaking, HR's less united. It lacks a clear, consistent view of itself and the world in which it operates. Which is one reason individual HR professionals are much more likely than their colleagues in Finance to collude with other parts of the organisation in choosing the easy answer over the right answer. And it only takes one act of collusion to start the rot. Before you know it, we've commoditised learning to the point that we've stripped out all of its value and left only the administrative and budgetary burden.

There seems to be a sense of professional near-embarrassment among HR practitioners. We've met plenty of accountants who might joke that their profession's a little dull, but they never give the impression it shouldn't be taken seriously. There's never any sense of *apology* for what they do. We call for a greater sense of pride in HR. We should be proud to work in HR because we work across the organisation, are empowered to adopt both the long and short-term views, deal with something that's incredibly complex, and manage the one asset that organisations have that enables them to compete with emerging markets. We're left thinking 'Wouldn't it be great if people said 'I work in HR', with the same enthusiasm we hear when people say 'I work for Google', '... Apple', '...the UN' or '...Pixar'?

Only by demonstrating full commitment itself will HR be able to gain the commitment of others. But it can't lead purely on the basis of passion, self-belief and the conviction that it, too, has a stake in the success of the organisation. HR needs to convince the other key players that it's in the game to win, just like they are. It needs to be courageous in its conversations, to truly co-create rather than simply providing a service, dutifully juggling other people's agendas or building an empire all of its own.

4.1. HR will facilitate the development of leadership not just create leadership development programmes. HR will consult and challenge, co-defining the business issues and co-creating solutions around them

HR needs to fundamentally redefine its role and what it seeks to deliver under the banner of leadership development. We need to change how we view our role, our contribution and ourselves:

From	To
Product	Solution based
Selling	Diagnosis and creating awareness
Partner	Leader
HR centric	Organisation centric
Broker for external training suppliers	Owners of a total solution
Complex exclusive HR jargon	Simple inclusive communications – the language of the business
Event based	Systemic
Training	Development
Input	Outcome
Knowing what the best looks like	Having the right conversations, drawing out the needs
Eagerness to sit in HR and design 'great stuff'	Eagerness to co-create with the business
Doing leadership development	Making a difference through leadership development
Playing at having a leadership development role in the business	Staking our success on the success of the business
Flavour of the month	Consistent
30-page competency profiles that are designed to keep everyone happy but are never read	Simple relevant leadership definitions grounded in the business's challenges, which the right people take ownership for

'...HR needs to bring its expertise in leadership and the development of leadership to these conversations to challenge what may be a simplistic view of leadership that is often based on the latest leadership book purchased at the airport bookshop to while away a long flight.'

We need to work with organisational leaders to define what the organisational challenge is that leadership is the answer to, and therefore the nature of leadership required by the organisation. We need to share the discussion on leadership development between the business and HR. They lead with needs definition aligned to their aspirations and we lead with solutions, long-term impact, connection to business ambitions and alternatives. If it is an organisational issue leaders need to be leading these conversations but HR needs to bring its expertise in leadership and the development of leadership to these conversations to challenge what may be a simplistic view of leadership that is often based on the latest leadership book purchased at the airport bookshop to while away a long flight.

This co-creation not only ensures contextual relevance but also creates ownership and commitment to and belief in the implementation of the whole approach to developing leaders. This leads to an important issue: what happens if leaders are not willing to engage in these conversations. If that's the case we have to be influential in engaging senior leaders. We have to do this

by showing the benefit to them quickly, succinctly using language grounded in business issues they understand, not going into overly complex time-consuming, theoretical HR-based detail. We need to get to the point or we lose our audience. We should get away from the fluff not waffling about process, theories and irrelevant benchmarks, but framing the conversation in terms of their business priorities. We need to work with the realities of the organisation's culture. We need to be aware of the power centres and relationships in the business and navigate the politics, balancing support and challenge.

'We should get away from the fluff not waffling about process, theories and irrelevant benchmarks, but framing the conversation in terms of their business priorities.'

4.2. Leadership development should be a series of real-time conversations in the business not something cooked up in a Centre of Excellence

HR can create a culture of leadership by holding great conversations not with itself but with the business (defining the leadership challenge) and with individuals (to translate this into the personal developmental implications that they need to own and address). This means being good at both the highly supportive conversations and the highly challenging ones.

HR needs to move away from thinking of leadership development as a Centre of Excellence rather than a real-time intervention service, where the central function provides the appropriate data and frameworks for the HR business partner and leaders to deliver interventions in real time where the challenge is. We also need to work as one single HR function, hunting in packs as we discussed above. The relevant Centre of Expertise whether it be talent, leadership development or L&D needs to align with the other HR functions and with the HR business partners to approach the challenge in a systemic way, relating it to people's careers and to the other elements of HR. We need to 'influence the system' – it is a system not a series of linear reporting relationships – so we must network with important leaders, be subtle and influence, delivering quick wins to gain benefits for the business to win support while building the long-term agenda.

4.3. HR needs the right skills and confidence to be role models and engage in challenging commercial conversations and not collude in the delivery of quick fixes

We constantly came back to a key question – 'to what degree do issues with HR create issues with leadership?' – issues around a lack of commercial awareness, a lack of fascination with the business rather than our profession, a lack of flexibility in solution, design and process, a lack of future-back thinking and an inability to work with paradox. Indeed looking back on the debate we believe it all boils down to HR needing to get better at leading if it's to help teach others to lead. Too many people go into HR because they want to work with people, not data and numbers, and HR is not developing enough of the right kind of people to take us where we say we want to go.

There is a shortage of people who can really deliver effective leadership development. As well as good basic [delivery] skills, they need to know more about the subject that they're teaching.²⁵

We need to have courage in our conversations, to have a view, to celebrate our professional expertise in leadership learning and development and not to collude in what we know is wrong. The issue here is that business leaders are often looking at a shorter time horizon than we want them to and see

'HR needs to move away from thinking of leadership development as a Centre of Excellence rather than a real-time intervention service, where the central function provides the appropriate data and frameworks for the HR business partner and leaders to deliver interventions in real time where the challenge is.'

their actions in terms of tasks to be done. They are under pressure and so are consistently in a 'short term task' mentality. We find ourselves wanting to show 'HR relevance' and so will feel it is right to respond with the same mentality. You need a course? Look we can find one!

Too often we are compliant and in our effort to be seen as responsive and relevant we will agree to deliver what the business asks for when we know it doesn't work. Why are other functions better at competing for attention and finite resources than we are? Why are we hesitant to be seen as experts? Have we lost our expertise on learning or are we just serving up learning? Are we happy to be waiters serving up what someone else produces or do we want to be the restaurant owner responsible for the delivery of the whole leadership development experience?

We must adopt a 'can do' approach, e.g. avoid conversations such as 'yes, the programme isn't great, but we can't do much about it.' This is both colluding with the business to agree there's nothing much we can do, and losing power in the conversation if we accept the business view. We need to hold firm in a flexible way.

This is also an issue around mandate, rules and measures. We don't have disciplined and consistent approaches or consistent measures. Everything in HR feels 'optional'. Why don't we have the courage to behave more like Finance and say 'this is what must happen'? At the core of this we need to be better at working with data to make our point in a way that goes beyond intuition to an objective fact-based basis for our recommendations.

The final set of challenges we discussed ultimately boil down to HR's ability to build its own capacity. Here, again, the focus was divided between HR's ability to lead within the organisation and its ability to lead itself. We'll focus here on the latter as that's where our own energies were focused and it relates directly to the need for HR to have those courageous, co-creating conversations. We wondered if HR is paying sufficient attention to its own capabilities.

- Are we recruiting as ruthlessly into HR as we should be?
- Are we ensuring HR professionals get the right development to make the contribution they need to?
- Are we managing our own people's performance as well as we ought to be?
- Why is a stint in HR hardly **ever** part of a leader's career development when all this stuff is so important?

These are big questions for HR and the answer to each was a fairly convincing 'no'. That's a real problem if HR is to be a role model for stewardship and responsible leadership, and wants to help shape the future of leadership development, but it's far from insurmountable if the will is there. We need the will to be a driving force in developing leadership and hire the best people into the HR function with business understanding and leadership development expertise. We need to invest time to help HR professionals understand what they need from leadership. Leaders need to invest sponsorship and money in addressing HR's capability. But if they aren't willing to invest then that isn't their problem. It's HR's. HR needs to convince the organisation of the need to invest this time and money and the risks to the business of not engaging in developing the right leaders or go somewhere where they will.

'Too often we are compliant and in our effort to be seen as responsive and relevant we will agree to deliver what the business asks for when we know it doesn't work.'

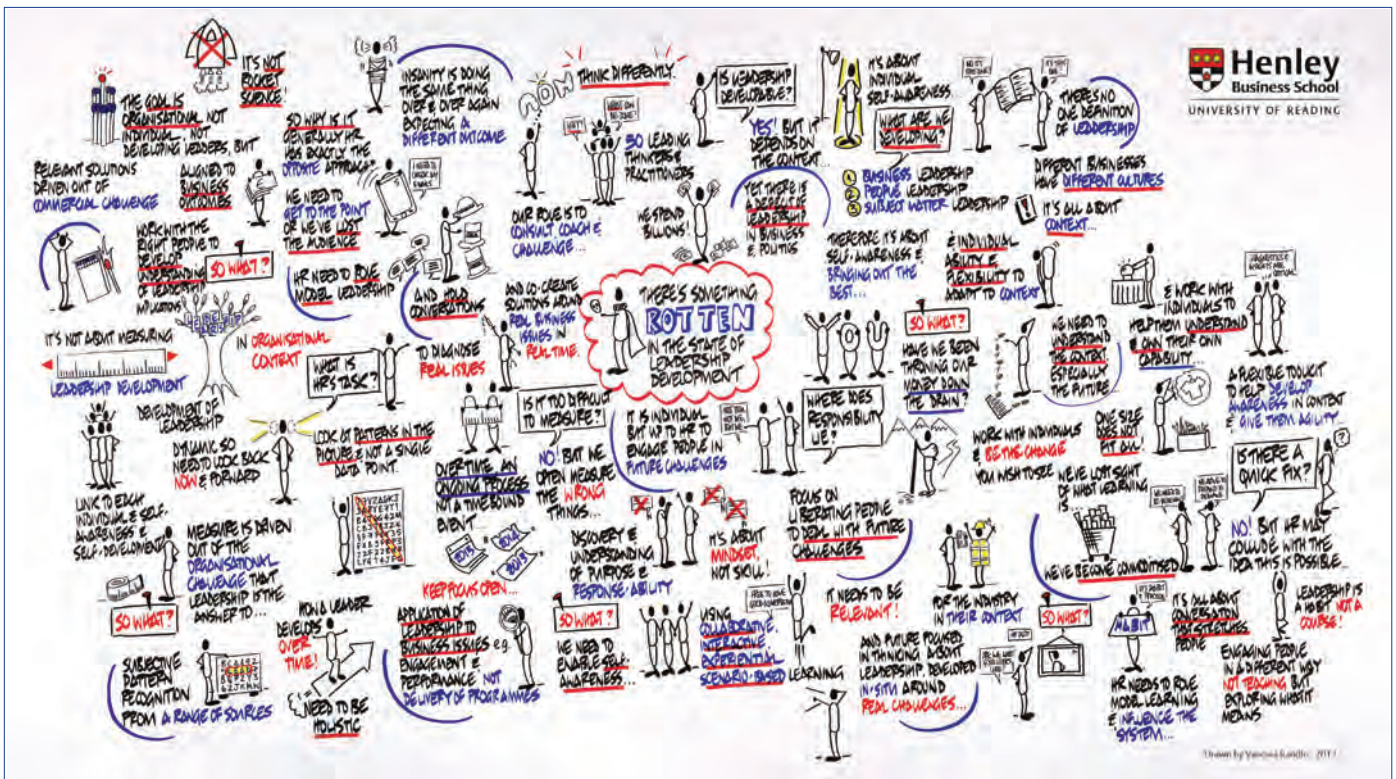
Conclusion

'The real challenge is for HR to develop confidence in its own expertise, competence in linking this to the organisation's strategy and purpose and the courage to challenge what we know isn't right, not just for our organisations, but for the future of our wider society.'

In conclusion let's return to our original questions:

- Is leadership developable? – Yes but it depends on the context. It's about developing leadership that addresses the commercial needs of the organisation and of society, not about a generic one size fits all model
- Are we looking for a quick fix? – No but we may collude with the idea that there is one. In an effort to be responsive and relevant have we commoditised leadership development and lost track of what learning is all about? We need to work with leaders using diagnostics, a flexible developmental toolkit and in-the-moment learning to help them become the best leaders they can be.
- Where does responsibility lie? – It lies with the individual but HR needs to engage them in understanding the future aspirations of the organisation and linking this to their own sense of purpose.
- Is it too difficult to measure? – No but we usually measure the wrong things. It isn't about measuring leadership development but about measuring the application of leadership to business issues. It isn't about a time-bound development programme but about spotting emerging patterns from a number of sources over time.
- What is HR's task? – It is organisational; not to develop individual leaders but to develop leadership in the organisation's commercial and society's wider context.

The issue is that while we know this we still seem to slip back into the easy and the comfortable. The real challenge is for HR to develop confidence in its own expertise, competence in linking this to the organisation's strategy and purpose, and the courage to challenge what we know isn't right, not just for our organisations, but for the future of our wider society.



Drawn by Vanessa Randle 2013
© Henley Business School

Acknowledgements

The Henley Centre for HR Excellence would like to acknowledge and thank: Richard Boston for his participation at the event and in co-creating this report. Nick Kemsley for his facilitation at the events, his note taking and his invaluable comments in editing the report.

Catherine Taylor (Mercedes-Benz) for her passionate involvement in designing the whole process.

The facilitators and 'dragons': Major General Gerry Berragan, Peter Hawkins, Liz Houldsworth, Jane McKenzie (also for her mind mapping), Bob Middleton (Mercedes-Benz), Nick Obolensky, Dominic Swords, Christine Van Winkelen.

Lucia Proffitt for the smooth running of the whole process.

Vanessa Randle of Thinking Visually for her superb visual capture.

All the participants for their contribution to the events that went into the thinking behind this report: Amal Ahmadi (Henley), Ian Anderton (KPMG), Claire Budgen (NHS), Clare Carr (B&Q), Kay Collier-Jeremy (Kingfisher), Jane Cotton (Oxfam), Jeff Crawshaw (NHS), Claire Davey (Deloitte), Susan DeFazio (Kelly), Jon Edge (Imperial Tobacco), Rachel Edwards (Mercedes-Benz), Dyfed Evans (Motorola), Nick Foster (Oracle), Rachel Gwynne (Nationwide), Danny Kalman (Panasonic), Rudi Kindts, Marel Laev (Oxfam), Aisling Nibhriain (Shell), Martin Nicholds (Amey), Elizabeth Nuttall (Oxford Instruments), Sarah Packman (Willmott Dixon), Deb Page (Oracle), Steven Palmer (AgustaWestland), Sarah Perry (Citi), Dan Simpson (Siemens), Jean-Anne Stewart (Henley), Mike Taylor (Vodafone), Grace Thompson (Oxford Instruments), Natalie Thwaite (GSK), Anna Vilapouca (Barclays), Bernd Vogel (Henley), Karl White (Mercedes-Benz), Natalie Whitehouse (Mercedes-Benz), Garcia Williamson (KPMG), Andrea Winfield (Microsoft).

References

- ¹ B. Kellerman 2012: *The End of Leadership*. Harper Collins
- ² M. Myatt (2012) 15 Ways to Identify Bad Leaders. www.forbes.com/sites/mikemyatt/2012/10/18/15-ways-to-identify-bad-leaders/.
- ³ W. Bock: Why Most Leadership Training is a Waste of Money and What You can Do about It. <http://leadership.bestmanagementarticles.com/a-1530-why-most-leadership-training-is-a-waste-of-money-and-what-you-can-do-about-it.aspx>.
- ⁴ From the article by Bock cited above.
- ⁵ K. Nowack (2008) Why Leadership Training Doesn't Work and What You Can Do About It. <http://results.envisialearning.com/why-leadership-development-training-doesn-t-work-and-what-you-can-do-about-it/>
- ⁶ N. Petrie (December 2011) Four Trends for the Future of Leadership Development CCL www.ccl.org/leadership/pdf/research/futureTrends.pdf
- ⁷ M. Buckingham (2003) Competency Programs are Well-intentioned, but Ineffective. http://lifework.arizona.edu/ea/dont_waste_time_and_money
- ⁸ From the article by Bock cited above.
- ⁹ J. Adair (2010) Leadership Development isn't Working. <http://procentus.wordpress.com/2010/10/26/35/>
- ¹⁰ We would like to acknowledge the specific contribution of Jon Edge, Rachel Gwynne, Nick Kemsley, Dan Simpson and Mike Taylor, to this concept.
- ¹¹ From the article by Bock cited above
- ¹² We're referring here to the work of Bill Torbert
- ¹³ T. Macartney (2012) Leaders Must Stay Close to Principles of Service. www.guardian.co.uk/sustainable-business/blog/leadership.
- ¹⁴ M. Myatt (2012) The #1 Reason Leadership Development Fails www.forbes.com/sites/mikemyatt/2012/12/19/the-1-reason-leadership-development-fails/
- ¹⁵ N. Petrie (2012) Why a Lot of Training Doesn't Work www.nicholaspetrie.com/2012/03/06/why-a-lot-of-training-doesnt-work/
- ¹⁶ From the article by Nowack cited above
- ¹⁷ From the article by Petrie cited above
- ¹⁸ From the article by Bock cited above
- ¹⁹ From the article by Myatt cited above
- ²⁰ M. Buckingham (2012) Why One-Size-Fits-All Leadership Development Doesn't Work <http://clomedia.com/articles/view/4877/>
- ²¹ From the article by Bock cited above
- ²² From the book by Kellerman cited above
- ²³ From the article by Bock cited above
- ²⁴ From the article by Nowack cited above
- ²⁵ From the article by Adair cited above

 For information, please contact:

Henley Centre for HR Excellence

Henley Business School
Greenlands
Henley-on-Thames
Oxfordshire, RG9 3AU

Lucia.proffitt@henley.com

Tel +44 (0) 1491 418 715

www.henley.com

© Henley Business School