

Intro / Question

What contributes to a successful Leadership Development Program?

Over 90% of CEOs see leadership development as the most important human-capital issue their organizations faces.¹ To address this, we propose the following as elements of successful LDPs.

Define Your Leadership Model

When designing your leadership development program, first define what your organization wants in a leader by identifying which competencies and behaviors your organization needs to compete effectively. While good leadership varies across cultures and contexts, a McKinsey study of 189,000 people in 81 organizations found 4 core behaviors related to leadership effectiveness:²

- Be supportive
- Operate with strong results orientation
- Seek different perspectives
- Solve problems effectively

As the nature of work begins to change towards more collaboration and less supervision, and with more of a focus on intrinsic motivation rather than extrinsic, it is important to develop leaders who can not only manage but also inspire their teams.³

Align Your LDP With Your Leadership Model

Some LDPs fail because many program activities are not perfectly aligned with the LDP's desired outcomes and impacts.⁴ Before executing any new training initiative, ask yourself, "What is the business outcome we are trying to drive?"⁵ If you can clearly articulate the purpose of each activity and *how* they will produce desired outcomes, then proceed with implementation.

In addition to LDP design, *communication* of intended outcomes and impacts is also crucial. In a CAHRS working group, many companies noted diminished impact on leadership and development initiatives because participants did not clearly understand their purpose.⁶ This problem can be mitigated by (1) providing participants with clear learning expectations, and (2) utilizing managers to help participants identify lessons learned through pre- and post-experience conversations.⁷

Ensure Senior Management Buy-In

A recent CAHRS study demonstrates that through modeling optimal behaviors and teaching new leaders about their jobs, senior leaders actually accelerate the development of new leaders.⁸ In addition to senior leaders direct role in LDPs, senior management buy-in is critical to a LDP's long-term financial and cultural survival.⁹

Senior leadership buy-in can take many forms. For example, as part of GE's 2 year Digital Technology LDP, senior leaders participate in various round tables during an intense two-week training program in Europe.¹⁰ At Tyson Foods, their LDP—Leaders Into Champions (LINC)—organizes monthly meetings hosted by business unit executives. These meetings provide invaluable time not only for executives to present on a leadership competency, but also opportunities for all participants to network with company leaders and peers.¹¹

Use Mentoring Programs to Engage Millennials

Among several common leadership development practices for millennials, only formal mentoring is correlated to superior market performance,¹² indicating the importance of incorporating an effective mentoring program into your undergraduate LDP. When considering leadership development practices, millennials believe mentoring to be one of the most effective and most underutilized.¹³

Best Practices: Along with a formal mentorship program, encourage LDP participants to seek out informal mentorship experiences. Also, inform senior leaders of the importance of mentoring and explain how being good mentors can help senior managers develop their own leadership skills.¹⁴

Case Study: Cisco's IT mentoring program in Australia targets young women entering the workforce. In the first year, participants receive about 35 hours of one-on-one time with a formal mentor plus additional time within group settings. This early feedback helps foster the confidence and communications skills mentees need for success.¹⁵

Incorporate Stretch Assignments

Stretch assignments achieve professional development when they are planned to engage participants with a rigorous set of new experiences. At Goldman Sachs, participants in their Leadership Acceleration Initiative are required to specify both developmental objectives and stretch assignments. These then served as blueprints for each person's experience. Stretch assignments in Goldman Sachs focused on cases where an individual would take on significantly different responsibilities than before.¹⁶

Best Practices: In order to ensure successful stretch-goal initiatives, it is important to create a supportive infrastructure around the developmental assignments. This includes leadership buy-in to ensure that the work is meaningful, impactful, and visible.

Case Study: IBM effectively enforced senior management buy-in to ensure that potential leaders receive stretch assignments. In top management's quarterly meetings, senior executives are expected to forward the name of at least one individual in his or her business unit or function who shows leadership promise and provide them with stretch assignments. If high potentials are not provided with stretch assignments, the chairman becomes involved to ensure they are given one. Senior executive positions are not available for employees unless they demonstrate skill in developing leaders.¹⁷

Conclusion

Research suggests a strong relationship between good leadership and shareholder returns.¹⁸ Therefore it is critical for organizations to understand how to develop leaders. LDPs can play a pivotal role in this, but must be driven by a clearly defined and continuously updated leadership model. Senior management buy-in is then vital for both the success of certain LDP mechanisms such as mentoring programs and stretch assignments as well as the success of the LDP as a whole.

¹ Lawson, E., Hancock, B., & Watson, A. (n.d.). State of Human Capital. Retrieved from <http://www.mckinsey.com/business-functions/organization/our-insights/the-state-of-human-capital-2012-report>

² Feser, C., Mayol, F., & Srinivasan, R. (n.d.). Decoding leadership: What really matters. Retrieved from <http://www.mckinsey.com/global-themes/leadership/decoding-leadership-what-really-matters>

³ Horwitch, M., & Whipple, M. (n.d.). Leaders Who Inspire: A 21st-Century Approach to Developing Your Talent. Retrieved from <http://www.bain.com/publications/articles/leaders-who-inspire.aspx>

⁴ Russon, Craig, and Claire Reinelt. "The results of an evaluation scan of 55 leadership development programs." *Journal of Leadership & Organizational Studies* 10.3 (2004): 104+. *Business Insights: Essentials*. Web. 27 Oct. 2016.

⁵ Allen, Mark. "Why Most Leadership Development Programs Are Not Worth the Time (and Money)." *Why Most Leadership Development Programs Are Not Worth the Time (and Money)*. Wwww.td.org, 21 Aug. 2014. Web. 29 Oct. 2016.
<<https://www.td.org/Publications/Blogs/Human-Capital-Blog/2014/08/Why-Most-Leadership-Development-Programs-Are-Not-Worth-the-Time>>.

⁶ CAHRS Working Group, June 4, 2015
<https://est05.esalestrack.com/eSalesTrack/Content/Content.ashx?file=c7b9594a-dd92-48bf-b456-41563d40f1c2.pdf>

⁷ CAHRS Working Group, June 4, 2015
<https://est05.esalestrack.com/eSalesTrack/Content/Content.ashx?file=c7b9594a-dd92-48bf-b456-41563d40f1c2.pdf>

⁸ Dragoni, Lisa. "Can Up-Line Leaders Accelerate the Rate of Leaders' Development?" CAHRS HR Spectrum eNEWS. Jan-Feb 2015
<<http://cahrs.ilr.cornell.edu/Spectrum/detail.aspx?id=10036>>

⁹ Byrne, Jo-Ann C., and Richard T Rees. *The Successful Leadership Development Program: How to Build it and How to Keep it Going*. Chapter 1. San Francisco, Calif.: Pfeiffer, 2006.

¹⁰ GE DTLP https://medium.com/@GE_DTLP/immersion-2-in-budapest-great-times-were-had-by-all-f688da99f5b6#.42rzhfj11

¹¹ Thompson, Mike. "What Makes Tyson's High-Potential Leadership Program Critical To Company Success?." *T+D* 65.4 (2011): 98-100. *Business Source Complete*. Web. 28 Oct. 2016.

¹² Galagan, Pat. "ASTD Research: Leadership Development for Millennials." *ASTD Research: Leadership Development for Millennials*. Td.org, 13 Mar. 2013. Web. 27 Oct. 2016. (See research report)

¹³ Galagan, Pat. "ASTD Research: Leadership Development for Millennials." *ASTD Research: Leadership Development for Millennials*. Td.org, 13 Mar. 2013. Web. 27 Oct. 2016. (See research report)

¹⁴ Chun, Jae Uk, John J. Sosik, and Nam Yi Yun. "A Longitudinal Study Of Mentor And Protégé Outcomes In Formal Mentoring Relationships." *Journal Of Organizational Behavior* 33.8 (2012): 1071-1094. *Business Source Complete*. Web. 27 Oct. 2016.

¹⁵ Cisco. "Impact Story: Mentors in Australia." *Impact Story: Mentors in Australia*. Cisco, 30 Jan. 2015. Web. 27 Oct. 2016. <<http://csr.cisco.com/casestudy/mentors-in-australia>>

¹⁶ Kerr, Steven, and Steffen Landauer. "Using Stretch Goals To Promote Organizational Effectiveness And Personal Growth: General Electric And Goldman Sachs." *Academy Of Management Executive* 18.4 (2004): 134-138. *Business Source Complete*. Web. 28 Oct. 2016

¹⁷ Ready, Douglas A., and Jay A. Conger. "Why Leadership-Development Efforts Fail." *MIT Sloan Management Review* 44.3 (2003): 83-88. *Business Source Complete*. Web. 28 Oct. 2016.

¹⁸ Smet, A. D., Schaninger, B., & Smith, M. (n.d.). The hidden value of organizational health—and how to capture it. Retrieved from <http://www.mckinsey.com/business-functions/organization/our-insights/the-hidden-value-of-organizational-health-and-how-to-capture-it>