

# Leadership Development

By Terry Stockham

In today's fast-paced business environment and highly competitive labor market, organizations have high expectations of their leaders. The ideal leader is flexible, proactive, possesses strategic thinking and analytical skills, is culturally competent and adept at competitive positioning. To attain this level of leadership, the organization must be committed to leadership development. This commitment begins with the establishment of a strong partnership with the Board, CEO and senior management in the leadership development process. Effective leadership development encompasses four key areas:

1. the speed required to forward the development of leadership talent;
2. determining the most effective leadership models and methods;
3. wisely investing time and money for leadership development; and
4. clearly demonstrating the success of leadership methods

A recent survey of 240 major public and private companies on effective leadership development notes that the top 20 companies have formal leadership programs and 90% have formal leadership competency models. In addition, these companies integrate their leadership competencies into processes for selecting, developing and assessing leaders.

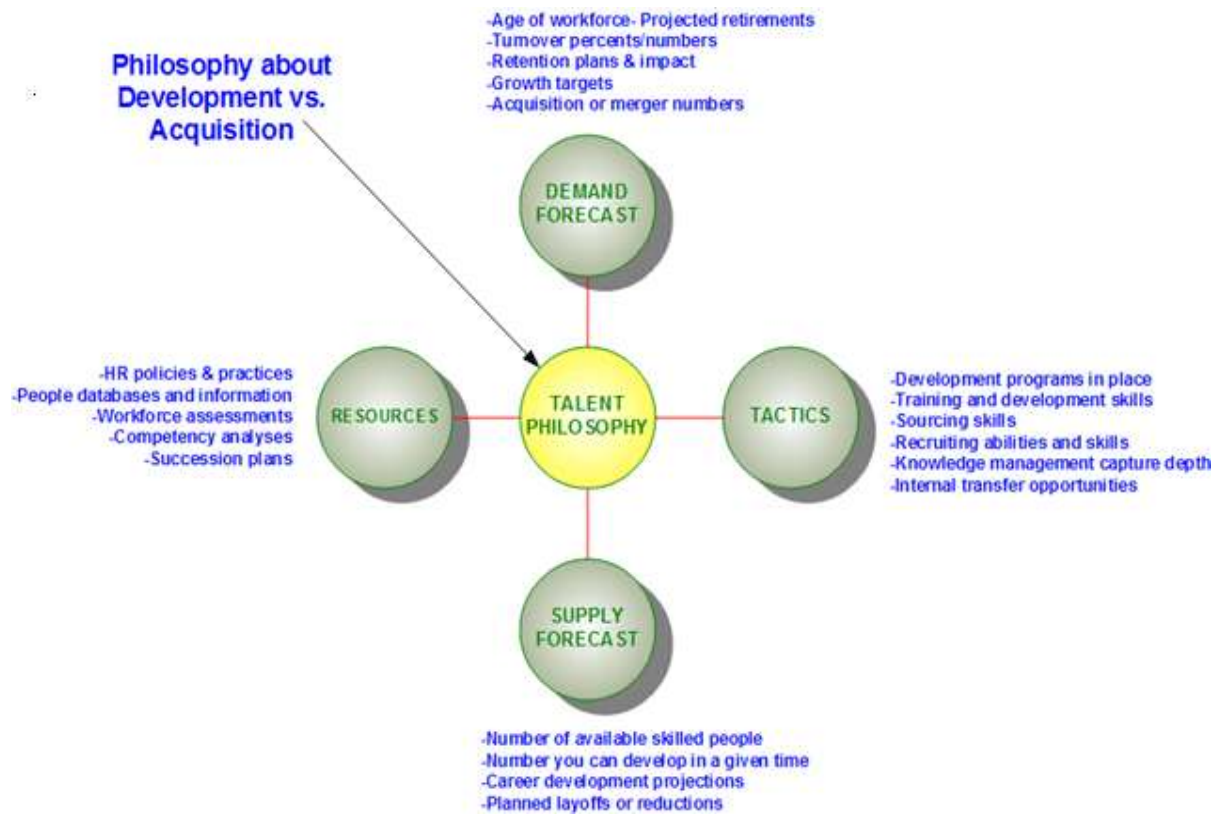
Further, research shows that organizations that approach leadership development with a process are among the most successful and high-performing organizations. The most successful leadership development processes contain all or most of the following elements:

- Assess leader styles and motives and determine their impact on climate and performance.
- Create customized, competency-driven leadership models to support the organization's strategic goals.
- Focus on and expand the emotional intelligence of their leadership (e.g., self-awareness, self-management, social awareness, social skills).
- Demonstrate a strong commitment to extensive development and coaching efforts.
- Measure and reward both leadership development and performance.

Extensive use of assessment tools, developmental experiences, and coaching/mentoring have shown to be the most effective methods of leadership development among the organizations studied.

Equally important is the development of the right talent philosophy aimed at attracting and retaining the potential talent to ensure a continuing supply of leaders for the future.

In development of a talent philosophy, the key question to answer is; "what percentage of leaders does the organization want to develop vs. the percentage of leaders to be acquired?" The organization's strategic ambitions as set out in the medium and long-term strategies are pivotal to determining the appropriate human capital policies, practices, and subsequent factual success. Some of these questions can be answered by reviewing the company strategy and comparing it to the business/environmental realities using the model below.



The right mix of external acquisition vs. internal development (30/70, 40/60, etc.), or philosophy, will emerge from the careful analysis of supply and demand factors and the development of the appropriate tactics and resources to address the present and future talent needs of the organization in the labor markets where the organization operates.

In summary, leadership development is not just training and development, it has to be a core component of the organization's culture to produce the desired results.