

Rewiring your Leaders

to create a performance and values-based culture

Most chief executives have already twigged that in a world of knowledge workers, hyper competition and global transparency, **companies only have one form of competitive advantage left – leadership.**



"If one man can change a nation..."

The big questions are: how best to develop our leaders? How do we step-up our John Waynes to Nelson Mandelas? Should we design and deliver our own internal leadership courses or should we outsource? How can we use leadership development to create a performance and values-based culture? If we outsource, should we send them to one particular provider or a provider of their choice? How can we be sure that external courses are not just 'sheep dips' that rub off in no time at all?

Creating our own internal leadership courses has a number of benefits. First we can tailor the courses to align with the culture, values, and strategy of our company. Second, we can do it at lower cost by employing our own learning and capability staff (fixed costs) to design and oversee the programme delivery and supplement / leverage them with part time or casual contractors (variable costs) to facilitate the courses. Overall we can reduce the costs of attending external open courses significantly. And oh yes, it is very fashionable to be a knowledge & learning driven organisation with our own internal 'business school'.

For the top level executives we can of course make an exception and recognise their desire to attend an Ivy League Business School in Europe or the US. Let's face it, having Harvard or INSEAD on the CV is something we all aspire to and gives an impression of being a super-hero leader. True, it may cost \$60,000 to complete a two month Advanced Management Program, but that's not much when you compare it to the salaries and bonuses of some of the top managers in large organisations.

And if budgets are tight and we are really sharp, we can even use executive coaches to be the personal trainers of our high potentials and senior leaders. It's very cost effective and a number of leaders can be coached for the same amount it would cost to send someone on an external open programme.

But as compelling as these apparent benefits might appear, **there are some major hitches in this logic.** First leadership is about seeing yourself through the lens of others, and who would want to attend an in-house leadership course and rely on colleagues competing for the next step-up opportunity to reflect a true and clear picture of yours truly? And what about those HR people sitting down the back; are they marking my card? Will the chief executive read my grades or hear that 'my colleague' is more emotionally intelligent than me? And what about our CEO; will s/he be comfortable showing 'shadow side' to direct reports and putting 'leadership reputation' at risk?

Attending an Ivy League Business School overseas is certainly an option for the senior executives. These courses typically focus on case studies (rather than oneself) and being offshore provide a high level of anonymity. **But when we get back to the office, the fade factor is usually quite high.** Ask someone you know who went to one of these Ivy League Business school courses, three months later, "what changes have you made in your leadership style?" The most likely response is "not a lot".

Executive coaches certainly provide a mirror, but leaders are different people when observed in complex and ambiguous group situations than when they are behaving at their best in a room with a coach.

So what is the best solution? There are as many views on leadership development best practice as there are HR managers and external providers. But one thing is for sure; there are some important principles that need to be understood and applied. Our view at ISL, after 10 years in the leadership development sector and observing the 1,500 top leaders who have attended our open programmes, is that leadership starts at the top.

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The chief executive is the leadership role model for all other leaders in the organisation. S/he is watched closely everyday like a gold fish in a bowl - every move is magnified. It's not what leaders say but what they do and how they do it. Chief executives embody the culture, live the values, monitor the attitudes and behaviours, set the energy levels and articulate the vision and goals. They are either battery chargers or energy vampires. They are creators or cost cutters. They are lifted on the shoulders of their followers, or they get so far out in front of their followers that they are perceived as the enemy.

It follows that investment in the chief executive's leadership development is the number one priority; then the EGMs and GMs; then the high potentials - in that order. Leadership development should cascade down from the top.

Management training (e.g. project management, business case preparation and strategic planning) and certain aspects of leadership (such as recruitment, performance management, team building, vision & values), **might be best done in-house** (from a cost-saving perspective) if the organisation is large enough. But we need to consider whether we are missing out on the opportunity for our executives to learn from other sectors and their top leaders.



When it comes to building self awareness, leadership of self, interpersonal leadership, and understanding the group dynamics of followers, a safe learning place is required where anonymity is assured and reputations are not put at risk. Learning about oneself and reviewing one's leadership style in the company of other top leaders from other sectors (private and public) provides a unique opportunity to benchmark and develop valuable networks. And using the same provider and processes creates a shared experience and common vocabulary which builds confidence and encourages high-trust learning conversations among the executive team and level 3 & 4 leaders. Once leaders have gained a view of themselves through the lens of independent peers - then is the time to undertake ongoing executive coaching, and to connect the dots and create a high performing leadership team. This will involve in-house facilitation of vision, values, culture, and team-building workshops

For top people, **attendance on an Ivy League course four or five years later is a great idea if the budget allows.** Rubbing shoulders and bench-marking with international peer groups helps build one's confidence. "I might not be so great, but look at them!". And confidence in oneself and one's knowledge is essential, especially for chief executives and their successors. Attending Ivy League Business Schools is also seen as a rite of passage by many directors and search consultants who expect the leaders of larger organisations to have been exposed to international best practice.

But to transform our organisation, first we must transform our leaders, and this requires a top-down systematic and integrated approach using safe learning places and advanced executive development processes. There is no short cut or low cost way of building a world class leadership team; and given that leadership creates competitive advantage in all key performance metrics (including ROI, engagement and retention scores), it is wise to invest in best practice top-down leadership development - even more so during tough economic conditions where only the best led organisations excel and prosper.

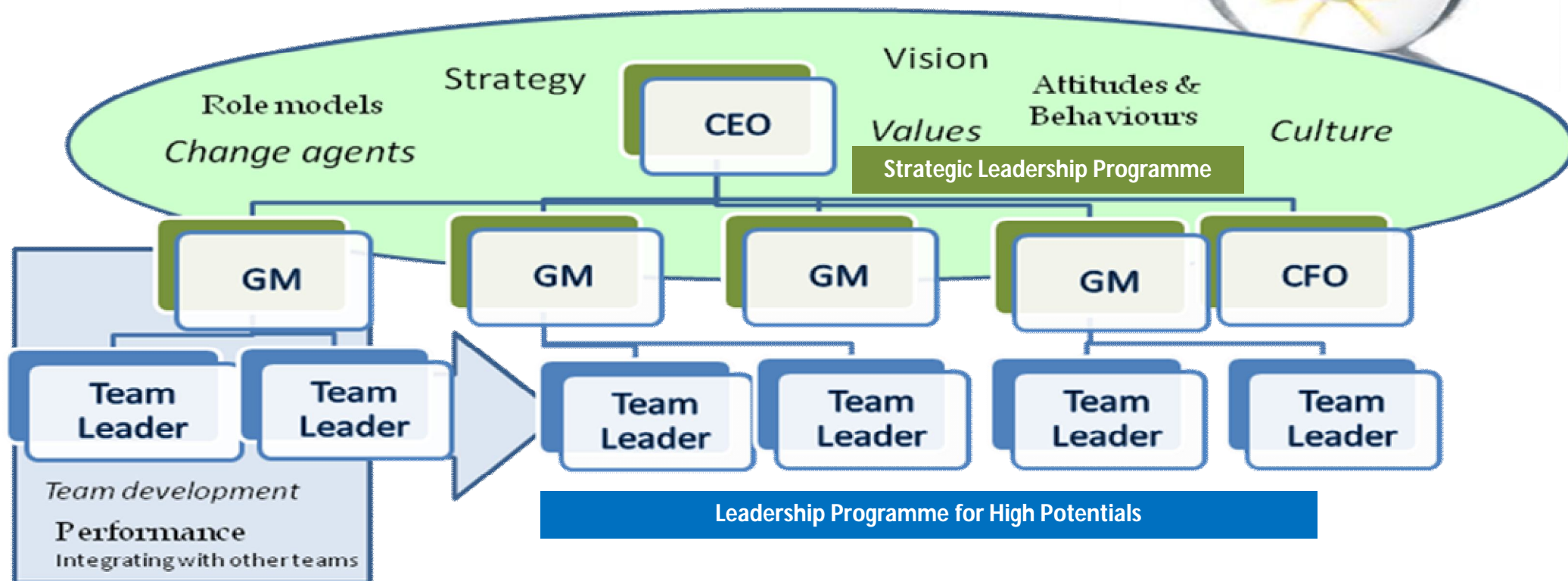
And remember - low cost leadership development solutions are akin to low cost jet engines; cheaper on the short run but potentially fatal when environmental conditions are turbulent. Remember that Boeing and Airbus outsource their jet turbines despite the savings they could obtain designing and building their own.

"If one man can change a nation, just imagine how six-to-eight emotionally intelligent role-model leaders can create a performance and values-based culture."

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“Leadership flourishes or perishes from the top down”

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Development priorities:

1. Chief Executive – Strategic Leadership Programme
2. General Managers – Strategic Leadership Programme
3. Team Leaders – Leadership Programme for High Potentials
4. Strategy, Vision & Values, Culture – Facilitated Workshops
5. Executive Coaching – Leadership and Lifestyle