



# Reinventing and Democratizing Leadership Development



# **Table of Contents**

Leadership Training Is Ripe for Disruption	3
The Current State of Leadership Development	4
The Impact of Immature Leadership Development	5
The Potential of High-Quality Leadership Development	6
Barriers to Successful Leadership Development	7
The Leadership Development Opportunity	8
Poor Leadership Behaviors Can Take Hold Early	8
Forming Good Habits Early is Critical	9
Top Modalities for Training Emerging Leaders	10
Leadership Training Is Ripe for Disruption	11
Employers Aren't Focused on the Right Competencies for Developing/Emerging Leaders of Tomorrow	12
Changing Nature of Leadership	13
Digital Leadership Development	14
Components of The Narrative Pedagogy	15
Authors and Contributors	16
Skillsoft Leadership Development Program	17
About Brandon Hall Group	19

# Leadership Training Is Ripe for Disruption



Leadership Development is a cornerstone of Talent Management. In 2018, and in many years past, corporate business and HCM leaders have paid more attention to Leadership Development than any other HCM function, according to Brandon Hall Group's 2018 HCM Outlook research.

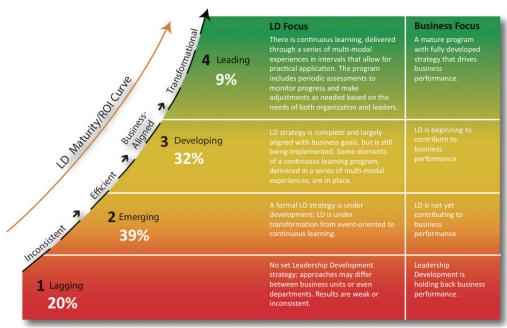
But all the attention and investment are not paying off with better leaders or improved business results. In fact, Brandon Hall Group's latest Leadership Development research shows that no more than 41% of organizations believe LD programs at any leader level – from emerging and front-line all the way to the executive level – are effective.

The outlook is clear: leadership development is poised for disruption—partially through reinvention, and partially by democratization. By democratization we mean spreading development more evenly between leader levels rather than concentrating development at senior leader levels, which is largely the case now. It also means cascading it deeper into the organization.

Most leadership training today is too long, too linear, and neither engaging nor contextualized for the learner. Today, leadership is less about "hero" leadership and more about effective teambased, agile leadership. That equates to a larger market of future leaders who need foundational leadership development. However, for that leadership development to be effective, how the content is delivered is just as important as the content itself. The solution needs to be efficient, effective, and engaging.

# The Current State of Leadership Development

Maturity of Leadership Develop Programs



© 2018 Brandon Hall Group Source: 2017 Brandon Hall Group Leadership Development Study (n=279)

Before we delve into what needs to change in Leadership Development, it is important to understand where we are now. Only about about 2 in 5 organizations are developing leaders in a way that benefits the business.

Using its latest research results, Brandon Hall Group developed a Leadership Development Maturity Model. The model includes 4 levels:

- Level 1 (Lagging): 1 in 5 organizations have no real leadership development strategy, and what programs they have are inconsistent across the enterprise, and even within business units or even departments. LD is not making a contribution to business results, and may even be holding back the organization.
- Level 2 (Emerging): About 2 in 5 organizations are developing a LD strategy and beginning to move away from event-oriented LD into a strategy of continuous learning. But LD is still evolving and is still not making a business difference.
- Level 3 (Developing): About one-third of organizations have a well-developed strategy of
  continuous learning with a rich mix of modalities targeted at most or all leaders levels,
  from high-potential/emerging leaders, through frontline leaders and supervisors, mid-level
  managers, senior leaders and executives. At this level of maturity, LD is beginning to have a
  positive impact on the business.
- Level 4 (Leader): One in 10 organizations is at this elite level where LD is fully developed, completely aligned with the needs and goals of the business and focused on not only current leadership needs, but on the future and the competencies, capabilities and skills that are needed in the digital age.

# The Impact of Immature Leadership Development

The direct consequence of a lack of well-developed programs is less-than-effective leadership at all leader levels. The Brandon Hall Group research shows low effectiveness rates for leadership programs at all development levels. The most serious problem — and the biggest missed opportunity — is the lack of relevant programs aimed at high-potential and emerging leaders.

The poor results are not the result of lack of effort. The research shows that 90% of organizations have a targeted program aimed at high-potentials and emerging leaders. But those efforts are simply not succeeding. As you will see, most organizations are not focusing on the right competencies, nor are they developing content that positively impacts learners who are just beginning their leadership journeys. They need a broad foundation that can equip them to meet current responsibilities and future challenges.

#### **Leadership Development Effectiveness by Leader Level**

Leader Level	Less than effective	Effective/Exceptional
Executives	62%	38%
Senior Management	63%	37%
Mid-level Management	63%	37%
Supervisor Level	59%	41%
High-Potentials/Emerging Leaders	67%	33%

Source: 2017 Brandon Hall Group Leadership Development Study (n=272)

# The Potential of High-Quality Leadership Development

Percentage of Organizations With Improved Key Performance Indicators (By Level of Leadership Development Maturity)



Source: 2017 Brandon Hall Group Leadership Development Survey (n=272)

Even though most organizations struggle with Leadership Development, especially among high-potentials, the news is not all bad. Brandon Hall Group Our research shows that the organizations which invest in LD in the right ways — with specific strategies and aligned to the needs of the business — can get good results.

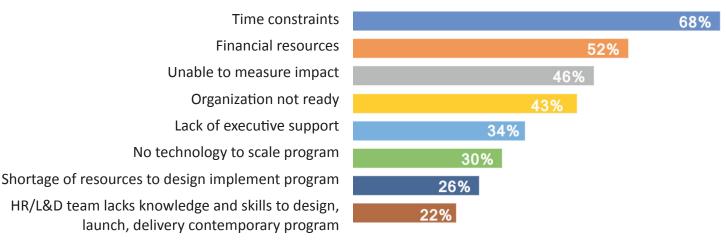
For organizations with more mature LD programs – those at *Levels 3 and 4* in the maturity model – there is a strong correlation between successful leadership development programs and improved Key Performance Indicators such as employee engagement, customer satisfaction and retention, and employee retention.

In fact, *Levels 3 and 4* organizations are 45% more likely to experience increased employee engagement than *Level 2* organizations, and 141% more likely to see better employee engagement than *Level 1* organizations. Similarly, the most mature organizations in LD are 2½ times more likely than *Level 1* organizations to see increased employee retention.

Leadership development – created in alignment with business needs and focused on the correct competencies, skills, capabilities and attributes – can and does work. So the burning question is, what is impeding progress for so many organizations?

# Barriers to Successful Leadership Development

Which of the following do you consider to be barriers to an effective leadership development program in your organization?



Source: 2017 Brandon Hall Group Leadership Development Survey (n=230)

When Brandon Hall Group asked research respondents about barriers that existed in developing leaders, the top two reasons were, predictably, time and money.

Almost 7 in 10 organizations said time constraints were a major barrier to leadership development, and more than half cited financial resources. And yet, when asked about their intentions for LD in 2018, 43% said they plan to spend more money in 2018-19, and 59% said they plan to spend more time – the two things they cited as their biggest constraints.

Organizations Keep Spending More Time and Money ....



More Time on LD in 2018-19

Plan to Spend

But the problem gets worse. The research also shows that when organizations do spend more money on LD, they spend it disproportionately on senior and executive leaders, rather than front-line and high-potential and emerging leaders.

Organizations need to be much more strategic in their use of the limited time and money they can put toward LD. With senior leaders, it is more difficult to change behaviors and build new capabilities and sensibilities to lead in the digital age, where there is greater focus on teambased collaboration, innovation, and rapid change. The missed opportunity is providing a broad foundation of leadership skills when learners are earlier in their leadership journeys and do not have entrenched habits that may not be in the best interest of the business – or their careers.

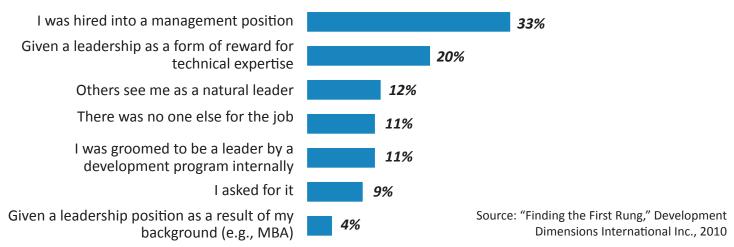
# The Leadership Development Opportunity

The transition into leadership has always been a difficult one. Going from being responsible for oneself to being responsible for several direct reports – or even overseeing a team of peers – can be daunting. Research shows that only one-third of leaders are hired into a management position, and even then they may not have much – or any – formal preparation for the roles. Only about 1 in 10 leaders indicated they were groomed to be a leader by an internal development program.

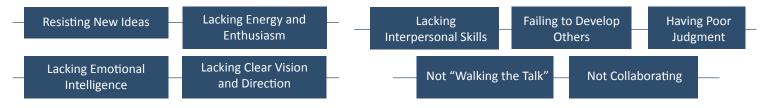
### Transitions into leadership roles can be very rocky . . .

- Little to no formal development in anticipation of the most challenging transition in business
- Often little, if any, warning
- Very little advanced preparation

### How I Arrived in a Leadership Position



# Poor Leadership Behaviors Can Take Hold Early



Source: Adapted from Ten Fatal Flaws That Derail Leaders by Jack Zenger and Joseph Folkman.

With so little preparation or assistance to lay the proper foundations for managing and leading, it is easy for bad leadership behaviors to take hold early. While many people talk about being natural leaders, leadership skills – particularly in a competitive, corporate environment – do not come naturally to most people. It is very likely that new leaders, many of whom are promoted based on their technical expertise in their previous positions, might be resistant to new ideas, developing others, or building effective teams through collaboration.

# Forming Good Habits Early is Critical

Forming good leadership practices early in a leader's development is critical because poor leadership and management is costly. A high percentage – about half – of all new leaders fail on the job. And, as we are told all too often, employees don't quit companies, they quit managers. In fact, about one-third of an organization's employee turnover can be avoided through better leadership.

- Poor leadership practices cost companies an amount equal to 8% of annual revenues.
- 32% of an organization's employee turnover can be avoided through better leadership.
- Better leadership can generate a 3%-4% improvement in customer satisfaction.
- Most organizations operate with a 5%-10% productivity drag that better leadership practices could eliminate.

The cost of poor leadership is significant

**Insufficient Training and Development: Leading Cause of Leadership Derailment** 

Cited as **#2 reason** for Leadership Derailment by senior executives

Lack of Teamwork / Collaboration

Insufficient Training / Development

Ego / Arrogance / Micro-management

No Clear Strategy / Vision

Lack of Leadership Qualities

Inability to Change

Poor Leadership Selection

Lack of Trust

Emotional Intelligence /

Self Awareness

Lack of team orientation; Driven by personal ambition vs. team success; Not culture network

Failure to unleash talent. Lack of commitment to learn; No formal training process; lack of focus from top management

Failure to recognize team for success; More interested in themselves than their reports

No developing / executing strategies; Behaviors that conflict with organizational values; Business acumen

Failure to lead / develop / inspire / engage; lack of dedication to employees

Lack of innovative thinking; Failure to adapt; Lack of flexibility

Lack of hires with good leadership skills; Poor job alignment

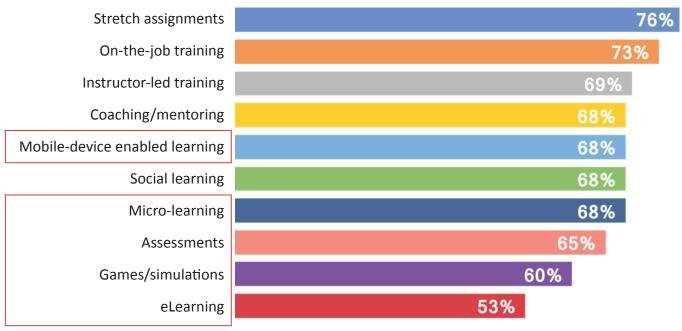
Lack of trust, integrity, loyalty; Betraying trust

Inability to make hard people decisions; Lack of effort for self-development

Source: Skillsoft

The bottom line is that lack of training and development for high-potential or emerging leaders leads to lack of quality leadership, especially in the current work environment that is less hierarchial and more focused on cross-functional team collaboration and collective problem-solving.

# Top Modalities for Training Emerging Leaders



Source: 2017 Brandon Hall Group Leadership Development Survey (n=265)

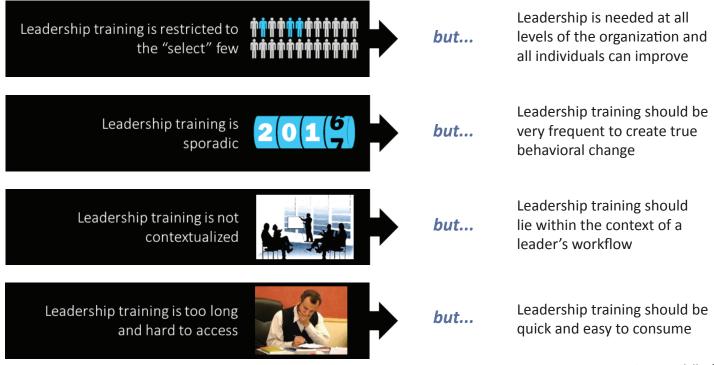
But the type of training is also important. When training more senior leaders, experiential modalities, such as stretch assignments and on-the-job training, are used most often. These are also seen by Brandon Hall Group research respondents as the most effective modalities at this level.

These same modalities, however, are also the most frequently used forms of training for emerging leaders. But as we showed earlier, training of emerging leaders is less effective than training at other leader levels.

One reason may be that organizations are putting the cart before the horse when it comes to training these emerging leaders by using these higher-touch methods too early. In other words, providing hands-on leadership experiences before providing a firm foundation of leadership skills and competencies puts these learners in situations for which they are not yet prepared.

ELearning, which as the graphic above shows is the least-utilized modality for training emerging leaders, is an excellent way to teach foundational skills to large groups of new and emerging leaders. And most of these learners are also millennials, who respond to short bursts of content on an anytime-anywhere basis, mobile-device enabled learning, micro-learning and games/simulations. But, as the research shows, almost all those modalities get less use at the more junior levels than the more experiential types of training. Make no mistake – experiential learning in leadership development is good, but it is much more effective after undergoing a foundational training program that can be delivered by under-utilized eLearning.

# Leadership Training Is Ripe for Disruption



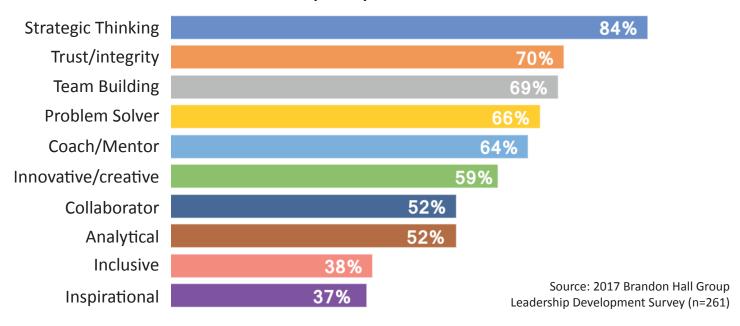
Source: Skillsoft

Fresh and innovative leadership development approaches are required to prepare the next generation of leaders, who will be stepping into leadership roles much earlier than previous generations and leading in an era of digital transformation.

Organizations in every vertical are flattening their structures with deeply collaborative, crossfunctional teams, so individuals are no longer constrained by the limited, traditional hierarchical pathways into functional leadership roles. As a result, today's workers cannot predict when they will experience their first leadership opportunity. Therefore, organizations that provide broadbased leadership development training will help those with leadership potential evolve and meet leadership challenges whenever they arise. Having more individuals at all levels who are prepared with foundational leadership development opens up a wider swath of the talent pool in the moment of need.

# Employers Aren't Focused on the Right Competencies for Developing/Emerging Leaders of Tomorrow

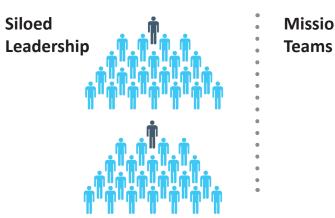
#### **Leadership Competencies in Place**



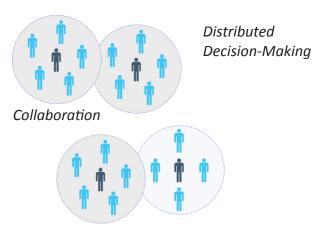
The Brandon Hall Group research shows that organizations still stress traditional competencies, such as strategic thinking, trust/integrity, team building and problem solving. There is certainly nothing wrong with these competencies — and clearly they are needed as leaders progress in their careers. But they are not the ideal initial core competencies to focus on when developing emerging leaders. These learners often start in entry-level roles that require the ability to be inclusive, influence, collaborate, innovate and inspire, all of which rank toward the bottom of the priority level of leadership competencies, according to the research.



# **Changing Nature of Leadership**



Mission-Driven

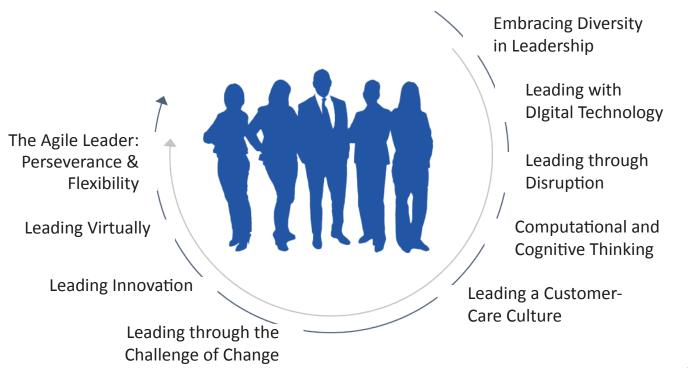


"Hero Teams Not Hero Leaders

Source: Skillsoft

The age of siloed leadership and the "hero leader" is giving way to the age of leading in a digital economy, where "hero teams" work collaboratively and decision-making is distributed across functions and many employee roles. This calls for a stronger emphasis on different competencies. For example, Skillsoft's Leadership Development program includes content covering 20 critical leadership competencies for today's learner, many of which are listed below:

#### **Leading in the Digital Age: New Competencies**



Source: Skillsoft

# **Digital Leadership Development**

Democratization of leadership development encourages and allows individuals to start thinking about becoming a leader earlier in their career. Mass-access leadership development resources, leveraging the best that effective educational technology can offer, present a powerful solution to support learners as they embark on the journeys. Organizations can no longer afford to be as selective as they have in the past regarding providing employees with an understanding of what it means to be an effective leader and how to get there.

These types of programs, like Skillsoft's new Leadership Development Program, make extensive use of scenarios and behavioral demonstrations for fully contextualized leadership development.

#### New Foundational Course Content for Leadership Development!







Leading through the Challenge of Change course



Host as learning agent



Leader mentor



Behavioral demonstration scenario



Source: Skillsoft

This instructional approach leverages a common set of characters, including a "leader mentor" throughout the portfolio of leadership courses. The use of high-impact drama and pragmatic storytelling within the scenarios encourages retention. Through this drama, the content directly models critical human-interaction elements important to the leadership pedagogy, such as body language, tone, and attitude, and demonstrate clear and specific strategies for effective implementation. The use of vignettes and role plays within behavioral demonstration leverages one of the most valuable methods for training future leaders, and the use of a mentor leader is akin to providing mentorship at scale.

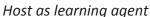
# Components of The Narrative Pedagogy

#### **Character Portrayal**

- Body language facial expressions and gestures of characters reinforce desired emotional response and enhance storyline.
- Empathetic characters deliver storylines with authenticity through strategic tone, pitch, pace and volume.
- Voice tones are modulated to create interest, enthusiasm and involvement and to establish mood for learner.

### **Leading through The Challenge of Change Course**







Leader mentor



Behavioral demonstration scenario

Source: Skillsoft

These courses are instructionally, functionally, and aesthetically designed to support the accelerated learning of principles in leadership for the modern, digital learner. This narrativebased pedagogy utilizes a variety of narrative themes, key storyline elements and character portrayal, all set within a team context.

Digital natives tend to reject linear, structured learning experiences, and prefer a "show me" to a "tell me" approach. The use of emotion and story-telling in the narrative pedagogy engages both sides of the brain, while the use of imagery and kinetic text reinforce key points visually. The content is comprised of interactive, realistic scenarios with extensive behavioral demonstration, panel discussions with a high-caliber facilitator/host, and leading subject matter experts and thought leaders in leadership. This balanced instructional flow moves between instruction and example to allow learners to tie learning to common on-the-job behaviors and team interaction elements.

### **Common Set of Characters and Demonstration Techniques Threaded Across Course Portfolio**

- Character protagonists portray various leader levels.
- Gender and ethnic diversity represented.
- Range of character attributes and personality types loosely linked to range of leadership styles.

#### **Host as Learning Agent**



**Leader Mentors** 



Female "Leader-Mentor" appears throughout

**Leaders at Various Development Stages** 









**Emerging Leaders** 



Source: Skillsoft

### **Authors and Contributors**



**Heide Abelli** co-wrote this report. Heide is the Senior Vice President of Skillsoft's training and development content and is also responsible for its Leadership & Business Skills content portfolios. She joined Skillsoft in 2016 and is responsible for driving innovation across content areas. Heide has extensive experience in the publishing, media, educational technology & corporate training sectors. Heide holds an MBA with distinction from Harvard Business School and is on the faculty of the Management and Organization Department of Boston College's School of Business.



Claude Werder (claude.werder@brandonhall.com) co-wrote this report. He is the Vice President of Research Operations and Principal HCM Analyst at Brandon Hall Group, where he leads the Leadership Deelopment practice. His responsibilities include overseeing Brandon Hall Group's team of analysts, directing research priorities, content quality assurance, and producing the annual HCM Excellence Conference.

# About the Skillsoft Leadership Development Program

### **Course and Channel Resource Documents**

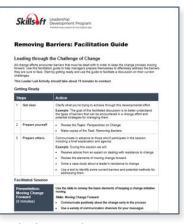
### **Tools**



#### **Self-Assessments**



#### **Leader Led Activities**





Includes application, discussion, and facilitator guides and accompanying PowerPoint slides

#### **Channel: Leading Through Change**



Scenario Based Course: Leading through the Challenge of Change

#### **Books**

#### **Summaries SME Leadership Channel Videos**







#### **Audio Books**







Sloan Management **Review Volumes** 



Guides, tools, and Self-assessments





# About the Skillsoft LD Program (continued)

Navigating digital transformation will require leaders to develop a new set of competencies and capabilities and lead with a "digital mind-set"

#### March 2018 Release

- 1. Leading Through the Challenge of Change
- 2. Building and Leading Successful Teams
- 3. Creating a Successful Business Execution Culture
- 4. The Emotionally Intelligent Leader
- 5. Coaching
- 6. Critical Thinking and Cognitive Flexibility
- 7. Problem Solving and Decision Making
- 8. The Agile Leader: Perseverance and Flexibility
- 9. Leading Virtually
- 10. Strategic Thinking
- 11. Influence and Persuasion
- 12. The Accountable Leader
- 13. Developing People
- 14. Leading Innovation
- 15. Embracing Diversity in your Leadership
- 16. Setting and Managing Priorities
- 17. Coordinating with your Leader Peers
- 18. Judgment and Decisiveness
- 19. Leading Organizational Vision
- 20. Managing Conflict

#### Forthcoming 2018

- New Leader Transitions
- The Mindful Leader
- Leading with Values & Ethics
- Executive Presence
- Leading with Digital Technology
- Computational and Cognitive Thinking
- Leading Across Cultures
- Leading through Disruption
- Leading a Customer-Centric Culture
- Becoming a passionate leader learner
- Women in Leadership



Host as Learning Agent



Leader Mentor

Behavioral Demonstration Scenario



# **About Brandon Hall Group**

Brandon Hall Group is a HCM research and advisory services firm that provides insights around key performance areas, including Learning and Development, Talent Management, Leadership Development, Talent Acquisition, and HR/Workforce Management.

With more than 10,000 clients globally and 20 years of delivering world-class research and advisory services, Brandon Hall Group is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

# Subscribe To Our Interactive Data-Benchmarking Tool: Data Now®

All the data from our studies is available by subscription to <u>DataNow</u><sup>®</sup>. DataNow<sup>®</sup> is Brandon Hall Group's interactive data-benchmarking tool. Organizations use it to make data-based decisions, find leading practices, benchmark, and more. You can also filter the data by company size, revenues, and industry segments to give you a fully customized view. <u>Learn more about DataNow</u><sup>®</sup>.

### **Our Services**

### **GET HELP TO DRIVE RESULTS FOR YOUR TALENT**

In today's volatile and global business climate, managing talent for high-performance plays an increasingly crucial role in an organization's growth and future success. Effective talent management is a top priority in organizations everywhere because, while organizations recognize the need to obtain and retain people with the very best skills, they continue to struggle to implement effective strategies to do so. HR and Learning professionals need to be able to successfully define organizational talents needs and skills, identify talent strengths and career goals, and align organizational needs to individual needs. Rethink your strategy, validate your assumptions, transform your business, and optimize your time with the use of reliable data, tools, and guidance.







ATTRACT



**DEVELOP** 



**PERFORM** 



**RETAIN** 



**OPTIMIZE** 

# **Our Services (Continued)**

#### **GET HELP WITH YOUR HR SERVICES MANAGEMENT & DELIVERY**

As described in the employee lifecycle, processes are linked to employee transactional processes (e.g., compensation, benefits, compliance, contingent workforce management, etc.) via workforce planning and analytics.

- Policies/Process/Procedure
- Payroll
- Expense Management
- Benefits & Compensation

- Contingent Workforce Management
- Compliance
- Time & Labor Management

#### **GET CONSULTING HELP WITH...**

- Strategy and Planning
- Governance & Business Alignment
- Executive Management
- Team Development
- Measurement & Analytics
- Program Design & Deployment

- Technology Selection, Management & Integration
- Organizational Structure
- Measurement & Analytics
- Change Management
- Budgeting & Forecasting

### **Membership Offers Tailored Support**

At the core of our offerings is a Membership Program that combines research, benchmarking and unlimited access to data and analysts. The Membership Program offers insights and best practices to enable executives and practitioners to make the right decisions about people, processes, and systems, coalesced with analyst advisory services which aim to put the research into action in a way that is practical and efficient. Membership also provides you direct access to our seasoned team of thought leaders dedicated to your success, backed by a rich member community, and proactive support from our client services team.

#### **RESEARCH ACCESS & EVENTS**

- Reports
- Case Studies, Frameworks & Tools
- DataNow<sup>®</sup> & TotalTech<sup>®</sup>
- Webinars and Research Spotlights
- Annual HCM Conference

#### **ADVISORY SUPPORT**

- Ask the Expert
- 1 on 1 Consultations
- Research Briefings
- Benchmarking

#### **CLIENT SUCCESS PLAN**

- Your Priorities
- Executive Sponsor
- Client Associate
- Monthly Meetings

**CLICK HERE TO LEARN MORE**