

## Growing Leaders

by Steve Yearout and Gerry Miles with Richard Koonce  
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 269 pages

### Focus

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### Take-Aways

- Corporate leadership is no longer a solo act. Business today is too complex.
- Markets change so quickly that you need leaders at every organizational level.
- Strong leadership is not an accident. Establish a dedicated leadership coaching and development (LCD) program to groom new leaders.
- Remember, managing and leading are two different things.
- Today's high-performing employees are tomorrow's leaders. Find them.
- Identify potential leaders with tools like 360-degree assessment.
- Define your corporate vision — Tell your leaders where to take you.
- Maintain an unwavering focus on business goals.
- Brilliant leadership is worthless if individual interests don't align with organizational goals.
- Your biggest challenge: Getting your executives to work as a team.

### Rating (10 is best)

Overall	Applicability	Innovation	Style
<b>9</b>	<b>10</b>	<b>9</b>	<b>8</b>

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## Review

### Growing Leaders

Today, business is complicated — so complicated in fact, that it's no longer possible for a company to make all of its decisions at the top. Steve Yearout, Gerry Miles and Richard Koonce have a simple message for anyone competing in these complex times: When you can no longer rely on a few talented individuals to run the entire show, developing leadership throughout your organization becomes your most critical business strategy. This book should be required reading for executives who fail to grasp this essential connection between employee development and success. Cleverly weaving informative case studies with engaging concepts, the authors explain how to nurture a sustainable supply of leaders within an organization, from top to bottom. *getAbstract.com* strongly recommends this book — and its systematic approach to identifying and grooming future leaders — to human resources development and training professionals, executive coaches and business executives of any stripe.

## Abstract

### Magic Makers

Leadership is among the most elusive of human qualities — hard to describe but instantly recognized. In his final letter to GE shareholders after 20 years at the helm, Jack Welch identified the cardinal sin of leadership as losing one of your top 20% performers. High performers are your future leaders, he wrote, “the ones who make magic happen.” Leadership is no longer a solo routine; a cadre of executives at the top no longer suffices. Today's businesses need a team leadership approach. The first priority of current leaders must be the development of tomorrow's leaders. Building communities of leadership at every level within your organization has become a critical task due to:

- Exponential increases in organizational complexity.
- Accelerating change, which forces companies to react faster than ever.
- Reduced tolerance for error on Wall Street and in the business press.
- The extension of global corporations, with workers of diverse origins and cultures.
- New social and cultural attitudes toward hierarchy and authority.
- The rising costs of recruiting, training and retaining knowledge-economy workers.

Premier organizations systematically build leaders at all levels, not just in the executive suite. Leader-builder organizations are committed to leadership development and to recruiting, training and grooming leaders. They boast deep pools of potential leaders and pipelines that continuously attract new talent. They enhance their technical capabilities and management expertise, renewing and reinventing themselves and ensuring organizational vitality.

### Change Leaders

Effective change leadership is the single most critical leadership issue today. The ultimate test of leadership is the execution of a major change initiative. Success will depend on how many effective change leaders your organization has — people with the vision, drive, creativity and inspiration to move the process forward. That is one reason many companies are using corporate universities to institutionalize the process of leadership development. Distance learning, the Internet and Intranets are also effective new leadership development tools. Fresh demands for leadership also have given birth

“Senior leaders today must increasingly concern themselves with nurturing a strong community of leaders at all levels in their organizations — not simply in the executive suite.”

“It is visionary leadership that is the key to a company's success.”

“Visionary companies navigate today’s treacherous and turbulent business world with uncommon deftness, adapting their strategies, operating goals and culture as necessary while remaining true to an enduring set of values.”

“In today’s business environment, ensuring consistent leadership behaviors among all of the members of the leadership team can speed innovation, enhance market responsiveness and ease corporate transformation efforts.”

“Effective leadership is an amalgam of intuition and intelligence, judgment and maturity, talents and temperament. The cultivation of these things in human beings is no simple task, yet doing it has never been more critical to the success and vitality of organizations than it is today.”

to leadership coaching and development (LCD) programs, which help organizations continuously develop leaders across all levels.

### The Seven Great Leadership Challenges

Diagnosing the health of your company’s leadership community is a critical step in ensuring long-term success in today’s fast-changing markets. Is your company struggling with The Seven Great Leadership Challenges? They are:

1. Weak organizational vision.
2. Inconsistent leadership behavior.
3. Insufficient talent or an unreliable pipeline.
4. Obsolete management competencies.
5. Poor alignment of business units to company goals.
6. Lack of executive unity and teamwork.
7. An inability to manage change effectively.

### Managing Versus Leading

Any army general can tell you that a manager and a leader are two different things. A successful leadership development program must address the shortcomings that prevent many managers from becoming leaders:

- They lack the ability to articulate an energetic vision.
- They neglect the empowerment of subordinates.
- They fail to understand their team. They don’t get to know them as individuals, or understand their strengths and weaknesses as an interdependent group.
- They lack social adroitness.
- They suffer from a lack of integrity and character.
- They mismanage people and cannot sustain a team enterprise.
- They are control freaks who try to direct individual behaviors.
- They fail to apply the people skills that they already possess.

### Leadership Coaching and Development

Companies are replacing executives-only management training retreats with LCD programs that nurture entire leadership populations. These LCD programs use a combination of “high-touch” and “high-tech” components to develop leaders in intense and energizing ways. While all LCD programs aim to build greater leadership and enhance organizational resilience, there are several types of leadership development and coaching programs:

- Traditional Leadership Development
- Mission and Vision Development
- Culture Change Programs
- Organizational Redesign
- Managing People Performance
- Continuous Change Planning and Coordination

### Eight Steps to Effective LCD

In order to effectively attract and groom leaders, you must follow these eight steps to build an effective leadership program:

1. Define leadership — Determine what competencies are needed and how to acquire them.
2. Select the educational approach (personal growth, conceptual, skill building) that fits your company’s LCD needs.

“In an age of marketplace chaos and industry convergence, when knowledge workers and information-driven business strategies have become key to sustained market dominance, more and more firms are grappling with how to recruit, retain, train and groom future populations of leaders at all levels.”

“The effects of poor leadership can manifest themselves in dozens of minuscule ways that often prove massively destructive to a company’s strategic goals and objectives.”

“Leadership undoubtedly can be taught and learned, but the issue comes down to aptitude. Some people are more naturally inclined to it than others.”

“Mentoring is another step in the development of a good leader.”

3. Choose training programs that support your company’s LCD program.
4. Encourage your leaders to develop other leaders — Successful CEOs often make it their personal mission to encourage others to lead.
5. Encourage and promote mentoring — Mentoring is important in developing leaders.
6. Assign leaders to the jobs that need to be done — Every leader isn’t right for every job.
7. Grow the leaders of tomorrow — Give people the latitude to take risks and try again if it doesn’t work out. Prospective leaders need diverse management experience.
8. Establish the guidelines that will be used for evaluating leadership.

### **Enlisting Your People**

Once your executives agree to adopt LCD, you must get your employees to join the program. Create a sense of urgency by contrasting where the organization is with where it needs to go. Harness symbols and stories to articulate the corporate vision. (Think of how The Old West myth helped to shape America, for example, or the impact of the “V” peace sign on the antiwar movement.) Involve anyone and everyone affected by the process of change. Develop a feel for when to move fast (axing personnel or programs) and when to move slowly (changing the way people work, changing their roles). If you do it right, your vision will cascade throughout the organization.

### **Filling the Leadership Pipeline**

One measure of your company’s leadership culture is its succession plan. If tragedy struck and you had to replace your executive team tomorrow, could your company execute the transition? In a recent poll of 500 human resources (HR) executives, half of the respondents said that their company’s succession planning was lacking. The situation is complicated because downsizing in the 1980s depleted middle-management talent. Firms now tend to rely too heavily on headhunting firms to supply outside leaders, discouraging the development of leaders from within.

### **A 360-Degree Turn**

The 360-degree assessment is a tool you can use to increase the depth of your leadership by identifying potential leaders at an early stage in their development. Using this technique, the manager being evaluated completes a behavioral survey that is then reviewed by that manager’s superiors, peers and associates. Others, including customers and suppliers, also provide input. The feedback report incorporates all of these measures and provides a comprehensive picture. This assessment uses multiple sources of feedback, rather than one supervisor. It works particularly well in teaching new generations of leaders new business values or work habits.

### **Burning the Ships**

Your company might boast the greatest roster of leaders ever assembled, but if there’s no alignment between your organizational structure and your company’s goals you’re probably on the road to ruin. You must deploy your army effectively by aligning people’s interests, incentives and attitudes with the organization’s business goals. The Spanish Conquistador Cortez understood alignment. When he landed in the New World, he ordered his soldiers to burn their ships so that retreat was no longer an option. Cortez successfully aligned his soldiers’ personal goals (survival) with the goals of the organization (moving forward to conquer). Performance measurement, financial targets and incentives help create proper alignment. To eliminate internal conflicts and misunderstandings, boost your organizational communications.

“The whole point of developing leadership capabilities is, of course, to improve the performance of the organization.”

“Six Sigma is the single most powerful vehicle we have found to drive tight organizational alignment within companies today.”

### Meet Six Sigma

Six Sigma might be your greatest alignment tool. First introduced by Motorola, Six Sigma links business output to marketplace reality by developing an acute understanding of customer needs. Six Sigma depends on the presence of the following success factors:

- Leadership that is committed.
- Integration with existing executive strategies.
- An existing framework of supporting business processes.
- A network for gathering customer and market intelligence.
- The implementation of projects producing real savings or revenues.
- Dedicated, full-time Six Sigma team leaders.
- Appropriate incentives to sustain Six Sigma with continuous reinforcement.

### The Final Ingredient: Support from the Top

The finest management theory cannot save an organization if the people in the executive suite are at odds with one another. Getting with the program means more than giving lip service to a project: Top leaders must actually coordinate their efforts, give and take, and cooperate.

But senior executives often have strong control needs, and hardly relish the prospect of working within a team framework. They are more accustomed to managing staffs than to pushing along with other team members. Their egos may conflict with those of other executives and their limited free time may make it difficult to attend the requisite meetings and planning sessions. Developing team unity may be the hardest change. Bring the team at the top together by effective facilitation, pointing out common interests and using the right consultants.

## About The Authors

Steve Yearout is a partner with PricewaterhouseCoopers in Arlington, Virginia, and a member of the firm’s global organization and change-strategy practice. He serves as the director of the firm’s Center for Advanced Studies in Transformational Change. Gerry Miles, is a former director in PricewaterhouseCoopers’ London-based Organization and Change Strategy practice. Richard Koonce is an author and business consultant, who served as contributing commentator to National Public Radio’s *Marketplace* program. Koonce is a consultant to PricewaterhouseCoopers and the author of two previous books.

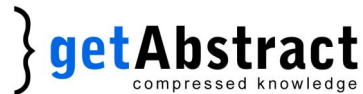
## Buzz-Words

360-degree assessments / Change leaders / Corporate alignment / Corporate universities / LCD programs / Leader-builder organizations / Leadership communities / Leadership pipelines / Six sigma

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