

Thursday, February 10, 2011

What Does "CEO Commitment" to Leadership Development Really Mean?

To: All CEOs and senior executives

From: Great Leadership

Subject: CEO commitment to leadership development.

You've recently learned that the biggest differentiator of companies that excel in succession planning and senior leadership development ("talent management" is the latest buzzword) is the commitment and ownership of the CEO or top executive.

I heard you candidly say recently: "OK, I'm committed all right, I'm just not sure what to do".

The good news, there IS something you can do. Lot's of things. The bad news is you could waste a lot time and money on low impact things. As you know, activity does not always produce results.

First of all, don't let anybody tell you that this stuff is easy and there are silver bullet solutions. ALL companies struggle with this challenge - some handle it better than others - maybe due to a little luck, but mostly because they pay attention to it. I'm a geek when it comes to benchmarking what other companies do - I look forward to the annual "[Best Companies for Leaders](#)" lists like movie critics do the academy awards. I then cold call their HR person and ask them what they are doing right.

I've also worked for a number of senior executives - and have experienced the differences between those that "get it" and those that don't. A lot of them only pay it lip service- a nice pretty book for the Board, but no results. However, I worked for a business unit president named [Marty Coyne](#) that was the best. Marty used to tell people he spent 75% of his time on talent management. I used to sit in on his talent review meetings, and if one of his execs showed up unprepared or had

not followed up on an action items, it was painful for that poor exec. But they learned (he would count those kind of lessons in his 75%).

So.... what would I recommend that you do? Here are 10 that I believe would give you the best ROI. None of these involve spending much money, and you may already be doing many of them:

1. Focus on results and don't let the process be the tail wagging the dog.

Yes, it's important to do "the book" and make the Board happy - that's part of managing your board. However, I've seen way too many organizations get caught up in the process and lose sight of the results. Once the meeting is over, the book gets set aside and nothing happens until the next year. VPs and senior managers soon catch on that it's nothing but an exercise, and focus on "looking good instead of being good".

This doesn't mean the annual CEO and Board reviews are not important - it's been my experience that if you don't do this, then nothing happens. Events, like annual check-ups, force things to happen that otherwise get pushed aside because they are not urgent.

You of all people know how to do this really well. Treat it like just client satisfaction or revenue and insist that your HR team provide you with world-class processes and tools.

2. Make sure your HR VP that knows how to do this.

Your HR partner not only needs to know all of the best practices and processes, but they have to have the ability to influence and be trusted by the executive team, as well as be your own trusted advisor on talent. It's a tough balance - they may be coaching a struggling VP one day, and recommending to you the same VP be replaced the next day. They have to be able to play match-maker and broker job changes, and manage all of the ego and politics involved.

3. Practice what you preach.

[Here's a good article](#) by Marshall Goldsmith - it's about being public about your own development as a CEO. I've seen you do this already - you've always been pretty humble.

Then, work with your executives on their own development. Coach them, give them feedback, develop IDPs with them. Support their development. Your actions are powerful, more now than ever before - if you do it, they are more likely to do it with their reports and the behavior cascades down through the organization. If you don't then the opposite occurs.

4. Understand how executives really develop.

Think back on your own career - where and how did you learn your most valuable lessons? It was probably

1. New jobs
2. Challenging assignments
3. From other people (good and bad bosses, a coach, mentors, etc...)
4. Courses, books, articles, other

Too many companies spend too much time on #4 - it's not only the least effective, it's lazy. The top companies understand it's all about learning through experience. When you think about it, it's a sunk cost - you might as well leverage it. Don't get me wrong - courses can be effective, when they are designed in ways that incorporate #2, #3, and #4.

5. Be the CTB (Chief Talent Broker).

We all understand the challenges of cross-functional movement. Well, maybe these are just excuses. ALL the best companies at executive development do this. They intentionally move their HIPOs from job to job to get them ready for bigger jobs.

If you leave it up to your executive team - it won't happen. It's not in their best interests. The CEO is the only one (other than the HR VP) that's looking at executive development from a "what's best for the company", long range perspective. They won't do it - or even see value in it - unless you establish it as an expectation and "encourage" them to give up their top talent and be willing to accept (and develop) "unlikely" developmental candidates. I know, you can't do too many of these at any one time. They have to be phased in and out and managed. You can at least start with one.

6. Spend time assessing talent.

Again, you're pretty good at this already. It's about regular talent reviews, formal assessments, meeting with high-potentials when you visit a site. Carry those lists around with you. Know what to look for too.....indicators of success in larger roles isn't the same as performance in a current role. It's not an exact science, but some are better at it than others. I think using high quality selection assessments - maybe even assessment centers for C level or critical positions - will help you here.

7. Hold other's accountable for assessing and developing future leaders.

We all sit around these talent reviews and succession plan reviews and discuss development and IDPs..... then, a year later, nothings happened.

Take a look at the action items from your last talent review meeting. How many of these things were implemented? Some, but not many, so you're another year behind and no strong candidates for that key executive's job.

Your executive team has "qualitative" goals for succession planning and senior leadership development - I've seen many of them - most are weak with no teeth. Again, I know you know how to do this. Set the vision, set meaningful goals, measure them, and hold people accountable. It takes time to change the culture, but a few public coronations and hangings help send the message that it's important.

8. Stay actively involved in company leadership development programs.

Keep sponsoring those executive development programs, being a guest speaker, teaching in senior level programs, and all that good stuff. Don't just show up at the beginning and end - be a teacher, get to know the participants, and help set program objectives and measures.

9. Keep the Board engaged.

Your Board is involved in all of the other strategic aspects of your business - why not this? They could be valuable sources of insight, advice, connections, and you'll want their support then it's time to make key talent decisions.

10. Take decisive action on underperformers. They are retarding the development of your high potentials.

When I've conducted 9 box meetings, leadership teams often clam up when I try to engage them in this discussion. They don't do a good job differentiating (everybody's a B or A), and they are too hesitant or slow to take action. I think in general, most companies are too tolerant and slow to act.

I hope this is helpful.