

# Leadership Trends Report Round Table Discussion

2017



# Lead Talent Synopsis

Leadership is always one of the hottest topics on the assessment agenda, and rightly so. Organizations look to leaders to deliver commercial results, pursue new opportunities, stay ahead of competitors, engage employees, uphold professional standards and guide them through periods of change. The future of work is changing and at a rapid pace. The fourth industrial revolution is disrupting how work is done and the emergence of artificial intelligence and a robo-gig economy, as well as various global political movements, are all impacting on how organizations operate.

Over 300 HR Professionals attended the Saville Assessment Talent Transformation Series where Leadership Assessment was a hot topic of conversation. Collectively, representatives across a wide range of organizations discussed what trends and challenges they were seeing and facing, what they are anticipating moving forward and how people are looking to assess their leaders to ensure they create the most positive organizational impact.

## What is happening now?

### Survey data suggests employees are demanding better leadership:

Data was shared from the 2016 Willis Towers Watson Global Workforce Study measuring the attitude of over 31,000 employees across the globe. This pointed towards employees demanding better leadership.



Delegates discussed this data in relation to some of the insights their own employee engagement surveys had given them. There were no major surprises but all agreed it was difficult to consider a standardized benchmark when at a sector or organizational level there can be many influences.

## **Most organizational environments are volatile:**

A lot of organizations present had recently been part of M&A activity. Individuals from these organizations were those most likely to agree with the data presented (or even see lower numbers), which they felt was down to the nature of uncertainty facing their employees.

It was, however, also suggested that given the disruptive nature of the VUCA (Volatile, Uncertain, Complex and Ambiguous) World we now operate, nearly every organization finds themselves navigating uncertainty. So why do employees not feel reassured by their leadership at these times?

Many delegates felt that it was easier to have faith in the organization than an individual leader. Perhaps this is because employees can clearly see a leader's flaws and tend to place blame at the top for any problems they feel the organization is having or faces. Communication, honesty and visibility were viewed as key in leadership. Some organizations attending the events held regular meetings where a select group were invited to meet with a director to 'ask them anything', which was positively received.

## **Demographic and socio-economic factors are affecting perceptions of leadership effectiveness:**

Demographic make up of an organization can influence leadership satisfaction. Gen X and Gen Y are emerging as a dominant force in some organizations, which has its own set of challenges. These can include a future generation of leaders feeling they have a more relevant understanding of their markets and clients and fresh ideas that reflect this. They are, consequentially, dissatisfied with decisions that current leaders are taking.. This can be particularly pertinent amongst cultures where an approach of "this is how we've always done it" is ingrained.

Socio-economic factors were also discussed as affecting perception of leadership effectiveness. During the recession, it was important for leaders to pull back and focus on saving costs. Post-recession, the leadership style needs to be more 'push forward' and commercial. In some organizations, employees may feel that transition hasn't been made at the top level and is impacting on perceptions of leadership performance.

## **Identifying potential is still difficult:**

A common problem with identifying leadership potential was that 'individual leaders need a bit of everything'. There isn't just one job at the top, so it was important to line up

potential with the organizational priorities for strategic vision and direction. As these may change with internal and external environment factors, it was important to make sure the Hi-Po talent pool was agile and individuals had a broader potential for success, instead of a defined set of key competencies.

Many delegates discussed commercial capability/pioneering potential, as they found themselves in a position of an aggressive growth strategy. A common issue is when to recognize this and how to develop it. It may not be a behavior that is recognized as a key predictor of success at the level they enter the organization but one which needs to be demonstrated before they progress into a senior role.

## **There is little advancement in leadership development practices:**

Identifying potential, growing future leaders and succession planning was at the top of many attendees' agenda. There seems to be a lot of frustration with process here; a lot of time spent on initiatives, without seeing any results. This would clearly impact negatively on perceptions of HR within the organization and perceptions of the organization to the outside world, as well as the actual development, and of course retention, of high potentials, who see no tangible success stories to aspire to.

Many organizations mentioned that there was a pressure to be seen to be doing something new to differentiate themselves from how others were identifying and developing leaders. In truth, many faced similar issues and challenges. Although there were organizational nuances, most current approaches to development were very similar.

An example of this was the nine-box grid. Despite some unfavourable press that this is an outdated and painful process, it was still a widely-used tool for identifying and developing potential. How organizations were using it varied; some still used nine boxes, others had reduced to four and some were working with third parties on it.

The most common issue with this tool was not the process, but what was being done with the data; in some cases very little. A key point of reflection was not that the tool itself was flawed but that it would only be valuable if the data collated was deemed to be fair and accurate, and that it fuelled development activity.

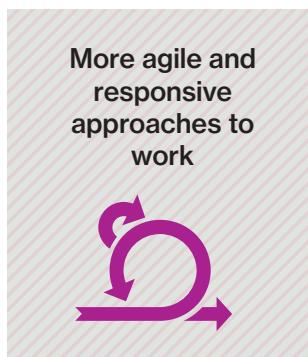
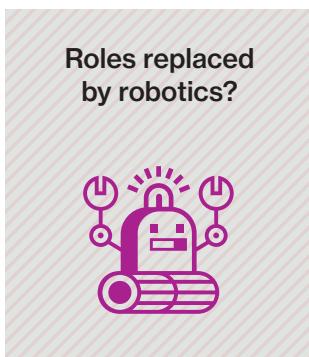
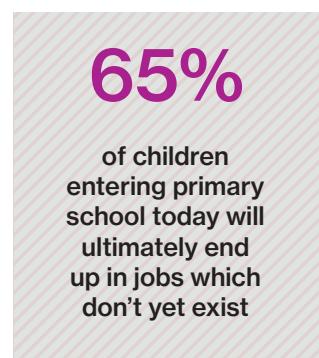
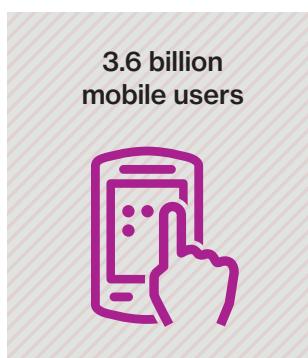
One organization had made the decision to shift the focus to the mid talent who are often overlooked and to put development processes in place centered around them. This had worked very well for one organization where those not in the Hi-Po category were then invited to attend an

eLearning development program, focussed on developing the behaviors they needed to move forward. They were invited to share their progress and success with other colleagues and this was helping keep key talent engaged and retained, despite not being initially recognized for progression.

Another key observation for the nine-box grid and any development activity was that HR should work with the organization to encourage local ownership. HR can work with managers to calibrate the data and quality-assure performance data, ensuring it is fair, objective and agreed by all. This then increases its likelihood of being used to drive development activities.

Successful approaches to getting employees engaged with development activities included off-site leadership academies and regular 'meet the director' events. Social media was being used by some organizations as a method to collaboratively share ideas and celebrate success to avoid success silos or messaging cascading solely from the top. One organization was using an internal company Facebook page as a platform for the leadership team to engage with employees and collect ideas from them. Leadership buy-in was key for effective engagement and for development practices.

## What is the direction of travel?



## **To survive, leadership development must consider and embrace technology:**

There was a lot of discussion around the continuing evolution of technology and automation, and the impact it will have on leaders. Questions were raised around whether what we are looking for in future leaders needed to change. Should organizations be focussing more on the 'human skills' such as emotional intelligence and agreeableness in leaders as so much else would be automated?

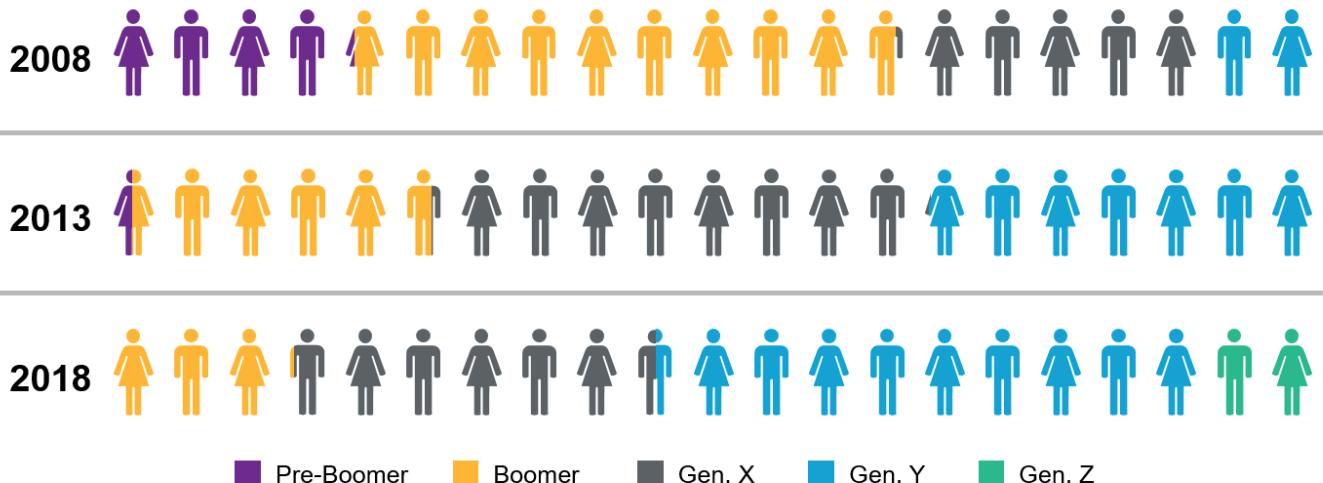
To cope with the technical pressures facing organizations right now, some were looking at parallel leadership development tracks; one for leadership potential and one specifically for technical specialists. These could work in synergy, making sure organizations have the optimum skills and behaviors to navigate them through digital disruption.

The other consideration was around leaders staying aware of the new roles and new skills necessary to drive the organization forward. Many key roles are now broken down into areas of technical expertise; e.g. Social Media Marketing Manager, UI/UX Designer, SEO Manager. To make sure organizations remain competitive, leaders will need to have sound understanding of exactly what talent is required to drive them forward.

Living in a mobile world where people are ordering taxis, doing their banking and booking holidays on their phones also means people are more frequently connecting socially and professionally in a digital manner. Organizations now regularly use platforms such as LinkedIn, Twitter and Facebook to engage and attract talent to the organization as well as promote the brand to consumers.

Delegates noted that leaders really have to consider what message they are putting out as it can easily be misconstrued by the media, particularly given the use of social media. The lifeblood of social media is being ahead of news before it happens in order to maintain its relevancy. Linked to this, leaders need to keep a tight grip on the operations and practices of the organization to ensure they line up with the values and vision they are presenting. Social media and the ability for news stories to break globally in a matter of seconds these days can have serious consequences for an organization's credibility...just ask United Airlines.

## Organization Demographic Shift



### Future generations will expect more from leadership development offerings:

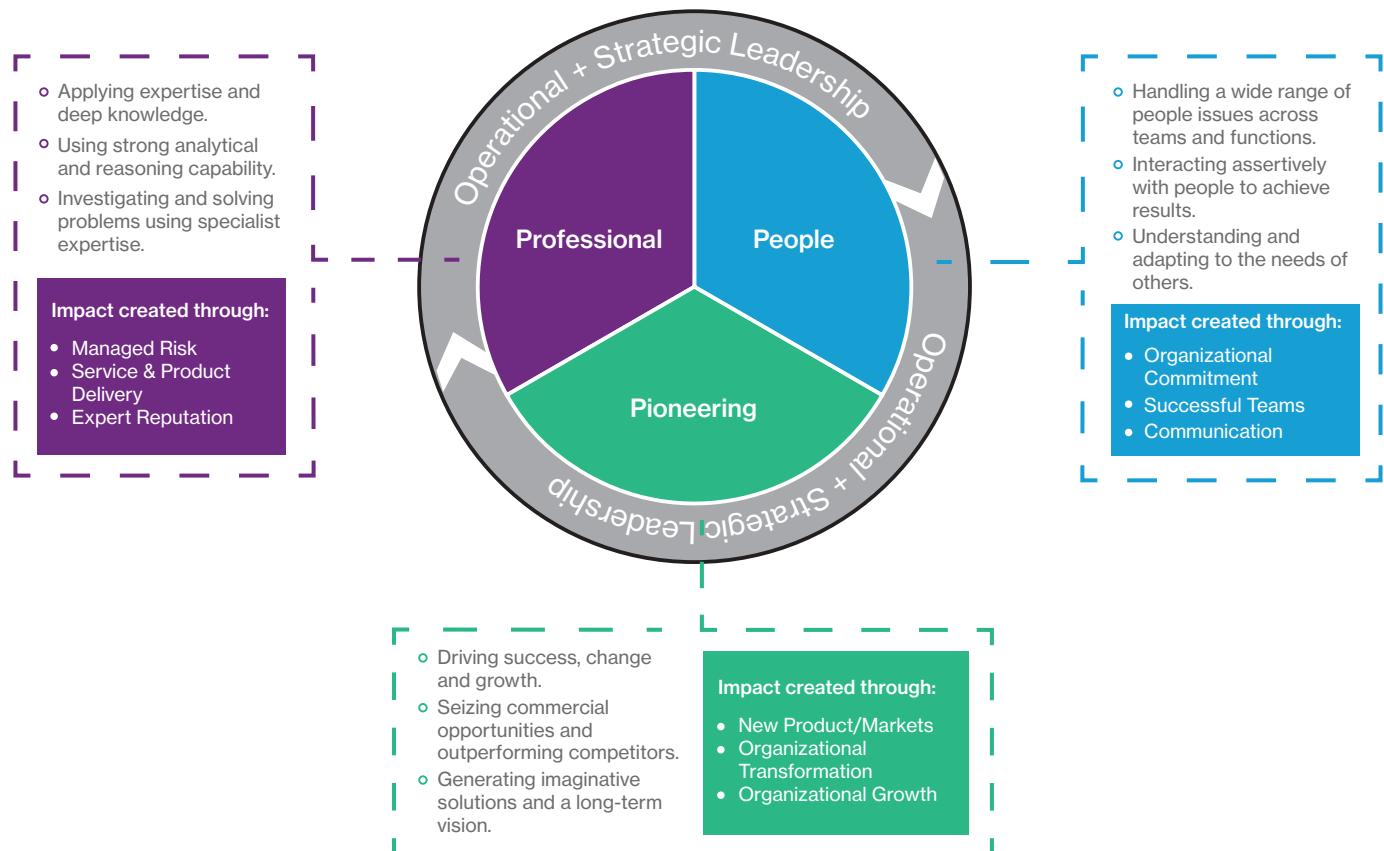
The shift in organizational demographics presents many challenges for leadership. As discussed previously, there is the potential clash of traditional vs fresh perspectives on what the organization should be doing.

The millennial generation upwards expect a faster path to promotion and development, and less formal organizational structure. One organization spoke of how after a month, graduates expect to have had a one-on-one meet and greet with the CEO...despite them being based in a different country. New emerging talent expects more touch points with senior level team members than may have previously been the case and to move forwards with their career very quickly. This was a common struggle for General Managers who, when asked what would make this emerging talent ready as well as willing, replied 'just time'.. the one thing they are impatient for. A common initiative used by many delegates that seemed to be getting a positive reception was reverse-mentoring. Where in place, it had a positive impact in bringing different employee generations closer together, facilitating better working relationships, closing the knowledge gap for both parties and empowering emerging and established leaders.

There was also the issue of "senior blocking", with the boomer generation more typically entering a job for life and staying until retirement. Some organizations had tackled this successfully from the top end by moving some senior people into more advisory positions, thus freeing up roles for new leaders to take over. Others had looked at approaches from the other end and moved talent around frequently so they got exposure to all elements of the business. Whilst this extended their leadership development path, it was appreciated because the emerging leaders could recognize the value in broadening their skill set. For the organization, it presents an opportunity to develop the behaviors that HiPo's may not possess yet but will be expected to have in future roles.

## Leadership Impact will help drive innovation in talent management practices:

Delegates were introduced to Saville Assessment's new Leadership Impact model.



This new approach to leadership assessment recognizes that competencies and strengths are essential, but asks the question key leadership roles, are they enough? Our research confirms that it is time to look beyond competencies and:

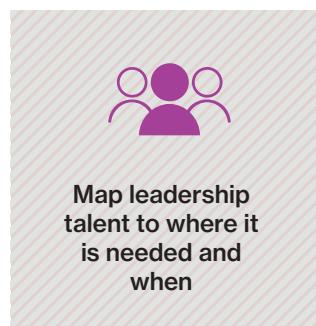
- understand the direct impact of leadership style and behavior on key organizational outcomes.
- link the effectiveness of leaders to the organizational outcomes they are measured against.

Delegates discussed and worked through interactive exercises using the model and identified how it could help their organization to think about “potential for what” rather than simply potential, which is not often well defined or understood by managers.

Across leadership assessment the model is designed to support how organizations select leaders, identify potential and develop leadership capability.



Define potential in line with organizational requirements



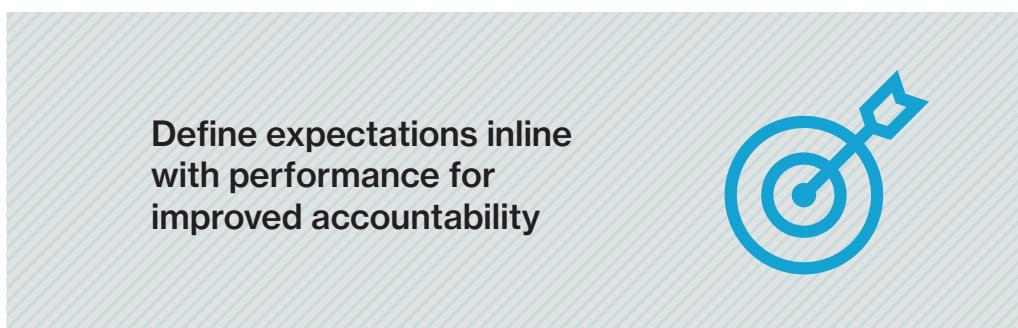
Map leadership talent to where it is needed and when



Encourage agile and aligned leadership audits



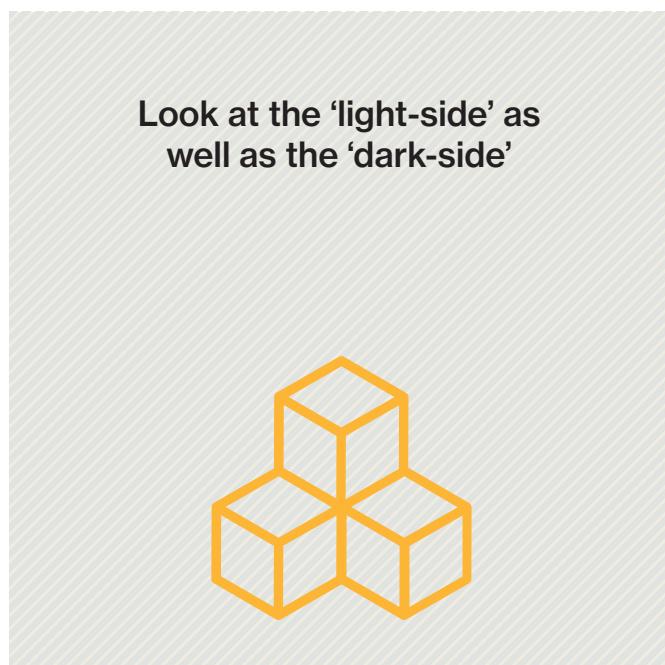
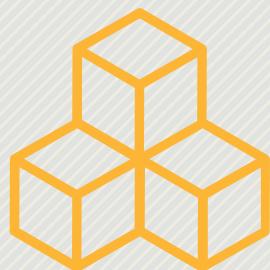
Hire leaders who are likely to have impact where it matters



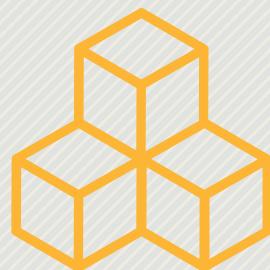
Define expectations inline with performance for improved accountability



Refocus on how leaders can maximize performance in line with organizational goals and objectives



Look at the ‘light-side’ as well as the ‘dark-side’



## About Saville Assessment, a Willis Towers Watson Company

Saville Assessment help clients improve business performance across three key areas of assessment; Hire Talent, Build Talent and Lead Talent.

Our portfolio is designed based on extensive research into successful workplace performance and the critical relationship between talent, motive and workplace culture. We enable clients to identify potential, accelerate performance and achieve exceptional talent acquisition and developmental results.

In the lead talent space, we work with clients to transform their leadership effectiveness. Our suite of leadership assessments is used for:

- Leadership selection
- Identifying future leaders
- Leadership development
- Mitigating leadership risk
- Identifying and developing entrepreneurial potential

To discuss how we could help maximize your leadership talent, please get in touch:



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*"With other suppliers we have been rather left to get on with things ourselves but we are enjoying a good relationship with Saville, who have been brilliant every step of the way. Their account management and customer service is second to none."*



**PRUDENTIAL**

*"We are constantly impressed by the value Wave adds to the business. We use the tool and associated reports with our talent throughout their time with us. The fact we are talking the same language at recruitment, onboarding and development means our approach to talent is consistent and better aligned.*

*This presents a powerful force for the business."*

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### Improve Quality of Hire

Pinpoint the drivers for success, identify the right people for the right roles and maximize talent acquisition metrics.



## Build Talent

### Maximize Talent Effectiveness

Identify potential, develop performance, create agile teams and improve workplace productivity.



## Lead Talent

### Transform Leadership Effectiveness

Identify, select and develop leaders who will create the most positive impact on your organization and accelerate exceptional results.

## About Saville Assessment, a Willis Towers Watson Company

Our mission is to transform assessment around the world. We enable organizations to identify potential, accelerate performance, and achieve outstanding results. Our portfolio of leading-edge assessments are designed based on extensive research into successful workplace performance and the critical relationship between motive, talent and workplace culture. With representatives in over 80 countries we are transforming how organizations Hire, Build and Lead talent globally. Learn more at [www.savilleassessment.com](http://www.savilleassessment.com)