THE LEADERSHIP PIPELINE INSTITUTE

Building your Leadership Pipeline
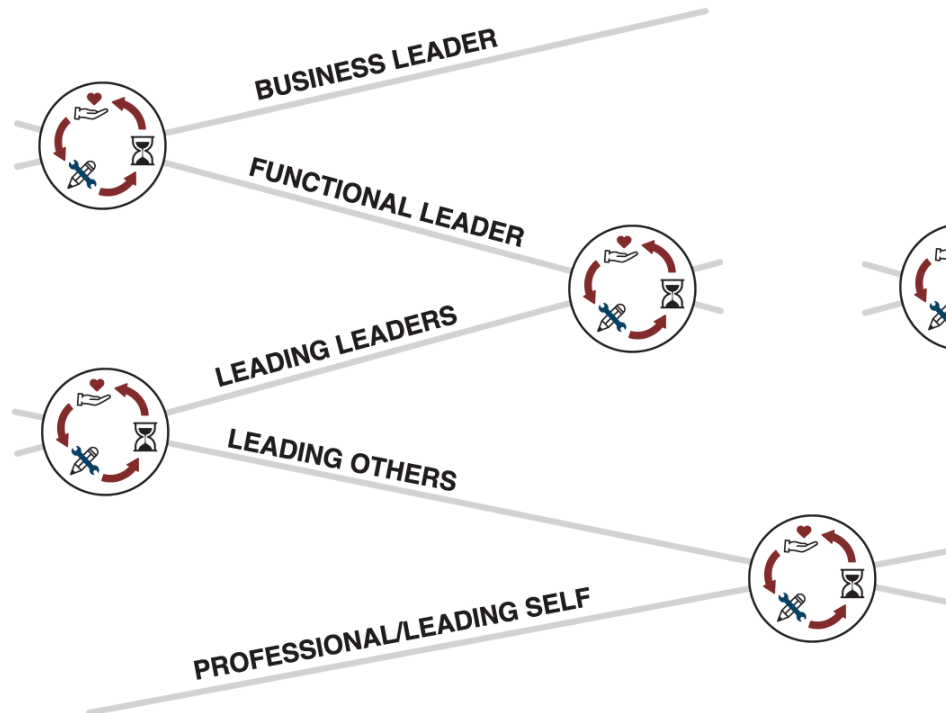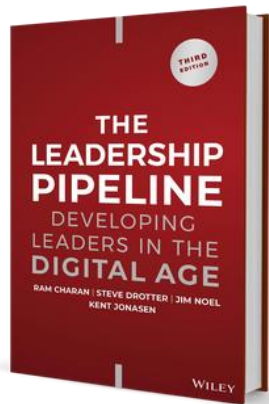
LPI
LEADERSHIP PIPELINE INSTITUTE®

LPI by the numbers

- We are represented in 30+ countries

- We have consultants in 40+ cities

- Our programs come in 20+ languages

- Program participants in 75+ countries

- Voluntary turnover of employees is 1% per year

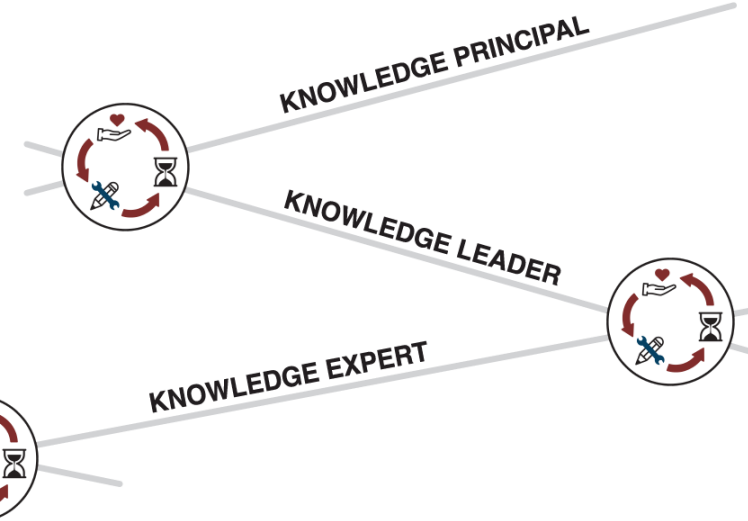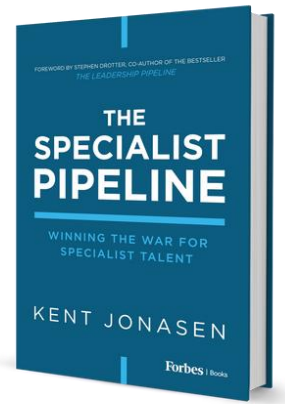- Client retention of 90% over a 15 year period

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SOLUTIONS BASED ON CORE INTELLECTUAL PROPERTY

THE LEADERSHIP PIPELINE

THE SPECIALIST PIPELINE

THE LEADERSHIP PIPELINE
DEVELOPING LEADERS IN THE DIGITAL AGE
THIRD EDITION
RAM CHARAN | STEVE DROTTER | JIM NOEL | KENT JONASEN
WILEY

BUSINESS LEADER
FUNCTIONAL LEADER
LEADING LEADERS
LEADING OTHERS
PROFESSIONAL/LEADING SELF

KNOWLEDGE PRINCIPAL
KNOWLEDGE LEADER
KNOWLEDGE EXPERT

THE SPECIALIST PIPELINE
WINNING THE WAR FOR SPECIALIST TALENT
FOREWORD BY STEPHEN DROTTER, CO-AUTHOR OF THE BESTSELLER THE LEADERSHIP PIPELINE
KENT JONASEN
Forbes | Books

Career Transition
TRANSITION
♥ Work Values
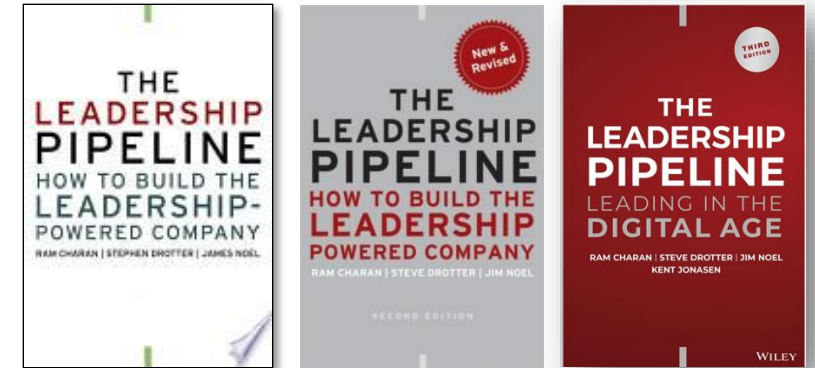⌛ Time Application
⚒ Skills

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ORIGINS OF THE LEADERSHIP PIPELINE MODEL

A model based on a set of principles developed and enhanced in two phases:

1. **Foundational Assessments**

    - With over **1,500 leaders** - candidates for CEO, Business Leader, CFO and other C-suite positions, from a wide range of industries.

    - Structured, **four-hour** interviews tracing each person's career, achievements and skills.

    - Findings were **validated** with the relevant boss and others, who had hard performance data.

2. **Applied Research**

    - This assessment data-base has been combined with an applied, ongoing research project, conducted over the past **fifteen years**.

    - Structured **one-hour** workshop discussions, held with more than **15,000** leaders at **different leadership levels**, across the world.

    - Discussions focused on the **challenges** the leaders face, when moving into a new leadership level

Why we have a finance architecture

- Envisage a company that does not have a general ledger, a budget process, a cost accounting system, and a capital allocation process that are tied together

  Not easy to envisage – right?

- Your finance architecture enables the entire organization to work with and talk about financial matters in a consistent way

Business is people & people is business

A turnover of 10% in top 100 executives requires:

- production of 10 new executives per year just to sustain the business

- Production of 50 new executives over a 5-year period

And this is just to sustain your business. If you want to grow the business or change business focus, you need even more!

Generating a Net Financial Cash Flow

Generating a free Net Flow of Talent
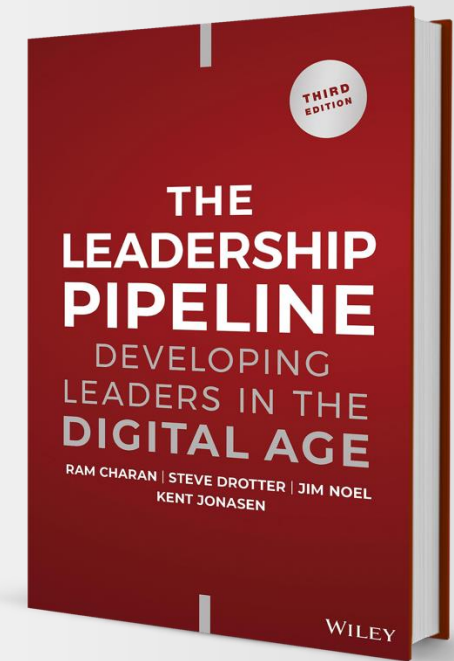
Do you have a leadership architecture?

Some good questions to ask yourself:

- What does your leadership ledger look like?

- How do you strategically allocate leaders across the businesses?

- What is your annual net production of talent?

- How objective are your assessments of leadership performance and potential?

- What does your leadership "exchange rate" look like?

Designing your leadership architecture

- You need an enduring people architecture enabling the entire organization to work with and talk about people matters in a consistent way

- The architecture needs to set common standards for both performance and potential, differentiated by layer of leadership

- And the architecture must be simple enough allowing leaders at every level to quickly grasp what it means to be an effective leader at their level

THIRD EDITION

THE
LEADERSHIP
PIPELINE
DEVELOPING
LEADERS IN THE
DIGITAL AGE
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EXERCISE STEP 1

Please pick 10 "leaders of others" in your organisation and ask them:

"If you take the last three 1&1's you had with your direct manager, how much time in percentage was spent on making you a better leader versus spent in technical matters, outstanding issues, numbers, etc.?"

EXERCISE STEP 2

Please pick 10 "leaders of others" and take a look at their development plan

"Out of three defined development areas how many would explicitly focus on how the leader of others becomes a better leader?" (How many would in the first place have a structured development plan at all...?)

EXERCISE STEP 3

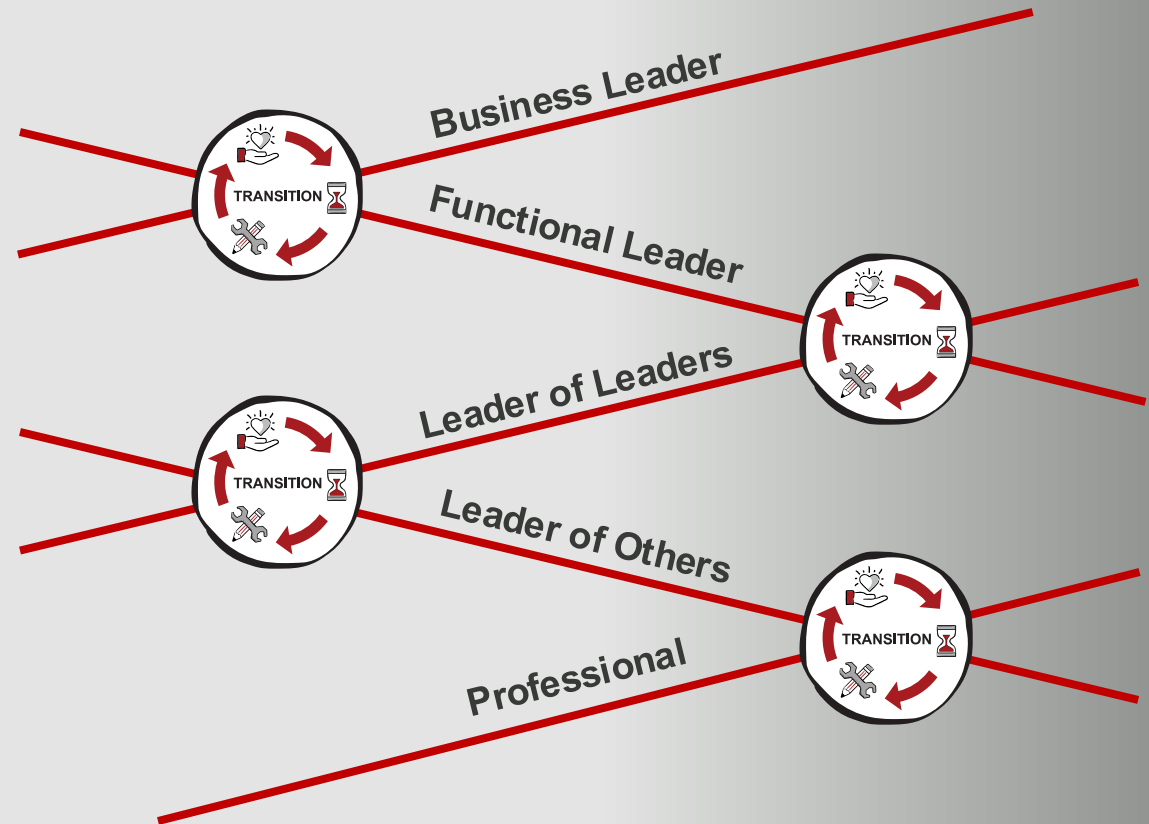**Please pick 10 "leaders of others" and ask them**

"To what extent on a 1-10 scale do you experience being held explicitly accountable for your leadership capabilities? "

LEADERSHIP PIPELINE

The Leadership Pipeline offers first principles for mapping and building a leadership framework that secures a sustainable competitive advantage through people. It helps you:

- **Mapping key leadership roles** across the organization

- **Creating a leadership portrait** for each of the key leadership roles

- **Defining the critical transitions** in terms of work value, time application and skills that leaders face when moving leadership roles

You Leadership Pipeline framework must be tailored to meet your company's business model and organizational set-up

Business Leader

Functional Leader

Leader of Leaders

Leader of Others

Professional

LEADING LEADERS
Leadership portrait

LEADING LEADERS: The job to be done	
The work	**Required activities**
Translate strategy into operating plans	• Align activities across their organisation with the overall business strategy and customer expectations • Support direct reports in bringing the business strategy and company purpose to life, making it meaningful for all • Assign work and delegate necessary decision-making authority to direct reports • Take ownership of organisational change initiatives
Develop leaders	• Take a structured approach to support your leaders becoming better leaders • Regularly coach and enable your direct reports on their leadership capabilities • Support direct reports in developing their functional expertise • Set clear and specific development objectives for your direct reports
Inspire great performance of leaders	• Hold direct reports accountable for their performance as leaders • Hold direct reports accountable for their personal business objectives • Include conversations about leadership performance in ongoing check-in conversations • Respond in a timely manner to individual performance challenges and do not let performance challenges escalate
Select leaders	• Select new leaders based on leadership potential – not just functional expertise • Select direct reports for tomorrow – not just today • Take proper and timely action on direct reports who consistently fall short of fulfilling their leadership role • Select in a way that ensures diversity and mitigates unconscious bias
Build the organisation	• Align organisational capabilities with both the current and long-term needs of the business • Build a diverse organisation • Maintain reliable succession plans • Nurture an innovation mindset in their organisation
Lead across the organisation	• Take a holistic approach in driving value across the organisation • Break down silos and facilitate a free flow of information and ideas across teams • Stimulate collaboration across the value chain • Put the goals of the company before the interest of your own organisation or business objectives

TRANSITION AS THE PREREQUISITE FOR SUCCESS

Work Values
How you believe you add value in your job and to the business
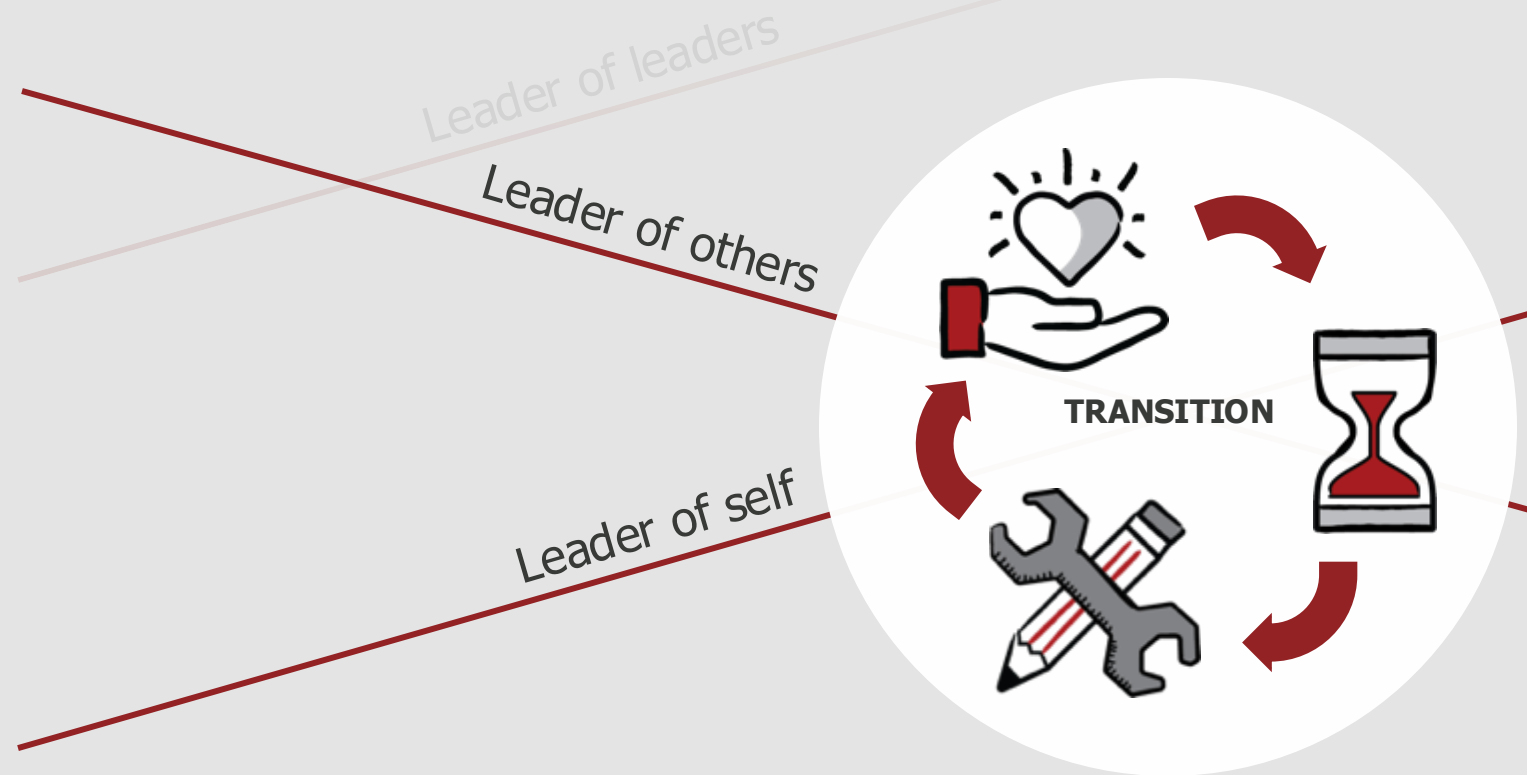
Time Application
The things you spend your time on change when you develop into a new role

Skills
Specific capabilities are required to execute new responsibilities

All transition points require you to let go of things that made you successful in your previous job and adopt entirely new ones. This is a "must" in order for you to succeed in your new organizational layer.
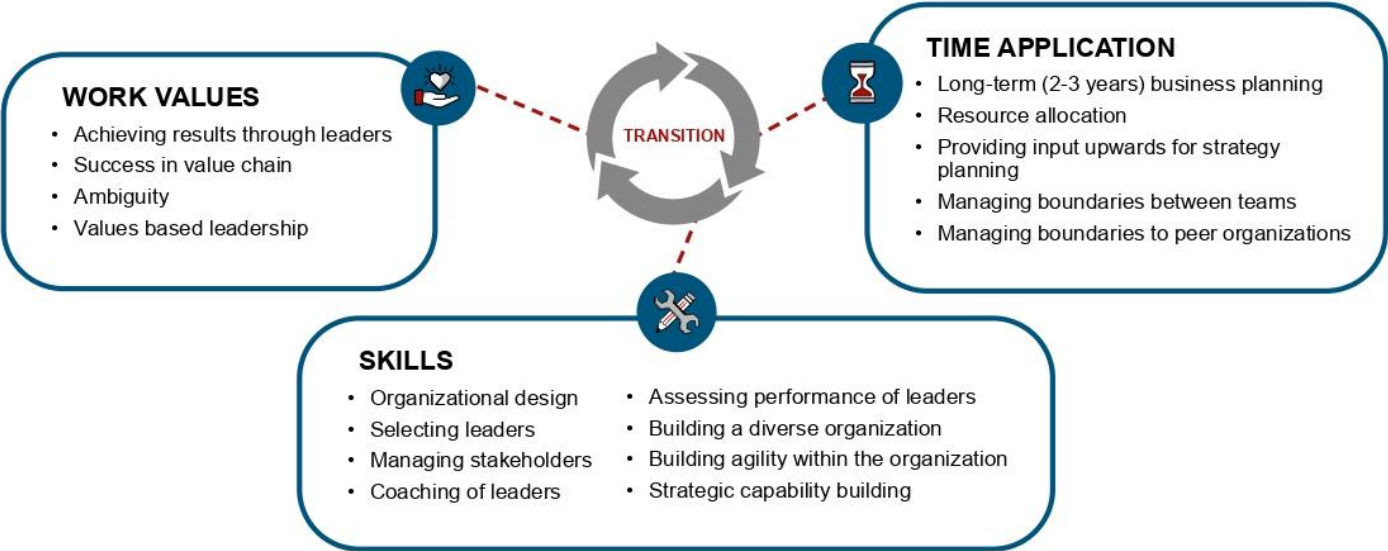
Leader of leaders

Leader of others

TRANSITION

Leader of self

REQUIRED WORK VALUES, TIME APPLICATION, SKILLS

LEADING LEADERS
Leadership portrait

TRANSITION

WORK VALUES
- Achieving results through leaders
- Success in value chain
- Ambiguity
- Values based leadership

TIME APPLICATION
- Long-term (2-3 years) business planning
- Resource allocation
- Providing input upwards for strategy planning
- Managing boundaries between teams
- Managing boundaries to peer organizations

SKILLS
- Organizational design
- Selecting leaders
- Managing stakeholders
- Coaching of leaders
- Assessing performance of leaders
- Building a diverse organization
- Building agility within the organization
- Strategic capability building

LEADING LEADERS: The job to be done

The work	Required activities
Translate strategy into operating plans	• Align activities across their organisation with the overall business strategy and customer expectations • Support direct reports in bringing the business strategy and company purpose to life, making it meaningful for all • Assign work and delegate necessary decision-making authority to direct reports • Take ownership of organisational change initiatives
	• Take a structured approach to support your leaders becoming better leaders • Regularly coach and enable your direct reports on their leadership capabilities
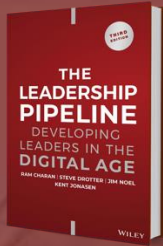
LEADERSHIP PIPELINE VALUE PROPOSITIONS

VALUE TO THE ORGANIZATION

- Drives accountability for delivering leadership performance
- Enables strategic succession planning
- Provides the foundation for equitable selection and performance assessment of leadership performance
- Enables L&D to create development programs focusing on the full leadership transition rather than pure skills-based programs

VALUE TO PEOPLE MANAGERS

- Clarifies and aligns leadership performance expectations
- Enables day to day leader-led development
- Makes selection and de-selection of leaders more objective

VALUE TO PROFESSIONALS

- Helps determine correct career path
- Provides a transparent framework for what performance they can and should expect from their direct managers

WE MEASURE IMPACT OF TRAINING

As something unique in the industry, LPI consistently measures impact of our transition programs.

During a 3–6-month learning journey, each participant is **measured by change in**:

KNOWLEDGE
Has the leader acquired and retained the knowledge needed to fully step into their leadership role?
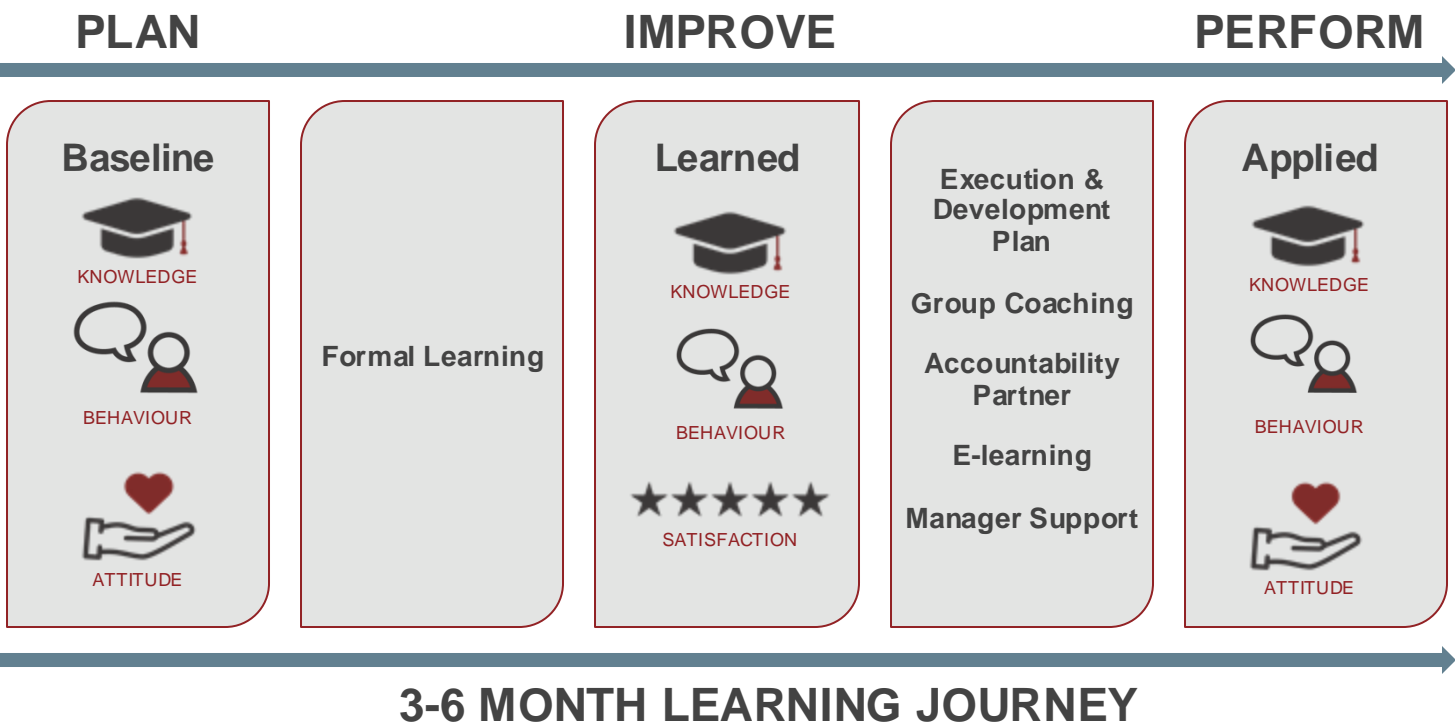
BEHAVIOUR
Does the leader have the essential attitude regarding work values to operate at the correct level?

ATTITUDE
Has the leader demonstrated behavioral improvements required to lead at the correct level?

PLAN | IMPROVE | PERFORM

Baseline
KNOWLEDGE
BEHAVIOUR
ATTITUDE

Formal Learning

Learned
KNOWLEDGE
BEHAVIOUR
★★★★★
SATISFACTION

Execution & Development Plan

Group Coaching

Accountability Partner

E-learning

Manager Support

Applied
KNOWLEDGE
BEHAVIOUR
ATTITUDE

3-6 MONTH LEARNING JOURNEY

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LPI IMPACT SCORES

LPI consistently delivers significant impact on both knowledge, attitude and behavior.

Most notable is the retention of learning and behavioral change after three months—the applied test.

You will also notice that we are able to deliver equally high impact scores on onsite and virtual programs

TYPE	LPI ONSITE	LPI VIRTUAL
Baseline assessment	42%	42%
Learned assessment	87%	89%
Applied assessment	82%	84%

BENCHMARKING LPI IMPACT SCORES

Ebbinghaus's and other similar contemportary research will conclude that most of what people learn during training is forgottong already one month later. **Compared to Ebbinghaus's forgetting curve, LPI delivers unparalleled impact scores.**
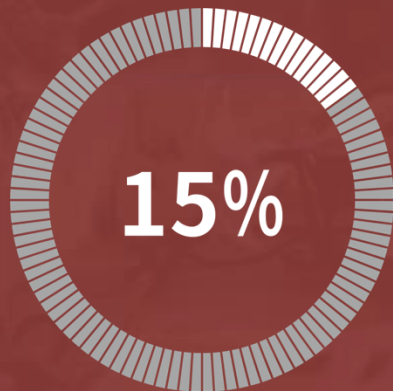
MORE THAN

90%
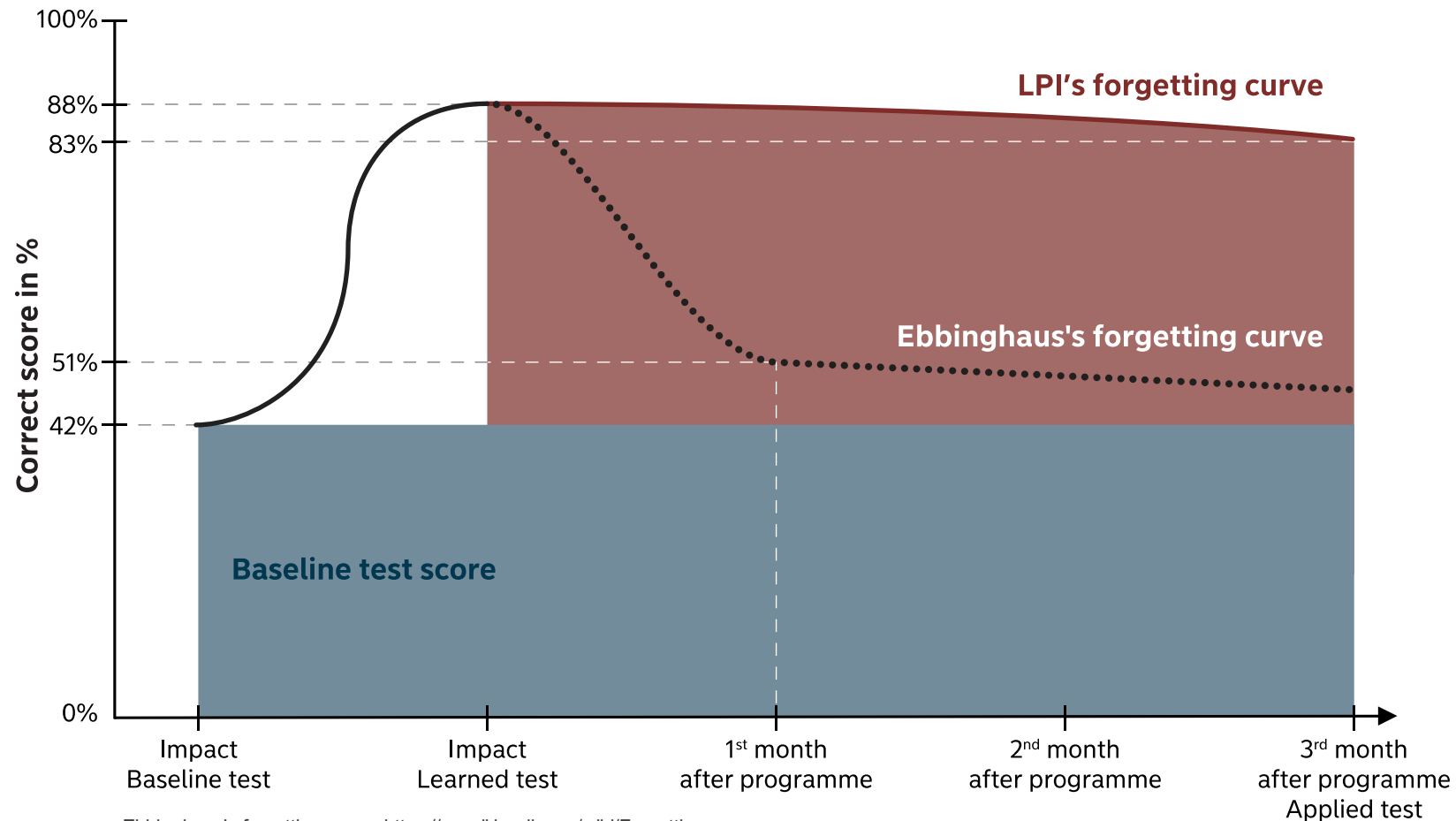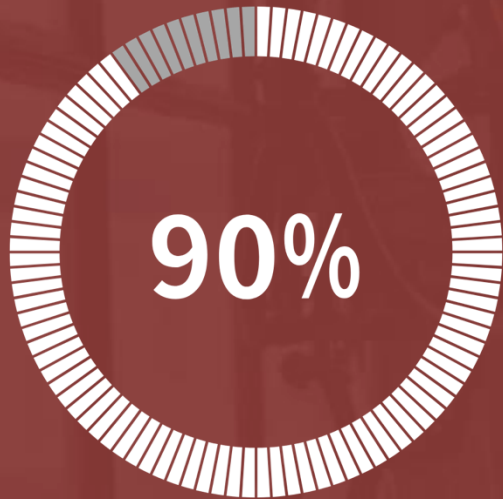
of leaders of leaders say a critical part of their job is to hold leaders of others accountable for leadership performance
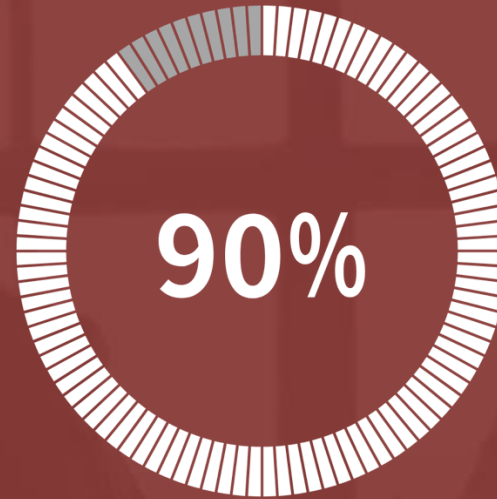
MORE THAN

90%

of leaders believe that their people primarily develop on the job

YET…

LESS THAN

15%

of leaders of others experience that they explicitly are held accountable for their leadership performance

YET…

LESS THAN

5%
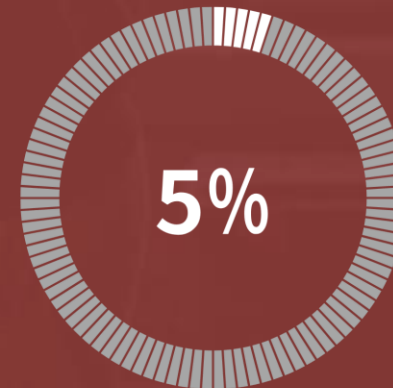
of employee's experience that they have structure personal development plan including specific and measurable development objectives followed but concrete examples on how their leader will support their development

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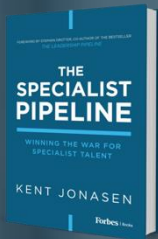
SPECIALIST PIPELINE VALUE PROPOSITIONS

VALUE TO THE ORGANIZATION

- Enables organizations to break down hierarchies and empower people at all levels

- Secures that the organization can leverage the full value of the expert knowledge across the organization

- Makes it easy and comfortable for specialists and leaders to switch between career tracks without feeling demoted

- Increases attraction and retention of specialists by offering a structured career growth path

VALUE TO LEADERS OF SPECIALISTS

- Enables leaders to establish long-term plans for how to build their organization

- Clarifies and aligns performance expectations for specialists

- Offers a flexible approach to developing specialists in everyday work life

- Makes selection and de-selection of specialists more objective

VALUE TO SPECIALISTS

- Provides an attractive career path and a "real" alternative to choosing the leadership track

- Provides a transparent framework for performance, development, promotion, and growth

CORE PRODUCTS & SOLUTIONS

We specialize in supporting organizations by strengthening their pipelines of qualified leaders and specialists/experts.

We play different roles depending on our clients own internal resources.
But most often our services include one or more of the following elements:

Leadership Transition Programs

- Emerging leader
- Leading others
- Leading leaders
- Functional leader
- Business leader

Specialist Transition Programs

- Leading self
- Knowledge expert
- Knowledge leader
- Knowledge principal

Assessments

- Leadership Performance Index
- Specialist Performance Index
- Project Leadership Performance Index
- Team Performance Index

Team Development Programs

- Business Leadership Team Development
- Functional Leadership Team Development
- Leading leaders Team Development
- Leading others Team Development

Project Leadership Transition Programs

- Project leadership
- Project portfolio leadership

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