BUILDING YOUR LEADERSHIP PIPELINE

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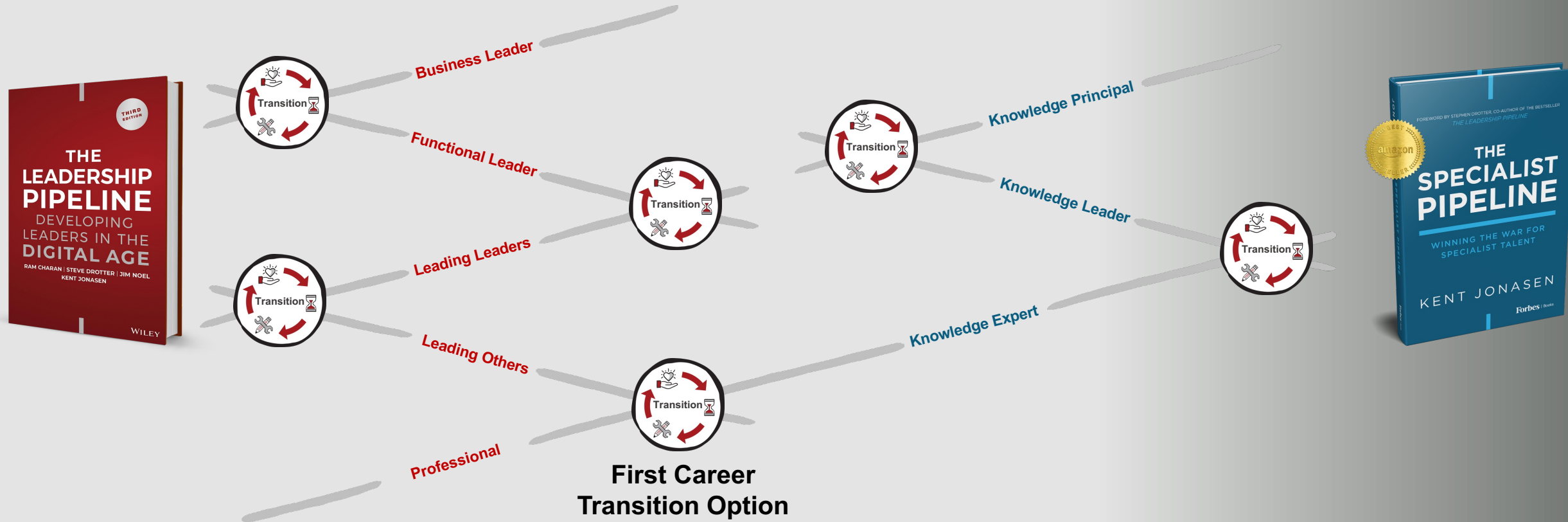
LPI AT A GLANCE

By the numbers

- We are represented in +25 countries

- We have consultants located in +40 cities

- We have delivery capabilities in +20 languages

- People from +75 countries have been exposed to our programs

- Voluntary turnover of employees is 1% per year

- Client retention of 90% over a 15 years period

- The Leadership Pipeline book has sold more than 300,000 samples

Combining Leadership and Specialist Pipeline

Leadership

Specialist

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

First Career Transition Option

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

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Business is people & people is business

- 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!
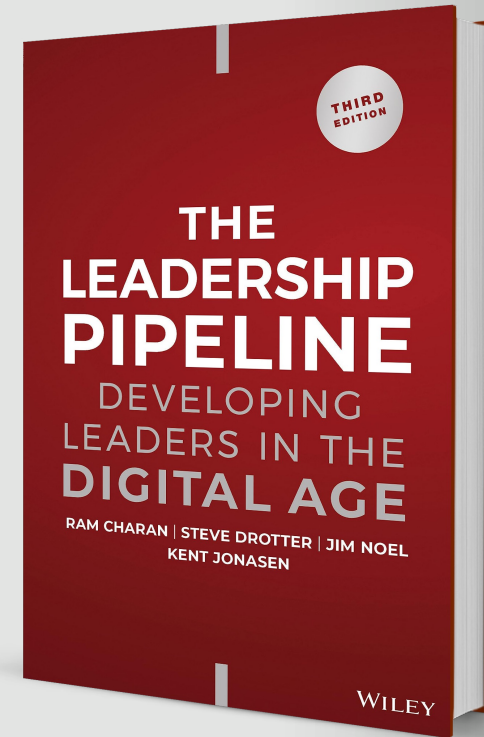

Generating a Net Financial Cash Flow

Generating a free Net Flow of Talent

Business is people & people is business

Some good questions to ask yourself:

- What does your people ledger look like?

- What does your people budget look like?

- How do you strategically allocate people across the businesses?

- What is your annual net production of talent?

- How well does your leadership population perform as leaders?

Business is people & people is business

- 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 management

- It enables you to transform the organization into a talent factory by defining how you best develop future leaders with regards to work values, time application, skills, experiences and delivered results

THIRD EDITION

THE LEADERSHIP PIPELINE

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Origin 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 **twenty years**.
   - Structured **one-hour** workshop discussions, held with more than **11,300** leaders at **different** leadership **levels**, across the world.
   - Discussions focused on the **challenges** the leaders face, when moving into a new leadership level.

RESEARCH FINDINGS OVER A 10 YEAR PERIOD LEADERS OF LEADERS

What were the 2 or 3 main challenges you faced during the first 3-6 months after moving into your leading leaders role?	What 2 or 3 things do you miss most about being a leader of others or an individual contributor?	What 2 or 3 things would you like to spend more time on in your current position, but seem unable to find time for?	What are the 2 or 3 most important skills you have come to realize you need as a leader of leaders?
1. Losing control from not knowing everything in depth 2. Clarity on position in value chain – how does my organization fit into the bigger picture 3. Communicating through leaders - there is a delay in time from when I brief my team until things happens in the frontline 4. Managing stakeholders 5. Hands off – trusting the team	1. Being close to the action - the satisfaction of completing a task 2. Being an expert in my work area 3. Having the detailed overview – where are we? 4. Time control: a)single/multiple tasks b)grabbed by others d)control over deadlines 5. Work-life balance	1. Focusing on strategy rather than putting out fires 2. Understanding company strategy 3. Networking / knowledge sharing with peers 4. Long term planning – being less reactive 5. Being more visible to my own organization – rather than just to my direct reports	1. Leading through other leaders 2. Stakeholder management – relationship building 3. Assessing my leaders – how do I know if they are good leaders? 4. Empowering my teams to get things done without my interference 5. Coaching leaders

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? "

EXERCISE STEP 4

Please pick 10 "leaders of leaders" and ask them the following question:

"When you got your first leading of leaders role, to what extent on a 1-10 scale did you explicitly get support from your direct manager understanding the differences being a leader of others and being a leader of leaders?"

EXERCISE STEP 5

Please pick 10 "leaders of leaders" and ask them the following question:

"To what extent on a 1-10 scale do you experience being held explicitly accountable for developing leader of others?"

Unlock the value of leadership

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

TRANSITION

Leader of Leaders

TRANSITION

Leader of Others

TRANSITION

Emerging Leader

Professional

THIRD EDITION

THE LEADERSHIP PIPELINE

DEVELOPING LEADERS IN THE DIGITAL AGE

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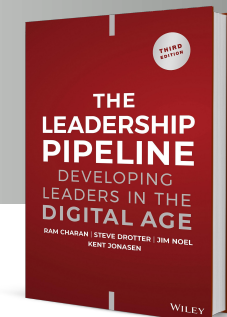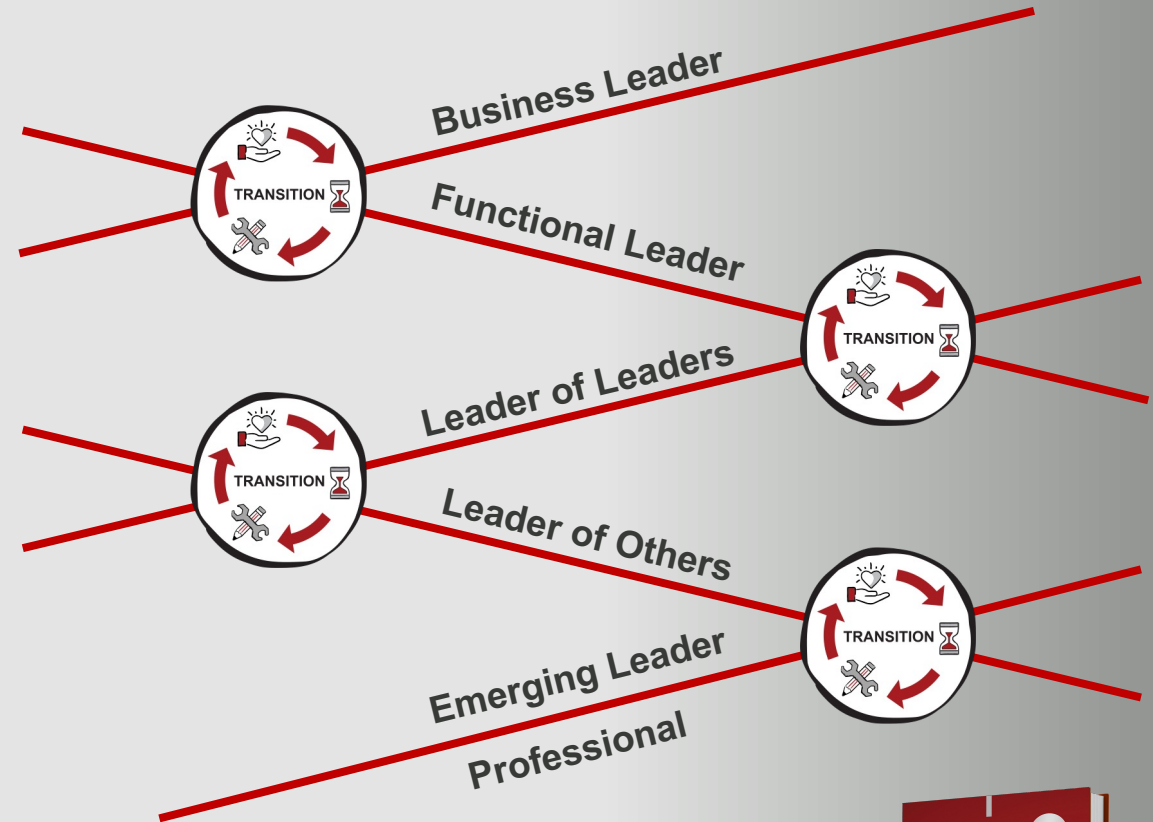
Creating the leadership portrait

- The first step is defining "the job to be done" for each key leadership role.

- By clearly defining "The job to be done" for each key leadership role, you create transparency about what is expected of leaders in the organization, and you support the leaders in recognizing how they add unique value to the organizations as leaders in that specific role.

- Thereby, you shape the leaders' way of thinking about themselves, the role clarity between the leadership layers, the performance standards for the organization and this is key to turning your organization into a talent factory and to increase the execution power.

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

Leader of self

TRANSITION

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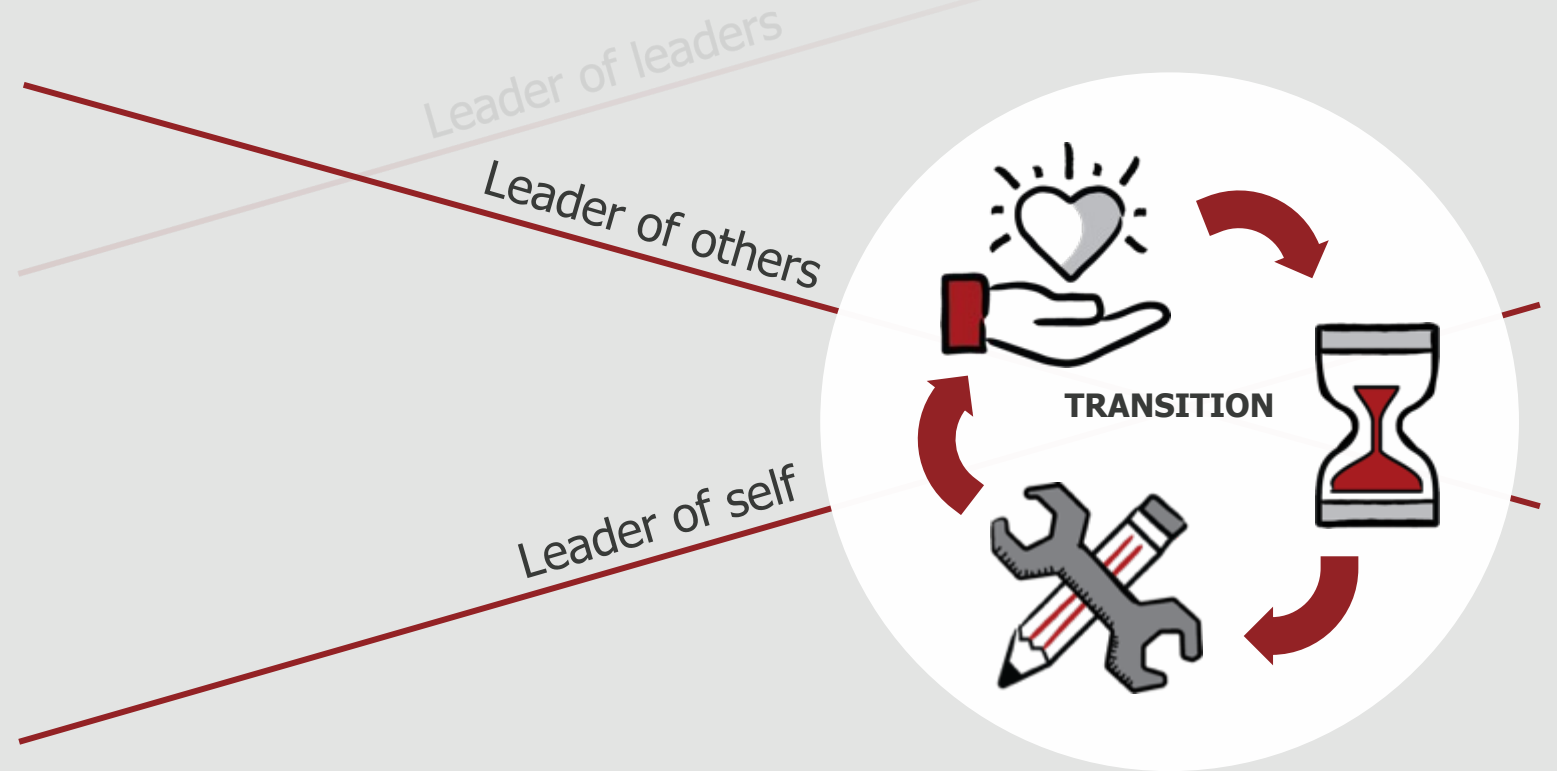
SET DIRECTION AND BUILD PURPOSE

YOU ENSURE THE OBJECTIVES OF DIRECT REPORTS ARE MEANINGFUL
Indicators You involve direct reports in setting their own objectives
You ensure direct reports have objectives, the achievement of which they significantly impact

YOU CLEARLY DEFINE THE ROLES AND PRIORITIES OF DIRECT REPORTS
Indicators You ensure direct reports have a clear understanding of how their objectives tie into overall team and business-unit objectives
You ensure direct reports clearly understand how their tasks are prioritized

EMPOWER AND FOLLOW UP

YOU ENABLE DIRECT REPORTS TO DEAL EFFECTIVELY WITH THEIR RESPONSIBILITIES
Indicators You delegate necessary authority to direct reports to enable them to achieve their objectives
You support direct reports in their work without taking direct ownership of any of their specific work

YOU FOLLOW UP WITH DIRECT REPORTS ON WORK DELEGATED TO THEM
Indicators You regularly initiate progress conversations and address relevant issues
You ensure direct reports have a clear understanding of whether or not they are progressing with their tasks as expected

DEVELOP DIRECT REPORTS

YOU ENSURE THE PROFESSIONAL DEVELOPMENT OF DIRECT REPORTS
Indicators You contribute to the development of the functional expertise of direct reports
You support direct reports in improving their performance

YOU CONTINUOUSLY INCLUDE COACHING AS PART OF YOUR LEADERSHIP STYLE
Indicators You lead through questions rather than merely providing answers
You regularly use conversations as opportunities to develop direct reports through coaching

ASSESS AND IMPROVE PERFORMANCE

YOU ENSURE DIRECT REPORTS HAVE A CLEAR UNDERSTANDING OF THEIR PERFORMANCE LEVEL
Indicators You frequently review the performance of your direct reports
You make thorough and fact-based assessments of direct reports

YOU ENSURE PERFORMANCE ASSESSMENTS ARE USED CONSTRUCTIVELY TO IMPROVE PERFORMANCE
Indicators You provide feedback in a constructive manner
You respond in a timely manner to individual performance challenges and do not let performance challenges escalate

SELECT TEAM MEMBERS AND BUILD THE TEAM

YOU SELECT HIGH-PERFORMING TEAM MEMBERS
Indicators You select qualified team members who contribute well to overall team performance
You make difficult decisions and proactively replace team members who consistently fall short of delivering their objectives

YOU CREATE A HIGH LEVEL OF TEAM SPIRIT AND ENGAGEMENT
Indicators You create an environment where teamwork and cooperation is valued
You create an open and trusting environment

TRANSLATE STRATEGY INTO OPERATING PLANS AND DRIVE PRODUCTIVITY

YOU SECURE A CLEAR LINE OF SIGHT BETWEEN FRONT LINE ACTIVITIES AND OVERALL BUSINESS STRATEGY
Indicators You ensure direct reports, through meaningful and measurable objectives, have a clear understanding of the direction and priorities of the company
You set overall team objectives for direct reports and delegate responsibility and authority for cascading the team objectives

YOU DRIVE OPERATIONAL EXCELLENCE
Indicators You drive continuous improvement and process optimization
You share and apply best practices and lessons learned - successes as well as failures

DEVELOP LEADERS

YOU ENSURE THE PROFESSIONAL DEVELOPMENT OF DIRECT REPORTS
Indicators You contribute to the development of the leadership capabilities of direct reports
You contribute to the development of the functional expertise of direct reports

YOU CONTINUOUSLY INCLUDE COACHING AS PART OF YOUR LEADERSHIP STYLE
Indicators You lead through questions rather than merely providing answers
You regularly use conversations as opportunities to develop direct reports through coaching

ASSESS AND IMPROVE THE PERFORMANCE OF LEADERS

YOU ENSURE DIRECT REPORTS HAVE A CLEAR UNDERSTANDING OF THEIR PERFORMANCE LEVEL
Indicators You ensure direct reports have a clear understanding of how well they perform as leaders
You ensure direct reports have a clear understanding of how well they perform with regard to their business objectives

YOU ENSURE PERFORMANCE ASSESSMENTS ARE USED CONSTRUCTIVELY TO IMPROVE PERFORMANCE
Indicators You provide feedback in a constructive manner
You make thorough and fact-based assessments of direct reports

LEAD ACROSS THE ORGANIZATION

YOU EFFECTIVELY MANAGE BOUNDARIES ACROSS THE ORGANIZATION
Indicators You ensure direct reports understand the responsibilities and the interfaces between different teams
You break down silos and facilitate a free flow of information and ideas across teams and units

YOU EFFECTIVELY MANAGE THE VALUE CHAIN
Indicators You ensure your own organization understands its role in the value chain
You effectively stimulate collaboration across the value chain

SELECT LEADERS AND BUILD THE ORGANIZATION

YOU SELECT LEADERS WITH CLEAR LEADERSHIP POTENTIAL
Indicators You select direct reports based on their readiness to lead in the specific role
You take the tough path and proactively replace direct reports who consistently fall short of fulfilling their leadership role

YOU NURTURE TALENT AND PLAN AHEAD ON ORGANIZATIONAL ISSUES
Indicators You ensure relevant succession plans are in place
You identify and recommend promotions for direct and indirect reports with further potential in your organization

Core transition

## Leading Others

WORK VALUES
- Achieving results through others
- Success of direct reports and unit
- Self as leader

TIME APPLICATION
- Annual planning (budget, projects)
- Making time available for direct reports
- Managerial work

SKILLS
- Job design
- Selecting
- Delegating
- Coaching
- Giving feedback
- Performance management
- Building engagement
- Building the team
- Building psychological safety

Skills

Time application
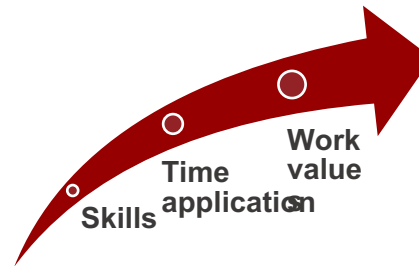
Work value

Leading Leaders

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

TIME APPLICATION
- Long-term (2-3 years) operational 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

LEADERS OF LEADERS
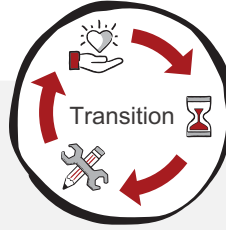
Typical transition issues

- Lacks focus on developing direct reports into effective leaders
- Does not explicitly hold direct reports accountable for leadership performance
- Fails to truly empowering the leaders reporting to them
- Focuses mainly on leading downwards rather than also leading sidewards and upwards
- Struggles with having a combination of individual contributors and leaders of other as direct reports

LEADING LEADERS
SAMPLE CONTENT OVERVIEW*

Transition into your leadership role	Translate strategy into operational plans and drive productivity	Develop leaders	Assess and improve performance of Leaders	Lead across the organization	Select leaders and build the organization

• How you uniquely add value to the organization
• Transition in:
  • Work values
  • Time application
  • Skills
• How your role as a leader is linked to other roles in the organization
• How you free up time to be a leader
	• Handle the challenge of leading through other leaders
	• Ensure that your plans are executed effectively
	• Building line of sight up and down the organization
		• Develop a coaching leadership style
		• Set SMART development goals for leadership performance
		• Link development goals directly to objectives
		• Coaching for performance as leaders
			• Evaluate whether a leader is a capable leader
			• Identify leadership potential
			• Build accountability and credibility around your assessment and development processes
			• Conduct effective people reviews
				• Establish optimal organizational boundaries between teams
				• Prevent organizational silo formation
				• How you effectively manage being part of a value chain
					• Recruit direct reports based on their leadership potential
					• Build your organization with constant care
					• Deselect low performers and optimize your team
					• Disclose leadership potential in interviews

PERSONAL DEVELOPMENT PLAN & EXECUTION PLAN

WORK VALUES & TIME APPLICATION ADJUSTMENT

LEADERSHIP BEHAVIORS & LEADERSHIP PERFORMANCE INDEX® SURVEY

* The program will be customized to your organization

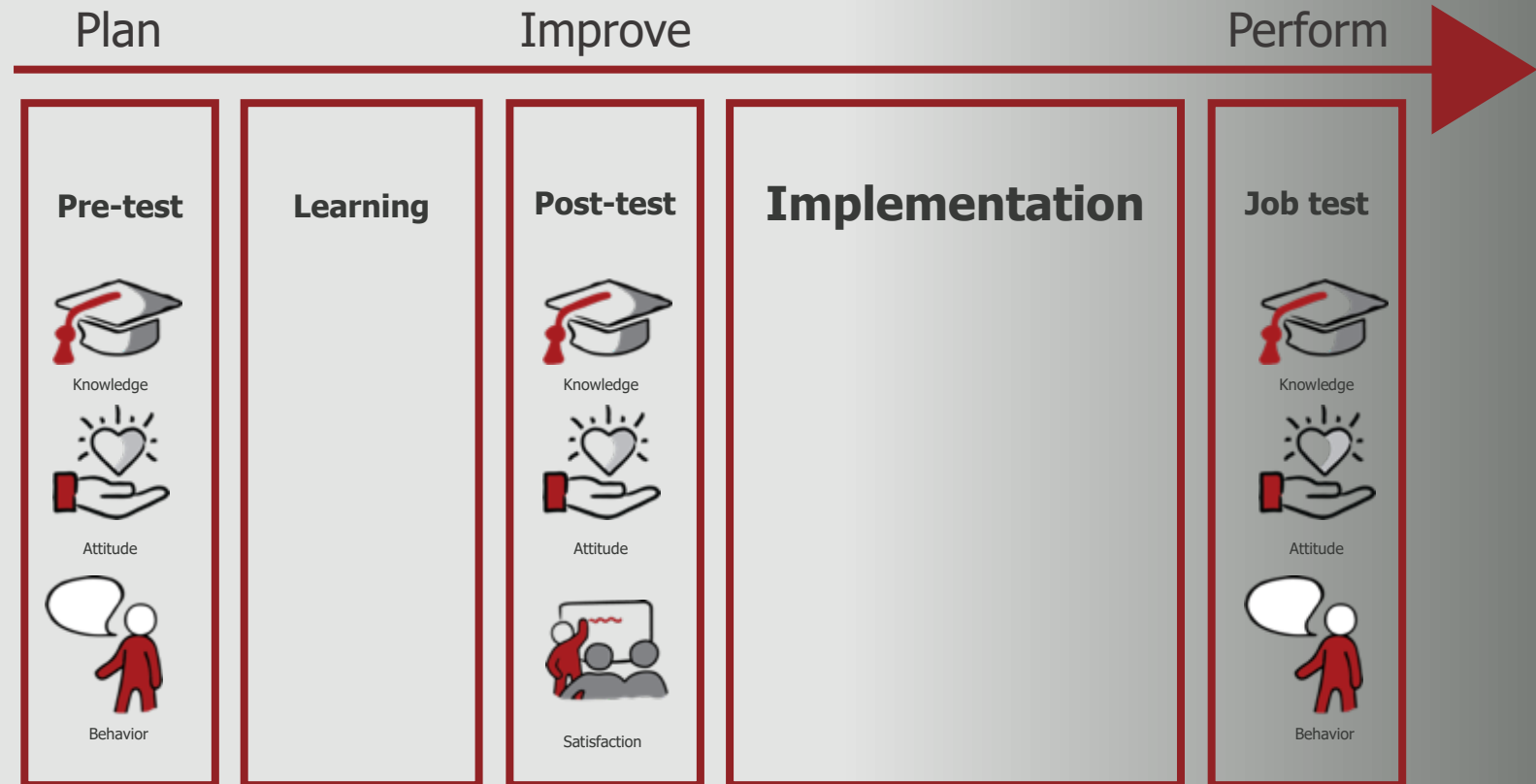**LPI**
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WHY AND HOW WE ARE DATE DRIVEN?

- We protect your investments in development by ensuring that our services and products are linked closely to the overall business strategy

- We provide the globally leading tool for learning analytics

- The learning analytics tool will both ensure measurement of program impact and increase the participants motivation for learning

- We use the highest standards set by the European Federation of Management Development to build the case for investing in development

HOW DO WE MEASURE IMPACT?

- Measures the participants' change in:
  - Knowledge
  - Attitude
  - Behavior
- Test is done pre-training, as an immediate follow-up, and 3-6 months post-training, leading to a sustainable impact

Plan | Improve | Perform

| Pre-test | Learning | Post-test | Implementation | Job test |

Pre-test

Knowledge

Attitude

Behavior

Learning

Post-test

Knowledge

Attitude

Satisfaction

Implementation

Job test

Knowledge

Attitude

Behavior

LPI Onsite VS Virtual

| Type	LPI Onsite	LPI Virtual	3rd party Benchmark
Pre-test	42%	42%	
Post-test learning	87%	89%	77%
Job-test learning	82%	84%	73%
Job test behaviour	79%	77%	58%

The 2019 Benchmark data is based on all of Peopleway's impact-measurement data (25.9 million responses).

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Data–driven leadership development

*Approx. **395** unique data points per participant are collected.*
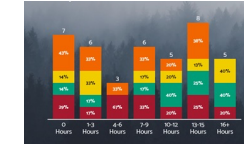
1st LPIndex: 30 Qs across raters
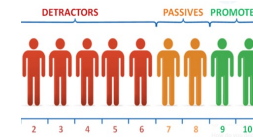2nd Lpindex 10 selected Qs across raters
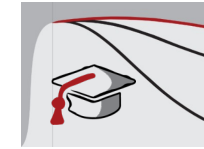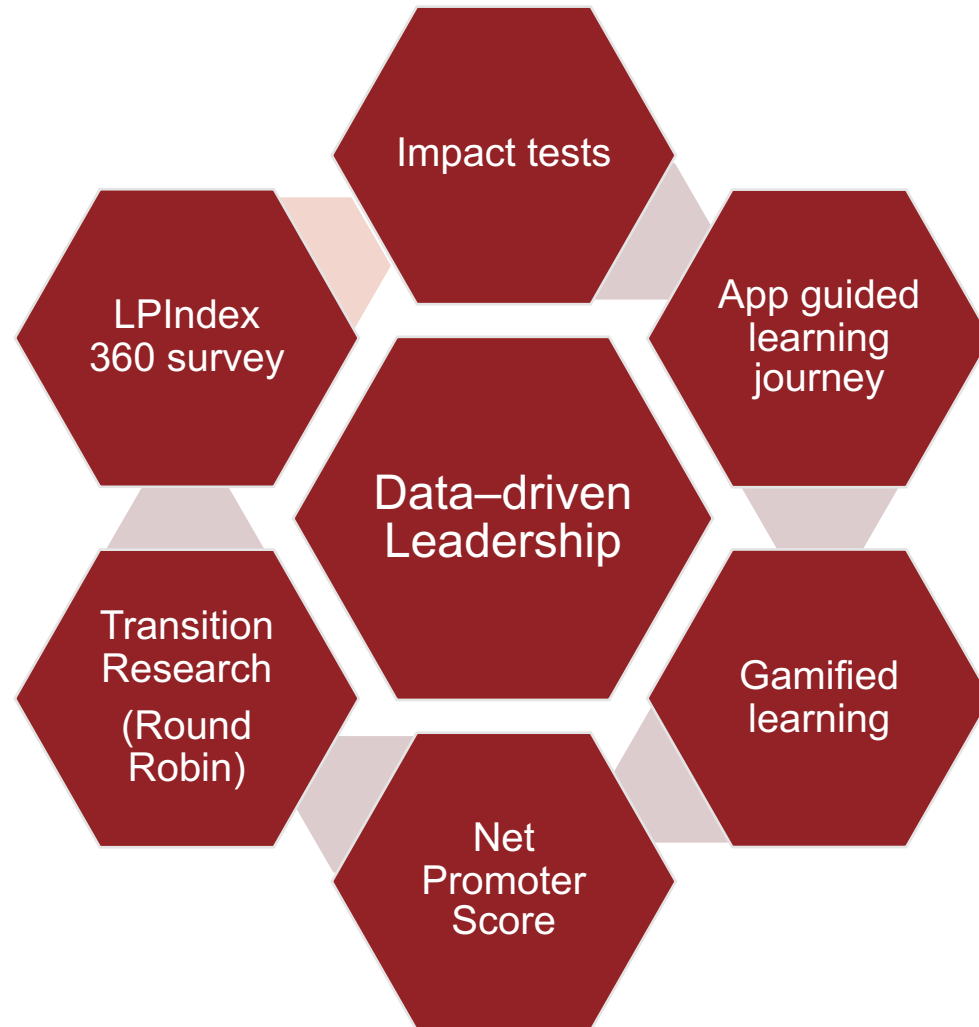
Impact Pre-test: 27 Qs
Impact Post-test: 16 Qs
Impact Job-test: 27 Qs

Onboarding flow
Gamified preparation flow
Post-program enablement

Live quiz: 21 Qs
Live quiz VF1 and VF2: 16 Qs

Satisfaction and NPS: 10 Qs

Round Robin:
4Qs with multiple answers

Hexagon diagram:
- Impact tests
- App guided learning journey
- Gamified learning
- Net Promoter Score
- Transition Research (Round Robin)
- LPIndex 360 survey
- Data–driven Leadership (center)

BUSINESS IMPACT

- How we ensure that money and time invested has an actual impact on the business

Organizational Impact