Innovation in Leadership
An EFMD Report into Innovation in Leadership Development in 12 Large Companies
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1.0 Introduction
1.1 Introduction
EFMD established a Special Interest Group (SIG) to explore the state of leadership development in their member companies across Europe in Spring 2018. A total of twelve member companies joined the SIG, supported by Hult Business School as the Academic partner. Each company was represented by one or two members of their leadership development teams. Their contribution was always insightful, generous and open. EFMD and the Project Team are indebted to their collective contribution.

The focus of the SIG was on how leadership development was being transformed in light of changes in the economic, political, social and technological environments at a time of unprecedented disruption, uncertainty and complexity in the landscape which those companies had to navigate. The initial proposal document from February of that year states:

“It is time for a fresh look at leadership development. The complexity of running organisations in the 21st-century stretches even the most capable and well-informed leader... This new environment requires new approaches to leadership development”

EFMD Internal Document

There is a need to ensure that leaders are being adequately prepared for that future, and to ensure that those responsible for leadership development are willing to lose the baggage from the past and feel confident and optimistic about delivering what is necessary to achieve this. The outcome is a radical rethink of the nature of leadership development. This means revising not only what is being taught, but exploring how leaders are developed. This requires new approaches and a new philosophy. Combining the sum of these changes adds up to a radical realignment and encourages a swathe of innovation.

This report attempts to capture, in essence, the nature of that journey. It offers the collective conclusions to which the SIG came, a raft of case studies designed to illustrate exactly what happens in practice, together with two Annexes designed to show the degree to which the collective conclusions are grounded in the academic literature around leadership.

The exploration of the domain is neatly topped and tailed by discussion around the journey itself and the conditions that need to exist for change to take place, as well as what starting point is appropriate. The final element of the jigsaw is the exploration of the literature around leadership, around innovation in leadership development and around the conclusions reached. The result is that, this report is grounded in contemporary practice and gets at the heart of what significant companies are doing to repurpose their leadership development.

1.2 Outcomes and Conclusions
The SIG came to a strong conclusion. This was that the shifts in leadership development could be encapsulated in eight belief statements. These were agreed and signed off by all participating companies. They trace the trajectory of the innovative pathways being explored by the member companies to prepare their leaders for the environment.

In spite of the multifaceted membership of the SIG (covering companies from technological, beauty, pharmaceutical, energy, and financial sectors amongst others) and in spite of the differing nature of the organisations, (some regional some global ) there
was complete alignment around the eight beliefs.

The interpretation of those beliefs, however, and the actual delivery of leadership development varied considerably and reflected the different states of development as well as the varied foci of the member companies. This is reflected in the case studies undertaken by each member company.

The validation of the beliefs was based on a process of triangulation. The early workshops generated the beliefs in the first place. Academic research validated them, and the case studies from the member companies showed how they worked in different contexts. The academic literature survey is included as two annexes to this report, and gives added impetus to its scope.

1.3 The Leadership Context

In the face of significant changes in the social, technological, economic, and political environments worldwide, many organisations are examining how they prepare their leaders for working through disruption and uncertainty. In a world within which the complexity of running organisations in the 21st-century challenges tried and tested models of leadership, and disruption of whole industries is either a reality or an ever-present cloud in the contemporary business landscape, helping leaders to cope, perform, and shape their organisations has become an acute and necessary challenge.

Those who are charged with this task are having to review the fundamentals of what they do, and engage with these profound changes. The status quo simply will no longer stand up to scrutiny or adequately prepare leaders for their role. And as Johan Roos, the Chief Academic Officer of Hult International Business School, aptly argues, these changes greatly impact the providers of leadership development as well as the companies themselves. He claims, polemically, that today’s business schools cannot afford to teach yesterday’s expertise, but largely still do.

“For the most part, today’s business schools are busy teaching and researching 20th century management principles and, in effect, leading the parade towards yesterday.”

(Roos May 2018)

There are plenty of headline examples of the abject failure of leadership in organisations, and the consequent collapse of confidence and the destruction of value. These dramatic examples should not be allowed to overshadow the less spectacular day-to-day underperformance of leaders, and the consequent loss of revenue, opportunity and the draining away of key talent.

There is a misalignment between the who, what and how of leadership development, locked as it is into obsolete, but enduring, philosophies around what constitutes leadership. This report shares the insights of twelve large companies that have made significant steps forward in their analysis of what is required, and their implementation of new models of leadership development designed to enable a new approach and culture where leadership excels, and organisations flourish through change.

These companies are mounting a successful challenge to conventional leadership development by rethinking what is needed to support a vibrant leadership culture. They are trying to deal with these challenges in new and innovative ways, and this report shares the progress that has been made, as well as the insights and new practices that are happening quietly around us. Everything shared in this report is grounded in practice
and supported by evidence. Therefore, we hope that the report points the way forward and helps animate the debate about leadership in many other organisations around the world.

The power of this report lies in the fact that it shares the tangible challenges, some not yet resolved, that were shared by members of this Special Interest Group. The report is therefore a unique opportunity to conduct action research on the one hand, and share new ideas that work on the other. The essence of this report is about innovation in leadership development, and it is an area ready for urgent exploration and debate. Our utmost hope is that this report contributes to those discussions wherever they are being held.

1.4 The Approach

This EFMD SIG gathered together a group of powerful and influential EFMD member companies, alongside Hult International Business School, the sponsor and subject matter expert, in order to explore critical aspects of some of the leadership development challenges that are currently being faced, and the innovation that has emerged in direct response. This report offers examples of actual practice, set in a contextual frame. The companies that participated were: Bayer AG, Barry Callebaut AG, Engie, Essilor Luxottica, La Baloise, L’Oréal, Naturgy, Nokia, Repsol, Siemens, Swiss Re, and UBS.

Each member’s time was precious, and travel expensive, therefore the SIG met together as a group only twice: to initiate the project, and to agree the conclusions and the shape of the final report. All other interactions were virtual. These large group interactions, at the beginning and end of the project, were hosted by two of the SIG member companies. We are grateful to Barry Callebaut AG and L’Oréal for being our generous hosts at these events. The hosting companies kindly shared not only their facilities but also their philosophies and approach to leadership development with other member companies. This had the additional benefit of allowing an insight into the culture and practice of the hosting companies.

A decision was taken at the first face-to-face meeting in Marbach to focus our thinking around three core topics. They were identified as:

1. **Beginning the journey.**
   This topic focused on the starting point for companies wanting to review and transform their leadership development. A group came together to share and debate the best ways to start this process and their insights were collected and annotated.

2. **Beyond the curriculum.**
   This topic formed the core of the project and involved the majority of participating companies. The group pulled together a set of underlying principles which later became eight beliefs that chart the landscape of new thinking in leadership development. Each member company signed up to the beliefs, and the included case studies illustrate how those beliefs have been turned into action.

3. **Sharing Research:**
   A small group of members worked alongside Ashridge, the executive education arm of Hult International Business School, to compile a literature review of selected and curated key items that reflect the contemporary debate around leadership development and ultimately the eight beliefs.

Following Marbach, a series of webinars and one-to-one interviews were organized by the SIG leaders to explore the three core topics. From this process of iteration emerged a number of fundamental shifts in working practices for those companies involved. They cohere around the eight beliefs and their alignment to the current exploration of changes in leadership development.
2.0
The Eight Beliefs and the Related Case Studies
SECTION 2.0 | THE EIGHT BELIEFS AND THE RELATED CASE STUDIES

Experiential learning is the single most efficient way to develop leaders

Increased resilience, of the individual and of the organisation, should be a critical outcome of leadership development

Reflection is a critical key to cementing understanding

Changes in the workplace of the future should be reflected in leadership development

Transformational change should be a desired outcome of many leadership development interventions

Leadership development should be, rather than a single event, a continuous process integrated with work

Group and peer learning encourage not only individual but collective learning, and a focus on the organisation as a whole

The digital transformation going on inside organisations should be mirrored in leadership development

2.1 The Eight Beliefs

From the webinars, too, came the concept of validation through case study, whereby each of the eight beliefs was shown to be valid when applied to practice.
Genesis
Organisations in the developed western world are often full of accidental leaders – professionals who had no real desire or intent to lead, yet who find themselves in positions of significant leadership responsibility. It was felt that an important role of leadership development was to help accidental leaders refine their practice and help them to become purposeful leaders or, indeed, to decide that leadership was not for them.

The group agreed that companies create leaders, in as much as they create leadership roles. They then place individuals in those roles. It is a company’s responsibility to set the expectations they have of their leaders and of leadership. Companies use leadership development to build a common platform that allows the establishment of norms of behaviour and the development of shared values. All the SIG members were trying to escape the recipe paradigm: if we give them the recipe, they will have all the answers. This paradigm is no longer accurate, and is misleading and confusing in a complex world where what is demanded of leaders changes rapidly and where there are not necessarily answers at hand.

It was also agreed that leaders are forged in the fires of experience: leaders learn by doing. Leadership development can prepare them for and have them reflect on the experience, but it is not an alternative to focusing on practice rather than theory.

The philosophy behind the eight beliefs was built from three separate elements:
1. The conclusions about the trajectory of leadership development.
2. Empirical evidence explored in the Case Studies and the evaluation process conducted around those initiatives.
3. Validation that our beliefs resonated with the direction of academic research, and through that research, reassurance that other examples supported our thesis.

The beliefs were developed through an iterative exercise in which drafts were offered up by a working group and commented on and improved by the entire SIG. After a number of iterations, and a webinar discussion, what emerged was encapsulated into eight beliefs, which every member could endorse.

The Eight Beliefs
Each belief has equal status and there is no significance to the order in which they are presented.
Experiential learning is the single most efficient way to develop leaders.

Brief summary of the innovation
Nokia is experimenting with replacing conventional leadership development courses and programmes with an immersive experience, where leaders are located in other companies for a substantial period of time (up to 2 weeks). These companies are not current Nokia customers or partners, therefore the leader is expected to explore the company, work out what they are doing that is different and innovative, and import that innovation back into Nokia by way of a small experiment that is funded by the company. Reporting back is always to the Chief Executive.

Description and link to belief
Nokia’s innovation is part of a wider challenge for leaders and for the company: what is required to build the mindsets and skills necessary to help Nokia thrive in a technological future that challenges existing norms.

Because there is so much uncertainty, these programmes are open-ended; the explorations of the various participants are expected to diverge radically depending on what they take from the experience. There is added emphasis on sharing the learning and working out how the team itself needs to adjust in the light of those experiences.

The case study links to belief one
Experiential learning is the single most efficient way to develop leaders

Next steps/conclusions drawn
The programmes are in train therefore the medium-term impact is unknown. What is clear is that Nokia has to work out how to incorporate the most successful of the experiments into current best practice and also encourage the leaders who participated to continue their own learning and development, as well as ensuring that the cohort moves forward with a shared understanding.

What is required to build the mindsets and skills necessary to help Nokia thrive in a technological future that challenges existing norms.
Experiential learning is the single most efficient way to develop leaders.

Brief summary of the innovation
Siemens AG is a global company in the fields of electrification, automation and digitisation. It develops and sells products and services that drive technology, energy, financing, building, healthcare, industrial automation, mobility services and private households. The digital transformation has brought about profound changes in production processes, established business models, management approaches and customer requirements. Simultaneously digitalisation offers the opportunity to exploit additional market potential and rapid increase of production. Executives must cultivate the unique characteristics of a Digital Organisation and develop digital competencies in the workforce to anticipate and react to the influences of digitization.

Description and link to belief
The Global Learning Campus developed ADB Training (Applying Digitalization to our Business). This course was especially developed to strengthen and grow leader experience in digitalisation and in understanding how this will change our business models and our organisation. Siemens now understands how to speak about its key technologies and why it is both important and difficult to initiate and scale those businesses. In a safe learning environment, participants experience new technologies. With technical experts as trainers, participants hacked websites or visualized analytics with appropriate tools and learned how to turn data into action.

Siemens believes that experiential learning (offering leaders high quality and challenging experiences) is important, and the single most efficient and effective way to develop leaders. ADT illustrates this belief in practice.

Next steps/conclusions drawn
ADT created a common language around digitalisation. Digitalisation opens up tremendous business opportunities through friendly forward integration into the customer value chain, in co-creation with customers – from vendor/supplier to partner. However, digitalisation requires fundamental changes in processes, organisational setup, competencies, behaviors and mindset. There is no blueprint: fast-learning organisations are those best prepared for change.
SECTION 2.0 | THE EIGHT BELIEFS AND THE RELATED CASE STUDIES

Reflection is a critical key to cementing understanding.

**Brief summary of the innovation**

UBS Group AG is a multinational investment bank and financial services company. It is Switzerland’s largest banking institution. UBS Client Services are known for their strict bank–client confidentiality and culture of banking secrecy. The innovation is a new Integrated Leadership Development Architecture.

**Description and link to belief:**

Banking and financial services are transforming, driven through digital disruption and new major platform players. New players enter, margins are compressed. European revenue growth lags US and APAC. Business must grow, costs must decrease, through higher automation and efficiency gains. UBS must shift from crisis mode into growth mindset. In leadership development the company must help leaders embrace a growth mindset, support growth and efficiency projects that generate impact, and lead more holistically. Plus what is on offer must be scaled. UBS has build an entirely new Integrated Leadership Development Architecture.

Within our design these beliefs are explicitly embedded: that experiential learning is the single most efficient way to develop leaders, that transformational change should be the desired outcome of many leadership development interventions, that group and peer learning encourage not only individual but collective learning, and a focus on the organisation as a whole, that reflection is a critical key to cementing understanding and that leadership development should be, rather than a single event, a continuous process integrated with work.

**Next steps/conclusions drawn**

UBS emphasises experiential learning methods. In Development Centres leaders are put into performance situations then reflection (peer and coach feedback, 360 feedback, self-reflection) is added. Transformational change is at the heart of the new leadership architecture and we map desired business outcomes and initiatives in terms of their potential transformational impact. The new offerings strongly focus on group- and peer-learning. “Learning as a process” is emphasized through multiple touchpoints (launch app, launch events, modules with intra-module projects that generate business impact).

This complex redesign process requires alignment across multiple levels. The company had to refresh its views ‘House View on Leadership’ - the UBS Leadership model which defines what expectations we have of our leaders - given we want to see transformative change. We had to bring those in the Leadership Academy with us on the journey and upskill them around digital topics, business topics and how to best connect to new external trends and opportunities

Finding the best link between a learning experience that is out of context and the business context is a challenging task and requires more experimentation.
Transformational change should be a desired outcome of many leadership development interventions.

**Brief summary of the innovation**
Swiss Re’s purpose is to make the world more resilient. Together with our clients, we apply fresh perspectives, knowledge and capital to anticipate and manage risk. That is how we create smarter solutions, helping the world rebuild, renew, and move forward. In our challenging environment, we need courageous, purpose-driven and agile leaders to engage with our people.

**Description and link to belief**
Senior leaders strong in change leadership were selected by the Group CEO to undertake a reflective retreat in an ex-monastery. Here within The Pathfinder Experience they reflected on their leadership purpose, and on their need for courage to stand up for what they believe in and to enable change. A coach helped them to kick-start their self-reflection journey and they had a virtual dialogue with the Group CEO.

There was no specific strategic challenge set or clear individual follow-up action plan required. Rather, the Group CEO trusted that a deep, personal transformation experience would unleash their energy and commitment to do what is necessary to serve Swiss Re’s purpose and to drive the required change.

The belief that this case explores is therefore that transformational change is a desired outcome of any leadership intervention.

**Next steps/conclusions drawn**
Reflection on purpose and sharing deep personal experiences helped the participants to act as change catalysts. Beyond individual change efforts, the members of the community of Pathfinders started to create a self-organised network to help Swiss Re focus on and accelerate the required change.

It is very powerful for senior leaders to share personal leadership experiences with the Group CEO. To build trust, it was critical that the Group CEO shared his personal leadership journey with the group. To create a safe environment and support the individual transformation process it was vital that each participant was supported by an executive coach.
Group and peer learning encourage not only individual but collective learning, and a focus on the organisation as a whole.

Brief summary of the innovation
Bayer is a life science company with 150 years of history. Its leaders are challenged to deal with increasing levels of complexity and speed of change. The company is moving away from modular programme approaches to integrated learning journeys and to build strong connections between leaders to leverage the vast experience within the company.

Description and link to belief
Bayer has introduced a post-programme group of senior managers to continue their leadership development together. The group is supported by a programme director but it is set up to be self-managing and self-motivating. The group is using a peer coaching methodology to facilitate positive discussion and to help the group focus on overcoming each other’s challenges.

The first session is supported by a professional facilitator and they work together on a common challenge. This is supported by an online facility with helpful resources where the groups are expected to share the learning nuggets.

The belief most closely aligned to this innovation is belief four:
Group and peer learning encourage not only individual but collective learning, and a focus on the organisation as a whole.

Next steps/Conclusions drawn
There is a need for the HR operation to step back from this process and allow it to discover its own momentum. We also believe that it needs to be extended to other leadership programmes at various levels in the organisation. The leadership learning journey approach has been successful, nevertheless the company is to explore other mechanisms and other technologies to promote the concept of continuous learning and peer group support.
SECTION 2.0 | THE EIGHT BELIEFS AND THE RELATED CASE STUDIES

The digital transformation going on inside organisations should be mirrored in leadership development.

Brief summary of the innovation
The digital transformation of the insurance industry has huge implications for La Baloise. We are having to rebuild and flatten the structure of the company to include less hierarchy and new forms of collaboration. This means that leaders have to show acts of leadership without the backing of a formal position. The initial programmes to deliver this have been extremely positive.

Description and link to belief
The programmes reflect leadership as an action or a series of actions rather than a function and a status. This has been combined with an “early experts programme” which is designed specifically to meet the needs of young, talented experts who want to progress on a leadership fast track, and who demonstrated leadership outside the normal hierarchy. The aim is to help those people have impact and influence outside the traditional layers of the organisation. It compliments the work being undertaken with senior leaders.

This programme reflects a number of the beliefs but is most closely related to beliefs five and seven:
The digital transformation going on inside organisations should be mirrored in leadership development.
Changes in the workplace of the future (such as the development of less hierarchical, and more diverse organisations) should be reflected in leadership development.

Next steps/Conclusions drawn
The core programme for senior leaders is being extended due to its success and this will complement an early expert programme that is running concurrently. The long-term impacts of these changes will be closely monitored but the positive response is an indication that staff are on board with the transformation of the company and the new thinking around leadership.
Leadership development should be, rather than a single event, a continuous process integrated with work.

**Brief summary of the innovation**
Repsol is a former integrated oil & gas company that has now evolved into a full energy services and mobility company. Confronted with a VUCA world, plus high pressure on the need to reduce CO2 and with fossil oils consumption diminishing, we have to transform ourselves. We need to become an agile company, quicker in all decisions. We need flatter structures, new ways of contracting and a more innovative and digital character.

**Description and link to belief**
Leaders are the real lever for any company transformation. So, to transform the company culture, Repsol started by transforming leaders. Thus, the company defined a new leadership model, addressed a 180º process based on this model, and developed a leadership training program, reflecting on each of 15 behaviors. Each participant worked with a professional coach to develop an Individual Development Plan.

The approach was very well received, as was the monthly coaching session, together with a monthly peer coaching session. These ensured that the IDP was front of mind, and was progressed. The leader events improved the “leader community” spirit, and evidenced the importance the company gives to leadership.

This approach supports the belief that leadership development should be, rather than a single event, a continuous process integrated with work. Through the monthly peer sessions it also supports the belief that group and peer learning encourage not only individual but collective learning, and a focus on the organisation as a whole.

**Next steps/conclusions drawn**
A programme is in place for frontline leaders (around 1,850 in the company) to take during the next 3 years. A guide offering development actions to support each behaviour is to be published to help leaders build a continuous development process for themselves and their teams.
SECTION 2.0 | THE EIGHT BELIEFS AND THE RELATED CASE STUDIES

Changes in the workplace of the future (such as the development of less hierarchical, and more diverse organisations) should be reflected in leadership development.

Brief summary of the innovation
Hult recognized the need constantly to renew and refresh its taught leadership competency framework, the Hult DNA. This is the cornerstone of all teaching and experiential learning around leadership across all PG programmes, so it has to be a set of skills and practices that inspire and assist the personal and professional development of Hult students. It must represent a vision, a path, and a set of tools to align capabilities with market needs and create a foundation for a future of growth.

Description and link to belief
Hult DNA was developed following a Hult Labs study that specifically explored with top global employers what they wanted from postgraduate programme students. This was combined with data from alumni focus groups/interviews to understand fully where alumni felt they were well or under-prepared for the job market. We built into the framework faculty perceptions of what makes Hult students unique for employers. We reviewed Burning Glass data and undertook an academic literature review around student employability, market needs and related matters.

This links to two beliefs
The first belief is that leadership development should continue to move from a single event to a continuous process and should be integrated with work; the second belief is that changes in the workplace of the future (such as the development of less hierarchical, and more diverse organisations) need to be reflected now in leadership development.

Next steps/conclusions drawn
The resulting Hult DNA framework of three Competences, each with three observable skills or behaviors, will continue to be refreshed and reviewed.
SECTION 2.0 | THE EIGHT BELIEFS AND THE RELATED CASE STUDIES

**Increased resilience, of the individual and of the organisation, should be a critical outcome of leadership development.**

**Brief summary of the innovation**
Engie’s approach to leadership development has gone a long way beyond courses or formal programmes. Engie sees leadership development as a continuous process designed to embed core behaviours in the leadership cohort.

**Description and link to belief**
All the programmes build in reflection, and tools are provided to make this a reality. Their one week programme for senior leaders begins with a yoga class and there is a focus on mindfulness. This is designed to help leaders manage pressure and stress and to think clearly. Leaders are expected to become coaches and teachers rather than controllers. The company also organises inspiring speakers once a month, and sets up official “learning days” throughout the year. Meetings are scheduled to allow 15 minutes to work out the task allocation and reflect on how the process worked. All of this is embedded in the company talent management processes. Engie has also instituted a 5 @ 5 practice. Leaders are expected to spend 5 minutes at 5 pm reflecting on the day and their role and what more they could have done to improve the outcomes of the day.

**The beliefs most closely aligned with this innovation are two, six and eight**
Reflection is a critical key to cementing understanding
Leadership development should be, rather than a single event, a continuous process integrated with work.
Increased resilience, of the individual and of the organisation, should be a critical outcome of leadership development.

**Next steps/conclusions drawn**
There have been challenges during the implement stage such as the need to discuss the implications of official learning days with the employees representatives. In addition, senior leaders who practice these behaviours need to be acknowledged and set up as role models for the company as a whole. And the process of getting leaders to think in their roles rather than functions is challenging and a medium term objective. The company is proposing to introduce a structure for one hour meetings; this is broken into 20 minutes speaking or listening to speakers, 20 minutes in reflection and 20 minutes sharing the insights and outcomes. The hope is that all these changes will begin to define and shape the emerging learning organisation.
2.2 The Supporting Case Studies

Each case study was designed to illustrate at least one of the eight beliefs. Each one of them represents a significant amount of detailed planning and investigation as well as a considerable investment. Many of the case studies are not stand-alone leadership development programmes but the leadership element of broader cultural or organisational change programmes. They reflect the need for organisations to adapt to changing markets in order to protect their brands and protect their market position. But above all, they reflect the need to change leadership assumptions and leadership behaviours. These two things are often linked.

The consistent underpinning narrative, is that there is a direct link between leadership behaviour, staff interaction, and the well-being of the organisation. These conditions lead to increased productivity and better performance. For example, L'Oréal based its leadership development around eight new aspirational mindsets such as: ‘teams are the new heroes’; ‘test and learn is the new perfection’; and probably the most important mindset change: ‘empowerment is the new management’. It was apparent that the companies in this special interest group were trying to realign traditional views and related behaviours of their leaders. Collating what we learned from the cases, these shifts can be encapsulated in the following way:

<table>
<thead>
<tr>
<th>FROM</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power and control</td>
<td>Facilitation and enablement</td>
</tr>
<tr>
<td>Desiring certainty</td>
<td>Exploring uncertainty</td>
</tr>
<tr>
<td>Individual success</td>
<td>The power of the team</td>
</tr>
<tr>
<td>Perfecting process</td>
<td>Innovating process</td>
</tr>
<tr>
<td>Managing uncertainty</td>
<td>Living with uncertainty</td>
</tr>
<tr>
<td>Occasional experiment</td>
<td>Permanent testing and learning</td>
</tr>
<tr>
<td>Being omniscient</td>
<td>Admitting you don’t know</td>
</tr>
<tr>
<td>Punishing failure</td>
<td>Learning from failure</td>
</tr>
<tr>
<td>Low trust environment</td>
<td>High trust environment</td>
</tr>
<tr>
<td>Working it out on your own</td>
<td>Peer empowerment and sharing</td>
</tr>
<tr>
<td>Learning from content</td>
<td>Learning from experience</td>
</tr>
<tr>
<td>Static roles</td>
<td>Dynamic roles</td>
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</tbody>
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Sometimes the response from a company was radical. Nokia moved away from orthodox leadership development programmes to generating experiences for leaders that would discomfort them in order to better help them see the direction in which the world was moving and therefore the direction that Nokia needed to follow. All of the companies focused their attention on ensuring behavioural change and this meant moving away from courses to, for example in Bayer’s case, learning journeys. Part of the Bayer learning journey philosophy was to ensure much stronger connections between leaders and to exploit the vast experience of the leadership and the company and to problem solve for each other. The aim was to help the organisation see the challenges of leadership as a collective responsibility not an individual task.

Many of the companies continued the learning process beyond any specific event and set up alumni action learning groups that were self-regulating and self-managing. Many of the companies in the SIG were feeling pressure on margins, compounded by new, agile players entering the market and challenging the large stable incumbents. Again, mindset change was critical in order to create leaders able to see beyond their team or function and work holistically. All the companies were involved in transforming many aspects of their organisation and this was a major part of their leadership philosophy. Once more, the focus was on empowering others and convincing staff to stay on board and commit to the transition.

Other case studies, notably Siemens and La Baloise used as their focus the digital transformation of the company. Their executives were encouraged to develop digital competences and react to the influences of digitisation. But more importantly, organisations want to align the way executives talk about digitisation to each other and to customers. La Baloise extended this into a highly experiential process by interviewing people in the streets of Zurich, visiting start-ups in London, and engaging with a design futures exposition in Barcelona.

Swiss Re selected a small group of outstanding senior leaders to pioneer a new programme that involved them reflecting deeply on their own leadership purpose and how they can impact on the organisation as a whole to enable change. This small scale high-impact approach contrasts with Engie’s huge initiative for all 15,000 managers to reassess every aspect of leadership to reflect the changing environment.

To help students be more ready to lead when they rejoined the workplace, Hult International Business School developed a new competency framework focusing on three competencies in each of three areas: thinking, communicating and team building. It requires that the student cohorts, to take one example, ‘embrace change’, ‘influence confidently’ and ‘inspire productivity’. The outcome is more confident, more capable students at the point where they graduate.

Naturgy concentrated on creating simplicity. This was both as a function of management, and a streamlining of work processes. The company deployed agile methodologies, with agile leadership, to inspire and empower the changes. This resonates with the SIMPLICITY change initiative that L’Oreal designed to enable a more fast-moving, innovative and cooperative environment that would enable the company to better respond to rapid changes in their external environment.

All the companies have moved forward with significant and often radical new initiatives and are demonstrating concrete results. They all reflect a discontent with traditional leadership development and a need for radical reassessment of what it means to lead in this era, and how best the organisation can support those staff in leadership roles.
3.0

Mapping the beliefs to the academic Literature
This section is a brief summary of a much longer analysis which is published as an Annex to this report. The Annex contains the full bibliography for each of the citations in this section. We will look at the eight beliefs, and the academic literature that supports them.

### 3.1 First Belief: Experiential learning is the single most efficient way to develop leaders.

Why do we need to develop leaders? Kanungo (2001) notes that every organisation has a purpose, and it is the desire to achieve this purpose efficiently and effectively that creates the need for leadership. The main aim of leadership behaviour is to influence the actions of followers, because it is through these follower actions that the organisation’s goals are achieved. It makes sense that leaders need to explore ways to influence, and experiment with influencing and persuasion within a safe experiential environment created by a learning space.

David Kolb was at the heart of defining Experiential Learning Theory (Kolb 1984, Kolb & Kolb 2007) in which scholars developed and shared six propositions around experiential learning. These can be summarized as:

1. Learning is best conceived as a process and not in terms of outcomes.
2. Learning is best facilitated by a process which draws out beliefs and ideas about a topic so that they can be examined, tested and integrated with new, more refined ideas.
3. Learning requires resolution of conflict between dialectically opposed modes of adaptation to the world. Conflict, differences and disagreement drive the learning processes.
4. Learning is a holistic process of adaptation which involves the integrated functioning of the total person.
5. Learning results from synergistic transactions between the person and the environment: stable and enduring learning arises from consistent patterns of transaction between the individual and the environment. People create themselves through the actual choice of occasions through which they live.
6. Learning is the process of creating knowledge. Knowledge is not the transmission of pre-existing fixed ideas to the learner, but is created and recreated in the personal knowledge of the learner.

Within the Experiential Learning Theory model, we can learn from experience either through Concrete Experience (CE) or Abstract Conceptualization (AE). Equally, we have two dialectically opposed modes of transforming those experiences: Reflective Observation (RO) and Active Experimentation (AE). Taken together these represent our four learning modes.

When we learn experientially, we construct knowledge through the creative tension that exists between these four learning modes. Kolb’s understanding of experiential learning has meant that it has long been at the center of much thinking around learning design and implementation. The SIG’s combined experiences of learning development is such that we are happy to assert that experiential learning is the single most efficient way to develop leaders.

Methods and techniques that utilise learners’ previous experiences, link conceptual foundations to practice, and encourage reflection, are pivotal to the learning process (Lewis & Williams, 1994). Case studies – in the formal, business school use of the phrase – are still a hugely popular teaching tool and exemplify the model of learning that Lewis and Williams describe.
The suggestion from the literature and supported by practitioners, therefore, is that the most effective learners are those who can learn from a broad range of experiences by actively seeking out learning, processing experiences, and developing a range of skills and strategies for responding to different learning opportunities (McCall, 2010; Nyhan et al., 2004; Trautmann et al., 2007). If such on-the-job learning and developmental opportunities are embraced by organisations, then leadership talent can be fostered most effectively (McCall, 2010). However, if these dynamics can be built into leadership development interventions in addition, then the organisation is guaranteed an opportunity to provide the right learning in the right environment. This will give a better likelihood, therefore, of the right outcomes contributing to better improvements in leadership competencies and associated behaviours.

3.2 Second Belief, reflection is a critical key to cementing understanding.

Reflection is a critical aid to self-awareness. Self-awareness – a subjective but accurate knowledge and understanding of our inner self – is an important leadership skill. Goleman makes it one of the central tenets of emotional intelligence and suggests that if our emotional abilities are not in hand, if we do not have self-awareness, if we are not able to manage our distressing emotions, if we cannot have empathy and develop effective relationships, then no matter how smart we are, we are not going to get very far in leading others.

Any individual reflection on experiences and behaviours can, it is suggested, lead to more thoughtful future leadership behaviours such as:

1. Awareness of self, experiences and people that have great impact on self;
2. Understanding of personal values and beliefs, intrinsic and extrinsic motivations;
3. Self-awareness which prompts one to take a realistic view of one’s own developmental needs;
4. Determination to shape one’s life on the basis of the understanding of the above and by setting an overarching goal and building a team to accomplish the goal over a period of time.

Reflection or self-reflection is the capacity of humans to exercise introspection and the willingness to learn more about their fundamental nature, purpose and essence. Reflective practice in the workplace is the ability to reflect on one’s actions to engage in a process of continuous learning. (Schön, D.A, 1983) It places an emphasis on learning through questioning and investigation, to lead to a development of understanding. Furthermore, there has been a recognition that reflection is important in sustaining one’s professional health and competence, and that the ability to exercise professional judgment is in fact informed through reflection on practice (Loughran, J.J., 2002).

Reflecting on experiences and precisely assessing one’s own behaviours and skills will also help build one’s self-awareness, which is in turn regarded as an indispensable trait of good managers and leaders. A leader who recognizes his or her facilitating strengths, as well as crippling weaknesses, feelings, thoughts and actions can make better quality decisions than those who do not.

Stodd (2016) suggests that the social dimension of reflection gets more into focus in our open and connected work environment. Reflection and sense-making is an activity carried out in (virtual) communities and less directly powered by individual formal status or experience.

Reflection, then, we believe should stand at the center of a self-aware leadership
SECTION 3.0 MAPPING THE BELIEFS TO THE ACADEMIC LITERATURE

praxis. Innovations in leadership development should seek new and engaging ways to encourage leaders and leaders-to-be to develop and refine the skill of reflection. Emerging practices such as mindfulness should have a role here, and as always the challenge is to find the time to do something which is important, but which rarely carries the pungent whiff of urgency which so frequently and immediately grabs the leader’s attention.

3.3 Third Belief: Transformational change should be a desired outcome of many leadership development interventions.

The topic and importance of organisational or transformational change is not new. There are a large number of research methods and guidelines for this, but still there is no breakthrough in finding the silver bullet for successful change initiatives. In short, the problem with change initiatives is that in most cases, they do not work. Taborga (2012) quotes Meaney & Pung, (2008) to establish that since the time that large transformational changes in organisations became the subject of research in the fields of management and leadership studies, it appears that only one in three change initiatives has been deemed successful. That success rate, were it transferred to the actual sphere of operations of the organisations involved in potential transformational change, would almost certainly result in the failure of the organisation at large.

An old saying suggests that “change starts in your head” If we take this aphorism and transfer it to the business environment, we might suggest that transformational change starts with its leaders. This is the sort of statement that has the taint of cliché about it, but we should remember that a cliché is such because it is an often repeated truth, and it is beyond reasonable doubt true to say that today it is a requirement of our leaders that they lead the change.

At the heart of this theory is a methodology that is designed to break us away from unproductive cycles of thinking and the resulting ineffective decision making, towards a process which is both more empathetic to other, relevant perspectives and more open to new ways of looking at things. Scharmer (2007) describes Theory U as a process or a journey, and has coined the term Presencing to capture the combination of sensing and presence which is at the core of the five movements which he ascribes to the journey:

- Co-initiating common intent
- Co-sensing the field of change
- Presencing inspiration and common will
- Co-evolving through innovations
- Co-creating strategic microcosms

The journey is U shaped, with the critical point at the base of the U, where the voyager is required to drop everything inessential. For Scharmer, this letting-go allows us to connect with our best future self. This process is transformational, and also maps well onto the journey through emotional intelligence, suggesting once again that much of the best emerging or emerged thinking in this area is looking at similar territory through only slightly different lenses.
3.4 Fourth Belief: Group and peer learning encourage not only individual but collective learning, and a focus on the organisation as a whole.

Learning is the journey more than the event, it is the canvas more than the picture, the attitude more than the action. The mindset which we bring to learning, sets the tone and culture of the organisation’s relationship with learning.

“Mindsets are the assumptions and expectations we have for ourselves and others. These attitudes guide our behavior and influence our responses to daily events.”

Dr. Robert Brooks

Alfred Binet was the scientist who created the IQ test which for years was used to determine how “clever” individuals were — and wrongly used by many to determine ceilings. Binet himself said that “some modern philosophers assert that intelligence is a fixed quality. We must protest and react against this brutal pessimism. With practice, training and method, we manage to increase our attention, memory and judgement and literally become more intelligent than we were before.”

But for this to work as effectively as it can, each of us needs a growth mindset — an attitude to learning which embraces challenges, persists through setbacks, sees effort as the path to mastery, learns from criticism and finds inspiration in the success of others. This mindset has much in common with the authenticity mindset and little in common with the fixed mindset, which will tend to avoid challenges, give up readily, resent the success of others, ignore criticism and instead focus on showing others how good they are at those things which they have already mastered.

A leading researcher in this field is Carol Dweck. According to Stanford University psychologist Dweck, (2016) success is not determined by innate talents and intellect. Rather, success depends upon mindset — the degree to which we believe we have the capacity to cultivate our intelligence and grow our abilities.

Creating and maintaining this sort of complex, inter-dependent three dimensional learning climate, though of course it is demanding and takes time, will help to promote learning agility and dexterity, because peer to peer learning, by its nature more informal, more contextual and more seamlessly integrated into the organisation, is often both more efficient and effective and better received than learning through formal intervention.

3.5 Fifth Belief: The digital transformation going on inside organisations should be mirrored in leadership development.

“Let’s be clear about one thing: Digital technologies are doing for human brainpower what the steam engine and related technologies did for human muscle power during the Industrial Revolution. They’re allowing us to overcome many limitations rapidly and to open up new frontiers with unprecedented speed. It’s a very big deal. But how exactly it will play out is uncertain”


Just as it took decades to improve the steam engine to the point that it could fuel the
Industrial Revolution, it is taking time to refine digital technologies. Computers and robots will keep evolving and will learn to do new things at an amazing pace. This is why we are at an inflection point today, at the dawn of what Brynjolfsson and McAfee (2014) call the ‘Second Machine Age.’

Any understanding of the full impact of the digital transformation in the workplace and also any feel for how the digital transformation impacts on approaches to leadership and to the development of leaders is only now emerging. There has been early research dating from the 1990s, and research has been growing in degree and complexity year on year as the digital transformation itself has gathered pace, meaning that constantly new aspects are emerging and the consolidation of knowledge and understanding is ongoing.

Schwarzmüller et al. (2018) conducted a literature review on the impact of the digital transformation on organisations in combination with a (German-centric) survey with 49 recognised digitalisation experts and identified key themes of change. In sum, four key themes of change affecting both work design and leadership emerged: work-life and health, the use of information and communication technology, performance and talent management and organisational hierarchies. In addition, two macro-level change dimensions emerged; one regarding the structure of work, and a second regarding relationship-oriented leadership.

Two important questions for further investigating the impact of the digital transformation on organisations are:

- How does the digital transformation change how we design our places of work and our work flow?
- How does the digital transformation change leadership and what we demand or expect of our leaders?

The digital transformation is potentially (many would say certainly) all-consuming in its capacity to change the way we work, and few of us have the overview fully to comprehend this. Leadership development is one strand which will be changed by digital transformation. The better place to be on the journey may be in the driving seat, dictating direction, rather than the passenger seat, admiring the speed of travel.

### 3.6 Sixth Belief: Leadership development should be, rather than a single event, a continuous process integrated with work.

Holt, Hall & Gilley (2018) assert that leaders today face a growing variety of demands due to fluctuating organisational environments and the varying role expectations of those in leadership throughout the organisation. Competent, effective leaders are often lacking in organisations (Rothwell, 2010), with disastrous results. Whether the primary underlying motive is greed, a taste for personal power, a generalised inability to grasp and retain ethical standards or a sense of personal values, poor leadership has been identified as a primary reason for failures of innumerable organisations, or as a root cause of engulfing scandals such as those at Volkswagen, Bear Sterns or Enron (Reeves et al., 2012).

The research literature defines leadership development as:

- a systematic and ongoing activity rather than an events-based and single approach,
- designing and implementing an array of developmental experiences rather than merely formal training, with these experiences being meaningfully integrated with one another,
• linking a variety of developmental practices including work itself (e.g. action learning projects) with other HR systems and business strategy.

Therefore, leadership development activity today means providing people with thoughtful, innovative, even provocative opportunities to learn from their work rather than simply taking them away from their work to learn.

Leadership development initiatives today typically offer performance support and real world application of skills through such methods as training programmes, coaching and mentoring, action learning, and developmental assignments. Combining instruction with a real business setting helps people gain crucial skills and allows the organisations to attack relevant, crucial, real-time issues. The goal of leadership development ultimately involves action not knowledge.

It is our firm conviction that organisations wanting to maximize the impact of their leadership development work need to make a stronger connection between leadership learning programmes and other HR development approaches. In our view it is when we align our leadership learning programmes with business strategies and when we contextualize leadership that we as leadership learning organisations unleash the full power of leadership development.

3.7 Seventh Belief: changes in the workplace of the future (such as the development of less hierarchical and more diverse organisations) should be reflected in leadership development.

Hölscher (2018) says that we are facing unprecedented and fundamental technological changes. Science fiction has become a grim reality for some, but an exciting opportunity for others, and we have a choice in how we respond. These technological advances provide us with new capabilities, but they also disrupt our world, the way we work, do business and even how we relate to each other. They challenge us to consider what it means to be human again (Schwab, 2017). Schwab calls it the Fourth Industrial Revolution, Brynjolfsson and McAfee, A. (2014) call it the second machine age, and there are numerous others who describe the disruptive times we find ourselves in in equally memorable terms. We are, in a real way, rediscovering what it means to be human and, as learning professionals, it is vital that we familiarise ourselves with these shifts and disruptions, assessing the impact they may have on, inter alia, leadership and leadership development.

Our belief around “changes in the workplace of the future” and what this means can be captured by the term “future of work”. This is a term that is used by political, economic, management, leadership and organisational literature. In recent years, the term “future of work” has emerged in literature as well as in the practical world as an attempt to characterise today’s conditions in the workplace, be that at an individual (Leonhard, 2016), organisational (Boudreau, Jesuthasan, & Creelman, 2015), or industry level (Chui, Manyika, & Miremadi, 2016).

The macro trends and strategies that are shaping the future of work appear also to impact the way in which companies are organised and by whom work is executed.

Along with this evolution, organisations have to reconsider the working structure, modus and methods. This is why the topic “future of work” in organisations should focus on shaping the working world of tomorrow and address the effect of these developments on the way we are working, the working environment and the changing jobs and tasks. Organisations should deal with the following questions:

• How are our jobs evolving?
Which skills and competencies do we need as a company and which skills and competencies does each individual employee need to develop?

How will we be communicating and cooperating in the future?

What will our working environment look like tomorrow?

Latham and Humbert (2018) in the MIT Sloan Management Review explore the professions which are most vulnerable to automation. They suggest that threats should be assessed along two dimensions: how replaceable are the core skill sets? How much of a shift is there in the way in which value is delivered?

3.8 Eighth Belief: increased resilience, of the individual and of the organisation, should be a critical outcome of leadership development.

We believe that resilience, not only of the individual but of the organisation, is a core outcome of leadership development. Great leaders develop resilience and create resilient organisations.

The literature tells us that resilience is a key attribute in dealing with rapidly changing and challenging situations (Lawton Smith, 2015) and the literature contains different definitions and conceptualisations of resilience. Luthans (2002) proposes that resilience is one of four essential psychological capacities for any successful leader. His quartet are completed by hope, optimism and confidence. Goleman (2001) argues that the emotional intelligence competence of self-management will help an individual to become more resilient precisely because the self-managed individual is *inter alia* more optimistic and more confident.

The breadth of debate on how to define resilience has caused some to criticise the concept as being ‘poorly defined’ and existing literature can be divided broadly into three strands which we can characterise as:

- **asset** - the seeing and building of resilience as a personal asset
- **systemic** – the seeing of resilience as a system based benefit that can be developed and offered
- **developmental** – the seeing of resilience as a developmental skill set.

We think that there are important things to take from this. The findings have been brought together in a coherent framework that coaches could use, based on both capacity and capability.

Leaders commonly described resilience as ‘fuel’ and spoke of limited resources under certain conditions. This is referred to as the capacity to be resilient that is by nature a transient quality. There would also appear to be a role for values in achieving access to this capacity. However, in order to function effectively resilience also requires a number of skills and attributes that were identified as capabilities that once learnt, are more enduring.

Cooper, Flint-Taylor and Pearn (2013) argue that there are four critical elements of resilience. The first is confidence. This includes positive attitudes and beliefs and well as self-belief and optimism. The second is social support. Resilient individuals need a strong network of mutually supportive relationships as well as empathy and sensitivity and awareness of others. The third area is adaptability. This requires an ability to flex in approach, to generate new ideas, to have some problem solving skills and to be able to access the ability to improvise. And finally, resilience requires purposefulness. This comprises not just a sense of purpose, but conscientiousness and an ability to work out what really matters now and in the future.
The literature establishes that resilience helps leaders to manage and cope with uncertainty and ambiguity, and to lead others through it. But do we often enough, really measure the level of resilience shown by our leaders? Do we undertake work to understand if our leaders transmit the stress they feel to others, or manage to filter it out?

There is much that the wider organisation can do to help foster resilience in individuals. Supporting a culture of “learning through error” is important. People learn more through experiencing error and failure (double loop learning) than they do through experiencing success – yet too few organisations allow individuals to feel they can fail.

Organisations can also do more to measure and monitor resilience in their people. This might include keeping better track of the number of cases of “burn-out” being encountered across the organisation, and/or noting the attrition rate within the organisation, and/or the general data around sickness, leaves of absence and other measurements which might suggest that the general ability of individuals “to cope” was increasing or decreasing. Younger workers in particular may be vulnerable here. Some expect immediate results, immediate compensation, immediate success, gratification, reward, forward momentum. The painful reality of a fiscally constrained environment may require reserves of resilience hitherto uncalled upon.
4.0
Beginning the Journey
SECTION 4.0 | BEGINNING THE JOURNEY

4.1 Establishing the Context

Leadership development interventions are often characterised as journeys (see the Bayer AG case study). Whether undertaken by experienced leaders seeking a further edge, or emerging leaders looking for a sustainable leadership style and approach which will serve them through developing careers, individuals are seeking something tangible about themselves, about their organisation, about the nature of leadership.

It is equally appropriate to think of the journey, not as one through an intervention, but as one through a career, either in leadership, or a career within which leadership will have a significant role to play. Using this framework of career makes the journey far more personal and specific to the individual, which in turn helps to generate a sense of personal ownership and responsibility for the journey, which can be a powerful incentive for progress.

Whether thinking of an individual’s journey through a career, a group’s journey through an intervention, perhaps a group’s journey together through careers (graduate entrants for example) or an individual’s journey through an intervention, the aware organisation is constantly looking for ways to innovate on this journey, seeking new ways to inspire, engage and inform emerging and established leaders.

Of vital importance, therefore, is the beginning of the journey. If the start is poor, or ill thought-through, insipid or uninspiring, then energy and will are lost and leaders find themselves sucked back into the whirlpool of what Stephen Covey terms “the tyranny of the urgent”, and away from the important future in which they will be expected to lead through ever more challenging situations and circumstances.

So, when we think about the beginnings of management development journeys, as experienced practitioners if we were addressing less experienced practitioners what would we say to them if they asked us “what do you know now that you wish you had known then?” What, if you prefer, is the view like when you look back from the top of the mountain?

A sensible way to approach this question is to look at three questions in response:

**Why are we making the Journey?**

**How are we making the Journey?**

**What is the purpose or intended outcome of the Journey?**

We find that if we address these three questions before we try to embark on the Journey, then when we look back, we are more likely to look back from a point of success, than from one of failure.

Plainly this means we are in a transition - a period of volatility and of change, a time when there are often more questions than there are answers. However, while absolute answers may not be available, we can project, imagine and in other ways try to prepare leaders for the future in which their skills will determine the success or otherwise of the organisation. Not to explore the needs of leadership development at this period where we stand on the cusp of such significant change would be a dereliction of duty to the organisation. Joint dialogue exploring the needs and the potential of future teams will help us to embed some of the imaginable changes in the workplace of tomorrow in the leadership development journeys we begin today.
Within the Repsol organisation, we had identified the need for a cultural transformation to accompany a new strategic plan, which was in turn an acknowledgement of the VUCA world within which we had to operate.

When we deliberated on the what, we approached the challenge from several perspectives: we looked at the technical training we would need to undertake, we considered the personal development that would be required by individuals, we thought about compensation packages, and we discussed the changes that would have to take place within the organisational culture. We knew and understood that we were trying to change the culture of the entire company and the way of working, and we were intending to use our leaders as a fundamental lever for that change.

As we discussed the context for change, we agreed that if we were to succeed, the Repsol concept of leadership also had to change. So, at the beginning of this Journey, a new and proprietary Repsol leadership model was developed to evaluate performance and potential, evaluated (for development) through a 180º assessment, introduced through a specific programme (6 months with individual coaching embedded) and supported by different development activities.

The idea was approved by the appropriate Repsol HR committee, a group which consists of the different HR executives and the People & Organisation general director (who is a member of the Board).

We realized from the start that communication channels would be vitally important to our success. We have found that intensive intranet communications, together with sessions streamed globally, have helped us to meet our objectives around communication and understanding of what we are trying to achieve. There is also strong support from the Business Partners, who are championing the change by communicating the new models and the different actions that both the businesses committees and the employees are expected to undertake and complete. Finally, we are working on defining new ways to communicate, ways that reflect how communication is changing. So, rather than rely on e-mail, we have developed our own app and we have a series of global campaigns to educate and inform the Repsol workforce.

We acknowledge that communication is an issue and that we need continuously to improve, because we see clear, engaging communication as being central to our success.

How we set about getting the cultural shift we wanted was very important. There was a thoughtful sequence to our activities which on reflection now, actually embrace several of the beliefs which the SIG has developed.

→ Our new Repsol leadership model was announced and distributed.
→ A 180º evaluation was launched, first to executives, then to area leaders and then to all the leaders in the company. The evaluation was based on the new leadership model.
→ Our performance evaluation tool was also amended and changed to bring it in line with the leadership model, and to include talent evaluation.
→ All related HR processes were amended to reflect the leadership model and the behaviours the model fostered.
→ All the HR communications of other initiatives have been amended to closely correlate with the new Repsol leadership model.

Having evaluated our progress, we will define concrete action plans to accompany and develop the business strategy.

When we reflect on what we have done and how successfully we have done it, it is important for us to remember that we are still in the deployment phase. It is too early yet to measure success. However, as one might expect, we have already learned some lessons:

→ communication is never enough;
→ an early involvement of the businesses in any new HR model or policy is key,
→ every policy and initiative should “tell the same story” and be perceived as part of an integrated and coherent plan and philosophy.

Naturally, we reflect consistently and critically on what we have done and how we have done it. We constantly find ourselves referring back to the belief that there are unstoppable changes in the future way of working and in the workplace, and that those changes have to be incorporated in leadership development. As we look back on what we have done, we can see clearly that, throughout, the effect of our actions, with this belief at the front of our minds, was to make everything less hierarchical, and more collaborative.

Also, of critical importance was the third belief articulated by the SIG: we were generating a culture transformation using leadership as a lever, and our fundamental aim is to transform the company; our new leadership development model is simply a tool to achieve this end more quickly.
5.0
Beyond the Curriculum
SECTION 5.0 | BEYOND THE CURRICULUM

Identifying the challenges

The SIG members debated this topic at the second face-to-face conference hosted by L’Oréal and came to a number of firm conclusions. These are different to the Beliefs in that these are practical and practice-based insights and calls to action, grounded in the experiences of highly engaged learning professionals.

1. Even if stakeholders think that the leadership development that they are receiving is excellent, there is still a need to rethink what is being done and the degree to which it aligns with the challenges that the organisation faces. The fact there is no immediate crisis is a good reason to begin that process of reexamination and realignment, rather than a good reason to postpone it.

2. All organisations should question the most fundamental aspects of their leadership development. For example, a key issue relates to the nomination process. Is it still useful and fit for purpose? How do we increase diversity in the target groups that are selected?

3. It is also appropriate to begin to work out how to personalise the leadership experience, so that leadership development is targeted more and more at each individual participant, and addresses their specific needs, rather than take a one-size fits all approach.

4. We should consider how to ensure that the delivery of leadership is both physically related to the workplace but also appropriate for the workplace i.e. be delivered in context.

5. It may also be appropriate to rethink the role of potential new leaders. For example, should we differentiate between those happy to act as business coordinators, and those seeking leadership roles? Furthermore, once the initial selection and development has taken place, how do we continue to increase their commitment as leaders?

6. We need to be far more adept at developing leaders in context. And to be prepared to change that context rapidly. For example, a company in hypergrowth mode has very different needs to another company in the process of consolidation.

7. We are still too often caught up in a ‘teaching leadership by numbers’ paradigm. If we give them the formula, they will have all the answers. This is no longer accurate as the world is too complex, and what is demanded of leaders changes too rapidly. So, therefore, open-ended and emergent development is increasingly necessary.

Continued on next page →
8. We need to get beyond set-piece many-day programmes, into extended and continuous learning. This can be achieved through mentoring and peer group support as well as tackling real problems in practice through approaches like action learning.

9. We should be focused on moving forward at the cutting edge of what will replace traditional interventions, even if they still have an extended life. Innovation should be at the core of leadership development just as it is at the core of many businesses.

10. We have to build a value for, a belief in and a commitment to coaching and mentoring by all the leaders throughout the organisation, so that they see themselves as coaches, teachers and guides.

11. Lean and agile methodologies should be employed for the rapid evolution and prototyping of new models and approaches. We should seek to achieve this by co-creating and co-curating with those inside the operational business.

12. As reflected in belief two, all new leadership development should build in elements and opportunities for self-reflection. This should lead to a commitment to action emerging from the reflection process. This requires organisations and individuals to make space for, and to value the process of reflection.

13. An element of the role of those running leadership development is to close the gap between what leaders know, and what they actually put into practice. The outcome of all programmes should be behavioural change and action.

14. Leadership development should be an integrated and critical part of the change agenda inside organisations.
6.0
Conclusions and Thanks
6.1 Conclusions

Fundamentally, the number of useful and practical conclusions that emerged were encapsulated in the eight beliefs. Nevertheless, it is worth capturing the different stands of thought and the conclusions that caused the group to determine that the generation of a set of eight beliefs was the best way to summarise their conclusions.

The most notable insight was that, in spite of huge differences in scope and challenge, in spite of the members coming from hugely different sectors and operating in different markets, the challenges faced by these companies were very similar. Not one was satisfied with the scope or impact of their current leadership development offerings, and all recognised the need for radical change as an urgent requirement. It was obvious from the beginning that the participants shared common perspectives that could be articulated by a common language, and that insights from one could be helpful to all. This is the reason it was possible to agree a set of common beliefs that trace the trajectory of innovation in leadership development.

A strong conclusion that was affirmed by the whole group was that the reinvention of organisations cannot be achieved without reinventing what leadership means, and ensuring leaders are equipped to lead through that transformation.

There was also a clear understanding that a critical component of any kind of leadership development was a role in helping organisations transform into digital or digitally aware organisations. The group concluded that there was such a thing as digital leadership, and leadership development had to reflect the digital transformation process by incorporating digital elements within leadership development.

The role of leaders in embodying and helping adapt organisational culture to new needs was extremely important. It was agreed that a consistent approach, together with a set of shared beliefs and behaviours, needed to be cascaded from the top of the organisation with no exceptions and with sanctions for non-compliance.

No member company was claiming that the shortcomings of their current leadership development activities were acute, yet because of this, rather than in spite of this, there was pressure to act.

The role of the leadership development team was to take on board and embody the mission and approach of their company and then work out what leaders needed to do, and how they should behave, in order to accelerate and infuse the transformation process.

All the companies agreed that there was a magic square for managing human capital. This is defined by: building agility, strengthening culture, delivering now, and preparing for tomorrow. All areas are equally important.

It was demonstrated that leaders are clearly the custodian of the organisation’s culture and values. These things are significant in times of disruption and it is at the point where values are challenged, that leaders have to support them most strongly.

Building appropriate mindsets and other generative skills emerged as being equally important as the process for building leadership capabilities. The two go hand in hand.

Discovery is an important element in any leadership development process. Peer to
SECTION 6.0 | CONCLUSIONS AND THANKS

peer learning fundamentally encourages leaders to work it out for themselves and helps create constant development which is embedded in work and practice, rather than extracted from it.

The group felt that it was important to challenge bad management theories in the light of contemporary practice and empirical data. Some of the conclusions about leadership were beginning to outstrip theory and should not be limited by what the current research appeared to be indicating.

When the group looked at these conclusions, they were reassured that they buttress and reinforce the eight beliefs rather than detract from them.

6.2 Thanks
Firstly to Nigel Paine and Roger Delves who managed and facilitated this and who co-authored this Report and the Annexe, and the participants from the 12 companies who generously gave their time to share their leadership insights and practice. They made the report come alive. The support of Johan Roos the Chief Academic Officer at Hult Business Schools is gratefully acknowledged. Finally, our thanks go to Shanshan Ge from EFMD who acted as the glue for the whole project and kept it on track with her good humour, patience and, where necessary, stern words.

6.3 Further Information and The two Annexes
We felt as a group that our Eight Beliefs around innovation in leadership development each needed to be grounded in academic literature. We understood that this exercise would create a body of work too bulky for our Report, but we felt that an Annex to the Report would be a valuable addition for those who wanted to explore some of the thinking that contributed to the Beliefs we developed. We also felt that we needed, alongside establishing the Beliefs around innovation in leadership development within the literature, to establish what the literature was exploring within the wider field of leadership itself. Consequently, there are two parts to this Review. Annex One explores the literature around leadership, while Annex Two looks at each of the eight Beliefs in turn, grounding them in academic research. The References section at the end of Annex Two references both Annex One and Annex Two.
EFMD is an international, not-for-profit, membership organisation, based in Brussels, Belgium. With nearly 1000 member organisations from academia, business, public service and consultancy in 92 countries, EFMD provides a unique forum for information, research, networking and debate on innovation and best practice in management development.

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