LEARNING CONSULTANCY PARTNERSHIP

Partners for Performance

What companies are doing to develop their senior leaders

Summary of key findings

September 2008

Summary

This study used an online, self-completion, survey to identify senior leader development activities.

Twenty-three companies took part. Over a third (39%) came from the information technology sector and the rest were pretty equally divided between manufacturing, leisure and hospitality, retail/wholesale, professional services (all 13%) and finance/insurance, construction (both 9%) and real estate (4%).

Nearly half (48%) have been in business for over 10 years and the rest (52%) have been in business for between two and ten years.

Forty-three percent employ less than 50 people, 22% employ between 50 and 99, 17.5% employ over 500 people and 17.5% employ between 100 and 500 people.

Findings

Training and development activity

- The appraisal process was cited as the most popular method for identifying senior leaders'development needs (70%, n=16), followed by career development reviews (48%, n=11); training needs analysis (39%, n= 9); succession planning processes (30%, n=7) and talent management programmes (26%, n=6).

- Mentoring was the most popular development activity taking place in over half (56%, n=13) of the organisations and industry-specific training was also popular (48%, n=11). Work based stretch assignments, networking (35%, n=8), self-directed learning and psychometrics (30%, n=7) were also used. The least reported activities were voluntary work (9%, n=2) and learning sets (4%, n=1).

- Mentoring was also reported as the most useful and relevant for senior leaders (48%, n=11) with executive coaching a close second (44%, n=10). Three sixty degree feedback (39%, n=9); work based stretch assignments (35%, n=8) and industry specific training (30%, n=7) were also seen as valuable. Business school programmes and voluntary work were deemed to be the least helpful.

- There was a significant, positive relationship between the development activities provided for senior leaders and those they reported as being useful and relevant ,indicating that senior leaders are more discerning about which development interventions they agree to.

Training providers

- Respondents used a mix of training providers. The most popular were external, private providers (70%, n=16) and in-house training staff (48%, n=11). Less popular were colleges and universities (22%, n=5) and local enterprise agencies (13%, n=3). Over a third (39%, n=9), used industry specific training organisations.

Impact on business performance

- The most popular measures for measuring senior leader development on business performance were employee feedback (61%, n=14), customer feedback (44%, n=10) and turnover (39%, n=9). Qualifications were only used as a measure by 4% (n=1). Just over a quarter (26%, n=6), had no measures in place.

- A total of 64% (n=14) felt that developing senior leaders improved business performance ±to some extentq 23% (n=5) answered ±significantlyqand 14% (n=3 reported they were ±not sureq

- Strategy formation was reported as the most important topic for executive development, followed by people development (48%, n=11) and leading/facilitating change (44%, n=10). Analytical capability (13%, n=3) and global knowledge

(4%, n=1) were reported as the least important topics.

- The greatest obstacles to undertaking senior leader development were financial cost (70%, n=16), and lost working time (48%, n=11).

Different development needs?

- Over half (56%, n=13), believed the development needs for senior managers are different from other managers and comments included:

  'broader training needs'

  'being fully accountable'

  'senior leaders' needs are around future focus, visioning that creates inspiration for others and leading change'.

- Almost a quarter (22%, n=5), did not agree that their needs differed and 22% (n=5) did not respond to the question.

- The main gaps in senior leader development were reported as a lack of suitable courses/programmes, leading change and being a manager rather than a leader. Although the list was quite varied.

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Priorities for the coming 12 months

- Thirty percent (n=7), had strategy and leadership in their top three priorities for the coming year.

- Just over a quarter (26%, n=6), had communication as a top priority.

Conclusion

These findings support the idea that senior leadersqdevelopment requirements are different from other manager populations and a variety of initiatives are being used, ranging from individually focussed coaching and mentoring through to professional or academic qualifications. The results also support the view that senior leaders are participating in development activities they see as relevant to their needs.

An area which is less tangible is the extent to which senior leader development is contributing to business success and further study in this area may produce some interesting insights.

Further Information

The full report is available by contacting Learning Consultancy Partnership at:

enquiries@lcp.org.uk.