

EXECUTIVE INSIGHTS

Written by Vincent Gauthier

Developing leaders in an Asian business landscape
Week 8: Putting together a leadership development programme



ILLUSTRATION: WINNIE HO

Thought follows action, so set up workshops for employees to grow through practical experience

Practice makes perfect sense

Once a company has identified its future leaders and high potential employees and assessed their needs, the next step is to put them through an extensive executive development programme.

When planning this, it is important to understand how adults typically learn most effectively. Robert Hogan and Rodney Warrenfeltz, two senior executives at Oklahoma-based personality consultancy Hogan Assessment Systems, provide a good reminder of this in their essay "Educating the Modern Manager".

They explain that developmental and educational psychologists have reached similar conclusions about learning, which is that thought follows action and that we learn by doing.

"If we do something successfully, we then reflect on what we have done and create a mental model to guide our subsequent actions," they write, adding that, "Actually, the more important case concerns doing things unsuccessfully."

My own experience working with leaders and high potential executives confirms the accuracy of these views. I have found that people definitely pick things up faster when they are given the chance to put new concepts, skills or types of behaviour into practice. Doing this creates a learning "event" and reinforces the point far more effectively than hours of reading or sitting in lectures.

For example, if someone plays the role of a manager dealing with an awkward customer, the day-to-day problems of the sales team suddenly become clear.

Or, if a stretch assignment calls for devising a way to cut company costs by 15 per cent, the importance of financial discipline comes sharply into focus.

Every executive development programme requires a certain amount of theory. The priority, though, should be to create memorable "moments" and to allow participants to apply immediately whatever they have learned.

Accepting this basic theory, the best programmes then have certain common components. These include strong support for development initiatives from the organisation's top executives, clear feedback for individuals on the results of assessments, and the creation of personal development plans.

What you also see is a good balance of workshops, academic courses, job rotations, coaching and mentoring. Support from senior leaders makes a big

Lord we may know what we are, but know not what we may be

William Shakespeare
Playwright

difference. Their active involvement emphasises the programme's importance and brings additional motivation.

The ideal scenario is if board members can lead some of the executive education workshops or sit in when participants are presenting the results of action learning projects or research assignments.

This creates a little extra tension, but also the excitement of knowing that ideas and opinions will be duly noticed.

We have highlighted in previous weeks that any leadership development programme should start with a thorough assessment of the candidates.

Generally, this will include a personality test, but may also move on to other tests to detect missing skills or latent aptitudes and abilities.

Companies have different preferences, but whatever methods they use, the priority must be to determine short- to medium-term development needs and to form a view on each person's likely direction in the longer term.

This process should take account of particular skill sets, such as understanding new models for financial analysis, and desired types of behaviour, such as becoming a better listener.

Whoever oversees the programme should obviously focus on areas for improvement.

However, in doing this, the overall emphasis should be on enhancing known strengths and allowing people to play to those, rather than trying mainly to compensate for weaknesses.

Results of the preliminary assessment should be discussed with the individual to get broad agreement on the way forward. In my experience, this is usually quite straightforward because most people will have received similar feedback from their parents, past managers and, probably, their significant others.

So, whatever they hear now will almost certainly be confirming what is already known or suspected.

However, if the individual disputes the results of the assessment, it is vital to explore the reasons.

The root cause could be a matter of personality – some people are resistant to feedback if they think it bears any hint of personal criticism – or a fear that the

development programme will expose their weaknesses. The main point, though, is to make sure each person is committed to the organisation and personal improvement before expending significant time and resources on their behalf.

For executive education to work, the participants cannot be passive, disengaged or holding back. They must be deeply involved and dedicated to improving, however possible.

Some companies decide against having workshops as part of their programme. We have found, though, that they are an excellent forum to encourage communication, reinforce learning and create new networks of relationships which bring a long-term benefit.

A recommended starting point is to have a workshop where the participants learn more about themselves. This promotes greater self-awareness which has been identified as one of the fundamental building blocks of effective leadership.

Helping future leaders understand their own style and the impact it has on those around them is therefore a crucial aspect of any development course. Most up and coming executives are happy to talk about themselves but are curious to hear what others think of them, so this makes it comparatively easy to get things off on the right foot.

If the introductory session covers assessment results, personal characteristics, career aspirations and views on leadership, it provides plenty of opportunity for members of the group to get to know each other and start exchanging ideas.

Subsequent workshops can focus on diverse topics, such as the different styles of leadership, handling difficult subordinates, coaching, ways to influence peers, or how to manage your boss.

Executives will need to practise all of these skills. However, what still surprises me is that many of them have not yet seen that coaching others is a fundamental part of every senior role.

Too often, they seem to assume that subordinates should learn by observation or osmosis, and fail to realise the importance of passing on management expertise and insights in structured one-to-one conversations. This is quite different from personal counselling and, in any organisation, people appreciate and are bound to benefit from any chance to discuss relevant business issues with a successful leader.

Senior executives should make a point of spending at least a few hours every quarter coaching each of their direct subordinates, giving practical advice, new ideas and career guidance. For that, they need well developed skills in listening and providing

Designing a leadership development programme

1 Understand the needs of the target group. Whether you are designing the programme for senior executives or middle managers with high potential, be sure to understand what types of training they have had previously and what they now need to achieve. Study the results of any assessments to create the right mix of tasks and courses so that participants learn to manage the business and other people more effectively.

2 Design intervention at the required level. Ensure that programme content is carefully designed and appropriate for the target group. For example, middle managers may not need to delve into all the details of organisational strategy, but could benefit greatly from time spent on effective interpersonal skills and managing a team.

3 Test the programme and obtain feedback. It is always a good idea to do a trial run of the key elements, after which those who took part can give constructive feedback and suggest modifications. This helps to iron out problems and makes it possible to take the necessary corrective actions and eliminate anything that obviously isn't working.

4 Launch the programme. It makes good sense to use people who have taken part in the trial run as facilitators when launching the programme. This yields significant benefits because they will be familiar with the format and materials, and should be happy to lend a hand to make the programme a success. Keep asking for feedback and looking for improvements at every opportunity.

feedback. The best way to acquire or practise these skills is generally in a workshop with peers who understand the challenges involved and can share their experiences on what it takes to teach, advise or motivate subordinates in different situations.

In the next article, we will explore other types of modules to include in a leadership development programme and explain how to integrate academic courses, practical projects and stretch assignments to ensure maximum benefit for the organisation and the executives involved.

HR Trends Written by Szeyun Wong

Market research firm in drive to retain staff

Hong Kong's dizzying pace of change is keeping employers on their toes and none more so than the market research industry, which is adapting quickly to the evolving needs of clients as the economy continues to boom.

One market research company is learning to keep up with a dynamic market while dealing with the growing pains of its business. Attracting and retaining talent, though, is proving to be a challenge.

According to an insider, the industry experiences an annual 15 per cent to 20 per cent turnover rate.

"It's a battle for talent out there," The Nielsen Company Hong Kong's managing director Fanny Chan Ying-fong said.

"The research industry is still growing. Various companies are setting up research departments and they try to get staff from agencies. After a while, staff will want to work for the clients and agencies too."

Path to success

- Show commitment to career development of staff
- Companies should invest in developing and nurturing talent from within
- Training programmes improve efficiency and morale
- Junior staff should be groomed as leaders as part of succession planning
- Cultivate a learning, sharing culture
- Encourage communication

Nielsen employs about 40,000 people globally with 350 staff based in Hong Kong.

Ms Chan said the prospect of career development at a company was an important factor for employees considering a move.

"I need a group of good people, so I have the responsibility to train them. We really want them to stay. The company has to put money into this group of people so they'll progress on the career ladder," Ms Chan said.

But retaining staff is proving to be as difficult as attracting them. "We don't have a regular flow of graduates joining the industry so we need to train them up," Ms Chan said.

The company revamped and introduced new learning programmes for its staff to address the talent gap.

Ms Chan said: "We would like to keep our people and make sure they have the skills to serve the clients so they can work more efficiently and more happily in the company."

Two thirds of the courses in the company's "Lead & Grow Programme" offer training on how to conduct more effective research. Other programmes – such as The Managers Club and Directors Club – provide staff with classes on developing leadership skills and business acumen.

Ms Chan said clients of market research firms did not just want to know about the sales volume of a brand. They wanted to know about the health of their brand and to provide that information required more than knowing how to create a survey.

She said because the research industry in Hong Kong was becoming more sophisticated, Nielsen's business was now more complex.

The firm, she said, required "more intelligent people". Ms Chan said what set employees apart was their attitude. It was not just about how competent they became at hard skills – the tools required to design effective research.

"What we need is a better pool of people to deliver the numbers and the meaning behind the numbers so they can address client issues," she said.

Potential leaders also display a knack for soft skills that enable them to better understand clients. The company offers courses that help staff nurture soft skills, plan their careers, manage their time, set priorities and service clients.

And results have been rewarding. In the first six months since introducing the courses, Nielsen's turnover rate fell 2.5 per cent compared with the same period last year.

Ms Chan said highly skilled staff were not just beneficial to the firm's business. "We believe a good training programme can drive employee satisfaction and client satisfaction. I need good business leaders. We are not just doing academic research, we are running a business."

"We need people who really know how to run the business because, at the end of the day, we still need to deliver products to clients."



Fanny Chan says training is key to developing talent. Photo: May Tse

InBrief

Monetary incentives work best

Hong Kong employers prefer to offer monetary incentives to attract top talent, according to a quarterly survey conducted by recruitment services provider Hudson. The survey interviewed 716 key employment decision makers in Hong Kong and 29 per cent of them across all industries preferred to offer higher salaries as a measure to attract ideal people. Training programmes and performance bonuses were also popular – they were mentioned by 19 per cent and 18 per cent of the respondents respectively. The banking and finance services sector had the highest proportion of respondents citing higher salaries (33 per cent) and the lowest citing training programmes (16 per cent). Higher salaries were also important in the media/public relations/advertising sectors where 32 per cent of respondents picked this measure. Other measures included signing-on bonuses, extra holidays and work-life balance benefits. About 45 per cent of respondents said their companies had implemented a work-life balance policy – a 5 per cent increase from the second quarter of 2005.

HK unemployment lowest since 1998

The unemployment rate in Hong Kong has dropped to the lowest since mid-1998, according to the latest labour force statistics released on July 19 by the Census and Statistics Department. The unemployment rate decreased to 4.2 per cent for the period from April to June from 4.3 per cent for the period from March to May this year. Declines in the unemployment rate were observed in construction, amusement and recreation services, and retail sectors. A department spokesman said the entry of fresh graduates and school leavers in the next few months would continue to affect the labour force and unemployment figures. The outlook of the labour market would depend on whether the pace of job creation in the economy was sufficient to absorb the newcomers. Last month, the Labour Department noted 41,723 vacancies in the private sector – a 5.7 per cent increase over the same period last year. The Labour Department's two youth employment programmes – Youth Pre-employment Training Programme and the Youth Work Experience and Training Scheme – are accepting applications.

Sample leadership development programme



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On the Web visit www.classifiedpost.com/opinionpoll to participate in our online poll: "Do you feel your organisation has the leadership succession for the future?" The results will be published in this column.