

# The Leadership Investment

Fulmer, G. & Goldsmith, M. (2001). *The leadership investment*. New York: AMACOM.

## Special points of interest:

- Best Practise Companies
- Corporate Universities
- Universities
- Consulting Firms

## Questions for Thought.

1. **What practises from big business best fit our educational world?**
2. **What leadership development programs could Chinook incorporate, aside Masters level classes?**
3. **What would Chinook University look like as a training facility for leadership and executive development training? Who would lead sessions?**

## Why Leadership Investment?

Robert Fulmer and Marshall Goldsmith studied some of the world's best organizations to see how leadership development gave strategic advantages to companies.

Without investment into leadership programs, companies are sorely lacking in people to lead the organization. The authors looked at various organizations to see which leadership programs were used and the characteristics of such leadership programs.

The authors also looked at corporate universities and the impact they have on developing leaders and the competitive edge that corporations can gain from having a corporate university.

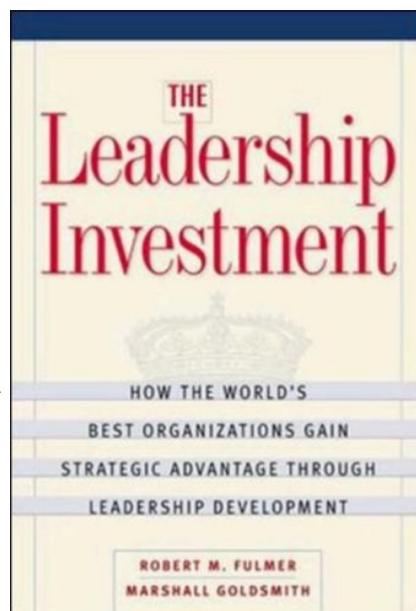
Also studied in this book were universities which are jumping on board and developing leadership programming for corporations. Six universities were stud-

ied and presented as the best options for leadership development.

Lastly, the book looked at consulting firms and organizations which, like universities, are making money from the new push to develop leaders. Six companies were pre-

sented as best options for leadership development.

This book was published in 2001 and therefore the information on consulting firms, universities and corporations may not be current. However, the facts of leadership development and the key ideas present-



ed in the book are timeless and useful to corporations or organizations in need of developing their human resources into strong leaders for strategic company gains.

## Advantages of Leadership Development

Corporations looking to make strategic changes, needing to address the shortfall of leaders on the company benches or corporations needing to manage their leadership development will want to know about this book! Leader-

ship development programs broaden executives' experiences, develop flexibility, skills and effectiveness. Programs help executives think creatively and systematically broaden viewpoints.

Excellent leadership pro-

grams meet the needs of the corporation and are built on a strong foundation of commitment from the corporation and the foundation is pillared by a tone of equality and tailored leadership programming.

## Best-Practise Themes

For leadership development to be effective, the programming selected must align with strategic objectives. This is the only way to prepare new leaders for future corporate challenges. Thirteen themes in best-practice leadership emerged through



the authors' research. Leadership development must (1) focus on core issues like influencing people over whom the leader has no real authority. It's a move beyond basic management. (2) Resources and business expertise must be developed. Leaders "from the field" must expand their knowledge. (3) Corporations must be internally focused by externally aware. (4) The leadership pool in the corporation needs to be identified and a

list of competencies should be created to keep consistency in the organization. (5) Growing leaders as opposed to buying them is often more cost-effective as company culture and traditions are known and understood. Occasionally, however, companies do need to buy leadership to avoid corporate stagnation and infuse new life and ideas into the company. (6) Corporations need to be clear about the right people for the right job. Looking at program goals to see if participants fit is prudent. (7) Diversity is necessary. Having a mix of countries, cultures, and participants is critical to program success.

**"Good business leaders create a vision, articulate the vision, passionately own the vision and relentlessly drive it to completion."**

**Jack Welch**

### Themes in Best-Practise, continued

(8) Current corporate leaders must be involved in the leadership development process. Action learning under the guidance of current leaders is a path to success. (9) Face-to-face teaching with leaders who are experienced is invaluable to learners. (10) Leadership development should be connected to succession

planning within the corporation. Best-practice shows that assessment of people and programs, feedback, coaching and succession planning together make for the most success in leadership development. (11) Leadership development has the most impact when top level support is actively supporting the programming.

Support looks like active participation and not just an affirmative nod. Full top-level buy-in shows participants what the culture of leadership in the company looks like. (12) Assessment of the leadership development program is necessary. Effectiveness of the programming needs continual assessment for two reasons.

### Themes in Best-Practise, continued

Assessment of programming helps achieve buy-in and it keeps programming focused on what is needed. Most effective assessment is done pre-programming and post-programming with follow-up done three to four months after project/program completion. (13) Leadership development is a costly endeavour. It takes time, resources and dedication. However, despite the costs, the return on investment is

high. Developing leaders according to company needs is cost-saving in the end and profit-producing in the long-run. In-house leadership training can be tailored to a company's specific needs and desires.

Leadership development is essential to building solid



**Lead with vision.**

leaders for company success. Tailored programming with a solid commitment from top-level management along with commitments and leadership will, in the end, benefit the company greatly, both on the bottom-line and in corporate successes.

## General Electric: Bring Leaders to Life

General Electric (GE) pioneered many things in business, such as profit centres, divisionalization, and sectorship. Jack Welch came along as CEO and pioneered further changes—destaffing, motivating, aligning. Welch's mission was to make GE number 1 or 2 in what it did.



Jack Welch, CEO, General Electric

To achieve this mission, Welch knew effective leadership was the key. Welch focused GE's longtime campus, Crotonville, on company related development. Welch made the company mantra, "Leaders are our most important product" (pg. 59) as opposed to products being most important. Leaders at GE are defined as those who influence others and a cultural shift was made at GE to a culture of persuasion. Each employee is seen as a leader in thought, action

and idea. Training aligns with company mission and culture. Upper-level executives buy-in to the program because of the outstanding track record of Crotonville. The leadership pool is identified and employees are ranked. Training for executive positions is real-world action training. To show GE's commitment to training, all courses are company funded and some courses are taught by GE employees. Succession planning is tied to executive development as well. Enthusiasm for the program starts at the top with Welch himself. When he buys-in, others do too.

## Arthur Andersen

Andersen, a financial firm, established a campus where all new company employees begin. The campus shows that Andersen is dedicated to knowledge and that intellectual capital is valued as a key to success.

Andersen's Partner Development Program (PDP) evolved after a number of training

pilots which did not quite work. With experience in what did not work and knowledge of what they needed, advice from business school faculty, and partner surveys, Andersen built what it needed to serve its needs.

The project was not without challenges. Time, proof of

results, overcoming past issues, and costs of course created barriers. But, soon, the barriers were overcome as the program gained credibility by impacting results, increased enrollment and respect. Focusing on Andersen's mission, courses are interrelated and build upon one another. Programs are flexible with action learning,

**"Good leaders are open. They go up, down and around their organization to reach people. They make a religion of being accessible. They never get bored of telling their story."**  
**Jack Welch**

## Andersen, continued...

Respected faculty deliver quality programming which aligns with company values and missions. Categories of competencies are compiled to fit employees to executive culture.

Feedback is used throughout the learning process with data and measurement used to determine effectiveness of programming.

PDP stays current to meet company needs and to

achieve goals. The laurels of the program rest of successfully bred leaders.

What Andersen teaches us about executive development: (1) offer only world-class programming. (2) Generate leadership support with sponsorship, not just endorsement from top-level management. (3) Feed-

back is critical. Evaluations must be robust and credible.



World-class programming at Andersen.

(4) Communicate! Prove and build the credibility of the program through newsletters, marketing, summaries and trade fairs.

## HP: Diversity and Development

Hewlett-Packard (HP) began business in a garage in 1939 in Palo Alto, California. Clearly, they did something right to grow to the corporation to where they are today! HP maintains a participative management style where teamwork, initiative, and personal sense will accom-

plish a job. There is a basic faith at HP that employees will accomplish the job. HP subscribes to the philosophy of "pervasive leadership" where leadership exists at every level within the organization. Senior leaders sponsor and lead leadership development and serve as



Hewlett and Packard.

faculty of curriculum as well. Six core competencies have been identified at HP which are used as criteria to identify, develop and evaluate leaders.

HP is committed to growing its own leaders and

promoting from within. Jobs are earned on the basis of action-based interviews. However, this tradition was broken with the hiring of Carly Fiorina, CEO of the company. New ideas were needed at HP.

HP has a story-telling culture and people gather round to hear the founders tell stories from back in the day. Stories contribute to the culture of the company.

To gain experience in diverse areas of the company, employees are moved around then monitored to see where the employee is a best fit.

Training is also done through the company's training program.

**"You can't taste winning if you spend your days wandering in the muck of a self-absorbed bureaucracy."**

**Jack Welch**

### The HP Way

A competency model was created and validated by a team who designed and developed the leadership curriculum. Their challenge was to keep the traditional HP Way. The development team endeavoured to keep the curriculum aligned with company values. The team needed to have a full understanding of corporate culture

and how the culture affected values, objectives and management practises.

The one-year training program uses an orientation, feedback, and focused plans for development along the way. Workshops, coaching, networks of alumni and structured mentorship programs all add value to the

program. HP also has a succession plan program in place.

Key lessons from HP include alignment and integration of company values. Conversations and relationships to build networks are essential and there is a need for strategic initiatives to make learning relevant.

### The New Way at HP

Current leadership at HP has made adaptations to fit the new global market in which HP finds itself.

The informality of names at HP is now replaced by a cultural awareness that using first names in some cultures is disrespectful.

There is no longer time for decisions by consensus which in the past characterized HP teamwork. Today, decision-making is not lim-

ited to consensus. In the past, a bell sounded to indicate that it was coffee and doughnut time at HP. In today's world of flex-time work, that plan no longer works. Breaks are taken when needed.

Lastly, the new way at HP does not see

Management By Walking Around (MBWA). That model

no longer works as time is limited and offices are globally spread. Today, email and conferencing have replaced MBWA at HP.



The HP Way.

## Johnson and Johnson

Johnson and Johnson (J&J) were prompted to take the initiative in leadership development when they saw so many other similar companies failing miserably. J&J developed a central group for leadership when they needed to bring 190 companies together to partner.



Johnson and Johnson corporate logo.

Leadership development was needed to give the leaders of all the separate parts ideas on how to see the parts as a whole. The goal was to force communication and appreciation among all the executives as a whole corporation.

Succession planning in J&J revealed to planners that there was not enough talent “on the bench” and that further growth of J&J was limited by this. Fuelled with this prospect, J&J took action and developed seven

principals of leadership development. Buy-in to the programming was done from the top where top executives spent time at seminars speaking. They communicated success stories.

Culture-aligned competencies were set, along with key standards.

Training within the company allows for promotions within the company and allows for succession planning. J&J also promotes diverse experiences for its employees and encourages young employees to accept postings internationally to gain global experience to bring back at end of placement.

## J&J: Leadership Development

At J&J, there is no set curriculum for leadership development. All plans are individualized and based on 360 degree feedback. The feedback is crafted by superiors and standards models.

Assessment of work is done pre-training and post-training as well. All work is based on action learning so learning is

relevant to daily work and issues within the company at a given time.

Coaching and mentoring are embraced at J&J as well, and tools for action learning are always made available. With the company working in a decentralized manner, information is easily shared. J&J worked hard to develop

their leadership training. They looked to see what was successful in other companies. They enlisted their own employees to train other employees. Interestingly, data is not collected formally as the company sees the results of their leadership training in their bottom line and in business improvement.

**“As you look at our growth projections over time, we’re going to need more leaders. Leadership is the biggest single critical business issue we face.”**

**Ralph S. Larsen  
CEO, J&J**

## The Johnson and Johnson Credo: Vision Ahead of its Time

The Johnson and Johnson Credo has been in effect since the company’s inception in 1940. The Credo, written by Chairman R.W. Johnson, is still present in all offices today.

The Credo functions as a vision statement for the company but was a concept ahead of its time. The Credo states that J&J’s primary responsibility is to “doctors, nurses and patients, moth-

ers and fathers and all others who use our products and services” (pg. 111). The Credo continues that the company has further responsibilities to employees, communities and stockholders. The Credo advocates for equal opportunities, compensations, respect and individuality allowances for its employ-



The J&J Credo.

ees. The Credo functions today as the vision statement for the company and is still used in decision-making and strategic planning.

## Royal Dutch Shell: LEAPing Ahead

In the mid 1990's, Shell enacted a corporate transformation. This transformation was not a luxury or a whim, but was necessary to stay strategic. The Leadership and Performance (LEAP) program was created. Shell used a servant-leadership model and believed that



The Royal Dutch Shell Platform.

effective leaders advanced their own transformation.

In creating the LEAP program, Shell kept their core values of honesty, integrity and respect for people. They were only interested in changing how they work, not in changing the core values of the company.

Shell gained buy-in from top-level executives by making them teachers in the program and by showing them the value of the program.

As did other companies, Shell listed its four

competencies for successful leadership. Combined with their competencies, Shell expected leaders to have integrity, vision, coaching skills, vulnerability, and entrepreneurial skills. In combination, Shell felt these skills made a strong leader. With these defined skill sets, Shell finds leaders at all levels.

Shell found 95% of its executives within the company. A program such as LEAP becomes critical to the future of the organization with such closed sourcing of executive searches.

**“It’s not about changing value systems; it’s about changing how we work.”**

**Steve Miller**

LEAP grows leaders for Shell and also stops the need for outside consultants. Action-learning, which is embraced and encouraged by LEAP, creates in-house consultants. LEAP also creates in-house coaches who can help program participants. Finally, LEAP allows for easy follow-up and assistance to participants.

The LEAP program has a core curriculum which is tied to the company's core values. There are four key programs which address the various people in various positions in the organization. Classes are delivered in a mix of ways. There are classroom days and projects. But, all projects are based around action-learning.

Interestingly, LEAP participants' feedback indicates that the program is extremely time-consuming and that their work is 50% more over 120 days of work. However, the feedback also indicates that this work load is worth the strain as learning is maximized and collegial and professional networks are established.

## Continuing to LEAP

Senior executive buy-in to the LEAP process is critical. Executives must support the program by sending participants to the program. They must be involved by teaching and reinforcing lessons learned in the program. Finally, buy-in from top-level executives comes in the form of mentorship. Executives are asked to mentor program participants. The LEAP program was creat-

ed strictly to transform the organization. Individuals are put on a career path so succession planning is not necessarily a function of LEAP but is tied to the program. LEAP exposes talent in the company as the programming is strictly tied to job work. Assessment of

LEAP is done by the projects themselves, by surveys collecting data and by 360 degree feedback. LEAP appears to work because students keep coming to the program. Students say it is an honour to be in LEAP, even with the extra work. It appears LEAP works well for Shell.



Royal Dutch Shell logo  
— leaping ahead.

## Key Lessons From LEAP: Unleashing Talent

Shell learned key lessons from LEAP which are lessons that could benefit any other company looking to grow its own leaders. First, Shell needed to contract the structure of LEAP. To do so, they secured buy-in from top-level executives, gained support from executives and contracted time and work teams. Next, LEAP founded

senior leadership. Senior leaders were visible and active in their participation of the program. The next key lesson was around follow-up. Participants are followed-up as they complete their lesson time and employees of LEAP are Shell employees who are on sabbatical from the field. Quality training and follow-up are a main focus of LEAP and lastly, knowledge management is key to the process. Sharing findings and templates with team members and other teams in the company is key

to the success of Shell and LEAP.

LEAP energizes and unleashes leadership talent in the company. LEAP helps create leaders through an active-learning process which is directly related to the work of the company. LEAP is aligned with company values and with business practises. LEAP is a winning program for Shell and its employees.



The World Bank logo.

## World Bank: Teach a Man to Fish

The World Bank (The Bank) chose to change to avoid “a slow death of irrelevance” (pg. 168). The Bank is a conglomeration of a number of entities each with a role in contributing financing and loans to developing countries.

The Bank, however, was seeing a change in the world

and how the world was developing and rebuilding post-war. The Bank realized that investing in structures of a country was not helping the country because there was not talent developed within the countries to work the structures. The Bank realized it needed to invest in people. So, The Bank chose change.

The Bank had a program called Project 66 to develop leaders but the program was unaligned with team culture and therefore failed miserably. Project 66 changed to the Executive Development Program (EDP). It aligned values with latest thinking and organizational change along with action learning. Success was afoot.

**“Punishing failure assures that no one dares.”**

**Jack Welch**

## Instituting Change: Wolfensohn as a Leadership Leader

EDP was created by financier James Wolfensohn. He disbanded the old, unaligned leadership programming from the top down and using a mix of vendors, he set up new programming. Courses in EDP are a mix of theory, case study and action projects.

The Bank made a shift in what leader-type they needed. A list of competencies was defined with the aid of

an external consultant. What was defined, in summary, was a leader who was less technical and more “open to ideas, people and clients” (pg. 175). EDP focuses on Knowledge Based Development. Development is based on learners taking an active role in their learning with external

incentives. Knowledge is fluid and different perspectives are used along with different models of thinking and presenting. The Bank, under Wolfensohn, made a cultural shift to “global economic development” (pg. 182).



James Wolfensohn

## EDP Leaders at The Bank

The Bank makes a clear distinction between managers and leaders. Leaders at The Bank move people forward and inspire change for better results. Managers implement processes.

So how does EDP work? First, programs are aligned with each other and, differ-



The World Bank Building.

ent to other companies studied in this book, the courses are designed by outside sources. They are developed by leading business schools. Buy-in is not forced through attendance but gained by commitments and word of mouth. The course work is, like other companies, action learning with coaching from others in The Bank. Succession planning is not part of EDP and at time of publication, their bench of executives was empty. Feedback on EDP is gained through partici-

pant feedback, and 360 degree feedback. Participant feedback is gained six to eight months after participation.

Key lessons learned through EDP implementation at The Bank were that a large investment was needed for change, planning within the organization was necessary to achieve what the organization needed and a positive attitude to change was needed.

The biggest challenge faced by The Bank was moving knowledge from the individual to the organization. The Bank is now less bureaucratic, more stream-lined and aimed at knowledge.

**“The corporate university represents business leadership’s growing commitment to continuous learning as a source of competitive advantage.”**  
**Fulmer and Goldsmith,**  
**pg. 196**

## Corporate Universities: Competitive Advantage

Corporate universities, such as Crotonville at GE or McDonalds’ infamous Hamburger University, show commitment on the part of the corporation to continuing education for their employees. Corporations now realize that their human resources are their most valuable and that they need to invest heavily in their people.

A corporate university, defined as any entity established by a corporation to deliver curriculum, is valuable for a number of reasons. First, a corporate university links employee learning to corporate strategy. Secondly, it is a good place to entrench new hires into corporate culture. Old employees can also use the university

as a place of re-energizing and refreshing. The corporate university plays a pivotal role in corporate cultural immersion.

Interestingly, the 100 Best Companies are so partly because of their university offerings for employees.

## Saturn’s Corporate University as a Model

Saturn’s corporate university is about learning and improving job performance. The courses at Saturn’s corporate university are aligned with company mission. The culture of Saturn is about learning and doing what’s best, therefore, they say that buy-in is not really necessary. Training and serving is “just what they do” as a business.

Saturn has learned that a

corporate university should have influence corporately

by aligning courses with mission, vision and values. Teaching techniques at the university need to fit with learning and the university itself needs to be a powerful learning tool.

Required for corporate universities to

succeed is a strong commitment from upper management, along with a financial commitment. The university must prove itself in relation to the company’s bottom line. Finally, the university must stay flexible and change as needs require.



Saturn Car Company

## Universities: Capitalizing on Leadership

Colleges and universities have long been interested in executive development programs and the financial gains that can be made by offering such programming. In the past, executive development programs were not flexible and were more grounded in academia than in the real needs of companies. However, with today's changing needs and markets, universities are learning to listen. Universities are now providing good training at a value acceptable to corporations. They are more flexible in their courses and are committed to providing action learning for participants.

Fulmer and Goldsmith stud-

ied five universities which were quick to change models and respond to the needs of executive education. They studied Harvard Business School, London Business School, the Institute for Management Development (IMD) in Lausanne, Switzerland, Thunderbird in Glendale, Arizona and Pepperdine in Southern California.

### Harvard Business School

Harvard's deans studied the markets which were offering executive development and looked at their own model. They saw the need for change.

Once they put new programs in place, these new programs saw higher enrollment than those courses offered over the last 20 years. Clearly the market was looking for new programming and was ready for a change.



Harvard Business School

## Harvard Business School and London School of Business

In 1995, Harvard began customizing programming to fit what corporations wanted and needed. By 1997, Harvard opened its Executive Development Centre (EDC) to focus on corporate education. The centre has spread world-wide with faculty travelling extensively to teach. One difficulty is managing faculty time away with the

logistics of so many programs. However, the demands from the field do not lessen; requests for programming keeps flowing in. Seems like a good problem to have!

### London Business School

The London Business School does a few different courses for executive development

and has attracted customers like Shell and British Petroleum. Their programs are aimed at high potential managers and senior executives. The LBS is flexible to corporate needs and develops a close, strong working relationship with the corporation. The LBS's mission is to "Transform futures" using six competencies.

**"The more they know,  
the quicker the company  
will become profitable"**

## LBS Competencies and IMD

LBS aims to transform futures through the following six competencies: scholarship, professionalism, innovation, relevance, internationalism, and transformation.

The mission seems to be working. The LBS is building a reputation and is well liked by those who know it and use it.

### Institute for Management Development (IMD)

IMD is a mix of business school and consulting firm.

The focus is on partnership programs with customized executive development programs. IMD's value statement titled, Obsession for Relevance, guides all practises. IMD faculty is expected to be off-campus primarily.

They go to companies to work. Faculty must be well



London Business School

versed in academics, real-world business and are also required to do relevant research on faculty research teams. Faculty is paid on merit only.

## Thunderbird and Pepperdine

Thunderbird is the American Graduate School of International Management in Glendale, Arizona. Thunderbird has gained influence with its long history of international business study.

Thunderbird's mission is to "develop high-potential individuals to serve the ...needs



Thunderbird Business School

of international enterprise" (pg. 250).

Thunderbird has only one key competency which is "global focus". Thunderbird is innovative in its style with cultural diversity and global projects and action learning. Companies send people to Thunderbird to work in consortium groups, similar to think tanks, so work on issues relevant to business needs.

### Pepperdine

In Southern California, you can attend courses at Pepperdine. With a focus on

behavioural science applied to management, there is much to learn. Pepperdine is a business degree school but also has programs for executives.

Like Thunderbird, courses are taught with a global focus emphasizing change management in today's markets.

Success at Pepperdine requires being a team player. Many projects in the course of study are based on team work and students must demonstrate a highly effective team aptitude.

Pepperdine offers the only MBA designed specifically for presidents and key executives.

**"Change in the marketplace isn't something to fear; it's an enormous opportunity to shuffle the deck and replay the game."**

**Jack Welch**

## The Consulting Firms: New Competition

The demand for executive education has continued to grow. In the era of on-line study, more and more firms are popping up to meet the demand. Consulting firms are the new era of executive education. Consulting firms are smaller and more focused and therefore are described as "speedboats" to the "ocean liners" of uni-

versities. Consulting firms are able to deliver programming quickly and efficiently without the bureaucracy that often goes with institutions like universities.

Fulmer and Goldsmith studied six consulting firms and organizations and explained how they function and the services they offer. The

firms studied are: (1) The Society for Organizational Learning, (2) Centre for Creative Leadership, (3) the Centre for Executive Development, (4) Linkage, (5) PROVANT and finally, (6) Keilty, Goldsmith and Company.

## The Society for Organizational Learning

The Society for Organizational Learning (SoL) is a hybrid of a university and a consulting firm and not a true business school. Its mission is to facilitate collaborative learning among corporations who are committed to organizational change and to advance state-of-the-art learning.

Consortiums are organized and companies join to organize learning teams and learn-

ing structures and to transform assumptions and practices of leaders.

SoL is a global learning community which builds knowledge about institutional change through competencies and research, capacity building and practise.

SoL members are a network of colleagues. SoL is funded

through membership fees, meetings, educational offers, products and research.

SoL is dedicated to finding ways to for institutions to be better.



Peter Senge's SoL.

## The Centres

**The Centre for Creative Leadership** aims to sharpen leadership skills. The Centre provides courses, publi-



**The Centre for Creative Leadership sharpens skills.**

cations, assessment tools and research. The Centre for Creative Leadership pioneered the use of 360 de-

gree feedback which so many companies make use of today. The Centre defines leadership development as a person's capacity to be effective in leadership roles and processes.

**The Centre for Executive Development (CED)** was established by former Harvard University professors. Their aim—to teach leader-

ship skills in a unique way. Thus, they decided to teach “excellence”. They also decided they were not a speaker's bureau or an

event company. The CED takes on companies, not individuals as clients and they endeavour to make a difference to a company's bottom line. They integrate strategy and leadership training to create a competitive edge. They create customized, individualized in-house programming for companies which focus on current problems and strategic transformation. CED is a process consultancy. They build new behavioural paradigms where executives learn a concept, use it, then teach it to others in the company. CED believes that the lesson is not learned until the behaviour is changed.

## Linkage and PROVANT

Linkage aims to create internal bench strength for companies. They create a customized and integrated consulting service for corporate leadership development. To do so, they use an eight step approach. 1. Diagnose company needs and gaps. 2. Create a blueprint of now and future and actions to close gaps. 3. Define best

practice. 4. 360 degree assessment. 5. Create a program and learning experience. 6. Create action learning teams. 7. Apply coaching and mentoring and 8. Have on-going evaluation and measurement.

PROVANT focuses on “people and performance issues” and they aim to facil-

itate synergy. They have a 5 step leadership alignment system which includes accountability, supports, alignment, clear metrics and evaluations of the current state. PROVANT believes corporations must have a context for leadership development, action learning and real-time learning mixed with online learning.

**“People who are freed from the confines of their box on the organizational chart, ...move boldly.”**  
**Jack Welch**

## Keilty, Goldsmith and Company (KGC)

KGC is a virtual company which uses Leaders of the Future as a process. Their process translates the vision of a company into attributes and behaviours. Leaders receive continual feedback during the process.

KGC uses a ten step process to achieve its goals. 1. KGC aims to understand the corporate mission, vision and values. 2. They then identify the values of the company

and its core competencies. 3. They design an inventory and 4. then design training. 5. Program participants are selected. 6. Participants are given feedback. 7. Participants work in workshops with KGC consultants. 8. KGC follows-up with the corporation. 9. KGC follows-up with individual partici-

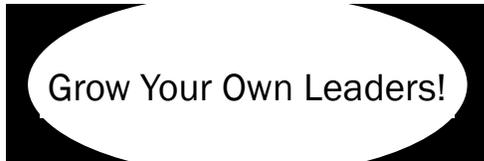


**Marshall Goldsmith**

pants and 10. then the feedback process is used to review programming.

KGC is committed to follow-up to ensure continuous improvement and therefore, their processes are often sought after by businesses needing change. .

1. Distinguish between executive education and other training.
2. Process and content are equally important.
3. Focus programming on company needs.
4. Top managers in the company must be teachers.
5. Participants must do active learning and have commitments to on-the-job related learning
6. Lessons learned must show up in day to day operations.



***KEEP COMPANY VALUES BUT  
CHANGE WORK HABITS FOR  
ORGANIZATIONAL SUCCESS!***

## In Summary

However corporations choose to engage in leadership development, either through a corporate program or corporate university, academic university, or consulting firm, the bottom line is clear – to increase profits, invest in people.

Emergent themes through this book offer some key ideas to leadership development.

Keep company values but change work habits. Companies like Johnson & Johnson and Shell found success with this approach.

Companies who tied succession planning to leadership devel-

Leadership development is key for a number of reasons. Leadership development is closely tied to and used to support the business strategy, it's an investment with a high rate of return, it offers companies a competitive edge, offers a new view to corporate enterprises and helps with organizational transformation. To make the transformation a reality, companies must focus on the five A's.

1. **Awareness**—be aware of approaches that work, challenges, needs and methods.
2. **Anticipation**—look to the future with strategic planning and analysis.
3. **Action**—bring the real world to the class and work for innovative and creative solutions.
4. **Alignment**—best-practice corporations tie educational efforts with succession planning.
5. **Assessment**—always assess the impact of the leadership development process by taking surveys, collecting feedback and most importantly, the bottom line.

opment found success with having their bench full and ready to lead. GE found this effective in their company. Participation from top-level executives and buy-in from these individuals is critical to

success of the program. Each of the best-practice companies in the book believed in this tenet.

Alignment of company values with programming is key to having a successful program. The World Bank case showed readers this reality. Failure to align values in programming only allowed for failure at The Bank.

Lastly, each of the companies who defined best-practice listed competencies they looked for in their leaders. Such a list gave guidance to who should be in leadership programs.

According to Fulmer and Goldsmith, leadership development is a company's best hope for future success and to better the company's bottom line.



**Leadership: the way to corporate success!**