Leaders developing leaders: an effective way to enhance leadership development programs

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The purpose of this article is to examine how senior leaders in organisations can play a greater role in the development of leadership within their organisations. Innovative "leaders developing leaders" programs in PepsiCo, General Electric and Shell are described as examples of tangible and effective ways that can be used for successful leadership development which can also contribute to strategic change and business profitability. Suggestions and various options to incorporate senior executive involvement in leadership development programs are put forward as well as factors that need to be considered when first implementing this approach. At a time when leadership development is recognised as a vital ingredient for organisation success, the involvement of senior leaders in the teaching and learning of future leaders has been shown to be a powerful and effective tool.

Great leaders are often great teachers

When we look at history, we see that many great leaders were great teachers. Leaders like Gandhi, Jesus and Martin Luther King Jr were able to revolutionise the way people saw the world, teach a new vision and establish new behaviours. They were strong leaders but they also were able to transform some of their disciples into leaders during their lifetimes. If they were unable to do this their visions would have been short-lived.

The importance of developing leaders has been recognised in a number of ways in recent years. The Enterprising Nation report (Industry Task Force, 1995), conferences on Global Leadership in Brussels, on Leadership Development in Boston and San Francisco, the establishment of Institutes of Leadership in several universities such as the University of Southern California and the initiation of leadership development programs by many major corporations such as Johnson & Johnson, Levi Strauss, PepsiCo, Australia Post and Hewlett-Packard has indicated that the development of leadership is of key importance.

The design of effective leadership programs that add value and contribute to organisation success is a difficult and challenging field. There has been little research on establishing how much learning from leadership development programs has been transferred back into the workplace. As Cohen and Tichy (1997, p. 97) state:

> most of what has been done in leadership development falls drastically short. It has been too rote, too back-ward-looking and too theoretical. It has rarely been tied to a busi-ness's immediate needs, nor has it prepared leaders for the challenges of the future.

In an effort to improve the effectiveness of leadership development programs organisa-tional case studies, project work, presenta-tions on current topics, questionnaires that measure personality such as the Myers-Briggs Type Indicator, situation leadership skills, and computer simulations have become a standard part of many manage-ment and leadership development programs. More recently outdoor adventure programs, 360 degree feedback, health appraisals and interactive computer learning programs have been added to many programs.

Most leadership development programs are usually designed and conducted by human resource professionals within the firm, acad-emic co-ordinators from graduate schools of business within universities or by outside consultants from organisations like the Cen-ter for Creative Leadership in the USA. But leadership development has yet to effectively show that it is a vital contributor to the suc-cess of the organisation.

A factor that is important to leadership development within any firm is the commit-ment and involvement of senior executives in the program. Typically, involvement of the Chief Executive Officer and the senior man-agement of the organisation is through involvement in the initial design of the pro-gram, key note talks, sponsorship of projects to work on, participation on panels and pre-sentation of certificates of accomplishment at the end of the program.

While the presence of the head of the organ-isation and senior management team lends some credibility to the leadership develop-ment program, most of their involvement has been as guest appearance spots – "organisa-tional celebrities" who pass briefly through the program while the main part is conducted by the HRD consultants, academics and visit-ing experts. This level of participation does not fully utilise the expertise and experience senior leaders have which could be passed on to leaders within the firm. It does not allow the strategic issues to be explored and under-stood through the eyes and mind of the senior executives.

There is evidence, however, that the involvement of senior leaders in the develop-ment of organisational leaders is very effec-tive. In one study, CEOs rated having a man-ager early in their career act as a role model one of the major contributors of their devel-opment as leaders (Magerison and Kakabadse, 1984).

Cohen and Tichy (1997) identified and stud-ied the most successful business and non-profit organisations (e.g. General Electric, Hewlett-Packard, Focus: Hope, the US Navy Seals and Intel) and found that all of these organisations had strong programs for leaders

to develop leaders by passing on their experience. Leadership was developed and fostered throughout these organisations, not just at the top. In addition, senior leaders had a "teachable point of view", a point of view that they were committed to, that involved a dynamic, compelling vision or story of where the organisation is going and how it is going to get there. Moreover, these leaders and organisations found creative ways to teach these and set time aside for leadership development outside of scheduled activities.

Programs where leaders develop leaders

Recently PepsiCo, General Electric, Allied Signal, Shell and a number of other firms have gone a step further in involving their chief executive officers and senior managers in teaching leaders how to lead. PepsiCo offers one of the most dramatic examples of this "leaders develop leaders" strategy. Roger Enrico, PepsiCo's CEO and chairman, decided four years ago that he would be fully involved in the design and conducting of the company's senior leadership program. Enrico wanted to have PepsiCo conduct a program which would be a watershed event in the development of leaders with exceptional potential in the middle to upper level of PepsiCo. He wanted the program to create the mindset that the role of the leader is to add value to the business and to use leadership models and tools that would directly drive the business. A competency model was used that included three broad competencies:

1   *Setting the Agenda* involved focusing on results by responding to the customer and developing intellectual skills to creatively think outside the box.
2   *Taking Others With You* involved developing others in your team and aligning the leadership of the organisation to deliver business results.
3   The third competency was *Doing It the Right Way* which entailed respect for others and using diversity effectively.

PepsiCo uses a very intense, five-day live-in experience with Roger Enrico doing almost all the teaching and facilitating of discussion over the five days. Group size is small, around ten people, so that a great deal of interaction with the CEO occurs. Each session uses an action learning format and, over the week, steps through a model of leadership, managing change, a vision for PepsiCo for the future and individual feedback and counselling. Each participant also receives a 360 degree feedback report summarising an evaluation of their leadership skills from their subordinates,

peers and manager. This is used as a basis to have one-on-one sessions with Enrico during the program. Each participant has two separate sessions with the CEO in which they can discuss any topics they wish from business decisions to personal and career matters. The evaluation of the PepsiCo program indicates it is playing a powerful role in the success of the company in the USA and overseas.

PepsiCo's CEO is not the only leader highly involved in developing other leaders. Andy Grove of Intel is often involved in conducting sessions with his managers on how to detect turbulent shifts in the high technology industry and how to navigate through them. He believes that having leaders at all levels who can spot trends and have the courage to act will enable Intel to succeed while other companies will falter (Cohen and Tichy, 1997).

General Electric uses their leadership development programs conducted at its Management Development Centre as a pivotal element toward achieving the company's strategic objective. These programs also provide an opportunity for senior management to remain in touch with the organisation – to understand its problems, moods and commitment. Senior managers are actively involved in conducting classes and question and answer periods (Conger, 1992). Jack Welch, CEO of General Electric, has participated in the GE Senior Leadership Program for two weeks every year for 15 years and has not missed a session. Welch conducts no-holds-barred discussions which challenge participants to think for themselves and to hone their leadership instincts and skills. He attributes GE's extraordinary comeback, from the fifth largest company in the world in 1972 to the largest company in the world in 1997 with over 175 billion dollars in assets, in some ways to the thinking he has been able to develop in these sessions (Tichy, 1993).

Shell has also learned to use the process of leaders developing leaders as the basis for the transformation of the organisation and for delivering key business results. At the Shell Learning Centre, leaders hear the story and vision for the future of Shell along with the individual teachable points from senior executives. They are taught how to translate this into their own story relevant to their own department and how to develop their own teachable point of view. In this way, organisational transformation and business change is cascaded down the entire organisation (Cohen and Tichy, 1997).

At the beginning of a two-day leadership development workshop, Chairman of Shell, Cor Herkstroter taught a powerful lesson to Shell executives by having them all write a letter of resignation to the Committee of

Managing Directors explaining why they would resign from Shell as it currently is operating. This letter was unsettling and eye-opening for the 50 Shell leaders, many of whom had been with the organisation for over 25 years. The leaders then went into groups and summarised their combined views. These summaries painted a clear picture of a major need for Shell to change to a more dynamic and responsive organisation. Herkstroter totally altered his managers' view of the Shell world and provided an excellent example of how a leader develops leaders.

This leaders developing leaders philosophy is also being used in the new Masters degree of Leadership and Management (MLM) at Curtin University of Technology in Western Australia. The MLM program makes a strong effort to involve graduates and senior students in teaching leadership skills to current students. A specific example of this is in the last year of their MLM program, students have to design, raise revenue for and conduct a three day leadership experience for leaders from a wide section of the community. The MLM students not only have a first hand experience of their own leadership development program but they have practical experience and knowledge as leaders of organisations. The old adage of "the best way to learn something is to have to teach it" gives these leadership students an opportunity to deepen and test their understanding.

Relevance to other organisations

According to Paul Russell (1997), the vice president of Leadership Development at PepsiCo who helped design and conduct the PepsiCo programs with Enrico, there are important lessons and points from the PepsiCo program that can be applied to other organisations which wish to implement the idea of leaders developing leaders in their own organisational programs;

1   The company must have a senior leader (or leaders) who the participants hold in high regard and want to learn from – an Icon. You need to find out who these people are in the organisation by asking participants which senior leaders they would value learning from in the organisation.

2   Senior executives must be coached on how to facilitate and teach groups and to bring out their own views and "teachable points". According to Paul Russell, on first being approached many senior executives indicate they do not have the time or the skills to conduct sessions like these. After a brief period, however, almost every manager is quite pleased to be asked and very

interested in providing younger managers in the organisation the benefit of their experience.

3   The learning environment (e.g. informal or formal, lecture or case study, etc.) must fit the executive's own style and personality, so that they feel comfortable in teaching and interacting with the participants.

4   Some work is needed by a HR manager or consultant to help the senior manager make explicit what they have to teach. This involves one or two sessions where you need to ask a lot of questions, going through their experiences and business situations to develop a common approach and finally to synthesise their learning principles and frameworks. This does not have to be perfect according to Russell but has to have enough teachable points that the executive can feel confident and clear about what they are going to impart.

Russell also indicates that after a year or two of involvement, some senior executives lose the enthusiasm and may not have the time for the commitment needed so other executives will need to be coached into this role to keep the program alive.

While some chief executive officers may not have the time nor skills to conduct a leadership development program on their own, there are modified forms of this that can add substantial value to existing leadership development programs conducted by academics and in-house HR specialists. For example, case studies around actual past or current business decisions can be developed which involve the senior manager specifically. Participants can be asked to read these and in small groups decide how they would handle this problem. The senior leader would then facilitate a three- or four- hour discussion exploring the approaches of the participants and comparing them to the approach he or she would adopt. The *Los Angeles Times* uses a different version of this approach in their leadership develop program by developing "puzzles", current problems or dilemmas, that their senior managers are facing (e.g. to close down a service, a human resource issue involving ethics or discrimination of minorities). Participants are asked to develop their own solution and then discuss, debate and defend these with senior executives (Hartley, 1997)

Another useful addition to the standard in-house leadership development program is the one-on-one coaching session that builds on the 360 degree feedback process. This involves a session with a senior executive which might start with the key learnings that arose from the 360 feedback process and

extend to a discussion of career paths, business directions and anything else the participants need to discuss. A number of senior managers may need to be involved in this role in larger programs.

Why leaders need to make the time

Noel Tichy (1997), professor and director of the Global Leadership Program at the University of Michigan, has worked in both the G.E. and PepsiCo leadership development programs and strongly encourages top leaders to spend as much as one third of their time developing the organisation's leaders in formal programs. Tichy puts forward three reasons why senior managers should be required to play a major role in leadership development programs. First, successful organisations are built on clear ideas, they set a direction for everyone in the organisation, especially its managers, to follow. During the leadership development program, participants are open to new ideas and directions. Hearing these from the top leaders of the organisation gives power, support and the thinking behind the new directions and behaviours required. Second, senior leaders as teachers in the program assess the changing realities of the ideas and amend them to be relevant and fit the necessities of the current environment. They can select ideas that add significant value rather than have a wide range of interesting ideas and topics which are not directly applicable to the organisation. Third, they provide frameworks for the decisions of managers at all levels. They give a focus for common goals and actions which can be implemented back in the work environment.

Alan Mumford, Professor of Management Development at International Management Centres and one of the major authorities on leadership development suggests that there are many reasons why leaders should develop other leaders. These include:
- It brings personal satisfaction by helping others grow.
- Your own skills, knowledge and insight are developed as a result of sharing experiences with others.
- Real business and personal problems can be resolved as you are working on developing others.
- By improving the performance of others, you are enhancing their ability to deal with tasks you currently do, which can allow you to pursue larger leadership responsibilities (Mumford, 1993).

In addition to these reasons, the involvement of senior leaders with middle level managers helps integrate and link the two groups together. Leadership programs are often conducted independently for these two groups and the process of leaders developing leaders can help bridge gaps, clarify understanding and build commitment between leadership groups.

In summary, using leaders to develop leaders as a part of an in-house leadership development program can add considerable value with a minimum of effort and expense. It can add a very positive component to leadership development which can be effective for individuals, build leadership within and across management groups as well as contribute to the accomplishment of business objectives and organisational change. It is an activity that needs to be considered and introduced at the appropriate time in the organisation. The questionnaire provided in the Appendix to this paper can help give your organisation an idea of how ready it is to get leaders involved in leadership development (see Appendix).

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Appendix: how ready are your leaders to develop leaders?

The following questionnaire can help you establish how ready your senior leaders are to developing other leaders in your organisation. It will also give an indication as to how much leader developing leadership activity you are already doing.

Circle the extent that you feel each of the following is happening in your organisation at this time. Then add the numbers you circled on each question to get a total score and interpretation.

Definitely not (0)
Little or Not certain (2)
Some (4)
A fair amount (6)
A great deal (8)
Completely (10)

1   This organisation has some type of organised leadership development program.
    0   2   4   6   8   10
2   Our senior executives show a strong interest in the objectives and content of our leadership development program.`
    0   2   4   6   8   10
3   There are a number of senior executives in organisation who lower level managers would enjoy and find worthwhile learning from.
    0   2   4   6   8   10
4   This organisation gives adequate money, resources and thought to leadership development.
    0   2   4   6   8   10

5   The chief executive spends time discussing participating in leadership development.
    0   2   4   6   8   10
6.   Senior executives are willing to give time to coach our middle level managers
    0   2   4   6   8   10
7.   Senior executives have a clear idea of the organisational vision and values which they can communicate and teach to our managers.
    0   2   4   6   8   10

Total Score   _____

Interpretation

56-**80** – Congratulations. Your organisation is already doing a lot of leaders developing leaders. See if you can find ways to improve the effectiveness of what you are already doing.

31-**55** – It appears you have the ability and the potential to introduce a leader developing leader segment or extend what you are already doing in your leadership development programs. You just need to spend time to clarify how you will do it, who will do it and when you will begin this process.

0-**30** – The area of leadership development has not been given much attention or thought in your organisation. First ask if leadership development is needed in this organisation, how do we want to develop leaders and how much resources and time are you willing to devote to the process. The leaders of the organisation will need to answer these questions before they can begin to teach your managers how to be leaders.