

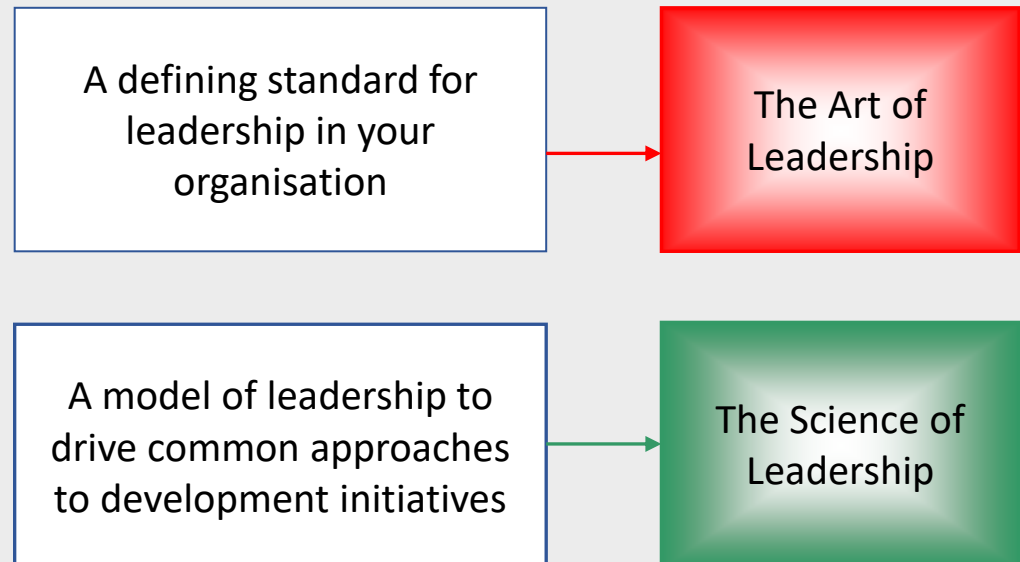
How Sterling Develops Leaders

The Art & Science of Leadership



Introduction

- We develop our approach together with our client organisation's management community.
- Our goal is to help organisations to promote consistent approaches to leadership development by establishing:





The Art of Leadership

What is Leadership?

Leadership is not:

planning

planning

problem solving

administration
& control

Leadership is:

creating an appropriate and
compelling vision of the
future

communicating that vision to
create shared meaning and
understanding

setting direction, establishing
strategy and turning it into
actionable plans

establishing and maintaining
relationships with all key
stakeholders to enable
success

shaping and strengthening
the organisation to create
long-term sustainability

Leadership is

Some examples include:



engendering
passion for your
organisation's
values in
employees and
acting as an
ambassador for
your brand

establishing and
communicating a
vision to provide a
context, clarity and
motivation for
those who support
the leader

meeting the
challenges of
driving the
business and
leading bright
and talented
teams

Bringing the Vision Alive

- For leaders, a fundamental part of their role is to inspire people to deliver the organisation's vision
- Do all employees know your organisation's vision (word for word)?
- Do all employee's have objectives to deliver the vision?

And Being Passionate about Your Values

- Values are about passion - giving your principal stakeholders 100% and inspiring your organisation to do the same.
- Samples values:
 - **Passion for customers** - Customers choose us and trust us. In return we strive to anticipate and understand their needs.
 - **Passion for employees** - Outstanding people working together in an aligned and conscious way.
 - **Passion for results** - Action-oriented and driven by a desire to deliver exceptional results.

But there's more to leadership than that...

Leadership Competence

- To embrace the values fully, leaders must have competence - a combination of attitude, knowledge and practical skill which brings about successful outcomes.
- Leaders must demonstrate competence in leadership, management and functional areas.
 - **Leadership Competencies** are fundamental to the success of any business as they support the achievement of business strategies.
 - **Management Competencies** are key to the effectiveness of projects, operations and processes. Managers must be proficient in planning, budgeting, recruiting, and problem solving etc. to create and maintain efficient and aligned processes, systems and operations.
 - **Functional Competencies** define specialist professional expertise such as finance, HR, marketing or technology etc.

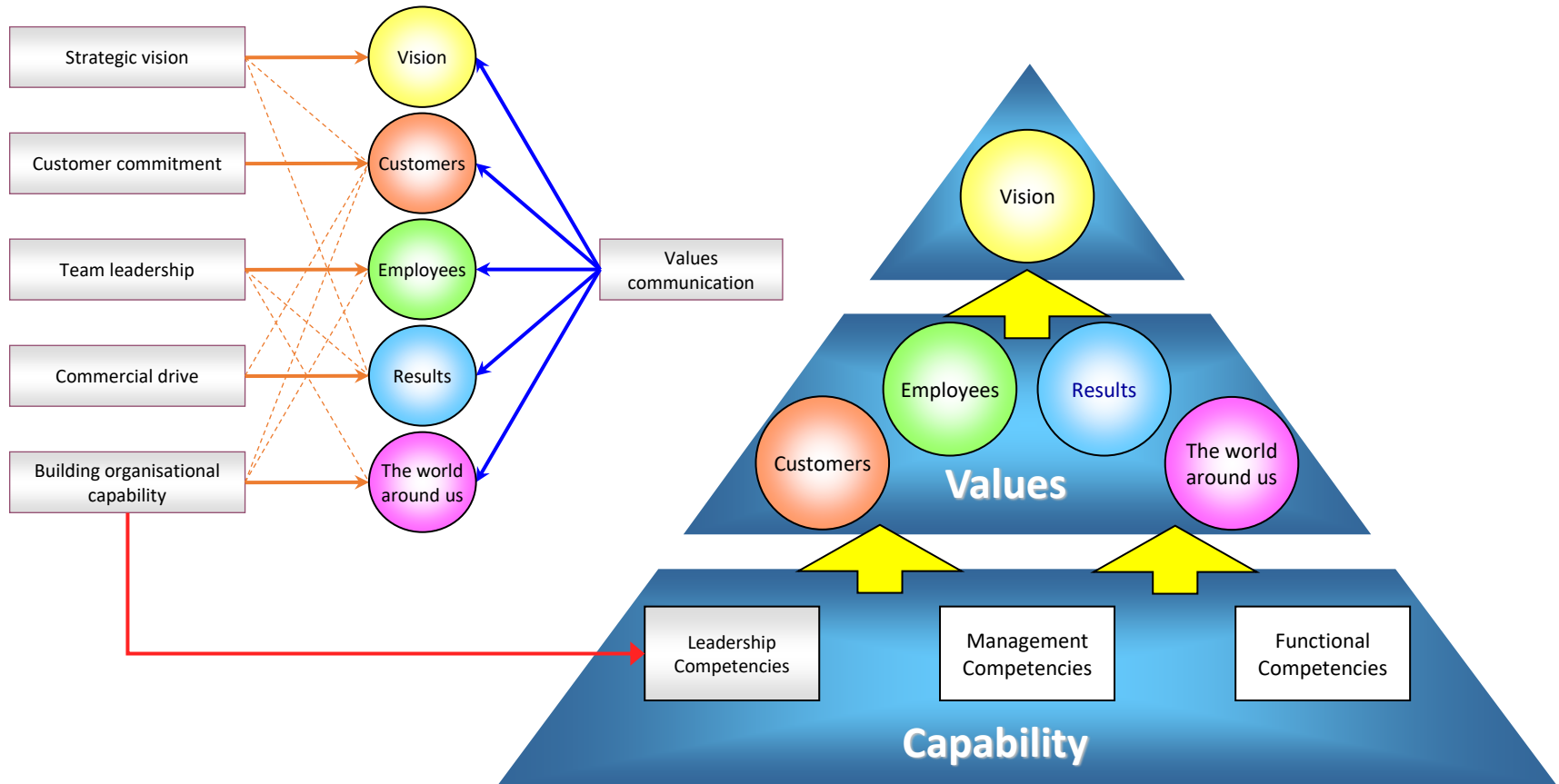
Sample Leadership Competencies

- **Strategic vision:** can leaders articulate a clear and compelling vision and translate strategy into a roadmap for success?
- **Values communication:** do leaders build every aspect of your vision and values into the way the organisation works?
- **Customer commitment:** are leaders customer champions who drive the organisation towards exceeding customer expectations?
- **Commercial drive:** do leaders ensure the organisation wins in the marketplace using superior knowledge, partnerships and entrepreneurial flair?
- **Build capability:** do leaders shape the business to create long-term shareholder value?
- **Team leadership:** do leaders consider the bigger picture and provide the leadership necessary to achieve the vision and strategy?

The diagram on the next slide shows how these sample competencies map to the vision and values.

Vision, Values and Competencies

Sample Leadership Competencies



Sample Management Competencies

Core

- Achievement Orientation
- Awareness of External Environment
- Customer Focus
- Decision Making
- Interpersonal Effectiveness
- Self Development


Non Core

- Business Acumen
- Initiating and Managing Change
- Innovation and Creativity
- Operational Effectiveness
- People Management
- Project Management
- Strategic planning

Leaders Develop their Career

Key factors in managing a career in any organisation:

- Maximise employability by embracing your organisation's vision and values and developing high levels of leadership competence
- Increase personal flexibility through:
 - Broadening one's knowledge of the business
 - Recognising that personal growth is key
- Ambition and willingness to take on more responsibility
- Develop a network of contacts
- Assume responsibility for self-development and managing your career



The Science of Leadership

Sterling's Leadership Development Model

Key Elements of Leadership Development



Assessment, Challenge and Support

Assessment

Leaders need to know exactly where they are in relation to what is expected of them. They need to know their strengths and weaknesses.

Challenge

There are times when leaders need to be taken out of their comfort zone to stretch themselves.

Support

Assessments and challenging experiences stretch leaders and highlight their strengths and weaknesses, but they are more powerful when combined with an element of support.

People require support in the form of confirming messages or as encouragement to change so that the challenges of a stretch assignment are viewed positively as an opportunity to develop and grow.

Knowing that colleagues place a value on supporting your development can be motivational and instrumental in you achieving your goals.

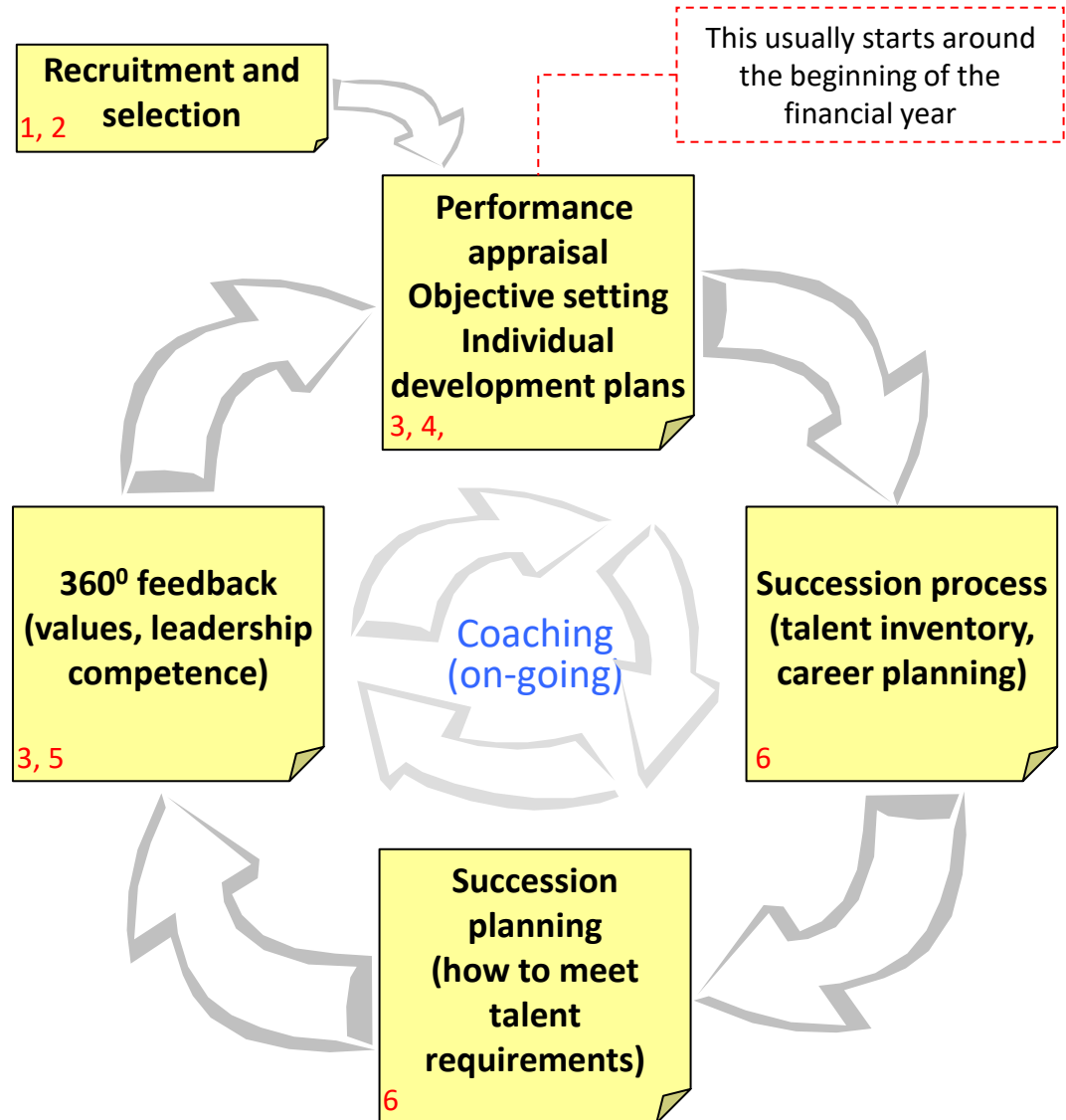
Assessment

Assessment

- Data can come formally e.g. from appraisals, 360⁰ feedback, employee or customer satisfaction surveys etc.
- It can also come informally e.g. feedback from colleagues or unsolicited feedback from any source.
- Many of the best sources of assessment data will come from the annual performance and development cycle...

The Performance/Development Cycle

1. Psychometric Questionnaire(s)
2. Criteria-based Interview Guide
3. 360° Degree Feedback System
4. Personal Development Review
5. Individual Development Plan
6. Succession Planning Process

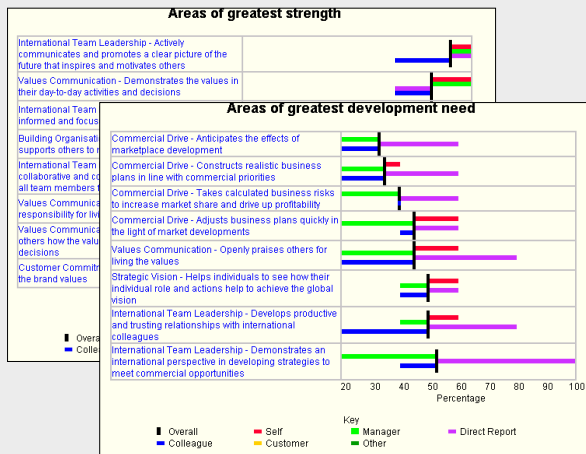


Psychometric Questionnaire (PQ)

- People complete the PQ themselves - it is based on their own perception of their characteristics
- The accuracy of the report depends on the honesty with which the questionnaire is completed
- Can be used as a way to pre-screen during recruitment - but not in isolation
- Can also be used as an effective development tool since it uses the individual's own information to draw on underlying development needs that may not otherwise be apparent

Criterion Based Interview Guide

- A recruitment and selection tool designed to ensure that candidates are assessed against objective and valid criteria
- Questions are linked to organisational values and leadership competencies
- Can be added to locally and internationally to reflect local conditions



360° Feedback

- Captures perceptions about the individual based on observable behaviour
- Displays these perceptions in an easy and understandable format using high-impact graphics
- The individual receives an assessment of ability matched against the organisational leadership competencies
- Built in help to produce an Individual Development Plan

Section 3: Commitment to Vision and Values

Section 2: Evaluation of Competencies

Private and Confidential

Performance and Development Review

Your name	Company	Review period
Job title	Manager	
Department	Manager's Manager	

Review of Objectives

Assess the actual level of performance against the personal objectives set at the last Performance Development Review (PDR).

Last period's objectives	Examples and comments on achievement	Rating

Employee's Comments

Manager's Comments

Overall rating:

Personal Development Review

- Opportunity to review performance and start planning for the next financial year
- Consider achievements, areas for improvement and challenges in the year ahead
- Performance objectives should consider longer term goals and the development of key competencies
- Sound basis for the creation of an Individual Development Plan

Individual Development Plan

- A key document that creates the link between an overall career plan, recent achievements and next steps
- Ensures the employee is equipped with the necessary competencies for current and future roles
- In creating a development plan the following should be considered:
 - Areas of development highlighted in the previous year's performance review
 - Changes in the business strategy may mean that new skills are required
 - Promotion (or increased responsibility) which may require a different set of competencies to be developed
 - Career goals

Succession Planning

- Succession plans are prepared for each senior manager
- It ensures that the organisation has sufficient management resources to meet its current and anticipated needs as driven by the business strategy
- The Succession Planning template enables an organisation to gather data on talent in a consistent format
- It includes basic information such as professional skills, achievements to-date, individual development needs and career plans

Challenge

Challenge

- Challenging experiences force people out of their comfort zone
- They cause people to question the adequacy of their experience, skills and knowledge
- To be successful they need to develop new abilities, insights and approaches
- An experience can be hugely developmental if many of the following characteristics are present:
 - Success and failure are both possible and obvious to others
 - Involves working with many people
 - Requires influencing people and activities over which they have no direct authority
 - Involves high variety
 - Will be closely watched by those whose opinions count
 - Has a strategic component
 - Is intellectually challenging
 - Involves interacting with an especially good, or bad, leader

Development Challenges

- People develop the capacity for leadership by facing the challenges of leadership.
- On the next slide are five sample categories of challenge which develop leaders in different ways...

Challenge	Examples	Benefits
START-UPS	<ul style="list-style-type: none"> • Head up something new 	<ul style="list-style-type: none"> • Learning how to organise and get things done • How to select, train and motivate employees
FIX-ITS AND TURNAROUNDS	<ul style="list-style-type: none"> • Take over a poor-performing business area 	<ul style="list-style-type: none"> • Getting others to commit to change, and effectively orchestrating change • How to set up structure and control systems needed to turn businesses around
PROJECTS AND TASK FORCES	<ul style="list-style-type: none"> • Troubleshoot • Make a board presentation 	<ul style="list-style-type: none"> • Persuading, influencing and handling conflict • Learning what's important about unfamiliar areas and learning how to get things done through others.
CHANGES IN SCOPE AND SCALE	<ul style="list-style-type: none"> • Promotion with much greater responsibility 	<ul style="list-style-type: none"> • Shifting focus from doing things well to seeing that things are done well • Leading through persuasion and shoulder full responsibility.
SECONDMENTS	<ul style="list-style-type: none"> • Move to a role outside current experience 	<ul style="list-style-type: none"> • Understanding corporate strategies, culture and the broader context in which decisions are made • Thinking more strategically and less tactically

Values

- The key building blocks in developing as a leader are any organisation's Vision, Values and Leadership Competencies
- It is the role and responsibility of leaders to embrace them and act as a role-model for them in their career
- Living your organisation's values represents a major developmental challenge for any aspiring leader
- Many leaders are highly focused on customers and results but how do they demonstrate a passion for their employees and the world around us at the same time?

Example: Passion for Customers

Self-evaluation against these indicators		
Value	Role model behaviours - you demonstrate passion for customers when you...	Possible development need - you fail to demonstrate passion for customers when you...
We value our customers above everything else and aspire to make their lives richer, more fulfilled and more connected	<ul style="list-style-type: none">• act as an ambassador for the brand values• create and promote a customer focused culture; keep customer satisfaction and convenience at the forefront of the organisation's thinking• innovate and pioneer new ways of serving customers	<ul style="list-style-type: none">• allow your organisation to be/become introspective, bureaucratic or political, rather than customer-facing• take short-term financial decisions that penalise the customer• fail to recognise and reward customer service champions in your organisation
We must always listen and respond to each of our customers	<ul style="list-style-type: none">• trust our customers, listen to them, seek to understand them and act to ensure that every aspect of our service to them is second to none• take action to recover from customer service failures to build or regain trust	<ul style="list-style-type: none">• show a lack of understanding for customer needs, rarely talking to them directly or to the employees who deal with them daily• insufficiently prioritise corrective action when customers have problems

Leadership Competencies

- Leadership competencies represent another key developmental challenge
- They focus on those areas that are critical to achieving strategic goals
- Each competency consists of 4 components:
 1. **Attitudes and beliefs** - what do I need to think and feel about this? For example, how can I deliver outstanding customer service if I don't feel passionate about satisfying customer needs?
 2. **Professional knowledge** - does my current knowledge limit my ability? What else do I need to know and how can I improve my expertise and understanding?
 3. **Behaviours** - how do I act and behave to demonstrate my competence to others?
 4. **Organisation measures** - am I delivering results? What do I need to achieve?

Example: Commercial Drive

Attitudes & beliefs: you are likely to excel at this when you...	Knowledge: you will need to develop knowledge in the areas of...	Behavioural indicators: you demonstrate this competence when you...	Organisation measures: your competence is impacting the organisation when...
<ul style="list-style-type: none"> • are passionate about results • have unrelenting desire to win • treat company assets as if they were your own • like to take calculated risks • take personal responsibility and believe that individuals make a difference • enjoy satisfying customers and relate to their needs • enjoy working alongside business partners 	<p>Industry & economy</p> <ul style="list-style-type: none"> • Local market conditions • Economy • customer profiles • marketing media • labour market • technology • potential partners • competitor activity • legislation <p>Business theory/best practice</p> <ul style="list-style-type: none"> • Core drivers of profitability • Marketing best practice <p>Your organisation</p> <ul style="list-style-type: none"> • Group strategy • Best practice around the group in terms of: <ul style="list-style-type: none"> ◦ Market share ◦ Improving ARPU ◦ Reducing cost 	<p>Plan effectively</p> <ul style="list-style-type: none"> • construct well considered business plans • anticipate likely effects of marketplace developments – adjust plans appropriately <p>Think & manage like an entrepreneur</p> <ul style="list-style-type: none"> • have the courage to make ‘big moves’ in the marketplace, stealing market share • evaluate opportunities against risks • manage P&L tightly <p>Forge strong partnerships</p> <ul style="list-style-type: none"> • identify opportunities for partnerships • put together robust deals 	<p>People measures</p> <ul style="list-style-type: none"> • employees think & behave like true owners <p>Customer measures</p> <ul style="list-style-type: none"> • your organisation’s brand is widely recognised and regarded • you gain market share • you have a great reputation for service excellence <p>Financial measures</p> <ul style="list-style-type: none"> • there is a strong focus on the bottom line and results are ahead of plan • costs are tightly controlled <p>Community measures</p> <ul style="list-style-type: none"> • suppliers and partners put extra emphasis on their relationship with you • company leaders are seen as opinion formers

Example: Commercial Drive

Key development activities

1. Help your people understand the real cost/profit equation of your business. Employees who know the actual value of services/products and the margins that need to be maintained to drive profitability are less likely to ignore opportunities to reduce cost or increase revenue.
2. Establish the results your team must attain as well as key milestones along the way. Use formal meetings as well as informal conversations to ensure everyone has their sights set on the same goals.
3. Compare against “best in class”. Your organisation’s performance is only as good as metrics to which they are compared. Consider that, as a market leader, you should look at “best in class” information across markets, not just within the market.

Quick tips and ideas

1. Look for ways to reduce duplication of effort in your department and/or business unit
2. Engage in ‘trend analysis’ and explore possible improvements to problems identified
3. Initiate/sponsor a process improvement effort to eliminate duplication of work in your area using process improvement methods
4. Identify the ‘critical path’ for achieving results; plan the work and then work the plan

Recommended reading

- Built to Last, by James Collins and Jerry Porras. Harper Business.
- High Output Management, by Andrew S. Grove. Vintage Books.
- Managing for Excellence: The Guide to Developing High Performance in Contemporary Organizations, by David L. Bradford and Allan R. Cohen. John Wiley and Sons.

Support

Support

- Support is needed with assessment processes to help leaders put the feedback they receive in the right context
- Support is also required to help leaders through the challenges they face and to help them learn and grow
- Sources of support:
 - people e.g. peers, HR, current boss, former bosses, mentors and coaches
 - cultures, values and processes which place an emphasis on the importance of feedback, development and learning from experience

Coaching and Mentoring

- “Coach” and “mentor” are different roles which support the development of leaders in different ways:

Form	Description	When to use it
Manager-report coaching	Line manager spends time with direct report to work on some aspect of his/her performance	When the issue is a skill or aspect of knowledge where the manager can help. Should not be used in any punitive or other negative way.
Mentoring	Enables an individual to follow in the path of a more senior colleague who can pass on knowledge, experience and open doors to otherwise out-of-reach opportunities.	When senior managers have the time, experience and expertise to share with junior managers.
Executive coaching	Used to help senior managers in particular skill areas that have been identified as needing improvement. The manager is paired with an external coach to work on specific behaviours or skill areas.	When assistance is required of someone with expertise in behavioural change strategies. Executive coaching can be very effective.

Leaders Develop Leaders

- Ever-increasing competition makes it critical to create a challenging and motivating environment for new leaders
- Organisations which create such an environment attract the best: they feature the type of leadership to whom the best are drawn
- Two implications for all leaders in any organisation:
 - Leaders are responsible for identifying and developing leadership talent within their part of the organisation
 - They should have high expectations of their own leader in supporting and promoting their own development

Sample (Aligned) Leadership Development Programmes

Competency	Programme	Programme Description	Jan-Mar 19	Apr-Jun 19	Jul-Sep 19	Oct-Dec 19
Values Communication	Vision and Values	One day module to translate values into action	By OpCo	By OpCo	By OpCo	By OpCo
Customer Commitment	Meet the Customer Programme	Day in call centre or retail	By OpCo	By OpCo	By OpCo	By OpCo
	Customer Commitment	Strategic approach to CRM, C/S segmentation	5-6 Mar	14-17 May	24-27 Sep	3-6 Dec
Strategic Vision	Strategy Workshop	Strategic skills and high level knowledge of Telco sector	27 Feb - 1 Mar	10-12 June 12-14 June	25-27 Sep	13-15 Nov
	IMD GMDP (Lausanne)	Introduction to leadership competencies, Director's working	19-22 Feb	23-26 April	17-20 Sep	12-15 Nov
Commercial Drive	Leadership at the Peak	Special programme for CEO's		25-29 May		4-8 Nov
	General Manager Programme	Transition programme, functional leader to GM	Part I: 3-28 Feb	Part II: 21 Apr-10 May	Part I: 4-27 Sep	Part II: 27 Oct-14 Nov
	Finance for Telecoms Non-Financial Managers	Understand telecoms finance		TBA	TBA	TBA
International Team Leadership	Multi-cultural Management	Managing international teams	15-16 Jan 5-6 Mar	14-15 May	9-10 Jul 10-11 Sep	5-6 Nov
	Remote Management	Managing dispersed teams	17-18 Jan 7-8 Mar	16-17 May	11-12 Jul 12-13 Sep	7-8 Nov
	Managing in a Matrix Organisation	How to manage in complex/ambiguous organisations	Feb	Jun		Oct
Building Organisational Capability	Competency-based Recruitment and Development	Using Vodafone's new development toolkit	29-31 Jan	By OpCo	By OpCo	By OpCo
	OD Workshop/HR Competencies	Building HR organisational capability		TBA		

Some of Our Clients





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