

## **Leadership Development – Case Study**

A client needed to:

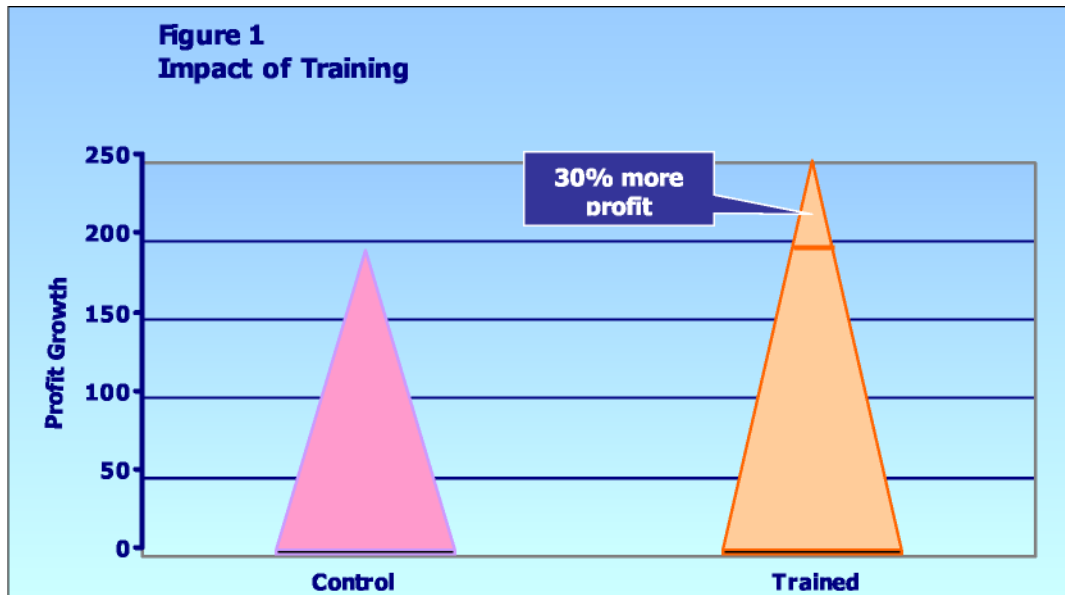
- a) Improve the financial performance of several hundred of its General Managers world-wide who were responsible for running their operating units, and
- b) To implement the new direction required for the company as expressed in the CEO's statement of strategic intent for the future.

The programme started with the development of a competency model based upon interviews and a model building workshop with a group of superior performing General Managers from different countries. This established the benchmark against which all other General Managers were to be assessed and then developed so as to move their performance further up the curve.

The first phase of the programme was to run over a 3 year period. During this period a series of development programmes covering strategy implementation including Balanced Scorecard initiatives, competency development, customer service, organisational climate, managerial style etc. were conducted in several languages so as to cover the entire General Manager population.

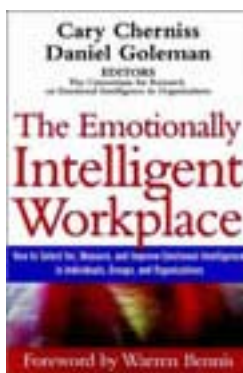
Where relevant competency based selection programmes were also conducted. Client personnel, both HR and Line Managers, were involved in various aspects of the programme and the client project leader trained to a high standard so as to be able to conduct the bulk of the competency assessment interviews and to run workshops.

The outcomes of the programme were evaluated statistically<sup>1</sup> using control groups where appropriate to determine the realized and measurable benefits. It was determined that the programme training had significantly improved bottom line performance, as shown in Figure 1, with an ROI figure of several hundred percent.



In addition it was found that the key competencies in the model could predict a substantial percentage of the variation in profit growth 2 years ahead, thus proving the validity of the model. This is a useful point when trying to predict/identify the competencies required in the future. Currently research is under way to see how far ahead the predictive validity of the competency model extends so as to determine what changes/updates may become necessary over time.

Specific performance data gathered from the first 3 year phase has formed the basis on an extension of the programme so as to increase innovative/entrepreneurial activity in the future. This continuation of the original programme, much of which is planned to be delivered in an e-learning format, is seen as necessary by the client so that people development becomes a permanent part of business operations and not just a one-time initiative in response to a problem.



Note 1) Full study published in *The Emotionally Intelligent Workplace* Cherniss and Goleman (Eds.) 2001