

THOUGHT PAPER



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Dr. Lanik is an industrial/organizational psychologist, specializing in leadership and executive assessment and development, and organizational change. He has worked in a management consulting and organizational research capacity across Asia, Europe and the United States. Dr. Lanik consulted for several organizations including Development Dimensions International, Sun Microsystems, and Colorado Department of Transportation. Dr. Lanik is also an Adjunct Professor in the Department of Psychology at Metropolitan State College of Denver. He has been a frequent speaker and presenter at international conferences, such as the Society for Industrial and Organizational Psychology, International Congress on Assessment Center Methods, and European Congress of Psychology. Most recently, Dr. Lanik has been invited as the keynote speaker at The Assessment Center Study Group of South Africa in March 2011.

Developing Leaders in a Tight Economy: Business Imperative

No one really knows if we are out of the Great Recession yet, but one thing is clear – HR and OD budgets are tight and will likely remain so in the near future. According to the Society for Human Resource Management, 3 out of 5 U.S. organizations cut morale- and team-building activities; and a large portion also cut professional development, general training programs, and HR-related technology. Hence many HR and OD departments found themselves in a very difficult situation – how can they accomplish the same amount of work with fewer resources? Experts predict that such “budget-consciousness” is likely to stay and drive HR and OD markets for the next 5 years. As a field, we must therefore find new strategies to keep leadership development alive. I offer three thoughts below:

HR leaders rate front-line managers as the “least ready” workgroup in their organizations, says Bersin & Associates.

Start early. Organizations often overlook their largest group of leaders – front-line managers, who find themselves in leadership positions for the first time. According to Bersin & Associates, HR leaders rate front-line managers as the “least ready” workgroup in their organizations, even less capable than entry-level employees. But only the farmer who sows the seeds in spring can reap the harvest in fall. Indeed, “the leadership shortage will grow dramatically over the next decade with the impending retirement of the baby boomer generation”, says Aon Consulting, so growing your own leaders remains very important even when budgets are tight. The issue then becomes how to develop early managers in a way that is cost-effective yet yields the highest results.

Focus on behavior. Many solutions and products exist in the leadership development space. For example, personality tests are cheap, easy to administer, and often provide good insights about the person’s tendencies. However, leadership development means growth, and growth means change. Psychologists have long known that changing one’s personality is very difficult if not impossible. The other option are leadership classes, where participants learn about effective management models. It’s like studying music theory – very informative

and interesting, but I won’t know how to play the piano unless I touch the keys. If we want true, visible change, we must focus on behaviors that managers can adopt and practice.

Of course, the first step is knowing which behaviors to change. Every manager comes with a different set of strengths and developmental needs. To determine which behaviors pilots must change, Air Force uses flight simulators. Instead of assuming, why not watch pilots in a simulated flight and observe what they actually do? Similarly, we can put managers through a simulation that mirrors the commonly encountered leadership problems and observe how they handle those situations. And voila! Insight is born, strengths and developmental opportunities identified.

Keep it small. Too often, excited from a recent “spray-and-pray” workshop, managers attempt to apply the newly learned concepts. Wait a week and all is back to “normal”. No change occurred, no development took place. One cannot successfully fight a war on many fronts, but pick a single battle and you have more than 50% chance of winning. Therefore, after identifying key behaviors to change, help managers prioritize and focus on the top one or two behaviors at a time. After all, even the most cluttered house can be cleaned spotless in only 5 minutes a day!

Lomdardi once said, “Practice does not make perfect. Only perfect practice makes perfect.” Executive coaching is largely based on this idea and provides tools to bring one’s practice closer to perfect. When budgets are tight, executive coaching may not be a viable option. But organizations can creatively train and leverage internal coaches or mentors who then help managers (or their supervisees) with practice. Several firms offer licensure and certification programs to train internal coaches.

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The bottom line is that despite the Great Recession, we cannot afford to withdraw leadership development from our organizations. On the contrary, we should take this time to rethink our strategies and allocate the limited resources smarter, in a way that yields the highest return on our investment. To do that, I offer three thoughts: start early, focus on behavior, and keep it small.