

ACHIEVING THE PARADIGM SHIFT IN LEADERSHIP DEVELOPMENT

The source 21st century competitiveness

A PRECIS OF A FULL REPORT BY CA CONSULTING

NOVEMBER 2005



Why Leadership?

'Most CEOs will agree that leadership is important, yet few assess their leadership gap precisely. Fewer still build an engine to develop the right quantity of leaders with the right mix of capabilities at the right time to match opportunities' (McKinsey, 2005)

There is a growing realisation that optimisation of leadership skills provides the key to future competitiveness. However, few organisations are able to measure whether leadership and talent development initiatives have an impact. The majority of return on investment assessments tend to be carried out at a superficial level, with a focus on short-term outcomes rather than long improvements.

Leadership development – a high priority for investment

- A recent study by McKinsey of 1000 board directors found that the majority wanted to spend less time discussing financial results and more time developing new leaders (McKinsey Quarterly, 2005)
- The Chartered Management Institute (CMI) reports that 67% of organisations targeted leadership development for selected middle managers in 2004, up from 48% in 2000 (Human Resources, 2005)
- Organisations across Europe spent £1.03 billion on leadership training in 2003 with little evidence of major return (Saratoga/Pricewaterhouse, 2005)

GPSVision is an innovative UK organisational development consultancy that has researched extensively into leadership development, and has identified that the majority of traditional approaches to leadership development are fragmented and lack integration with the business strategy.

In order to change the fundamental approach of organisations to leadership development, it is vital to be able to:

- Translate investment in leadership training into long-term quantifiable bottom line improvement.
- Embed leadership within the culture of the organisation to create an environment that is flexible and adaptable

In response to this issue, GPSVision has developed the Performance Improvement Cycle (PIC © System). This is a leadership development 'engine' that enables the translation of 'strategy' into 'bottom line performance' whilst bringing about the fundamental change in leadership development, that is required for future survival.. Sound leadership development should be carefully planned with the following processes in mind.

A clear understanding of the learners knowledge /skills base	Agreed outputs that reduce costs or increase revenue
A development programme that is flexible and inclusive	Knowledge acquisition and learning transfer
An effective measurement system	A return on investment reporting process

A Leadership Development Engine– the missing link?



Paul Kearns in his text 'Evaluating the ROI from learning' was very critical of the Training function around the area of evaluation. His quote sets the scene and the challenge for the profession

"It is to the great shame of the training 'profession' that it has failed to produce a universally accepted and workable evaluation methodology" Kearns 2005

GPSVision have grasped this issue with their PIC© and in fact are taking it one step further. Clients are shown how to address their evaluation issues but also how to increase the bottom line impact from the programme.

For the majority of organisations, the 'leadership engine' is still in an embryonic form; consequently leadership training frequently results in the following disappointing outcomes.

- Embedded behaviour change is not achieved
- No effective measurements are established
- The infrastructure to support knowledge acquisition, application and dissemination is not established.

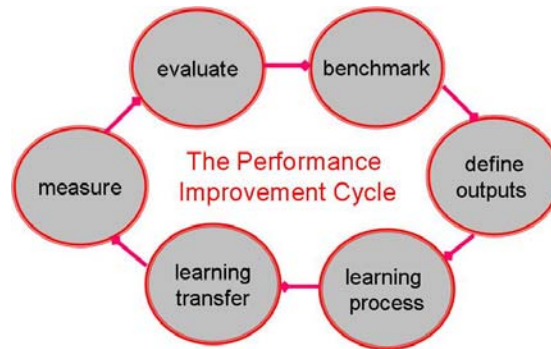
GPSVision believes that a paradigm shift in thinking is required to enable organisations to truly exploit the potential that exists within current and future leaders. This means establishing a culture where embedded leadership development occurs automatically. This thinking has driven the development of the GPSVision Performance Improvement Cycle (PIC © System).

GPSVision's development of the Performance Improvement Cycle (PIC © System) is based on extensive research into why traditional leadership development programmes fail. The reasons typically fall into the following areas:

Lack of ownership and support by senior managers	Outcomes and needs are not linked
Individuals struggle to implement change in the work place	Training evaluation rarely goes beyond the 'reaction' level
No reflective learning or action planning	Lack of understanding on how to create change in systems and individuals

A process for measuring improvement

The Performance Improvement Cycle (PIC © System) is based on totally different principles to traditional leadership development initiatives. It supports companies in making the 'paradigm shift' in their approach to leadership development and provides the 'missing link' between strategy and implementation. This enables embedded behaviour change and real improvement in bottom line performance.



Traditional approaches to leadership development show a focus on individual knowledge, where knowledge is compartmentalised and a power base. Large scale training programmes focus on the classroom, and are often one off training programmes leading to a transient effect. The only measurement is reaction (happy sheets)

Through their ©PIC System GPSVision aim to change this through a customised approach to leadership development, based on knowledge sharing and organisation driven context. This involves using coaching and mentoring, group focus and action learning support to reinforce the opportunity for embedded behaviour change. It also offers ways of measuring the impact on the individual and the business.

One of the key objectives of the GPSVision PIC © system, is to enable a change in the learning culture rather than a 'one off hit' in reaction to a particular business issue, or individual development requirement. This means that individuals, organisations and customers all benefit from the enhanced knowledge and skills provided by the approach and the client can track the improvements.

The PIC © System consists of a six stage continuous process which can be applied to all learning processes but in particular the softer skills which are required at all levels across an organisation such as leadership, management, personal effectiveness and customer facing activities.

A Case study: Developing leadership University Hospitals Coventry and Warwickshire NHS Trust

In 2004, the Clinical Services division of the University Hospital Coventry and Warwickshire NHS Trust faced the issue of a shortage of leadership skills. Senior managers were overloaded with planning and new initiatives and often worked with limited collaboration between departments. GPSVision were selected to deliver a Level 4 Professional Award in Leading and Managing Change and were chosen because of their innovative approach using the PIC©.

GPS Vision worked closely with Senior Managers to develop, deliver and embed the leadership programme.

The programme aimed to:

- Develop leadership and managerial skills in eight key operational areas
- Improve patient care
- Reduce management and operational costs in excess of the programme cost
- Improve communication, support and networking between departmental managers
- Establish processes for promoting and managing change
- Increase the academic qualifications of the managers

A detailed project plan was agreed which covered benchmarking arrangements, workshop dates, mentoring support, action learning sets, study support dates, project plans and measurement strategies. The programme began with a workshop for senior managers and an induction for all learners and their supervisors. This group were seen as central to developing the outputs which formed a part of the evaluation process.

The outputs for University Hospital Coventry and Warwickshire have been significant and include:

A group of knowledgeable and skilled managers who are now looking for their next challenge.	Two completed projects resulted in cost savings of £44,000, almost twice the cost of the entire programme. Other savings are expected but processes are not yet complete
Improved collaboration between departments resulting in quicker decision making	Departmental think tank teams looking at change management and efficiency opportunities
19 managers awarded a professional award at level 4 in leading change in the NHS	A £5K saving in the recruitment budget due to the promotion of a programme participant

Leadership development and learning transfer sits at the heart of future competitiveness for all organisations. Despite evidence of significant spend the benefit is questionable because of the limitations of traditional approaches to leadership development.

The required 'paradigm shift' in approach which the Performance Improvement Cycle encourages, will enable organisations to facilitate change and in doing so will ensure an improved return on investment, future survival and competitiveness.

GPSVision works with some of the UK's largest organisations in leadership and management development. The GPSVision PIC system is unique in the marketplace because it enables:

- Translation of strategy into performance improvement
- Learning transfer across organisations
- Measurement of the impact of 'soft skills' development such as leadership
- Return on investment data for future planning and guidance purposes

The Performance Improvement Cycle (PIC © System) is integrated within all programmes that are delivered by GPSVision and can be applied to the majority of soft skills development programmes including:

- Leadership development
- Cultural change
- Customer services programmes
- Employee development programmes.

GPSVision has clients in a wide range of industry sectors including - Housing, NHS, Automotive, Financial Services, Pharmaceutical, Industrial and the Public Sector

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