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TalentQuest News

➤ **Dec. 16:** [Kevin Sessions of TalentQuest Honored as One of Atlanta's "40 Under 40" Up and Comers](#) President of HR consulting and software firm chosen for professional and civic achievements.

Develop your Leaders

The recently published *Talent Management* article, "[Teach Business Basics to First-Time Bosses.](#)" emphasizes that there is more to making successful managers than just promoting your top performers. Neglecting to prepare new managers for leadership roles sets them—and the organization—up for failure.

TalentQuest has seen this phenomenon time and time again, so we have created a

The Catch-22 of Developing Tomorrow's Leaders



by Rick Brandt, Ph.D.

After recently reading a provocative op-ed piece by Thomas Friedman, I began to think about the innovation, or lack thereof, in leadership development—an area that I am passionate about. The piece discussed the potential bailout of Detroit and the auto industry. He described that the CEO of one of the major car manufacturers said that the bailout was necessary to help the industry retool for innovation. Friedman expressed astonishment that Detroit would have to "retool for innovation" and asked what business, if not innovation, have they been in for the last 10 years? While American manufacturers are shuttering plants and thinking about innovating, Honda is cleaning our clocks and opening 2- and 4-cylinder engine plants in Canada to supply the American market with gas-saving vehicles. Friedman asked a thought-provoking question: *What would Steve Jobs do if he were the CEO of a car manufacturer? What would the iCar look like?*

What about innovations in the makings of great leaders...What innovations are in the works in the development of tomorrow's leaders? This is not just a theoretical question but one that every business leader should be concerned with in a real and immediate sense. Recent research found that 60% of major companies (up from 50% in 2007) identify gaps in the leadership pipeline as their top talent issue. Similarly concerning is that 45% of companies rate leadership development as the talent management function that needs the most improvement. To compound the problem, the

training program specifically for new managers—[Developing Emerging Leaders](#).

Based on the TalentQuest Manager Competency Model, a research-based model that captures the skills most critical to management success, the customizable program covers eight distinct areas, ranging from "Developing Yourself as a Leader" to "Coaching for Excellence."

[Learn more!](#)

number one U.S. business challenge, in nearly every industry, is pressure to cut costs. Where is belt-tightening most likely to occur? Cuts are most likely in non-revenue generating activities such as leadership development.

We need to think innovatively and creatively about this paradox: the leadership pipeline is shrinking, there is tremendous pressure to cut costs, and only a small percentage of organizations have the advanced talent management systems to meet the impending need for more leadership talent. Another way of thinking about this issue is to consider the business drivers for leadership development in your own company. *Why should your organization place emphasis on leadership development?* Here are a few compelling reasons:

1. Impending retirements in the aging workforce are hitting senior management to director-level positions the hardest.
2. Promoting and growing leaders from the inside is shown to be a more effective replacement strategy than hiring external candidates.
3. At least half of a company's total value is driven by a small number of job roles (most business leaders know this intuitively), and companies are not filling these positions rapidly enough.
4. There will be a steep learning curve for the up-and-coming group of managers who will replace retiring managers, and they will need to grow and develop quickly.
5. Great leaders produce great performance through the attraction and retention of high performing people.

These are several primary reasons to make leadership development a top priority in your organization. *So, how do you make leadership development a top priority and impactful in a tough economy?* Companies that are seriously considering and acting on this quandary are building new plants and prospering, and those that aren't are asking for bailouts! *Which direction are you heading?*

Dr. Brandt can be reached at rbrandt@talentquest.com or (404)266-9368.