

Human Resources

AUSTRALIA'S LEADING HR PUBLICATION

Putting leadership rubber to the manager road

Leadership is a popular topic of late, but many organisations struggle when it comes to putting leadership rubber to the manager road. Karalyn Brown examines how Getronics and American Express have successfully developed programs that assist managers at all levels.



Ian Moore, Getronics

“People join companies and leave managers,” is a common adage in leadership courses. It’s a saying often borne out by research. The 2004 *Work place Reality Survey* by Hamilton James Bruce found the most frequent reason managers resign is because they are “managed by poor senior managers”.

With the skills shortage beginning to bite, a real spotlight is now on engaging and retaining employees. Leadership training, and particularly training around people skills, has become critical. It’s no longer enough to pull a leadership course off the shelf, enrol a few managers then tick the training compliance box when they’ve finished. To get the best results, managers and their organisation’s working culture need to reflect and support lessons learnt in the leadership classroom.

Successful organisations view leadership development as a long-term investment. They start with the basics, whereby they identify the values their leaders need to champion and the organisation needs to own in order to succeed. They support their leaders in developing these skills with coaching and training. With ongoing measurement they hold their leaders accountable for living the values and instilling them in their staff.

Throughout this process manager buy-in occurs naturally if they can identify with the values and skills that are important to the company and areas in which they need to develop personally. Critical to this equation is visible support from the CEO and senior management.

American Express and ICT solutions provider Getronics have recently redefined their leadership development programs, and they started by identifying the values that are fundamentally important to their organisations.

Building a Culture of Leadership: Getronics

“We regard leadership development as part of a cultural change strategy rather than a training program in skills,” says Getronics’ Director of People and Culture, Ian Moore.

Getronics’ first step was to define its culture. It surveyed the organisation to determine how staff saw their ideal place to work and then asked them how they perceived the company’s actual culture. Getronics benchmarked this culture against international studies. Some interesting results came out of the surveys. “We had created a competitive culture ... that was task-focused, pushed by results orientation, occasionally burnt out and with a ‘duck for

cover’ mentality,” Moore says. To gain management support, Getronics conducted 360 degree surveys with their leadership teams to demonstrate the connection between their current behaviour and the current culture. “The image was remarkable. The actual culture of the organisation was a direct reflection of the top leadership team,” Moore says. “This raised awareness and buy-in as they understood the impact they were having on the organisation, and gave them insights into what they had to change to create a more constructive culture.”

Getronics presented results via a ‘strengths, weaknesses, opportunities and changes’ analysis, with the management team consulting staff to develop ideas on how managers should lead effectively. Getronics then supported its management through external coaching. “We used coaches to provide an opportunity to sound out ideas on how to change behaviour. A coach is not threatening,” says Moore.

Ironically, it’s often those who need to work the most on their people skills who provide the greatest resistance to change. This was the case for Getronics. “One or two rejected coaching and didn’t think they needed it,” Moore says. To get managers onside, Moore spent much time

talking through the issues. Although most of the team embraced the new culture, two people resigned.

Moore accepts the results. An “organisational filter” is created as a result of Getronics’ leadership model and cultural maps, Moore says. “Some people thrive in the new environment and some people find it uncomfortable. Some people adjust and some people leave.”

Getronics measured the long-term effectiveness of its management training through staff satisfaction surveys and “re-measuring the key groups at regular intervals to note any movements forwards and backwards,” Moore says. Direct return on investment measurement is problematic at this time, as Moore believes such programs have a five to ten year gestation.

One benefit he has seen has been in customers’ experience. “We’ve talked about this with customers. Customer service is a reflection of internal culture ... a number of customers have remarked on this as unique and one even said this was a reason to buy from us,” says Moore.

American Express

American Express’s leadership development curriculum was developed following a two-year global re-evaluation of its values. To identify the values, American Express interviewed employees using an ‘appreciative inquiry’ technique. “We sat down one-on-one and asked employees to tell us a time when they were really proud to work for American Express; to tell us a time when they were too embarrassed to work for American Express,” says Michelle Thomson, the company’s vice president of human resources

across Australia and New Zealand.

As a result of the interviews, American Express revised its values and established a set of behavioural competencies which linked back to the values. Competencies included commercial excellence, driving innovation and change, focus on customer and client and demonstrating personal excellence.

“When we changed the competencies we said we needed to support people in how they will develop these competencies, because we were going to measure their performance against them,” says Thomson. American Express subsequently changed its leadership curriculum.

To gain initial buy-in, American Express launched the program at a senior management meeting with the CEO and 200 of the company’s top global leaders. “We took them on a journey of what we are doing and why we are doing it ... and what they will be measured on,” says Thomson. The launch was backed up with a two-day situational leadership program. The program allows managers to “respond to people with different levels of development and to apply leadership and behaviour to support staff development and task allocation,” says Thomson.

American Express also used coaches to support its leaders’ development. “We used coaches because they are safe, confidential [and staff are] talking to experts,” she says. “We say no-one is judging you. We are asking people to make a behavioural shift and no one wants to look silly,” Thomson adds.

The leadership program was cascaded throughout the

organisation, from vice presidents through to mid-level professionals, project managers and senior team leaders. “We provided a wealth of communication about where the leadership is going, the key measures around the new values and what to expect to position for growth in the future,” says Thomson.

Evaluating success involves measuring the difference the program has made in the success of the business, she says, rather than just how many managers complete courses, access coaches or read web-based learning books. American Express also employs annual employee surveys with 150 to 180 questions, many of which assess dimensions around leadership. “We track how effectively we engage,” says Thomson.

She describes the surveys as a “good pulse check and a great tool for leadership effectiveness. Scores may tell us where we need to devote resources.” For example, some feedback suggested the company needed to act more quickly on development needs. As a result, web-based learning is now offered.

American Express maintains the momentum by linking competencies into its performance management system and reward through bonuses, pay and further opportunities.

Finally, Thomson says HR plays an important role through partnership. “This is not an HR initiative -it’s a business initiative. Our role is to support this and to help drive a return on investment. HR has a place at the business table,” says Thomson. “It’s critical we can engage in active conversation around the business and assist them.”