

Tomorrow's leaders

Use structured methods for developing talent

Question:

I read your column in the Nov. 10 issue of *Small Business Times* and enjoyed it. The "ARMED" acronym caught my eye, in light of some emerging issues in my company that I am being asked to pursue as major projects for 2007. Here's why. The directors of the organization have identified the need to do a better job in identifying and developing leaders. They are concerned that the "bench" is not deep enough. One major challenge is identifying better ways to spot people who have leadership potential and to create a systematic program for developing leaders. I have until February to come up with my game plan. After that, I'll spend the rest of the year implementing it. What do you think I should do?

Answer:

Glad you enjoyed the Nov. 10 article. You will recall that in it I outlined some ways that HR departments could move to become a more strategic function and more of a driver of the organizational success equation. The "ARMED" acronym you reference was highlighted as a way to do this. Basically, my point was that for HR to step forward it has to do a better

job of carrying out, measuring, and reporting its practices relative to these key activities:

- **Acquiring** (i.e., employee selection)
- **Retaining** (i.e., job satisfaction, organizational culture)
- **Managing** (i.e., performance management)
- **Educating** (i.e., lifelong learning)
- **Developing** (i.e., coaching, career development)

In response to your question, I will highlight your need to become ARMED. Let me explain what I mean. The basic idea behind ARMED is to focus your time and effort on value added activity. If HR is going to truly be the caretaker of the organization's most precious asset—its people—then it has to offer comprehensive, systemic programming that positions this asset for maximum impact.

In essence, this is what you are being to asked to do, except in a more focused way. Leaders are a sub-set of the pool of employees who populate the organization. They are an important sub-set, though, perhaps the most important one, and, accordingly, there are some stakes attached to the work you will be pursuing.

Here's what you need to do get started. First, specify the core competencies that are the foundation for leadership success. What factors (i.e., knowledge, skills, abilities, behavioral attributes) distinguish leaders who are deemed to be "performers?" Job analysis is necessary to identify the competencies and this will take some time and effort. This step is absolutely essential if these competencies are to be concretely specified and operationally defined.

Let me emphasize this last point by making a bold statement: If you do not take this initial step seriously, you will be

building your leadership development initiative upon a foundation of sand. Sure, you'll ultimately have a leadership development program comprised of various activities. But, although such a program might look good on the outside, it will actually be shaky on the inside because you will have built it on "gut feel" and intuition rather than sound data-informed judgments.

Such an approach is bound to eventually disappoint and/or fail.

I've seen it all too often when organizations skip this foundational step and just proceed to start measuring this and that leadership characteristic and buying this and that leadership learning program and there is no rhyme or reason to it. It's too easy to just start using tests and measures and learning programs off-the-shelf that are flashy and sound good and look good but may not ultimately fit the unique needs of your organization.

Think about it. Is what makes for a successful leader at your organization exactly what makes for a successful leader at XYZ organization? Oh, sure, the research will tell you there are leadership factors that are fairly generalizable, but is your culture their culture? Is your history their history? Are your vision and mission interchangeable with theirs? If the answer to these (and related) questions is a loud, "No," then why in the world would you believe that a cookie-cutter approach to leadership development is going to work with your company?

The answer, of course, is that it won't. And, accordingly, my advice is don't waste your time and effort going through the motions. Start by doing the necessary research. Do it the right way.

With competencies specified, you can then proceed to embed and integrate them into all of the key HR activities that bear upon the intended application. This can

take many forms varying from job descriptions to interview protocols to performance appraisal systems to wage and compensation methods to training/development programs to succession planning and so on.

Let's return to your situation for a moment. You are being asked to develop a leadership development program. Taking what I have said into account, this means that you will want to use the specified competencies to become ARMED:

Acquiring

Identify and/or develop criterion – valid instruments for identifying/selecting leaders.

Retaining

Develop competency-based recognition and reward programs.

Managing

Develop a competency-based performance appraisal model. Consider developing a performance-based pay model using the competencies as compensable factors.

Educating

Develop a competency-driven leadership learning program that is stratified (i.e., graduated) and evaluated using both formative (i.e., reaction and learning) and summative (i.e., behavior and impact) criteria.

Developing

Develop a competency-based, multi-level (i.e., 360-degree) survey. Use it as a basis

for building cohesion and partnership across the company. Additionally, use it as a basis for offering performance-based coaching and career development.

To summarize, by carrying out ARMED-related activities with competencies as focal points, you will have the opportunity to link and align key practices using a common “lens” or framework. Subsequent actions can be better focused, aimed, or guided. A guided systems approach, then, is the outcome of using competencies to organize ARMED-related activities.

Yet, while a guided systems approach is better than an unguided one, I would suggest to you that a more powerful approach is an adaptive systems approach. Within the context of this article, I am suggesting that you can build an adaptive HR system by attending to the feedback possibilities provided by statistically studying the relationships that exist among the activities that comprise ARMED.

This is the kind of measurement that can be used to show the impact of your work. These statistical findings can be used as a basis for an annual HR “state of the business” (SOB) report delivered to top management. Why wait for an invitation to the executive table? Press the issue with top management. Show your relevance to the strategic discussion by using the statistical findings as a basis for resource requests and allocations. Use them for programmatic adjustments, refinements, and augmentations as well.

This is the way we carry out these kinds of projects with the clients we serve in our consulting practice. Measurement is the foundation. The projects are, therefore, empirically derived and driven. In a world of, “show me the data,” we have learned that to operate otherwise is a recipe for frustration and disenchantment.

Ultimately, my message is that by using competencies, a guided performance system that links and aligns the key HR functions of ARMED will be built. By statistically studying how well the components comprising ARMED are performing, an adaptive performance system that allows for opportunistic adjustments will be built.

My message is that by using and measuring a competency-based approach to HR activities (i.e., ARMED), a high performance HR function will be built.

And, a high performance HR function has the potential to drive creation of a high performance organization.

This is a vision for HR that is worth pursuing.

Or, so I would have you believe.



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