



Management and Performance Associates – November 2010

Developing Critical Leadership Skills

This month, one of my business trips took me to Buenos Aires, Argentina. As I waited for the flight to depart on my way home, I got ahold of my laptop and started writing this newsletter. Soon, we heard the following announcement from the cockpit: “We have a group of *outstanding* flight attendants, who are here primarily for your safety.” As I planned to write about competencies (skills), I thought “*what a great example of a disconnect between stated and displayed competencies.*” You may call me judgmental, but I could not imagine *that* flight attendant stopping a terrorist. Not to mention that customers were expecting a very different competency: Responsiveness to their needs. Well, seconds after that announcement we got a more dreadful one: “Ladies and Gentlemen, Air Traffic Control is informing us that we have to wait at least one hour for takeoff.” Soon after making the announcement the Captain walked past Business Class and went all the way to the back of the plane. He came back with a bunch of kids, hoping to entertain them with the million instruments and blinking lights in the cockpit. Great, I thought. Clearly not part of his job description. Soon we heard one kid through the PA system: “Papi, Momi, estoy manejando” (Daddy, Mommy, I am driving). That brought a smile to all of us (at least the ones who could understand Spanish...). In the same mood, I asked one of the flight attendants: Since we have to wait for at least one hour, can we have the headsets to start watching a movie? She looked at me, as if my request was completely absurd and replied: “headsets are distributed once we are flying at a comfortable altitude.” I pushed: “What about a Vodka Martini?” She rolled her eyes and went away, to sit by the galley. Displayed competencies for the flight attendant: Zero flexibility, could not react to the unexpected circumstances and had no customer service attitude. The Captain's competencies were the opposite of the rest of the crew.

The flight attendant was failing – miserably – in displaying the competencies required to excel on the job. That is an individual contributor job, where it should be much easier to match required and

displayed competencies. It gets much more complicated to define and find the competencies that are required for success as you move up the corporate ladder, becoming a manager, and later an executive.

Take another typical example: Salespersons. They exceed expectations because they have fantastic selling skills. They generate revenues. They love selling. Most of them are rewarded for that, not only with bonuses (which they truly deserve) but also with a promotion to manager. That's when problems begin, and a brilliant career is set for failure for most of them. Whoever decided on their promotion, most of the time, did not consider the competencies required for the next job. A managerial job requires a different set of competencies. Many salespersons have not developed them, many salespersons do not want to be in a managerial position, and many do not have the potential for the transition.

To ensure that you aren't promoting the “wrong” people to leadership positions, consider the following recommendations:

1 - Have a clearly defined competency model

Success depends on having the competencies required for each specific job. Different jobs require different competencies. Simple as that. If people are assuming additional levels of responsibility, or a completely different job, or even the same job in another country, additional competencies will for sure be required to perform the *future* job. Competencies like building effective teams, motivating others, innovation management and dealing with cultural differences. Although it seems obvious on paper, all of us have encountered countless managers and executives that were promoted, transferred to another division, or to another country without the needed set of competencies, and therefore they were set up to fail.



2 - Develop the competencies that are needed for the next level

Research shows that the following competencies are critical across all levels and very few people are highly skilled at them: Strategic agility, dealing with ambiguity, creativity, planning and managing vision and purpose. Yes, they are all “soft” competencies. They need to be developed over time, before becoming a manager or senior executive.

Development does not happen by magic and people do not have overnight failures, but failure that has been building up for years if they have the same job over and over. Even if they are successful (but not learning) in the current job, there is no guarantee that they will be successful at the next level. Executives need broad experiences.

3 - Assign developmental jobs to your high potentials

Hiring highly intelligent people, from the best schools, with the “right” experience does not guarantee that they are management and executive material. People with high potential need to be developed through job experiences. George Bernard Shaw, the great Irish playwright, once said: “Experience is not something one can pass to another. For this, you have to go through the fires.” Jobs that offer great development are: international assignments, increase in scope, fixing a business, a cross-move, managing a crisis, changing from a line position to a staff position (and vice versa), starting from scratch, managing a project.

Research shows that 70% percent of development comes from experience on the job. 20% comes from other people – bosses, mentors and coaches – as they challenge one’s thinking, not because they are teachers. The remaining 10% are from courses and books.

4 - Don’t confuse high performance with high potential

Just doing an outstanding job in your current position doesn't guarantee high potential. You might be very good at what you do, a seasoned pro,

and not necessarily ready (or even looking) for greater challenges. What does indicate high potential is high performance in a variety of jobs-- involving horizontal moves, transfers, different environments, teams, bosses and contexts. Proving yourself in one job is clearly not enough. It should be good for your bonus, but it isn't development. That being said, remember that not everybody needs to have high potential. Most of the work is done by seasoned professionals. They generate most of the revenues. As Michael Lombardo and Robert Eichinger highlight in *The Leadership Machine*: “the seasoned pros will prevent the green high potentials from damaging the business.”

5 - Don’t just throw them on challenging assignments

The goal is to perform, not just survive. Many companies do have programs to develop their high potentials, but people feel abandoned in challenging jobs. Some of the recommended assignments (see number 3 above) might not be seen as charming, might be away from the head office, might require a long time in adaptation and for sure will be taking the incumbents out of their comfort zone. People need to be clear that the reason for the move is development. They need support and additional resources. Finally, they need constructive feedback and coaching to make sense out of the experience and learn from mistakes. Challenge for the sake of challenge, without the support and feedback is just stressful.

Talent is hard to find and all companies are competing for the same pool of candidates. Research suggests that no more than 5% of applicants can be considered true talent. Perhaps we should focus on hiring people that can be developed, people who have learning agility. Four questions will help you check if the candidate has each competency: Tell me of a situation when....., what did you do? What did you accomplish? What did you learn? The answer to the final question becomes the most important one.

This month we invited Alvaro Marquez Cadavid, President of GRUPO IBERO S.A in Colombia to share



his experience on this topic. This is what he has to share with us:

One of our companies at GRUPO IBERO is a call center specialized in selling intangible products. It is mainly focused on insurance and financial services. Currently, we have more than 450 telemarketers and, as you all may imagine, telemarketing is never an easy task. Of course, we have built our teams, based on a strong competencies model.

Most people would probably think this is the obvious thing for us to do, and the question then becomes: Why are we far more successful than our competitors, when they are theoretically doing the same thing? The answer is quite simple. We did not implement the competencies model because we were following management trends. We implemented it because we deeply and truly believe that there was no other way to develop our people.

We have invested time, money and other resources to our annual training and development program, which includes indoor, outdoor and field training. As a result of our efforts, we have the lowest turnover ratio in the industry. The indoor training helps people to understand and retain the theory of the competencies needed for their positions. The outdoor training helps participants to develop interaction with others and teamwork while field training is critical to develop and strengthen the competencies that are specifically required to do their telemarketing jobs successfully.

Having the competencies model on paper will never be enough. We are certain that we must have an annual training schedule to cover them all. In the end, it pays to have the best telemarketers, who are extremely motivated and committed to our company.

See you next month. Suggestions are welcome.

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