

Doc 2008 Organisations: key data on change and leadership you should remember¹

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According to the **Management Agenda 2008** from the Roffey Park Institute, two-thirds of organisations see managing change as their biggest challenge. And in **IBM's Global Human Capital Study 2008** (*Unlocking the DNA of the Adaptable Workforce*) only 14% of those responding believe that their workforces are very capable of adapting to change.

Allow me to point out some key findings of both surveys. Let's start with the **Roffey Park Institute's Management Agenda 2008**:



- More than 80% of organisations questioned reported some form of change over the past two years. In response to this challenge, managers viewed leadership development as the most useful tool.
- From 479 managers' answers, the research also found that employers think retention, recruitment and skills shortages are the key challenges for the future.
- The ability to develop senior leaders was seen as crucial by some 65% of respondents, while talent and knowledge management were deemed to be key by more than 30%.
- Business changes were viewed in a positive light by 68% of managers (down from 73% in 2007), stating these changes led to high or improved performance. Only 20% felt they had personally been negatively affected by the changes.

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However, there were also some common pitfalls of managing change and they include:

- A failure to maintain momentum (58%)
- Not consolidating benefits (64%)
- Failing to manage employee motivation (65%)
- Not learning from any changes (71%)

Despite admitting that leadership development was the most useful tool, 37% of employers rated their own organisation's leadership in a negative way. And a further 55% of employers felt there was a failure to actively develop leadership at all levels.



IBM's Global Human Capital Study 2008 points out three vital skills for future organisations:

1. Predicting future skill requirements
2. Effectively identifying and locating experts
3. Collaboration across their organisations (organizational, time and culture boundaries)

Current leaders are too often insulated and only look within familiar circles for talent. And they are often too busy and inaccessible as mentors to potential leaders. That inaccessibility hides their potential as role models.

Leaders must learn to look outside their organisations and allow new paradigms to influence them and their company. Leaders must also become the change they wish to see happen. This harder, but essential truth provides new light on the phrase 'commitment from the top', which is key to organisational change.

The inability to develop future leaders is cited by 75% of respondents as a critical issue. This reality has as consequence that more work and pressure remain at the top of the company. And this creates a vicious cycle: leaders become even more insulated and trapped into the same habits that feed the current model.

To break this cycle, an organisation should develop a systematic approach to identifying future leaders from around the globe. This provides individuals with more opportunities and can match potential leaders with mentors.

Leadership development is a process that needs to reach far down into the organisation, tap high-potential individuals early... and provide them with the core skills they need....