



Developing Tomorrow's Leaders **CBI Guide to Leadership** **Professor John Adair**

From strategy and selection to training and culture, organisations that take a holistic approach to growing leaders will be the most successful.

“Are there any organisations that grow leaders?” they asked me. Two main board directors of ICI were with me in my room at the University of Surrey, where I had recently become the world's first Professor of Leadership Studies.

That year – 1981 – had not been a good year for ICI, the “bellwether of British industry” as the company was universally known (a bellwether is a ram that leads a flock with a bell around its neck). ICI, they told me, had declared no dividend that year – the first time since 1926. Seven of their nine divisions were loss-makers. ICI was broadly in the wrong markets – bulk chemicals as opposed to speciality ones – and its 60,000 managers and staff were infected by a backward-working and bureaucratic organisational culture.

The leadership growth imperative

“At board level, we have identified six new policies,” they continued. “Top of the list is to develop manager-leaders. Who are the organisations – apart from the armed services, for we have looked at them – who are growing leaders? Who do you recommend we should look at?”

I recall that silence fell as I looked thoughtfully out of the window. About 300 organisations that year were participating in leadership training courses based on my action-centred leadership model. But they didn't ask me who was training leaders; they asked me who was growing leaders. “No one,” I replied. “Right,” they said, “ICI will do it. Will you help us?”

At my suggestion, ICI selected 25 young managers from all nine divisions to meet for five days. Our task was to work out a leadership development strategy for ICI, a strategy for growing leaders. It was the first time any organisation, public or private, had done that.

A few days earlier, the appointment of John Harvey-Jones as chairman had been announced and he joined us one evening. He shared with us his new strategic ideas for the group, making it clear that transforming managers into business leaders was a vital part of that strategy. Harvey-Jones added that he was going to start at the top with the main board, and he hoped that we would meet in the middle.

Business leadership and business success

Over the next five years, I worked with all nine divisions, at all levels and in every function. At the end of the five years, ICI was the first British company in history to make a billion pounds profit in one year. Of course, factors other than business leadership, such as favourable exchange rates, were involved in that result, but it nailed to the masthead forever the strong nexus between good leadership and business success. The armed services were never in doubt about that link. As the Greek poet Euripides put it, “ten soldiers wisely led will beat a hundred without a head.”

In 'How To Grow Leaders' (2005), I have summarised my experience – not just with ICI but many other public and private organisations – of what works in developing leaders.

The Seven Principles is a simple framework for you to apply in your context. Each one is easy to state and may sound at first like mere common sense. So they are, but common sense is seldom common practice. The seven are complementary, and you should expect some added synergy if you apply them as a whole. Together with the body of knowledge about leadership that has become established in the last five years – founded on the three circles model– they form the first coherent and really effective approach for growing leaders. Can you think of a practical and well-tested alternative?

Principle one: develop a strategy for leadership development

Leadership exists on different levels. There is the team level, where the leader is in charge of ten to 15 people. The operational leader is responsible for a significant part of the business, such as a business unit, division or key functional department. Invariably operational leaders have more than one team leader reporting to them.

At strategic level, the leader – often the CEO – is leading the whole organisation. Strategic leadership – a phrase I coined in 1970 – is actually an expansion of the original, for in Greek 'strategy' is made up of two words: stratos, a large body of people; and the -egy ending which means leadership. Strategy is the art of leading a large body of people.

The key to achieving sustainable business success is to have excellence in leadership at all three levels. Strategic, operational and team leaders need to work harmoniously together as the organisation's leadership team.

The most common and most expensive error that organisations are committing at present is to focus leadership development on their more senior managers, so that becomes their entire 'strategy'. In so doing, they completely ignore their team leaders. Yet it is the team leader who is closest to the customer. Make sure that your strategy embraces all three levels.

There is a useful distinction to be made between strategic thinking and strategic planning. You should see your leadership development strategy – evolved and guided by a small steering group – as part of your overall business strategy. It should be longer term (five to ten years). Don't let the urgent deflect you from the important. Lastly, a strategy should have more than one element to it.

Principle two: selection

'Smith is not a born leader yet.' When those words appeared on a manager's report in the fifties, nobody thought that the person in question could do anything about it – still less the organisation that employed them. As a saying of the day had it, 'leaders are born and not made'.

We don't think like that now. For in the sixties, a breakthrough occurred at Sandhurst which proved that the proverb was only half-true – leaders can be trained or developed. The other half of the truth, however, is that people do vary in their relative amount of leadership potential. Since it is not easy to develop leaders, why not hire people who are halfway – or more – there already? Or at least make sure that when you recruit from outside, or promote from inside, you know how to select those with a high potential for growing business leaders, for it is leaders that will grow your business rather than just administering it.

There are no psychological questionnaires specifically for assessing leadership that have stood the test of time. But there are some proven group methods that are worth having in your repertoire when selecting team leaders. Most organisations can improve their powers of detecting leadership at more senior levels simply by becoming crystal-clear about the differences between being a leader and a manager, and most would benefit by updating their interviewing and assessment techniques.

As I said in my recent book, a person can be appointed a manager at any level, but he or she is not a leader until their appointment has been ratified in the hearts and minds of those who work with them. If too few managers in your organisation are receiving that kind of accolade, who is to blame? Not the manager in question, I suggest, but those who failed to apply principle two when they appointed the person in question. You cannot teach a crab to walk straight.

Principle three: training for leadership

To *train* implies instruction with a specific end in view; educate implies attempting to bring out latent capabilities. Of course, there is no hard-and-fast line between *training* and *education*. Think of it more as a spectrum of combinations between the two poles. For brevity's sake, I shall refer here to both as training.

As part of your strategic thinking, you should identify your business training needs in the leadership context and assign them priorities. Bear in mind always that training of any kind is going to cost your organisation time and money. You need courses or programmes that are both effective – they produce good leadership –

and also cost-effective (in terms of time and money). If you have large numbers (like the NHS) you need high-volume, high-quality and low-cost courses.

The first level to look at is your team leaders, alias first-line managers. Do newly appointed team leaders have training in leadership prior to or shortly after appointment? In my view, it is actually morally wrong to give a person a leadership role without some form of training – wrong for them and wrong for those who work with them. We do not entrust our children to bus drivers who have no training, so why place employees under the direction of untrained leaders?

At this level, don't try and reinvent the wheel. We do know how to train team leaders. Indeed my own Adair Leadership Foundation now exists to equip trainers in companies with that knowledge.

If you outsource your in-company leadership training education to providers, make sure that you retain 'ownership' and overall control, so that the programmes fit in with your strategy and organisational ethos. Delegation never means abdication.

Public leadership programmes should be used selectively. Their chief value is to get managers out of their corporate silos and cross-fertilising with managers from a wide variety of organisations. Recommended programmes in this context include those of the Windsor Leadership Trust, the Whitehall and Industry Group, the Campaign for Leadership and Common Purpose.

Can you save money by giving managers an individual computer-based learning programme? No, because there are none that are quality products. Anyway, in this field, face-to-face meeting is a necessary condition for learning. If you can afford to develop web-based material, it should be used in support of the course or programme – the approach that is now often called 'blended learning'.

Principle four: career development

People grow as leaders by the actual practice of leading. There is no substitute for experience. What organisations almost uniquely can do is to give people *opportunities to lead*. The trick here is to give a person the right job at the right time. It should be the kind of leadership role that is realistic but challenging for the individual concerned. No stretch, no growth.

If your organisation is serious about applying this principle, it will, for example, have a conversation once a year with each leader or would-be leader in which it outlines the two or three options it has in store to offer the individual greater career progression. Equally, the individual should say what they aspire to do. They may, for example, want to move out of a specialist role to a more generalist (leadership) one.

Fitting together this jigsaw of hopes and expectations is the name of the game, and it should be a win-win one. A strategic leader in the making – possibly as your successor – will need experience in more than one functional area of the business and, if you are an international company, in more than one country.

Principle five: line managers as leadership developers

In the midst of the Battle of El Alamein in 1942, Montgomery found time to telephone General Horrocks, one of his top operational leaders and a newly-appointed corps commander, and to give him a tutorial on leading at that level. For Monty had observed that he had been reverting back to being a divisional general. All good leaders are also teachers.

Developing the individual, the third circle in my model of the generic role we call leadership, may include developing the leadership of a particular individual. That entails one-to-one meetings at regular intervals to offer constructive criticism, as well as encouragement or support.

Above team level (and some would say even at team level) all leaders are 'leaders of leaders', as was said about Alexander the Great. Good leaders will use their one-to-one opportunities – formal or informal – to share their knowledge of leadership in a conversational but effective way. It is, if you like, the apprentice approach to learning leadership, and its necessary condition is mutual respect. It is that mutual trust or respect that makes us both eager to learn and ready to teach. You need a system of setting objectives and appraising performance – part of action-centred leadership – but it won't be complete unless it is seen as a channel for two-way learning.

Principle six: culture

Wellington and Nelson, Slim and Montgomery – yes, the armed services do grow leaders. They select and train for leadership, but their real secret is that since the 18th century they place a high value on leadership. They have a culture where it is valued at all levels. Above all, it is expected from all officers. The motto of Sandhurst expresses the ideal that is expected from every officer: *Serve to Lead*.

Corporate culture should also encourage a climate of self-development in leadership, the subject of the next chapter. Organisations only have 50 per cent of the cards in their hands; the other 50 per cent are in the hands of the individual. There may be no leadership courses available to you, but you can still learn leadership. Books are the best method, together with reflection on your own experience.

Values are the stars your organisation steers by and together they define your distinctive ethos. Make sure your culture comes to place a high value on “good leadership and leadership for good”. In the final analysis, it is culture that grows leaders, so it is vital to review it and make changes where necessary.

Perhaps your organisation needs a motto too. How about the motto adopted by the Chartered Institute of Management in 1948? *Ducere est Servire – To Lead is To Serve*.

Principle seven: the chief executive

In ‘Effective Strategic Leadership’ (2003), I identified for the first time the seven generic functions of a strategic leader. One of them is: *to select and develop leaders for today and tomorrow*. In other words, as CEO, *you* own the problem of growing leader. Personnel or training specialists are there to advise and help. They can assist you to formulate and to implement your strategy, but you are in the driving seat. If not, don’t expect any forwards movement.

Apart from taking responsibility for the strategy, you should also be leading it from the front yourself. Be known to talk about leadership on occasion – not often but sometimes and always effectively. Visit any internal leadership courses and show your support for them. If *you* care about leadership, so will the organisation.

Incidentally, it is also a chance to get your message across, as well as an opportunity to practise the skill of listening. Organisations today need listening leaders.

There are now some good role models around, such as Sir Terry Leahy of Tesco, Dr Chai Patel of the Priory Group, or Tim Waygood at The MotivAction Group plc. These three are in organisations that are very different in size, but what they have in common is that they all care passionately about growing business leaders.

Finding greatness in people

In summary, developing future leaders is not a mystery. We know the ‘laws of aerodynamics’ that undergird successful and sustained leadership development. The Seven Principles identified in this chapter are the foundations you are looking for.

Why do it? The answer is simple. You have great people working in your organisation. Do they not need great leaders? For, as John Buchan once said: “The task of leadership is not to put greatness into people but to elicit it, for the greatness is there already.”

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