GROOMING LEADERS FOR SUCCESSFUL EXPANSION INTO CHINA

SITUATION
A global auto parts manufacturer (AutoCo) needed to accelerate the development of its leaders in China to keep pace with aggressive industry growth. The business had experienced a tripling of demand in 2011, which led to a business imperative to double the organizational size within six months. AutoCo transferred staff to Asia from other regions and also embarked on an aggressive round of promotion among local employees. The HR team was then keen to embark on targeted leadership development to support this important business transition.

CHALLENGE
Based on a series of working sessions with AutoCo, it became clear that in order to proceed, several critical questions needed to be answered. The resulting answers helped shape the direction of the leadership development initiative that would ultimately impact the China operation in a significant way.

Key questions:
• What leadership competencies will drive success in this environment both in the short- and long-term?
• What culture do we need to foster in order to ensure business continuity?
• How can we identify high potentials and start accelerating their development earlier in their career?
• How do we integrate expatriates and focus on knowledge transfer?
• How can the new leadership team take ownership of driving change?
• How can we accelerate future leaders’ development in a way that moves beyond management training and is useful and meaningful given participants’ diverse backgrounds, experience and varied levels of operation?
• What tools and processes will need to be put in place to support change?
• How can we use our development dollars for best effect?

Based on answers to these and other critical questions, a blueprint for success was developed. This involved using Mercer’s proprietary Talent Scan process to identify the business and environmental drivers, as well as to understand how things where currently operating. The Talent Scan involved auditing

“Mercer’s proprietary Talent Scan assesses executive and leadership perspectives on an organization’s talent management practices and helps build a better overall understanding of key talent issues that affect a company’s ability to meet its business objectives and achieve sustainable competitive advantage.”
current practices as well as capturing insights from employees, the leadership team and HR. Interviewing senior leaders on the strategic direction and leadership challenges was also a key to understanding the current state.

Through a series of workshops with a newly appointed leadership team, eight organizational development initiatives where identified. The top four initiatives requiring immediate attention included developing leadership capability, enhancing coaching skills, developing high potentials and focusing on career management.

**ACTION**

To address these important initiatives, five key steps were undertaken to begin executing the agreed blueprint.

**Phase 1: Develop a new leadership success profile**

The first step was to agree on a core set of skills and behaviors required of leaders to drive change. Mercer’s Talent Scan and additional diagnostic activities provided insights into the business challenges and strategic direction for AutoCo, and captured the leadership competencies deemed critical for future success. Supplemented by Mercer’s Essential Leadership Competencies, this data formed the basis of a new leadership success profile which was used to shape the subsequent leadership activities.

**Phase 2: Design the program architecture**

The second step was to design an interactive and participant-focused leadership experience that included assessment, development and individualized coaching.

**Phase 3: Design and deliver a two-day development center**

The third step was to create a highly targeted development center assessing and providing feedback on the specific skills defined in the new leadership success profile.

Center objectives:

- Provide leaders with insights into their unique strengths and enhancement opportunities allowing them to agree targeted development actions that will make a difference
- Provide access to expert coaches and current leadership thinking to help identify and improve individual’s leadership style
- Provide leaders with an opportunity to develop an action plan to guide their further development

The design of the development center involved a range of both assessment and development activities based on ‘A Day in the Life’ of a Senior Leader at AutoCo. A custom simulation was developed with an electronic inbox exercise, a direct report meeting, a manager interview and a team taskforce exercise to provide feedback against the competencies defined in the leadership success profile. To add robustness to the assessment experience, leaders were invited to complete two leadership-specific psychometric tools and a leadership 360 feedback.

To enhance the development experience, participants were provided with immediate coaching following each simulation to enrich reflection and learning. Further, five “development toolkits” were delivered during the two days. Development toolkits – mini facilitated learning modules – covered such topics as Leadership and Management, Leadership Pipeline, the Transformation Trilogy, Understanding Your Hogan Assessments and Tips on Developing Others. Participants were also encouraged to complete activities to assist in the development of their personal leadership brand and in developing a personalized action plan for forming new habits/building new skills.

Finally, each participant received a valuable one-on-one coaching session with their lead coach to summarize observations and define next steps.
Phase 4: Deliver targeted group development programs
The fourth step in the process occurred after the development center. Participants shared their leadership dashboard report and their draft development plan with their manager who then supported the follow-up action items identified.

Group results from the centers were also aggregated to identify the lowest competency scores. This was used to develop three additional half-day training programs to address the most pressing development needs. These included coaching skills for leaders, influencing skills and strategic thinking.

Phase 5: Provide individual leadership coaching
Finally, the last step in the process included a personalized coaching conversation for each participant one month after the program to check on progress. A select group of leaders were also offered four months of additional coaching to further support their development.

OUTCOME
AutoCo will assess the success of this leadership initiative based on the retention and engagement of the workforce over time, as well as the leadership team’s ability to meet their growth ambition.

To date, AutoCo has achieved five important outcomes:

• Alignment around the required behaviors for success
• Retention and engagement of participating leaders has increased
• Greater clarity around succession potential and development gaps within the leadership ranks
• More engaged leaders who have a clear mandate for change they support
• More coaching and development for employees from their immediate boss

For more information about how Mercer can help develop people who can effectively lead and manage in today’s dynamic business environment, please visit www.mercer.com/leadership-solutions or contact our experts: