DESIGNING A LEADERSHIP PROGRAM TO NURTURE FUTURE LEADERS

SITUATION
A growing Asian electronics and power systems multinational (ElectronicCo) was experiencing rapid internal change. Significant pressure from competitors and an increase in raw materials costs was negatively impacting margin. At the same time, the leadership team noticed a marked decrease in engagement in its management ranks. It was agreed that for the company to maintain its leadership position both in and outside of Asia, drastic action would have to be taken to build the culture it wanted and to develop the leaders it needed to grow and prosper in the short and long term.

CHALLENGE
ElectronicCo recognized that in order to grow profitably under such challenging circumstances, it would need to develop a pool of leaders from within its own ranks who could function well in an uncertain environment as well as respect and leverage the diversity and cultural differences reflected in their global workforce.

Several challenges had to be addressed before this could happen:

- Given recent global M&A activities, post-merger integration of Eastern and Western working cultures was leading to a lack of trust and cooperation across borders.
- Managers were very strong technically, but lacked the management skills, experience or mindset necessary to be globally effective.
- Collaboration across business units was lacking, resulting in lost opportunities for innovative idea generation and resource optimization.

A VIEW FROM SENIOR LEADERS:

“Managers are siloed in their thinking; they lack international, ‘institutional’ and systems mindsets.”

“Many managers think that positional authority, ability to manage and the control of resources are key indicators of leadership.”

“Miscommunication between the managers in different countries is a big challenge for us. This has led to a lack of trust and cooperation.”
ACTION
Through a rigorous instructional design process, Mercer devised and developed a comprehensive, multi-module leadership development program that would address several of the key issues ElectronicCo was facing.

Phase 1: Desired results determined and project defined
The first step was to ensure all parties were in full agreement on the desired outcomes; the specific metrics of success, including employee engagement scores and 360 feedback ratings; as well as the working style of the project team. Questions explored during this phase included:

1. What specific performance gaps is this intervention meant to fill?
2. What behavioral changes does management want to see from program participants?
3. In what way does this program support the organization’s vision, mission and strategy?
4. What’s the relationship between the successful conclusion of this intervention and the organization’s success?

Phase 2: Barriers determined and changes specified
It was determined that a key to the success of the program would be introducing and embedding a “mindset” change within participating managers. Five critical behaviors were identified in order for transformational change to occur, including reflective thinking; collaborative working style; and being worldly, analytical and action-oriented.

Mercer designed a 360 feedback tool and process based on the desired behaviors, split into two rounds. The first round was introduced to gather insights and observations into how leaders were perceived by key stakeholder groups.

Phase 3: Changes designed, developed and implemented
Given findings from phases one and two, a nine-month, four-module leadership development journey, including an action learning component, was developed. The design of the program was influenced by the Leadership Pipeline framework (see figure below), as well as significant research into models of mindset change.

Figure 1: Leadership Pipeline

Source: Charan, Drotter, Noel, 2000
Program content in each of the four modules was designed to address the specific challenges faced by participating managers, as well as to help them acquire the tools and behavioral changes necessary to successfully overcome the challenges identified in phase one.

Given the global reach of this organization, each module was held in a different country where the organization had operations, exposing participating managers to different cultures, ways of thinking and ways of doing.

<table>
<thead>
<tr>
<th>Module</th>
<th>Location</th>
<th>Focus</th>
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<tbody>
<tr>
<td>Module 1</td>
<td>Thailand</td>
<td>Leading Self (Developing the “Analytical” and “Reflective” Mindsets)</td>
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<tr>
<td>Module 2</td>
<td>India</td>
<td>Leading Teams (Developing a “Collaborative” Mindset)</td>
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<td>Module 4</td>
<td>Germany</td>
<td>Leading Organizational Change (Developing the “Analytical” and “Action” Mindsets)</td>
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Phase 4: Results evaluated, maintained or improved
Following the conclusion of the final module, a second 360 feedback process was conducted to evaluate behavioral change among participating managers.

OUTCOME
The results were very reassuring, demonstrating significant improvement across the five behaviors the program was designed to address.

Individual feedback also demonstrated the impact the program had on participants themselves:

“I did not want to attend this program initially because I had done many such programs before and was persuaded heavily to go. I must say I was impressed. The course was interactive and innovative. Thank you, Mercer.”

“I have avoided conflict all this while. Now I realize my conflict management style has its limitations and that I need to work harder to embrace and resolve conflict.”

“The final module had an impact on me. I used to pull out my business unit managers individually to coach them and I realize now that I need to bring them all together to see the big picture and the sum of the parts to achieve results more effectively.”

“I understand now what a leader should be. I have developed a leadership vision for my team focusing on transforming them to embrace change to meet our company’s new strategic goals and my role will be that of a change agent.”

Based on the impact of the first program, senior leaders have seen a material difference in how participating managers have begun to approach their work both within and across borders. Many managers who took part in the first program have been promoted, and have sent their direct reports to the second and third runs of the program. In total, nearly 120 leaders have gone through the program, and future programs have been scheduled to continue the journey with other managers within the organization.
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:

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