Telergee

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"The Next Generation of Leaders"

1. Who are they?
2. What qualities will they need?
3. How do we instill those qualities?
4. How do we retain the next generation of leaders?

But first, a couple observations …

Observation 1.

- Your organization would probably benefit from studying your relationship with rules…and you are well-positioned to lead the study.

Organizations that love their customers and trust their people live by core values more than rules

Rules

- Control people
- Erode judgment
- Can betray values
- Focus on what we don't do
- Stunt the development of decision-making capacity
- Set the bar too low

Values

- Trust people
- Develop judgment
- Elevate their importance
- Focus on what we do
- Build decision-making capacity
- Raise the bar

Observation 2.

If time is money, we're all bad accountants.

- Michael Mankins, Bain & Company research
  - Average front line supervisor – 8 hours/week on email, half of which is unnecessary
  - 3-4% productivity loss from "reply all"
  - 11 hours/week in meetings with more than 4 people

What do we do?

  - Make time management an organizational priority
  - Create a culture of self-policing
  - Add time utilization to performance reviews

The next generation of leaders

1. Who are they?

2. What qualities will they need?

3. How do we instill those qualities?

4. How do we retain the next generation of leaders?

1. Who are they?

- **Silents** (Born between ~1925 and 1946) – loyal, dedicated, risk averse, thankful.

- **Baby Boomers** (Born between ~1946 and 1964) – suspicious, open to change, ambitious, demanding.

- **GenXers** (Born between ~1965 and 1980) – work/life balanced, adaptive, independent.

- **Generation Ys or Millennials** (born after 1980) – global, adaptive, inclusive, technological, expectant.

What you can expect if your successors are from the GenXers or Millennials (Ys)

1. Ramped up versions of the generation that preceded them:
   - Structure – Silents>Boomers>Xers>Millennials
   - Tech savvy – Silents<Boomers<Xers<Millennials
   - Life balance – Silents<Boomers<Xers<Millennials
   - Fun-loving – Silents< Boomers<Xers<Millennials
2. Ratcheted down versions of the generations that preceded them in a couple areas:
   - Not as obsessive about the stuff you and I obsess over
   - Less dutiful – you don't mind working for the man; they don't mind sticking it to the man
3. Diverse

Characteristics that can be leveraged

Reminder: They're not all alike.

- Their stereotypic work values cut both ways (Agrawal)
  - They don't lose too much sleep over failure.
  - They have presumptuous expectations.
  - They're techno-maniacs.
  - They're fast when they want to be.
  - They are unsettled by a lack of diversity.
  - They are purposeful – 6 in 10 want to feel a "sense of purpose" in working for their organization.
  - Idealistic – 87 percent believe business success should be measured in more than just financial performance—elements to include are employee satisfaction and retention, customer satisfaction and retention, and contribution to local communities.

The Millennials' leadership (Virtuali)

- 91% want to be leaders – 52% of the group were women.
- They have a lot of love – motivation for leading: 43% to empower others, 5% money, 1% power.
- They value communication and think they're good at it – 58% say it's the most important leadership skill, 51% said they were strong at it.
- They aren't ready – 43% said they the lack experience and expertise to lead.
- They don't like hierarchy – 83% prefer flat organizations.
- They want leadership training – 55% said their companies need to offer more leadership training.

2. What qualities do the next generation of leaders need to develop?

- At your tables, identify the qualities you should be helping your successors develop?
- Rank the top three:
  - Creativity
  - Adaptability
  - Learning capacity
  - Technical mastery
  - Collaboration skills
  - Communication skills
  - Self-awareness
  - Drive
  - Multicultural sensitivity
  - Self-motivation
  - Confidence
  - Kindness
  - resourcefulness

Survey results from the *Center for Creative Leadership*

- Respondents were 462 individuals from all sectors of the economy, at all organizational sizes and levels, and across the age range.

- Respondents were 57% male and 43% female.

- Respondents were 52% between 34 and 49, 36% between 50 and 64, and 12% younger than 34 or older than 64.

Question asked: "Out of these 24 leadership competencies, which are most needed by new leaders now, which were most needed 20 years ago, and which will be most needed 10 years from now?

Findings – what they said about now, 20 years ago, and 10 years from now

Current

1. Self-motivation/Discipline 44%
2. Communication skills 40%
3. Learning Agility 29%

20 years ago

1. Technical Mastery 53%
2. Self-motivation/Discipline 46%
3. Confidence 32%
4. Communication skills 31%

Ten years from now

1. Adaptability/Versatility 29%

2. Communicate Effectively 26%

3. Learning Agility 24%

4. Multi-cultural Awareness 22%

3. How do we help them develop the qualities need?"

A. How they develop themselves?

B. How you help develop them?

Table question: What does your organization do to develop the leadership qualities in the next generation? Best practices?

A. How CEOs developed themselves

- **Attentiveness**
  - ✓ Listening
  - ✓ Watching
  - ✓ Assembling a profile or identifying a mentor

"So as I had the opportunity to be with other leaders, <u>I observed very intently their behaviors and styles.</u> By watching leaders… I've been selective in adopting those practices that I've seen as healthy and productive while trying to eliminate from my leadership vocabulary any unhealthy or destructive practices."

<u>Training implications</u>: Provide some kind of program or incentive that requires Next Generation Leaders (NGLs) to notice and study leadership traits they admire in others.

A. How CEOs developed themselves (cont.)

- **Aggressiveness**
  - ✓ Willingness to risk
  - ✓ Learn from mistakes
  - ✓ Rebound from failure

A significant moment for me was when my boss - the president - said to me, "----, I give you permission to fail." I thought, But, I don't intend to fail." His point was that I was holding back not being aggressive, and that I needed to be willing to take more risks and that he would 'have my back.' That was remarkably liberating - and still is when I think about my role today as president."

Training implications: Identify ways to encourage NGLs to step up, risk, be aggressive and bounce back when they fail.

B. How CEOs' organizations helped develop them

- **Stretch jobs**
  - ✓ Being cast into a job that was "bigger than I thought I could handle" forced the CEOs to develop leadership skills

At age 27, my boss was 3000 miles away. I had to establish two offices, hire staff, build outside relationships. It was the deep end of the pool, but I grew in confidence and competence. Young leaders develop best when they are given freedom to experiment, fail, learn, and continue on.

<u>Training implications</u>: The ideal NGL leadership development program will include real-time opportunities for the NGLs to be engaged in a big job for which they are responsible.

B. How CEOs' organizations helped develop them (cont.)

- **Engagement with organization's leadership**
  - ✓ Genuine care for the NGLs
  - ✓ Asking questions and listening to the NGLs

Engagement with an admired leader lifts the NGLs to a level of openness and eagerness to learn from and emulate those leaders.

The best mentors I've had were willing to enter my world and expressed a personal interest in me . They were good at asking questions and employed a Socratic method of teaching so that my own self-discovery contributed to the learning process. / In a nutshell: Challenging, equipping, supporting, enjoying and encouraging young leaders and offering them friendship that extends beyond the task at hand.

Training implications: Our NGLs need to see leadership in action and process what they see.

B. How CEOs' organizations helped develop them (cont.)

- **Investment** in their development
  - ✓ Recognizing potential that even the CEOs themselves did not see early in their careers
  - ✓ Making special resources available

I was "…nurtured" by…people who saw that I had more capacity than I realized. / They invested in my learning and development with time, instruction….They also gave me continuing opportunities to grow, learn, make mistakes, etc. It was not formal mentoring, but rather my opportunity to be involved daily in and observe their business and personal lives.

Big Training Question: Upper management needs to identify its future leaders and decide how and in whom the organization should invest. HOW DO WE DO THIS WITHOUT CREATING A SENSE OF FAVORITISM, OR IS IT OKAY TO SINGLE OUT THE NGLS?

Summary of the ways in which CEOs developed leadership early in their careers

Learning – CEOs learned about leadership early in their careers by watching and listening to effective leaders.

Doing – The most effective skill development laboratory was a job that felt beyond their capacity but one for which they would be held totally responsible.

What today's CEOs admired most when they were NGLs

- Humility
- Authenticity
- Big picture perspective
- Integrity
- Customer/clientele focus
- Asking and listening
- Vigilance – always watching
- Drive
- Security in hiring up
- Recognition that everyone in the organization is important

4. Retaining your next generation of leaders

Today's A-performing NGLs feed on:

- Good companies – Stanford economist Nicholas Bloom
- Career development opportunities and a chance to grow in their chosen fields
- Regular feedback on how both they and the company are doing
- A chance to contribute directly to the organization and be recognized for doing so
- Work schedules that recognize their need for work/life balance
- A good reward system and an opportunity to increase rewards over time
- Benefits tailored to their individual needs

The most important quality you can find, give and get in your next generation of leaders

- **Trust**
  - ✓ Most effective when an authority's trust was higher than self-trust
  - ✓ High trust levels took the fear out of mistakes or failures

I think it was <u>people who believed in and trusted me beyond my level of knowledge, experience or credential.</u> This came through deep relationships and high levels of trust. Yes, I suppose it was also high levels of performance expectations but my own were usually higher, and more severe(!!)

Training implications: The organizations that are most fertile for leadership development are those with high trust levels.

The basis of your trust in the NGLs

- Competence – ability to get the job done
- Character – motivation and integrity to get the job done
- Alignment of values – what is most important in getting the job done
- Competence + Character + values = Confidence

Interesting finding…

Nationally, only 40 percent of employees have a high level of trust in their management and organization. Yet the research states that employees said trust in their bosses and senior leadership is critical to be effective in their jobs.

(Interaction Associates' "Building Workplace Trust 2014/15")