



Succession Planning Making the Best Managers

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"The conventional definition of management is getting work done through people, but real management is developing people through work."

– Agha Hasan Abedi

More than a dozen years ago, Jim Collins and Jerry Porras published one of the top business books of all time, *Built to Last*. They analyzed what differentiates visionary companies from their peers and documented some of the successful habits the great ones displayed. In 2001, Collins published *Good to Great*, helping to shed light on how good organizations can transform themselves and become truly great.

Although these two business classics differentiated good from great on the organizational level, it's important to also investigate on the individual level what differentiates good managers from the stars.

This is a timely discussion — many companies are rolling out programs and activities to build the skills of their management teams, and high-potential development programs are found in many organizations.

In fact, 95 percent of organizations have or are in the process of creating a high-potential development program, according to a study on high-potential leadership development by The Institute of Executive Development and RHR International.

As these organizations dedicate more and more resources to leadership development programs, it's important to define the characteristics that differentiate good managers from the best ones and how development professionals can influence, if at all, individual excellence.

The elements of top management talent will vary from industry to industry, company to company, business unit to business unit and even from one time period to another. After all, great management is typically defined in the context of what is required of a particular part of an organization at a particular point in time.

It is universally accepted, however, that good managers must have the "business chops" or technical skills to be effective. Many argue the technical or "hard" skills are necessary but not sufficient, and that "soft" skills, such as communication and team building, are what differentiate average from top management talent.

In reality, both are required as a foundation for great management. But in addition to hard skills and soft skills, what are the current business requirements great management addresses?

New Realities, New Requirements

According to the High Potential Leadership Development study, the top competency companies seek is the "ability to develop others" (59 percent of respondents chose this).

Many organizations recognize they have a shortfall in terms of their development needs and what they are able to deliver. Thus, they want managers who can develop others.

The question is, has this always been a part of a manager's responsibilities? Was it simply under the soft skills bucket? Actually, this is a relatively recent phenomenon. Organizations expect managers to have the relevant soft skills, but they also expect them to develop others.

This development focus is something a few high-profile, visionary CEOs have espoused for a while. Larry Bossidy, former CEO of Allied Signal and author of *Execution: The Discipline of Getting Things Done*, reports spending up to 40 percent of his time developing others.

Although this is desirable, is it realistic to expect managers to develop others, and do they have the tools to understand what their own teams need in terms of competencies, as well as how to best teach those? They also need to have an acute understanding of how various professionals learn, their styles, techniques and particular roadblocks. It's an admirable goal, but it might be difficult in reality.

The second-highest competency companies seek is "strategic thinking" (44 percent). The importance that companies place on this competency is a reflection of the increased complexity of the current business environment. Organizations are releasing new business models at the same frequency with which they used to release new products. Global business and the challenges of managing remote employees both contribute to increased complexity.

The essence of strategy is unique paths to success. In this case, unique means competitors don't follow the same path, and the strategy reflects an organization's particular situation and opportunity set. These realities are changing with more frequency than ever. The ability to understand the larger organizational implications of a given plan or set of activities is key.

Characterizing Great Management

Given the challenges confronting organizations today and the steeper road to success, how do companies define what's required of managers to excel? Certainly, great managers must master basic management practices, oversee operations of their departments and deliver excellent results. The best managers are also great leaders — creating a vision, setting strategies and mobilizing others to join in and work together to achieve outcomes.

A popular view is that the best managers are those who make the shift from relying primarily on their strong technical and functional expertise to developing teams, building relationships and collaborating with others to get work done. Such skills are crucial, but they are not enough to truly differentiate the good from the best.

At Alaska Airlines, the majority of employees would agree the best managers are those with superb leadership and people skills, said Angela Ursino, managing director of talent strategy and organization development.

"Great managers love to explore new ways of doing things, new cultures, new people and new technologies, and this is essential in today's business environment," said June Delano, Monitor Executive Development principal. "While basic curiosity may be a personality trait, it can also be cultivated, and the best managers are curious about everything they encounter, ask lots of questions and are genuinely interested in the stories people tell."

Centier Bank Senior Partner Carol Highsmith echoed this sentiment.

"The best managers are those that act as if it's their own company, displaying a high level of personal pride and ownership," she said. "They are determined to deliver world-class service and approach both their team and their clients with considerable care."

Compared with some managers who might spend too much of their efforts on getting team dynamics right, the best managers see each person as an individual. By focusing on the development needs of each individual, they know the team will come together naturally, said Anna Zaltz, Pepsi Americas manager of organizational capability.

Great managers seem to embody the principles of learning and development, not only for themselves but for their teams. They seek developmental opportunities and challenging assignments for their employees, and they clearly see themselves as coaches and mentors.

Identifying and Developing the Best

When it comes to identifying top managers and planning their development, many companies use a talent-review process linked to key success factors.

Companies determine these factors in two ways: Some companies study the most successful managers to detect the common traits and behaviors, and others examine key jobs to analyze the required skills and knowledge and use that as the basis for talent review and management development.

As useful as formal talent reviews can be, it's important not to overlook the role of direct managers when it comes to detecting development needs. For high-potential employees who are likely to become some of the best managers in an organization, the direct manager plays a significant role in identifying needs.

"Most really good managers already have a strong orientation to achievement — it's just in their DNA," said Les Taylor, Symantec manager of executive development. "But improving their interpersonal skills, being open and showing empathy all lead to higher trust levels required to be among the best."

Ed Marsh, Nestle global head of talent and organization development, said to start, organizations need to provide managers with an in-depth experience that helps them understand the impact they have on others. It all starts with knowing who they are and how co-workers perceive them. Once they understand that, they can learn to be more authentic — authenticity is a key to success.

A few of the most effective development techniques that lead to great management include:

- **360-Degree Surveys:** These remain a powerful way to help expand self-awareness, see yourself from different viewpoints, uncover personal strengths to leverage and areas for development.
- **Mentoring and Coaching:** Many highly successful managers cite these as key to their success, particularly as sources of objective feedback and advice. A good coach also helps keep you from spending too much time trying to correct a deficit and instead helps you focus more energy to build on strengths.
- **Action Learning and Business Simulations:** These are noted for their ability to help managers improve strategic thinking, better understand their own organizations and learn about the external business environment. Such experiences are very appealing because great managers outperform on multiple levels, thus, the challenge and complexity of the development activity needs to match their actual work.

Although there might be common approaches to developing managers, there are certain characteristics that differentiate the good from the best managers. It is a good idea to take a closer look at the distinctions within the context of the organization and then use a customized approach to build the best. **TM**

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