LEADERSHIP AWARENESS:

Building a Better Leadership Development Program

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More than $20 billion is spent annually on leadership development. Despite this staggering figure, too often, managers don't advance to more senior positions.

Why?

According to a Center for Creative Leadership study, which incorporates data from interviews with hundreds of Fortune 500 executives, there are five simple answers:

1. Managers experience interpersonal conflict.

2. Managers aren't able to adapt, and therefore, develop further.

3. They're not able to build an effective team.

4. They fail to meet their company's business objectives.

5. Managers are too focused on functionality, at least in part because they're technically oriented.

In truth, many of these failings--some of which are strategic but most of which stem from a lack of soft skills--occur because most leadership development programs are missing the mark. They're delivered through classroom lectures and typically led by subject matter experts. They're designed to pad the participants' resume rather than offer learning through real-life experiences. They're uninspiring, and often archaic and irrelevant.

What's the solution? Organizations need to change how they approach leadership development, refocusing their programs on individual, team, organization, and business awareness. Read on to learn how leadership development programs should approach these four areas.

It All Starts With Self-Awareness

Self-awareness is key to any person's success. It fundamentally helps us understand who we are, how we differ from others, and how others perceive us.

For example, from Hogan's HDS Scales, we understand that our personal strengths can turn into weaknesses during stressful situations. These weaknesses, also known as derailers, can make us less impactful leaders. Having knowledge about how we react to pressure helps mitigate our derailers.

In business, and particularly in management, self-awareness is similarly critical. However, there is some evidence to suggest that employees are more inclined to follow managers who demonstrate humility, even self-deprecation.

In the Harvard Business Review article We Like Leaders Who Underrate Themselves, authors Jack Zenger and Joseph Folkman explain that they asked business leaders to self-rate their performance, and then they asked staff to rate those same leaders' performance.

By and large, the most effective leaders underrated their performance. They were constantly pushing to perform better. They had incredibly high personal standards. They were humble. Zenger and Folkman's study also indicated that the more these leaders underrated, the more engaged their employees were.

How does this play into cultivating self-awareness in leadership development? Without a humble, even sometimes self-critical point of view, managers can't see what they need to work on and don't leave room to develop personally.

How Self-Awareness Translates Into Team Awareness

In a related Harvard Business review article, Research: We're Not Very Self-Aware, Especially at Work, authors Erich Dierdorff and Robert Rubin point out how most leadership development programs ask participants to self-assess, but don't compare that assessment to objective data.

Ultimately, this gap in understanding prevents further development of accurate self-appraisal and leads to diminished performance, especially in team settings. The study also showed that the less self-aware a team is, the less coordinated they are, resulting in poor decisions and unresolved conflict.

Without data-based feedback on their performance, managers and executives don't have the metrics to compare how they perform compared to other members of their team or to other people in similar occupations across the company. Therefore, to cultivate awareness on both an individual and team level, leadership development programs combine objective performance data with self-awareness tools like Hogan or MBTI. For example, MBTI Team Table exercises helps teams to identify decision-making blind spots.

To maximize team effectiveness, team leaders, supervisors, and managers can use Capsim's TeamMate tool for peer evaluations and self-directed development. The biggest takeaway from this tool is arguably what Capsim calls the Five C's:

1. **Cooperation:** exchanging high-quality information among team members.
2. **Coordination:** integrating individual efforts toward team goals.
3. **Cohesion:** sharing commitment and affinity toward the team.
4. **Confidence:** believing the team has the capability to perform.
5. **Conflict:** managing disagreement and friction among team members.

The 5 C's are crucial in developing highly effective teams. Capsim and other executive training organizations recommend practicing these principles during simulated activities, after which participants review individual and overall team performance.

How to Improve Awareness Across the Organization

Inadvertently, many companies fall into what's called a silos mentality. One department is responsible for production; another for marketing. Both are so focused on meeting performance standards that they rarely communicate, let alone share information.

Organizational silos typically start at the management level and penetrate the executive team. Over time, the limited communications across silos creates inefficiency and tension within the organization. It negatively affects corporate culture, and potentially causes significant failures within the business.

Ideally, a leadership development program should teach managers how to identify the functions of their department and how those functions overlap with other departments. This awareness of who does what and how they affect one another is the first step toward facilitating cross-functional collarboration.

What Business Awareness Is and Why It's Important for Leadership Development

Also known as business acumen, business awareness is a foundational part of how effective a manager is. Namely, it's the manager's ability to understand the relationship between strategy and execution, key metrics measured by the organization, short term vs. long term thinking, competitive analysis, and subsequently making well-informed decisions. Without strong business acumen, most leaders will fail to comprehend the inner workings of the team they manage and won't be able to meet company performance standards.

While learning on the job certainly helps to improve business acumen, managers will benefit dramatically from leadership development programs and other forms of experience-based executive training.

The author of Informal Adult Education and a progressive education theorist, Malcolm Knowles suggested that adult learners need a different teaching approach than children. This adult-focused learning model, which he called andragogy (differentiating from the child-focus learning, pedagogy), must include five important characteristics:

1. They're motivated to learn.
2. They're ready to learn.
3. Their life experience serves as a resource for learning.
4. They're self-directed.
5. They're interested in applying what they've learned.

Managers who want to advance are motivated and self-starting. They can easily leverage these adult learning characteristics to maximize their leadership development training.

How should they approach training? That is, how can they optimize the leadership development experience and feel like they're getting the most of their program? Interestingly, Knowles also proposed that adult learning should follow four basic principles:

1. Adults should be involved in planning what they learn, how they learn it, and how they're evaluated.
2. Their life experiences, including major mishaps and pitfalls, serve as the foundation for learning.
3. Adults learn more effectively from problem-centered situations than from content.
4. Adults want to learn things that have an immediate impact on their professional and personal lives.

To learn effectively, adragogical design is key in Leadership Development programs. Learning must be experiential and relevant to their current or future roles.

To lead effectively, managers must develop their self-awareness, cultivate their team's awareness, facilitate awareness across their organization, and improve their business awareness. It's a top-down process. The more a manager works on his or her leadership skills, the more engaged their employees and the more productive their workplace will be.

For more information about effective leadership development, contact Capsim today. We partner with you to create tailored programs using our toolkit of simulations and assessments to create unforgettable learning experiences.

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