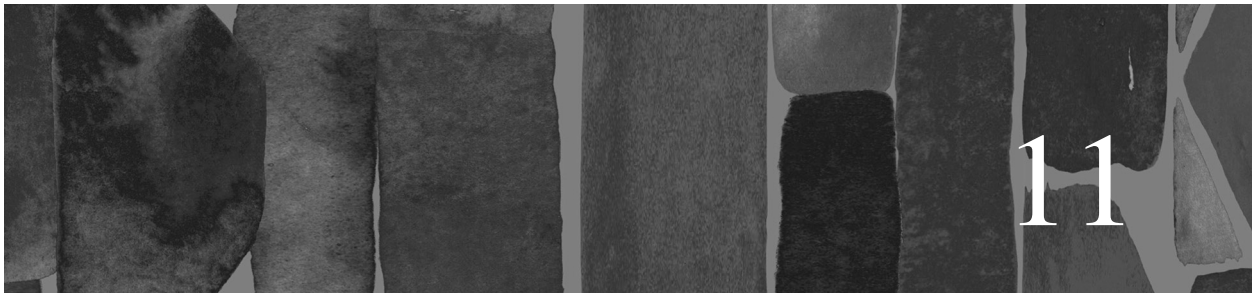

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Leadership Development: The Shift from 'Ready Now' to 'Ready Able'

Lacey Leone McLaughlin, Albert A. Vicere and Ian Ziskin

To paraphrase Hall of Fame baseball player Yogi Berra, the future ain't what it used to be, and neither is leadership. Leaders used to have critical information before everyone else, tell people what to do and how to do it, and remain in positions of power in the same organization for decades. Current and future conditions are and will continue to be completely different.

Leaders no longer have exclusive or faster access to information. Leadership is much more about creating an engaging and motivating environment than it is about giving orders. And very few people, especially those in leadership positions, remain in their positions for very long.

Practically everything about the world of work is changing at a dizzying pace, which means that leadership, and the ways leaders must learn and develop, also are transforming. This chapter is about the changing context for leadership, key trends that are reshaping approaches to leadership and leadership development, the emerging capabilities that leaders must master, and the new and reinforced ways that organizations are developing current and next-generation leaders.

THE CHANGING CONTEXT FOR LEADERSHIP

We are living in a 'networked economy,' and two major inflection points have driven its emergence: globalization and the information technology revolution. Globalization has brought us flatter, faster-paced organizations with global reach. Information technology has enabled us to work in partnerships linked by powerful information networks that generate enormous amounts of data. Combined, these forces have triggered worldwide waves of industry and organizational restructuring (Vicere, 2002a; Friedman, 2005; Brynjolfsson and McAfee, 2014; Moore, 2015) that in turn are

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reshaping both the nature of leadership and approaches to leadership development.

- *The First Wave.* 'Old' economy organizations were built on notions of control. People were controlled through structure and hierarchy, and resources were controlled through vertical and horizontal integration – in today's terminology, hands-on control of the major elements of an organization's supply chain. Adding to the challenge, most 'old' economy companies had their roots in a primarily domestic marketplace. They may have sold products outside their home country and even manufactured products overseas, but the heart of their business tended to be a robust and growing domestic marketplace.

  Several decades ago, in response to the emerging global competitive challenge, established companies began to aggressively pursue new organizational models that were faster, more efficient, and closer to the customer. The resulting de-layered, downsized organization was a natural response to global competition as speed, efficiency, and customer focus emerged as key elements of competitive advantages in the increasingly global marketplace (Vicere, 2002a).
- *The Second Wave*. As organizations flattened and pushed to drive efficiencies, many found they no longer had the resources or capabilities to do everything themselves. A breakthrough in addressing this challenge was proposed by Hamel and Prahalad (1994) who noted that high-performing companies tended to organize around 'core competencies,' the things the organization did or wanted to do better than anyone else. This was coupled with the rise of outsourcing arrangements which enabled organizations to partner with other organizations, combine competencies, and create synergies. Alliances, joint ventures, and partnerships also blossomed as organizations formed relationships to enhance growth and market development. The organizational networks and ecosystems that evolved enabled organizations like Cisco, WalMart, Apple, and others to demonstrate how networks and relationships can reshape organizations and industries for results (Vicere 2002a; Schuman and Twombley, 2009; Atluri, Dietz, and Henke, 2017; Meffert and Swaminathan, 2017).
- *The Third Wave*. Old economy companies ensured control by operating in tightly defined hierarchies and doing most everything themselves. In the networked economy, where an organization's ability to manage, coordinate, and influence webs of relationships is critical, information technology emerged as a parallel and perhaps even more powerful revolutionary force (Schuman and Twombley, 2009).

  The IT revolution spawned the development of computer and telecommunications networks, e-commerce systems, enterprise software platforms, and other forms of connectivity that linked networks of business partners together in a new organizational infrastructure, one built upon relationships and webs of information linkages. The 'Big Data' generated by these linkages has the potential to further transform business processes and create new and powerful sources of competitive advantage (McGuire, Manvika, and Chui, 2012).

SHAPING FORCES

The transforming leadership context outlined above is being accelerated and further disrupted by three critical shaping forces: revolutionary technological change, agile talent and flexible work designs, and socio-economic challenges – each of which will have a significant impact on leadership and leadership development.

Revolutionary Technological Change

> Algorithms, artificial intelligence, automation, big data, the cloud, digitization, human-machine collaboration, the internet of things, machine learning, robotics – these are just a handful of terms, ideas, and trends that have intersected with the worlds of work and leadership over the recent past. (Boudreau, Ziskin, and Rearick, 2016).

The shaping forces and trends outlined above represent incredible opportunities and significant disruption for organizations and how leaders must be developed to succeed in the future.

Technology means different things to different industries and leaders, but the

implications of the technology revolution are becoming clearer every day. Technology and tools formerly were employed to help humans do their work. Farm implements used by farmers are a simple but apt example. More recently, technology has begun to inform or instruct people (Lombrozo, 2017): for example, Uber and Lyft drivers being told by computers when and where to collect and deliver riders. We are fast approaching the replacement of humans by machines in all kinds of work. Automated teller machines, driverless vehicles, drones, and industrial robots are just a few examples among an ever-growing list.

Depending on the industry, job, and geographic location, we are likely to see significant unemployment in certain sectors of the economy over the next 10–15 years, and complete elimination of human intervention in many tasks. McKinsey found that 'between 400 million and 800 million individuals could be displaced by automation and need to find new jobs by 2030 around the world' (McKinsey Global Institute, 2017).

One vivid example of the impact of technology is the computer industry. Over the relatively short span of a few decades, there has been a seismic shift from mainframe, to desktop, to laptop, to handheld, to wearable, to injectable, to ingestible devices – all the while becoming smarter, smaller, faster, more powerful, and less expensive.

What technology revolution is happening – or about to happen – in your industry or profession? Do leaders know and understand what is coming? Do organizations know how to develop leaders to be ready for the technology revolution in their industry?

Agile Talent and Flexible Work Designs

The changing nature of work, the workforce, and the workplace is having a profound effect on how talent is defined, developed, and deployed as well as on the ways that work is done (Boudreau, Creelman, and Jesuthasan, 2015). The traditional employment model is giving way to more bite-sized, shorter-term projects and assignments. Increasingly, people in the workforce are interested in flexibility, freedom, and controlling their own destiny. The aroma of social and organizational reconfiguration is in the air.

Do people still covet long-term employment with an organization or would they prefer to freelance and move from organization to organization, project to project, and boss to boss? The answer is yes and yes, it depends on who you ask, what they do for a living, where they live, their career stage, and their personal values and financial situation.

Because workforce preferences depend on many different factors, so too must organizations offer a wide array of scenarios and options when attempting to attract, retain, develop, and engage people. The entire 'employee experience' is changing, including the fact that the people who are working on behalf of organizations may not be employees at all (Hoffman, Yeh, and Casnocha, 2013). The mix of regular full-time employees relative to short-term workers is likely to change, and most organizations and leaders are simply not ready for it (Society for Human Resource Management, 2015).

Boudreau et al. (2015) noted that talented individuals are becoming more thoughtful and discerning about how they want to work, where they want to work, when they want to work, with whom they want to work, and why they want to work. Personal preference and sense of purpose are becoming key drivers of career choice. So too are work choices based on practical life considerations. The workforce is expected to be available 24 hours a day, 7 days a week, anywhere in the world. People who dare to believe that they should have personal lives in addition to work lives are looking to strike a reasonable balance, or at least a blend, of work/life priorities. Better control of one's own work and life destiny necessitates better mastery of

how and when and where we work (Fox and O'Connor, 2015).

> Organizations and leaders are only beginning to proactively and strategically think about how they want to configure their workforces, with some appropriate blend of full-time employees, part-timers, freelancers, consultants, and the like. The strategy and blend will vary from company to company. The need for careful consideration of options will become more paramount as workforce needs and expectations evolve over the next ten years and beyond. (Boudreau et al., 2015)

Think more agile, flexible, virtual, project-based, customized, micro-tasked, and multi-phased. People, especially the most talented people, are increasingly expecting to have a portfolio of work and life experiences that morph over time. If you are thinking, 'that's not our organization, we don't intend to operate that way,' think again. This trend is not about your organization's strategy or preferred operating mode, nor is it solely a function of any one leader's personal views about leadership. It is about keeping pace with the changing nature of work, the workforce, and the workplace. It means big changes for leadership and leadership development – not only the capabilities required to be a leader, but the very definition of what leadership is and why it matters.

> Companies are struggling to understand who (and what) their workforces are composed of and how to manage today's incredibly diverse combination of worker types, including workers on and off the balance sheet as well as part-time, contingent, and virtual workers. Across all organizations, industries, and geographies, a new work and social contract is emerging. Today's HR organization needs to adapt to these changes in the 21st-century workforce. (Schwartz, Bohdal-Spiegelhoff, Gretczko, and Sloan, 2016).

Socio-economic Challenges

Clean water, climate change, crime, demographics, diversity, drug addiction, education, famine, fertility, gender rights, globalization, health care, human trafficking, income equality, immigration, population growth, racial equality, religious freedom, sexual assault, unemployment, urbanization, and war. These are only some of the social and economic issues and opportunities we face as leaders, organizations, and citizens of the world.

> Are these problems inevitable, somehow endemic to society? Or, are they manufactured by, and a by-product of, bad leadership? To be sure, people of every shape and size contribute to the social and economic challenges we face as a global society. But, who is accountable for the rise and, more importantly, the resolution of these trends? The answer seems to be leaders, making social responsibility a key leadership capability. (Browne, Nuttal, and Stadlen, 2016)

Leaders make a huge difference to how well these socio-economic issues are communicated, prioritized, resourced, and resolved. This requires a breadth of perspective and a level of understanding which go well beyond the traditional boundaries of countries, cultures, economies, industries, political persuasions, social classes, or wealth. Big-picture problems require big-picture solutions, which in turn demand big-picture leaders.

LEADERSHIP CAPABILITIES

The transformational, technological, flexible, and socio-economic themes discussed above set the stage for seven leadership capabilities – some old, some new, some reimagined – that must be mastered by leaders to ensure their future relevance in the ever-changing world of work.

Outside-In Perspective

Some years ago, Katz (1974) described three clusters of skills required for effective leadership:

- Technical skills involved the practices, tools, and processes required to do a job.

- Human skills involved the ability to understand, communicate, and work with others.
- Conceptual skills involved an intuitive sense of the bigger picture, a longer-term horizon, an ability to connect seemingly unrelated patterns or elements, and the creative development of new or novel ideas.

We know that leaders at all levels must have competencies in all three skill arenas. Knowledge and proficiency in the technical aspects of any job are essential to performance and advancement. The ability to engage and energize others is a cornerstone of effective management. But conceptual skills, the capacity to think strategically and to look ahead to create the effective organization of the future, are crucial for leaders.

The pressures of change have morphed into a relentless transformational force. Networked business ecosystems are redefining organizational roles and relationships. Social changes have precipitated a shift in employee attitudes toward work and organizations. Technological advances are unfolding at a frenetic rate. The growing consumer class in developing economies has shifted targets for market growth (Moore, 2015). These and many other developments require leaders who, in addition to having a solid grounding in technical skills, also have the conceptual capacity to anticipate change and the intellectual openness to create novel organizational solutions to unanticipated challenges (Birshan and Kar, 2012; Shoemaker, Krupp, and Howland, 2013). Vicere (2015) referred to this as the 'strategic leadership mindset' and described it as a teachable, coachable intellectual process that unfolds in five phases:

- *Looking out*. Effective strategic leaders maintain an intense focus on developments external to the organization – social and demographic trends, economic shifts, and technological breakthroughs. They see these trends as the context for business strategy and organizational development. They focus on the critical questions of what their organization needs to do and how it needs to change to anticipate, adapt, and take advantage of developments in the changing external environment.
- *Looking around.* Having 'looked out' and placed the organization in the context of emerging external trends, effective strategic leaders then 'look around' to consider what can be learned by studying comparator organizations including competitors, benchmark peers, potential disruptors, etc. What changes seem to be driving strategy and investment for these organizations? What is working for them? What can we learn from their experiences? How can we make a quantum leap?
- *Looking in the mirror.* Armed with an assessment of the external context and insights from comparator organizations, effective strategic leaders then 'look in the mirror' to consider what they must do to ensure that the people who work with and for them understand the external context and have considered the lessons of comparator experiences. They develop breakthrough communications that facilitate engagement and discussion of potentially game-changing information and insights.
- *Looking to the team.* Having framed their influence strategy, effective strategic leaders then engage with their team to discuss how key external trends and comparator information can be used to frame strategy development and execution. From those discussions, they build the plans and set the agendas that will move the organization into the future.
- *Looking for results.* Effective strategic leaders clarify strategies and priorities, engage people across the organization, and define processes to monitor progress, drive results, and remain relevant in a constantly changing business environment. They ensure that a focus on current performance is balanced with a constant connection to the future.

The strategic leadership mindset described above enables leaders to operate from an outside-in perspective, to better understand trends affecting the organization, to see around corners and connect the most relevant dots, to integrate information into business insights that impact results, and to orchestrate the organizational processes that ensure effective execution and performance (Vicere, 2015).

Network Savvy

In a classic study, Mintzberg (1973) noted that effective leaders play three sets of roles in an organization:

- Interpersonal roles – serve as an internal leader and external liaison.
- Informational roles – collect and disseminate information both within the organization and with external constituencies.
- Decisional roles – identify and pursue opportunities and resources, the handling of disturbances, and the allocation of resources.

Mintzberg's work has remained remarkably relevant over the years. Yet, the shift to the network economy has put these roles into a new context. Leaders today continue to have interpersonal and informational responsibilities, although it may be argued that those responsibilities are even more critical and more challenging due to the distributed nature of work. Leaders also retain decisional responsibilities, but those responsibilities increasingly must be shared and negotiated with various network partners. The nature of leadership as defined by Mintzberg may be similar today, but the networked economy places new demands on leaders and requires consideration of an enhanced set of roles and related capabilities.

Based on discussions with dozens of leaders and first-hand observation of their leadership behaviors, Vicere (2002a) projected four mindsets essential for effective leadership in the emerging networked economy that remain relevant today:

- *Boundaryless Thinker.* Leaders in the networked economy need to think beyond the status quo and help others across their organization to do the same. They cannot be bogged down in traditional orthodoxies, but must be open to new ideas. They must promote and lead change, championing new ideas to drive organizational relevance in a changing world.
- *Network Builder.* Leaders who think in a boundaryless manner are more likely to have a relationship mindset, one focused on the importance of sharing ideas, information, knowledge, resources, and capabilities. Organizational effectiveness in the networked economy is rooted in relationships and networking. Complementary partners must be identified and linked together in a knowledge-sharing culture in focused pursuit of organizational success.
- *Diplomat.* To develop and maintain the effectiveness of networks, leaders must be able not only to bring constituencies together, but also to help them work together and appreciate that through collaboration they can achieve more than they could on their own.
- *Interpreter.* To complement their skills of diplomacy, leaders must have the ability to interpret the nature of business opportunities to their network, the perspective to help partners understand each other, and the skills to coach, facilitate, and provide feedback to an organization that is no longer a collection of lines and boxes, but a living, growing, expanding ecosystem.

Agility and Emotional Intelligence (AEQ)

Agility often evokes a litany of additional words and phrases, offered in a perhaps futile attempt to define succinctly that which cannot be described. Adaptability, ambiguity, complexity, disruption, flexibility, paradox, and speed are often mentioned, as are reconciliation of competing priorities and similar constructs. Haneberg (2011) provided an insightful definition: 'Agility is our capacity to be consistently adaptable without having to change. It is the efficiency with which we can respond to nonstop change.'

A formal definition of agility offers help but does not do justice to the demands on leaders. Essentially, we want them to do more with less, faster than ever before, with fewer or less well-defined resources, in anticipation of challenges, issues, and trends that are not well understood – but, even if they are, could likely change on a moment's notice.

How should we think about helping leaders to become more agile? Perhaps the best way to resolve this dilemma is to develop leadership agility through the lenses of life

and work experiences, rather than through programmatic content and exhortations.

People who are adept at seeing around corners and connecting the dots among seemingly unrelated things have a leg up on agility. People who learn quickly, are curious about and aware of a wide variety of things are more likely to be agile than those with a more singular knowledge and experience base. People who surround themselves with diverse thinkers, divergent opinions, and different perspectives are more likely to be open to learning than people who only associate with those who look, think, and act like them. People who move across roles, functions, organizations, and geographic locations will be better prepared as agile leaders than those with 'one year of experience thirty times.' People who are comfortable with making decisions quickly, experimenting, failing, learning from the experience, and moving on to the next important thing are going to be more adept and agile than those who are afraid of failure (Forbes Coaches Council, 2017).

Being a 'smart' leader with a high IQ is no longer enough for ongoing sustainable success (Jensen, 2012). We have worked with numerous leaders who are functionally and technically brilliant but woefully lacking in emotional intelligence (EQ). We have also seen how companies, colleagues, employees, customers, and other key constituents have changed their expectations of leaders, requiring a greater and greater focus on increased EQ (Ovans, 2015).

Are you born with a static EQ or can EQ be learned? Dan Goleman popularized the term 'emotional intelligence (EQ)', which he defined as recognizing, understanding, and managing our own emotions and recognizing, understanding, and influencing the emotions of others. Goleman noted, 'in practical terms, this means being aware that emotions can drive our behavior and impact people (positively and negatively), and learning how to manage those emotions – both our own and others – especially when we are under pressure' (1995). In a recent conversation with Jay Conger, Chairman of the Kravis Leadership Institute, he pointed out the need for leaders to 'become much more adept at 'sensing' situations.' Can a leader 'sense' what is going on with his/her team? Does he/she truly listen, understand the dynamics of a situation, ask questions, and dig deeper (Jay Conger, Personal Communication, 2017)?

In the past, exceptions were made for low-EQ leaders, if they executed on other fronts and/or were experts in their functional areas. But, as more research is done around why people leave organizations, the results show that low-EQ leaders are a major factor. The strongest correlation with why employees leave organizations is a lack of connection with their manager (Lighthouse blog, 2016). With the cost of replacing an employee between 50 and 250% of their salary (Petrone, 2017), companies are beginning to hold leaders to a much higher standard of performance when it comes to EQ and investing significantly in the development of EQ-related skills like leadership, feedback, and conflict resolution. (Beck and Libert, 2017).

Chief Organizational Capability Officer

Future leaders will need to excel at building and driving organizational capabilities including agility, collaboration, culture, customer-centricity, innovation, leadership, networks, outside-in perspective, talent, transformation, and transparency, among others. Specific capabilities required will likely vary by company, industry, and related business challenges. But today, leaders need to identify, master, and cultivate a wide range of different yet complementary capabilities.

More and more companies (including UPS, Time Inc., and Viacom) have established the role of 'Chief Transformation Officer,' which is an illustration of the growing need for new and different organizational capabilities. The leaders filling these roles come from a wide variety of educational, experiential,

and functional backgrounds. Their primary qualifications and mission involve seeing the need for change, disrupting the organization's status quo, driving change, and creating the capacity to transform other leaders, as well as their organizational DNA to promote new ways of thinking and operating (Gorter, Hudson, and Scott, 2016).

Inherent in this role is the need for leaders to evolve into 'orchestra conductors,' working across multiple functional disciplines and organizational boundaries to solve large, complex issues, which themselves are cross-functional in nature. Orchestra conductors are not experts in playing the flute, violin, or tympani. Their job is to find the very best musicians in the world, bring them together, and create beautiful harmonious music. Leaders who play the new Chief Organizational Capability Officer role are much like these orchestra conductors. Their job is to bring together the very best people who represent multiple areas of expertise and a broad array of organizational capabilities, and lead them to deliver great results.

The requirement for leaders to excel at building organizational capacity for transformational change is on the rise. Leadership development efforts must therefore strike the right balance between building leaders who fit and leaders who do anything but fit with historical organizational paradigms.

Talent Personalization

One of the most important roles leaders play is to find, develop, and keep the best people. While this requirement is not going away anytime soon, the ways in which this role is accomplished are changing. We are seeing an increasing need for and application of marketing-related principles to people-related challenges. Differentiation, mass customization, personalization, and segmentation are becoming more common and accepted talent principles. 'Mass customization in HR will include shifts from employment value proposition to personal value proposition and sameness to segmentation' (Ziskin, 2015, p. 168).

Talent management philosophies have historically led organizations to create a work environment that works for everyone and people practices that treat everyone the same, all in the name of fairness. Sameness is not equivalent to fairness. The future of work demands talent solutions that are customized and personalized to the unique needs and interests of pivotal talent in pivotal roles, especially for those individuals who are in high demand and have many options about where, when, how, with whom, and on what they wish to work. Treating everyone the same may be an effective strategy for minimizing employee relations complaints or even lawsuits. It is not an effective strategy for developing talent or leaders of other talented people, nor is it a way to drive organizational and individual performance in a hypercompetitive business environment (Boudreau and Ziskin, 2011).

We do not imagine that every employee or freelancer will have their own unique or special employment arrangement. We do, however, see increasing evidence that mass customization and selective personalization of work and talent solutions will be inevitable – and more practical than the historical practice of spreading limited talent resources among broad populations of people, many of whom do not want or need the same things. Leaders will need to learn how to craft different value propositions for different people, and be transparent and confident enough to explain why those different options are business-justified and fair. Transparency will be the new fairness. 'The vast majority of employees will support differential treatment if there are clear, logical, and well-communicated reasons as to why such differential treatment exists' (Cantrell and Smith, n.d.).

Transparency and Truth-telling

Today, not only do employees have access to more work environment information from

websites and social media than ever before, but they are also more readily sharing information with their current and potential coworkers. In this Glassdoor, Rateyourjob-Rateyourboss, Twitter, and LinkedIn climate, transparency and trust are critically important. If someone is selected and attends a leadership development program, there is a high probability that this news will show up on their social media presence in some way. Likewise, people are increasingly comfortable with sharing information about compensation, performance feedback, and other work-related matters that have historically been treated more confidentially. How do leaders lead in a world with no secrets?

This trend toward increased transparency seems to be at odds with the secrecy that often surrounds many leadership development, talent management, and succession planning practices. It is not uncommon to come across employees who have been selected to participate in a leadership development initiative or a high-potential program but who have no understanding about how or why they were selected or what they should expect to gain by participating in the experience. Succession planning processes are often characterized by similar shrouds of secrecy. Many employees do not know if there is a company succession plan, and, if there is one, whether they are on it. This lack of transparency has generally led to frustrated employees and has contributed to lower engagement and higher turnover (Korn Ferry Institute, 2015). Leaders and leadership development practices must become more transparent.

Purpose Shaping

Today's leaders need to be attuned to social and demographic shifts that are influencing the attitudes and performance of the growing numbers of millennials and centennials in the workforce. Goffee and Jones (2006) found that organizational members had four key expectations for leaders:

- *Sense of Community.* Followers long for a sense of belonging and to feel part of something bigger. They long for leaders who are culture and community builders, who help people connect with one another as well as the overarching purpose of the organization.
- *Sense of Significance.* Followers want to believe their efforts matter. Leaders need to recognize their contributions in a meaningful way, with highly personalized feedback. Similarly, they want to believe their organization is making a difference – that it is making positive contributions to society.
- *Sense of Excitement.* Followers are looking for leaders who demonstrate passion, energy, and enthusiasm for the organization, its work, and its people. They expect their leaders to be a source of energy and pride.
- *Authenticity.* Followers seek to be led by people who are not afraid to acknowledge their personal differences, weaknesses, and strengths, thereby inspiring employees to develop their own talents.

These expectations point to the need for leaders to revisit the essence of leadership, what Vicere (2002b) referred to as 'the three Ls.' First, leaders help organizations to improve the quality of 'life' for employees, customers, and stakeholders at all levels. Second, they create an environment of 'love,' a culture in which employees feel appreciated, involved, and that they are doing important work. Third, they help contribute to their organization's 'legacy,' passing a fully functioning, thriving organization to the next generation of leaders. That means ensuring that the organization remains relevant in a constantly changing environment.

The commitment to life, love, and legacy frames the essence of leadership. It is not about building a better life only for the leader, or gaining the adulation of the media as a celebrity CEO, or building a personal financial legacy to pass along to one's children. It is about creating organizations that have meaning and purpose, and making a positive

impact on every individual who encounters the organization whether that person be an employee, a customer, a community member, or a stakeholder at any level. It is about positioning the organization for the long term and ensuring that the organization not only gets better at what it does, but also is able to evolve to stay relevant in a constantly changing world (Vicere, 2010; Montgomery, 2012; Laloux, 2015).

LEADERSHIP DEVELOPMENT PRACTICES

The need for mastery of these seven leadership capabilities is putting pressure on senior leaders and leadership development experts to devise new and different approaches for identifying and cultivating leaders who will be ready for the future of work. Organizations are experimenting with unconventional leadership development practices, doubling down on initiatives that seem to be working, and abandoning efforts that are no longer relevant or effective for today's and tomorrow's leadership needs. We see three clusters of leadership development practices getting attention and traction.

Differentiated

Leadership development will by necessity become more on demand, bite-sized, in the moment, customized, and focused on specific learning needs and interests of the leader at a particular point in time. More importantly, demand will be defined and controlled by the learner's needs and interests, rather than by the organization's more generic preference for what leaders should learn.

Marketing-related principles such as differentiation, mass customization, personalization, and segmentation are all very familiar concepts in the marketing profession. Leadership development is headed this direction too.

> Organizations can no longer afford to spread learning and development practices and programs across broad swaths of their leadership and employee populations. Instead, we can expect to see more targeted development aimed at pivotal talent in pivotal roles, those people and positions most critical to organizations delivering on their strategy and winning in the marketplace. (Ziskin and Leone McLaughlin, 2016)

This increased orientation toward differentiation will also permeate succession planning processes and how we define and identify high-potential leaders. Rather than finding and developing 'ready now' leaders, people who are thought to be ready to step into bigger and more complex roles now, organizations will need to shift their succession processes to identify and develop 'ready able' leaders. These ready able leaders will be assessed and developed based on their agility, flexibility, capacity to learn, ability to connect dots and see trends emerging, and their comfort with quickly shifting strategies and actions to accommodate rapidly changing business conditions.

As part of this growing emphasis on developing ready able leaders, we expect to see more companies send their best and brightest leaders to another company, in perhaps a completely different industry, for a differentiated leadership development experience that they could not get in their own company. This practice encourages and enables select leaders to leave the nest for a specified period, and then return to their home company at some later pre-determined time, after their eyes have been opened to new and different ways of thinking about solving a specific problem.

For example, if your company is weak in supply chain management, but becoming world class in that area is pivotal to execution of your business strategy, would it be more powerful to send one of your best executives to learn about supply chain management at a one-week university leadership program, or to second them for 18 months to another

company that is a world leader in supply chain management? Could they become ready able to transform your supply management function by having a differentiated leadership development experience designed specifically for them, but at another company?

Historically, the 'ready now' label within the traditional talent pipeline suggests people are judged to be ready based on what made incumbents successful in the past. Ready now candidates generally are thought to have similar skills, experiences, and leadership capabilities as successful past incumbents. This approach has been tried and true for generations of succession planning processes, and will still be valid – but only if we have confidence that what made incumbents successful in the past will be equally relevant in the future.

But what if past conditions, challenges, required capabilities, and success models are made irrelevant by new business challenges, competitive constraints, and disruptive forces? It is becoming more and more difficult to determine who is 'ready now' vs. 'ready for what used to be.' Instead, we need to determine whether potential successors can get ready quickly and morph to new states of readiness as conditions and requirements rapidly change. Using this new definition of 'ready able' as a filter, the specific leaders who we identify as high-potential and high-performing successors will undoubtedly change. The lens we use to assess readiness also will change the way we evaluate specific candidates. And the leadership development approaches and tools we use to get these leaders ready able must also transform. 'To be truly agile and future-ready in your talent pipeline, your company should wield a human capital management system that possesses social, mobile, analytics, and cloud capabilities. This can be a strong backbone for a successful talent pipeline built for future growth' (Sason, 2017).

Digitized

Learning for all people, including leaders, has gone digital. There are more options that are online, platform-based, virtually available, accessible 24 hours a day/7 days a week, global in reach, low-cost or free, and being distributed to the broadest audience of interested users imaginable – all enabled by rapidly advancing technology. Face-to-face, multi-day leadership development programs are not going away, but they will compete for time, attention, and resources with shorter, digitally enabled, just-in-time, more virtual resources such as podcasts, coaching in the moment, peer-to-peer networks, and other platforms. 'There's an app for that' is not only a popular expression, but a leadership development reality (Freifeld, 2013).

Conventional leadership development programs and practices are being challenged, redesigned, shortened, cost-reduced, and in some cases eliminated because of competition from digitized and virtual alternatives that can be distributed anywhere, anytime, faster, more conveniently, and more cost-effectively to a much broader audience. As Leaman (2016) reported: 'Best-in-class companies are 76 percent more likely to incorporate modern techniques that make learning more engaging and effective for multiple generations. These techniques mimic real-world applications like Google, Facebook and YouTube.' Digital technology is not a complete substitute for face-to-face interaction leadership development, but it is a compelling alternative that is increasingly being utilized by individual leaders and the organizations looking to develop future-readiness (Jesuthasan and Holmstrom, 2017).

Digitalization impacts the delivery of leadership development initiatives in other ways. Harward and Taylor (2017) noted:

> As the classroom size continues to shrink, the role of the instructor is changing from a facilitator for a large audience to a personal coach or tutor. Instructors must move beyond traditional facilitation skills to encompass a range of storytelling and coaching skills to personalize the learning experience. Learners do not want a regurgitation of facts and information from required pre-work; they

> want stories that make the content relatable to them. Learners want to be at the center of the story and the training experience.

Disruptive

The term 'disruptive,' in the leadership development context, has a dual meaning. First, it suggests that the other Ds above, including differentiated and digitized, are themselves disrupting the processes for leadership development. Second, and equally important, the term indicates that leaders are being taught the what, why, and how of disruption as part of their learning and preparation to become more future-ready leaders.

Companies are using accelerated leadership development programs to speed up the readiness of leaders to assume bigger and more complex roles (Aberdeen Group, 2013). This concept, while not new, is becoming more aggressive and organizations are becoming more accepting of taking risks with candidates who in the past might not be considered ready for bigger jobs by more traditional and conservative standards. Accelerated development programs have been a popular concept for years to advance high potentials. They are now being used to accelerate diversity of leadership teams and boards of directors (London, 2017).

Shortages of females, minorities, and CEO candidates – as well as concerns about identifying leaders who are savvy about the emerging business trends and challenges discussed earlier in this chapter – are also encouraging some companies to completely skip over generations or layers of executives to identify candidates and put them in bigger jobs faster than ever before. Organizations looking to dramatically improve diversity in their senior leadership and board ranks have determined that business as usual in succession planning and other leadership development efforts will produce barely noticeable improvements in diversity over the next 15–20 years unless more aggressive, perhaps riskier steps are taken.

> For the first time in eight years, the percentage of women on U.S. corporate boards declined last year. Despite more evidence about the benefits of increasing the number women on boards (such as better decision making), and mounting pressure from groups like State Street Global Advisers and Blackrock to do so, the data suggest it will take until the end of 2055 to have board parity in the U.S., if we continue at the current rate. (Johnson and Davis, 2017)

Companies that want tech-smart, externally focused, multidisciplinary, fast-moving change agents are often finding those leaders several layers down in the organization rather than from the more typical ranks of leaders they have focused on in the past.

While experiential learning including simulations and various adventure-based learning experiences have also been available for quite some time, these tools are now being used to truly differentiate among leaders who make the cut and those who do not. As one highly experienced former Chief Talent Officer shared with us,

> it's about bringing the challenge into the classroom, in what I call 'reality learning.' The challenge for today's learning and business leaders is to bring the real world into the classroom … bringing real customers, real partners, and real issues into the leadership development space and having these worked on in real time with leaders who can facilitate the right insights and judgment calls. How else do you teach judgment?

Coaching is another practice that is not new but is changing in acceptance and application. It is increasingly being used, not only to help leaders with more effective leadership style and behavior, but also to help them prepare for and transition into bigger and more complex jobs (Sabatier, 2015). Ten years ago, and still today in some organizations, coaching suggested that you had personal issues that needed to be resolved. No longer. Similarly, more aggressive and comprehensive leadership onboarding and transition strategies

are being used by companies to best ensure success as leaders move into new jobs and, in some cases, new organizations. (Byford, Watkins, and Triantogiannis, 2017).

On the leadership learning side, leaders are being taught to examine current organizational concepts, practices, traditions, and ways of thinking and to radically rethink them. Design thinking, crowdsourcing, action learning, lean principles and six sigma processes, and internal venture capital or 'Shark Tank' concepts have evolved to increasingly emphasize a crucial but as yet unresolved leadership development challenge – how to identify and develop those leaders who are capable of preserving and protecting what made our organizations successful in the past, while at the same time challenging and remaking them to be competitive in the future? This disruptive capability is perhaps the ultimate leadership paradox for the next 10–15 years and beyond.

CONCLUSION

The world, work, workforce, and workplace are all changing in exciting but unpredictable ways. The leadership capabilities required for success are being redefined and reimagined. Leadership development practices and processes designed to prepare leaders are being rethought and reconfigured.

Are leaders ready for and relevant to the transformational changes that will be taking place over the next 10–15 years and beyond? Are organizations prepared to disrupt and reshape the way they define and cultivate great leadership talent? Future-readiness will be found in the shift from 'ready now' to 'ready able' leadership development.

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