Common Leadership Development Approaches

There are many ways in which approaches to leadership development may be classified. Based on experience over several decades with approximately 100 major organisations in 8 countries it is argued that the two dimensions broadly and primarily influence the leadership development approach adopted namely:

- The prevailing level of context disruption as perceived by leadership characterised as, radical, incremental or, stable; and
- The level of importance placed by leadership on investment in strategic leadership development characterised as, high priority or not a priority.

Senior leadership attitudes to development have significant impacts on the investment in leadership development. In the late 1970s the CEO of a multi-hundred-million-dollar turn-over division with a strong command and control culture operating in a legislatively imposed placid monopolistic context, concluded that any support for or investment in leadership development increased employee market value and likely make retention more difficult, in any case he reasoned, if leadership competences were not available in-house they could always be purchased on the open market. Failure to invest and support leadership development even in relatively stable contexts can result in a variety of issues that impact performance:

- In the absence of development support high achievers are more likely to seek an alternate organisational context more favourable to their personal development; this tends to leave behind those less capable and less achievement orientated;
- Failure to view investment in trial and error development during periods characterised by placid contexts as insurance against future radical change leaves the organisation’s competitive future potentially vulnerable;¹
- If imported leaders are from a different industry or cultural context and do not have the luxury of a prolonged period of adaptation, expensive judgement errors are inevitable. This has been the case in the 1980s for US and European executives operating in Japan, in the early 2000s for foreign executives operating in China and similar issues can arise even in the same industry context when significant context differences exist; for example, problems have inevitably arisen when traditional retail bankers have been given responsibility for an investment banking subsidiary without a deep understanding of the cultural differences between a retail and investment/wealth management banking.²

“Literally thousands of empirical investigations of leaders have been conducted in the last seventy-five years alone, but no clear and unequivocal understanding exists as to what distinguishes leaders from non-leaders, and perhaps more important, what distinguishes effective leaders from ineffective leaders.”³ In 2007 Vroom and Jago claimed that “Although this assertion is over 20 years old, our position is that any serious review of the more recent literature would reveal that the quote is as relevant today as it was then.”⁴

¹ Biblical wisdom; investing during good periods to get through lean periods.
⁴ Vroom V H, Jago AG, The Role of the Situation in Leadership, American Psychologist, January 2007
Diagram 1: Leadership Development Approaches

<table>
<thead>
<tr>
<th>Context</th>
<th>Leadership development viewed as a high priority</th>
<th>Leadership development not viewed as a high priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relatively Stable</td>
<td>Supported trial and error leadership development</td>
<td>self-directed trial and error leadership development</td>
</tr>
<tr>
<td>Incremental Disruption</td>
<td>Structured Programmed leadership development</td>
<td>Ad hoc programmed leadership development</td>
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<tr>
<td>Radical Disruption</td>
<td>Personalised contingent leadership development</td>
<td>Mentor/coach guided leadership development</td>
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The categorisations listed above deal with 4 different approaches that progressively and cumulatively build on previous approaches, that is, approach 2 below incorporates approach 1, approach 3 incorporates approaches 1 and 2, while approach 4 incorporates 1, 2, and 3.

**Approach 1** – Supported and self-directed trial and error leadership development;

**Approach 2** – Structured and ad hoc programmed leadership development;

**Approach 3** – Mentoring/coaching leadership development; and

**Approach 4** – Personalised contingent leadership development.

**Trial and Error Leadership Development** – Supported trial and error development involves observing the behaviour of experienced senior leaders within a supporting culture guided by development objectives strongly supported by the leadership team leading to questioning of key assumptions, listening and experimenting on a trial and error basis to determine what works and what does not work given a context. While self-directed trial and error development is characterised by an organisational culture that is hostile to learning error, fosters low learning risk taking and therefore low learning productivity therefor learning that does occur tends to be self-directed. Trial and error leadership development tends to be more effective in relatively stable contexts possibly the consequence of prolonged excess of demand over supply or the result of some form of monopoly.

There are situations in which trial and error leadership development alone may not be feasible:

- Short-term democratically elected leadership roles that involve custodianship over significant assets and large permanent staff may not provide sufficient time to learn on the job for the term elected. In such situations, long-term senior administrative staff may, counter to the governance intent, assume de facto leadership role.

- Senior academic appointments, that are based on outstanding performance in their specialist field, appointed to leadership role involving responsibility for hundreds of faculty members and thousands of students or, leadership of a research institute involving large
research teams and millions of dollars of research equipment assets, typically find it initially difficult to develop required leadership abilities on a trial and error basis without any mentoring, coaching or programmed leadership development support.

Supported trial and error leadership development then, depend on the organisation investing in a supportive climate that fosters development and a preparedness to tolerate development through questioning, listening and experimentation. If staff conclude their development is not supported, evidence suggests that staff turn-over increases, particularly under favourable economic conditions. As radical change increasingly becomes the norm, the slower pace of trial and error development becomes less feasible and requires increasing support from other approaches to leadership development.

**Programmed Leadership Development** - In January 2014, McKinsey published an article based on a survey of the causes of weakness in leadership development programs. The causes identified aligned closely with firsthand experiences over the past several decades. The article opened with the following observation:

“For years, organisations have lavished time and money on improving the capabilities of managers and on nurturing new leaders. US companies alone spend almost $14 billion annually on leadership development. Colleges and universities offer hundreds of degree courses on leadership, and the cost of customized leadership-development offerings from a top business school can reach $150,000 a person”.  

The article then goes on to highlight a range of specific areas of weakness in leadership development that reduced its effectiveness:

- **Context matters** - It is important to recognise that context is a critical determinant of successful leadership. A brilliant leader in one situation does not necessarily perform well in another.
- **Learning by doing** - Adults typically retain just ten percent of what they hear in classroom lectures, versus nearly two-thirds when they learn by doing.
- **Applying learning** - Burgeoning leaders, no matter how talented, often struggle to transfer even their most powerful off-site experiences into changed on-the-job behaviour.
- **Changing mental models** - Becoming a more effective leader often requires changing behaviour. Although most companies recognise that this also means adjusting underlying mental models, too often organisations are reluctant to address the need for such changes, the root causes of why leaders continue to act the way they do.

A Google search in July 2017 for “leadership development programs” produced just over 10 million results. Given that we are dealing with a multi-billion-dollar market this is not surprising. HR departments charged by senior leadership with the responsibility for leadership development can choose from amongst an endless array of off-the-shelf immediately available leadership development programs based on propriety methodologies. Often it is these packages play a key role in determining the structure of and objectives of leadership development.

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The leadership of the Hydro-electrical Commission of Tasmanian in early 1980s were seeking to transform their marketing operation in anticipation of increase market competition in the period ahead, like many other command hierarchical organisations in the early 1980s, they were seeking to introduce the first significant organisational structural change in over a decade and found that they had to deal with strong resistance from long-term employees who typically perceived the proposed restructuring as having a high personal identity damage cost. This impasse required a custom designed programmed development approach, involving shifts in the prevailing mental models held by the marketing leadership team.

As the level of disruption experienced has increased large scale organisations introduced major structural changes with ever increasing frequency resulting an increasing importance placed on change leadership programs. However, this increasing turbulence has also resulted in shorter job tenure as the generally accepted norm, impacting the opportunity to develop whole of project experience. On the positive side, shorter job tenure delivers a richer mix of adaptive experiences and accelerated promotion to higher levels of leadership.

By the mid-1980s, many large scale functional business structures had been converted to strategic business unit structures and programmed leadership development had largely become the responsibility of the appointed business unit chiefs. The Boston Consulting Group’s Share Growth Matrix Theory⁶ provided, for these new structures, a basis for allocating resources across conflicting business unit demands. In these business unit structures, experienced functional leaders were replaced by younger more aggressive business unit chiefs paid high bonuses primarily for short-term financial performance therefore, staff development that did not have an immediate impact on performance was inevitably ignored in favour of short-term operational bonus impacting development. Up to the late 1990s, the diminished interest in investment in leadership development was further reinforced by the declining influence of the HR function, compounded by increasing automation of programmable aspects of the HR function.

During this period for many of the organisations, the HR role in leadership development was replaced by an ad hoc approach to spending on the programmed leadership development. If a corporate CEO had attended a conference at which they were suitably impressed by the approach proposed by one keynote speaker, or had read a best seller that appeared to outline the answer to leadership development, or had been exposed to a word of mouth recommendation made by a respected source, the relevant staff person was called in and asked to make the necessary arrangements for the relevant leadership development program.

This situation, in our experience, persisted to the early 2000s in Australia when programmed leadership development once again appears to have been given the corporate level attention it warranted. With the proliferation of business units, the importance of strategic business unit co-ordination at an overall organisational level beyond financial consolidation became an increasingly recognised need with executive team development implications. Usually, major consulting organisations were charged with designing and running programmed leadership development for the executive team of the organisation and from this evolved a more systematic approach to leadership programmed development. Graduates of such programs can typically rapidly answer the question “What is leadership?” - “Leadership is being able to influence with a purpose”, or “Leadership is the ability to get things done”, or “Leadership is the ability to balance risks and rewards advantageously”, or “Leadership is being an effective facilitator” depending on the program they have experienced. These newly minted leaders succeed by being energised through their

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⁶ https://www.bcgperspectives.com/content/classics/strategy_the_product_portfolio/
program and supported by the perception of their peers that they have a clear idea of what needs to be done.

Most programmed leadership development approaches however, appear to have the following limitations:

1. Built-in implicit broad assumptions regarding the nature of the context (Complex/dynamic) and if these broad assumptions do not conflict with the detailed features of the relevant context or the organisation’s culture, the program approach is more likely to deliver immediate results.

   Bringing into the workplace a leadership approach that is not consistent with the enterprise context/culture is one of the most frequent sources of leadership failure. A simplistic example, would be when a leadership approach that was effective during a rapid growth phase is adopted in a context that has matured, it will inevitably lead to failure.

   The leadership approach must evolve from driving innovation, awareness and production line expansion with liberal credit provision during the start-up and rapid growth phase to an approach involving market consolidation, product mix rationalisation, cost reduction, enhanced asset utilisation and enhanced debtor and creditor controls. A failure to adapt as a leader to this transition has cost the leadership careers of many CEOs, particularly in the 1970s when the lengthy growth period of the 1960s was followed by the Global Energy Crisis with significant increases in the cost of capital and the slow-down in global growth.

2. To provide application guidance for the leadership development proposed concepts; a traits/action checklist, a grid/matrix with practice guidance or a cyclical action process is typically proposed. However, as previously established,\(^7\) trait checklists with lengthy trait lists when considered one trait at a time have been found to have no meaningful linkage with leadership performance outcomes, what appears to have produced a more promising link with performance is the combined consideration of leadership values and selected key attributes, (Zaccaro S J – 2004 and others)\(^8\). Generalising this finding – Effective leadership development is the consequence of multiple development action.

   When considering multiple development action, it is essential that consideration is given to cross-impact consequences. A good recent example of the importance of considering cross-impact is Dr Tony Perez, a US college president’s list of 21 actions for leadership effectiveness that should be followed with no indication of their relative importance or cross-impacts.\(^9\) One action item states “Identify, hire and empower the best people you can find” and another state “Don’t get bogged down with micromanaging the details” both make good sense separately, but when viewed jointly a judgement will need to be made as to how extensive this concern should be before it becomes micromanagement. Action checklists very rarely deal with the cross impacts nor do they provide guidance as to how to deal with specific issues in unique contexts, they only provide general guidance once a position in the relevant matrix has been determined.

3. Programmed leadership development utilising grids/matrices provide between four and nine optional positions to select from, once a position has been selected a generic prognosis is

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\(^7\) Fayed R *The evolution of leadership thinking*, AGSL working paper (2017)

\(^8\) Ibid

\(^9\) [https://www.linkedin.com/pulse/leadership-points-remember-dr-tony-per](https://www.linkedin.com/pulse/leadership-points-remember-dr-tony-per)
provided. A criticism raised is that this number of optional positions is too limiting and as indicated provide only generic guidance. However, to encompass anything like the variety required would render the matrix impossibly complex.

4. Heifetz et al present a cyclical action process to support the practice of ‘Adaptive Leadership’. The proposed cycle involves ‘Observe – Interpret – Intervene’ together with a list of questions that need to be addressed at each step in the cycle. Invariably answers to these questions result in the need to make judgements that balance conflicting requirements. For example, observing requires viewing the world from multiple perspectives but then to take leadership action will require a judgement to balance conflicting perspectives. What guides this judgement? Clearly what is needed is something more than just intuition.

A similar priority judgement needs to be made by HR departments that specify an impossible set of learning objectives in outsourcing programmed leadership development either because, they are not able to identify priorities or because they seek to please too many stakeholders. Whatever the cause they need assistance in identifying realistic development priorities that can be addressed as opposed to spreading available capabilities and achieving far less than could have been possible, this problem is widespread.

Much of the learning derived from the struggle to understand oneself through in-depth critical reflection on past experiences will be denied if a pre-configured standardised “how to lead” by programmed learning is adopted. There also exists the possibility that significant context change may occur that the program was not designed to prepare participants to deal with, what was proposed as appropriate leadership action may now have dangerous unintended consequences. An individualised and context adaptive approach to leadership development is now essential.

Mentoring/Coaching Leadership Development - The concept or role of mentoring appears to have originated from Homer’s Odyssey where Mentor was a friend of Odysseus and the guardian and tutor of his son, Telemachus.

Mentor guided leadership development typically signifies a relationship in which, during a period of rapid change, a more experienced leader becomes responsible for assisting the accelerated development of a less experienced leader through introductions, role modelling and advice given explicitly stated development objectives.

Mentoring benefits are dependent on the right mentor/mentee match being made; The mentor benefits by gaining different perspectives and improved empathetic capacity, while the mentee benefits from the experience, sponsorship and connections of the mentor.

There can be confusion between the roles of mentoring and coaching. Introductions that extend the mentee’s network connections and the provision of advice tend to be associated with mentoring,

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while, facilitating coachee self-discovery of priorities and facilitating the application of knowledge to identified practice challenges tend to be associated with coaching.

It is not unusual for leadership development in periods of prolonged context stability to be characterised by ad hoc trial and error development followed in periods of radical disruption in which individual operational leaders directly initiate some mix of mentoring and coaching.

This approach to leadership development emphasise learning by doing and learning through the interchange of ideas between practitioners from different contexts who, are prepared to bring a fresh perspective to a leadership practice challenge given their experience in other contexts. Before heading up the Management Science Department at Manchester University in the late 1950s Sir Reg Revans, had developed an approach ‘Action Learning’ as a basis for productivity improvement at the UK Coal Board and many regard him as the ‘Father of Action Learning’, learning by doing is now an integral component of all leadership development.

To be an effective mentor or coach it is an advantage to have:

- Gained credibility amongst peer groups through recognised personal success, this facilitates connection making for the mentee and experience that can be draw on by both mentors and coaches;
- Straddled, experience wise, multiple and distinctly different contexts, this enhances the likelihood that the mentor or coach will bring an innovative entrepreneurial spirit to their role;
- The ability to communicate to their mentees/coachees the importance of; learning through critical reflection applied to their own experiences, how to formulate a broad strategic systemic view given an evolving context and the importance, in large complex projects, of sustaining collaboration across disparate groups of stakeholders with intense concern for detail.

While mentoring and coaching are two-way leadership learning process that can effectively co-exist with other leadership development approaches and some mix of mentoring and coaching can provide effective leadership development support driven directly by the operational leadership concerned during periods of radical disruption.

**Personalised Contingent Leadership Development -**

The contingency theory of leadership was proposed by the Austrian psychologist Fred Edward Fiedler in his landmark 1964 article. The model states that there is no one best style of leadership. Instead, a leader’s effectiveness is based on the situation. Since 1964, contingent leadership theorists have extended the original model through, for example, linkages between leadership styles and more broadly have sought to effectively match the leader and the situation. However, we argue that attempting to create such linkages encompassing all possible leadership situations would require an impossibly complex set of linkages or, alternatively, if manageable, linkages would do no more than provide generic guidance.

Over the past 17 years we have found that if a leader is guided through a flexible framework that facilitates making explicit the inter-related mental models that drive their leadership approach given

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12 Fiedler FE - Advances in experimental social psychology, 1964 - Elsevier
13 Based on multiple business leadership doctoral dissertations undertaken between 2001 -2014
their evolving context, they gain the ability to self-drive their leadership adaptation. In practice, this is achieved by a detailed specification of their personal contingent leadership paradigm (PCLP). It is important that the participant contemplates how their leadership approach evolved over time as their context evolved. Their PCLP is progressively and iteratively developed by making explicit in ever greater detail the various inter-relationships within and between their relevant personal mental models given their unique evolving context.

“Mental models are organized knowledge frameworks that allow individuals to describe, explain, and predict behaviour.”

“Mental models specify relevant knowledge content as well as the relationships between knowledge components.”

It is, therefore, argued that, at least at this stage in the development of leadership thinking, the quest to develop a universal integrated theory of leadership that provides guidance to every leader in every context is unrealistic, primarily due to the wide diversity of factors that drive the dynamics of possible leader/context options. Some of the factors that drive this complexity include:

- The prevailing level of competition – ranging from intensely competitive to monopolistic;
- Organisational culture and values - static or dynamic, change supporting or change resistant and the purpose to be achieved;
- The quality of relationships that currently prevail with each key stakeholder together with stakeholder expectations – ranging from few and simple to many and complex;
- The commercial and relational strategy and objectives underpinning the organisations business model;
- The level of technological disruption – ranging from incremental to radical;
- The extent of regulatory requirements - few and simple to many and complex;
- Stage of organisational development - start-up, rapid growth, mature, declining, revitalised or, multiple simultaneous stages; and
- The history that has brought about the current situation and key future expected developments;

“Although it is indisputable that any robust model of leadership must address the interaction between personal and situational attributes, how should that interaction be framed?”

As previously mentioned since 2001, work has been underway on improving the PCLP guiding framework used to assist each program participant specify, research, and apply their personalised contingent leadership approach. We have also found that critical to the effectiveness of this process is the mentoring cum coaching qualifications and experience of appointed Supervisors/Facilitators,

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Before embarking on making their PCLP explicit four essential abilities needed to be acquired to progressively make explicit an understanding and self-awareness of who each participant is as a leader,

The first ability involves gaining an appreciation of the history of leadership thinking and practice re-enforced by critical reflection regarding the past relational and commercial leadership approaches that were adopted together with the core values that underpinned these approaches.

The next ability deals with clarifying in greater depth the participant’s core values and related behavioural norms to explore in greater detail how these align with; the other components of their PCLP, the values and norms their immediate leadership team and their broader organisation.

To examine these logical inter-relationships participants, review the concepts that underpin logical thinking to justify the inter-relationships within and between the components of their PCLP.

The third ability is concern with the how relevant data needs to be collected and analysed. The philosophies of inquiry and the case study research are outlined and participants are required to apply what they have learned by undertaking a comparative case analysis of the leadership approach adopted by two leaders of one of the world best known corporations who dealt with distinctly different leadership contexts with significantly different leadership strategies.

The fourth and final ability development stage is designed to develop participant strategic foresight to enhance their sensitivity to their evolving systemic competitive context and provide a basis for assessing the future relevance of their evolving approach to leadership (PCLP).

Following the above ability development participants are required to propose an action plan to further develop their PCLP. They need to objectively specify their current PCLP and to specify the leader they wish to feasible become, the gaps that need to be filled and the assumptions that need to be validated. These gaps highlight areas that will need to be developed to become the leader they want to become given how their context is likely to evolve during the next several years.

Gaps and assumptions are initially reviewed by searching the leadership literature. The case studies drawn from personal experience are used to further assess proposed PCLP positions. These case studies must be described as objectively as possible and need to be viewed from multiple perspectives and wherever feasible positions outlined need to be verified from multiple sources.

It is important to seek answers from leadership failures as these provide greater learning potential as compared with successes.

Given the specification of the PCLP and the gaps/assumptions that have had to be made specific research questions will need to be determined and answered from the case material selected. Broadly the cases are selected to assist in determining;

1. How to reinforce the current practice of key relational and commercial competencies given, desired core values and expected developments;

2. How to develop required new relational and commercial competencies given desired core values and expected developments. the type of leader the candidate wishes to become and how the future may unfold.

3. How best to continuously anticipate context developments, assess such developments and then determine appropriate adaptive leadership action based on evolving strategic foresight honed through experimentation.

The guiding framework is designed to enhance leadership competence and adaptability, facilitating the development of an in-depth awareness of who the participant has been as a leader, who they
are now and who they want to feasibly become, given a deepening understanding of their personal capability potential and their evolving context.

In preparing leadership to deal with future contexts that are increasingly turbulent, it is contended that a personal contingent leadership development approach based on a systemic development guidance framework is the most appropriate development approach as it provides an individualised self-driven capacity to adapt to an ever-evolving unique personal leadership context.

“Men and women become leaders by practice, by performing deliberate acts of leadership. Evidence suggests that the most effective leadership programs will focus on building self-knowledge and skills in rhetoric and critical thinking”.

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