

Leadership is one of the highest priorities on the executive agenda. Companies with strong leaders outperform in the markets, but few organisations are getting it right.

Organisations with strong leaders are 2.3x more likely to financially outperform peers. Conversely, organisations who are perceived to have ineffective leadership experience a 19.8% equity discount. Organisations see tangible business benefits from investing in leaders, and investors notice.



+15.7%
Equity premium on Organisations with perceived effective leadership

Research proves that leadership investment delivers **superior performance** results

Leadership issues are **critical** for organisations



86% Rate leadership as an urgent or extremely urgent issue The trends reports have repeatedly shown leadership as one of the top issues facing organisations today. It is estimated (\*Bersin) that there is an annual global spend of up to \$60bn on leadership development, of which up to \$40bn is wasted (\*Bersin).

Despite leadership being identified as a critical issue, and the size of annual global spend, the "current" state is not producing results. The majority of respondents to the Human Capital trends report have little confidence in their organisations ability to maintain consistent succession programmes, with only 8% reporting that they believe they have excellent programmes to build global skills and experiences. 66% say they are weak in their ability to develop Millennial leaders.



13% Say they do an excellent job developing leaders at all levels – a huge readiness gap Few organisations are getting it right

Following a successful alliance over the last four years, Deloitte has acquired Kaisen Consulting. This acquisition allows us to bring together our leading Human Capital capability with Kaisen's research based methodologies to scale a new, comprehensive leadership practice globally; Deloitte Leadership, Powered by Kaisen. Our practice can work with you to define, assess and develop your organisation's leadership.

# Our leadership offering addresses the complexity and change facing organisations and leaders, with an approach grounded in evidence and business insight.

Organisations around the world are facing major structural changes in the way that they do business. Increasing media scrutiny, evolving regulatory requirements, demographic changes and demands for greater sustainability are some of the elements that are creating a tough new set of challenges for businesses as they move through the 21st century.

Added to these challenges is the digital revolution, which has fundamentally altered the way that most companies interact with their suppliers, customers and wider stakeholders.

The task for today's leaders is managing the turmoil of the present while creating a sustainable future and protecting – or in some cases re-establishing – the identity of their organisations.

Most businesses would recognise that leadership is important to their performance, yet leadership strength is often seen as intangible.

At the heart of our approach to leadership is a research based framework, which is founded on more than 20,000 leader psychological assessments (cross-industry and global) and identifies clear patterns of what capabilities leaders need.

Our approach is designed to enable you to build leadership capacity and capability for your organisation, grounded in a research and evidence based methodology and business insight.



# **Define leadership**

Define the leadership strategy and capabilities that an organisation needs

# The research has shown:

- Four distinct levels of leadership through which leaders need to transition
- Eight key capabilities leaders must be good at, defined through multigeography, multi-sector, multi-function research
- Four potential dimensions which are drivers that determine speed of progression through levels
- 12 personal factors that facilitate or derail potential



# **Assess leadership**

Assess current and future leaders' capabilities and potential against peers

- Our assessment process is uniquely designed to predict potential and future contribution of leaders at all levels
- Our assessors are all occupational psychologists who are trained to be inter-assessor reliable to ensure globally consistency
- Our assessment can be used across roles, functions, geographies and markets; it is culture fair and unbiased
- We use our research from 20,000+ global cross-industry leaders to identify what is needed to be expert and versatile



# Develop leadership

Develop leaders to build capability and agility in organisations

- How leaders think drives what leaders do, and in a complex world leaders need to be broad and versatile thinkers
- Agile leaders think in a different way from other leaders, and this is a capability which can be learned
- Leadership programmes can be individual, across levels or across organisation and can be targeted at specific capabilities needed in each function

# We can address critical leadership issues through our differentiated solutions. These are grounded in science and research and underpinned by business strategy.

# A global bank

The challenge: The bank was struggling to meet both its short and long-term talent goals. In particularly they were battling weak internal succession pool for key positions while recognising the expense in attracting and onboarding external from the General Manager talent pool.

The impact: Using our leadership methodology we arrived at executive alignment across entire organisation for leadership strategy. This resulted in a selection of high potential candidates from within the organisation giving estimated savings of \$390k per GM position filled.

# **Telecommunications organisation**

The challenge: The organisation needed to radically transform in a short time frame. Therefore there was a requirement for bold leaders who could break constraints, take risks and inspire diverse teams. However, the organisation had historically underinvested in development.

The impact: Using our data-validated leadership framework to identify, assess, and develop leaders we increased the visibility of high potential employees and determined mechanisms to accelerate the pipeline . This resulted in accelerated development for 4,500 front-line leaders with a consistent approach to development across all levels.

# Large not for profit organisation

The challenge: Due to an increasing incidence of major crises, globally, the organisation needed to increase the effectiveness of humanitarian coordination by improving the leadership capabilities of senior humanitarian leaders.

The impact: The organisation had improved ability to prepare for and respond to crises as senior leaders were trained to "think and act like expert leaders" in critical situations. This improved direction setting and communication of vision and increased ability to influence key stakeholders.

### **Government**

The challenge: The Government's Major Project Portfolio consists of over 200 projects with a lifetime value in excess of £400 billion. Many of the projects failed to deliver either benefit or on time and to budget. Underlying this was insufficient project leadership experience of project leaders and sponsors.

The impact: We worked with the Cabinet office and Oxford Saïd Business School to establish the Major Projects Leadership Academy to improve the leadership, commercial and technical capabilities of leaders. More than 300 project leaders have completed the academy, which has changed the approach to project delivery and contributed to the successful delivery of government policy.



<sup>\*</sup> A schema is the knowledge leaders need in order to be able to understand and respond to various situations. Different knowledge is needed for different situations, and SBD teaches leaders multiple schemas to encourage versatile and effective responses.

One of the most important strategic differentiators for an organisation is the way they lead their people.

# Contacts

# Leadership Leaders

# Global

# Adam Canwell

adacanwell@deloitte.co.uk United Kingdom Deloitte MCS Ltd

# **Americas**

# Anthony Abbatiello

aabbatiello@deloitte.com United States Deloitte Consulting LLP

### Karen Pastakia

kapastakia@deloitte.ca Canada Deloitte Canada

# **Asia Pacific**

# James McLaren

jammclaren@deloitte.com.au Australia Deloitte Touche Tohmatsu

# Nicky Wakefield

nwakefield@deloitte.com Singapore Deloitte Consulting Pte Ltd

# Juliet Bourke

julietbourke@deloitte.com.au Australia Deloitte Touche Tohmatsu

# Vishalli Dongrie

vdongrie@deloitte.com India Deloitte India

### **EMEA**

# Yves van Durme

yvandurme@deloitte.com Belgium Deloitte Consulting

# Rens van Loon

RvanLoon@deloitte.nl Netherlands Deloitte Consulting

# **Roger Coveney**

rcoveney@deloitte.co.uk United Kingdom Deloitte MCS Ltd

# Keith Leslie

kleslie@deloitte.co.uk United Kingdom Deloitte MCS Ltd

# **Uruguay, LATCO**

# Veronica Melian

Deloitte SC vmelian@deloitte.com

# Global Leaders

# Global Human Capital Leader

### **Brett Walsh**

bcwalsh@deloitte.co.uk Deloitte Touche Tohmatsu Limited

# Global Organization Transformation & Talent Leader

# Dimple Agarwal

dagarwal@deloitte.co.uk Deloitte MCS Limited

# Global Human Capital Leader, Marketing, Eminence, and Brand

# Jeff Schwartz

jeffschwartz@deloitte.com Deloitte Consulting LLP

# **Global HR Transformation Leader**

# Michael Stephan

mstephan@deloitte.com Deloitte Consulting LLP

# Global Actuarial, Rewards & Analytics Leader

# **David Foley**

dfoley@deloitte.com Deloitte Consulting LLP

# **UK Human Capital leader**

# Anne-Marie Malley

amalley@deloitte.co.uk Deloitte MCS Limited

# **Americas & Chile**

# Jaime Valenzuela

jvalenzuela@deloitte.com Deloitte Audit y Consult.

# **EMEA & the Netherlands**

# Ardie van Berkel

avanberkel@deloitte.nl Deloitte Consulting BV

# **United States**

# Jason Geller

jgeller@deloitte.com Deloitte Consulting LLP

# Asia Pacific & China

# Jungle Wong

junglewong@deloitte.com.cn Deloitte Consulting (Shanghai) Co. Ltd, Beijing Branch

### Australia

# David Brown

davidbrown@deloitte.com.au Deloitte Touche Tohmatsu

# **Canada**

# **Heather Stockton**

hstockton@deloitte.ca Deloitte Canada

# Japan

# Akio Tsuchida

akitsuchida@tohmatsu.co.jp Deloitte Tohmatsu Consulting Co., Ltd

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

Deloitte MCS Limited is a subsidiary of Deloitte LLP, the United Kingdom member firm of DTTL.

This publication has been written in general terms and therefore cannot be relied on to cover specific situations; application of the principles set out will depend upon the particular circumstances involved and we recommend that you obtain professional advice before acting or refraining from acting on any of the contents of this publication. Deloitte MCS Limited would be pleased to advise readers on how to apply the principles set out in this publication to their specific circumstances. Deloitte MCS Limited accepts no duty of care or liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

© 2015 Deloitte MCS Limited. All rights reserved.

Registered office: Hill House, 1 Little New Street, London EC4A 3TR, United Kingdom. Registered in England No 3311052.