

Leadership Services

Building a better pipeline

Think back to the defining moments that led you down the path to the leadership role you hold today. If your success stems from a series of diverse and challenging experiences, you're not alone. Research suggests that about 70 percent of career development stems from on-the-job experience (especially stretch assignments), 20 percent from professional networks including coaches, mentors and colleagues at many levels and the rest from formal learning opportunities.¹ Is your company creating a similar multi-faceted approach for developing its leadership pipeline?

Prepared leaders, on tap

A leadership development strategy has one goal: to provide a continuous flow of people who are prepared to execute the business strategy *and* create new business futures. Who do you need to carry out current plans? Who will lead in the future? Where and when will you need them? And how can you help them gather experiences that will help demonstrate their resilience, hone their skills and extend their networks?

Once the vision is in place, an organization needs smart processes and programs to sustain the pipeline including succession planning, career paths (in a "lattice"), compensation and rewards, training and development, coaching and mentoring and global mobility. Many companies have at least some of these in place. The goal is to bring them together into a cohesive system, find the gaps and fill them.

How we can help

Our clients choose Deloitte because we bring a deep understanding of their industries and business environments. We know the right questions to ask to uncover the various challenges your future leaders must address. And unlike human resource consultancies, boutique service providers and university-based executive education programs, we aren't tied to a "product." Our ideas and solutions are custom-designed to fit your

business strategy, with a focus on achieving measurable, cost-effective results.

We provide our clients with leadership services in these areas:

Strategy development. We help clients create leadership strategies aligned with their business strategies — to determine where and when they'll need new leaders and what skills they'll require. To do this, we draw on our talent analytical tools, including competency modeling, critical workforce segmentation and predictive modeling.

Current system evaluation. For clients who have a leadership development system in place, we help measure its strategic effectiveness, identify gaps and map improvements. Often we recommend reallocating funds away from areas of overinvestment to improve the overall return.

System design and integration. We complete the circle by helping clients design and implement a seamless, cost-effective approach to leadership selection, assessment and development. We help our clients adopt a holistic approach to leadership development, which may include strategic job moves and special assignments, action learning projects, coaching and mentoring programs and a blend of classroom and online learning. We design metrics for evaluating the system's performance and return on investment.



¹ Originally published in 1987 (Lindsey, E.H., Homes, V., & McCall, M.W., Jr. *Key events in executives' lives*. Greensboro, NC: Center for Creative Leadership.). Since the original CCL publication, the "70-20-10" rule has been cited extensively by multiple sources, yet (in our observation) only a few leadership development programs are optimized to follow this paradigm.

Bottom-line benefits

Our Leadership Services professionals help organizations:

- Build a sustainable pipeline of high-potential leaders
- Align leadership development investments with business strategy
- Identify on-the-job developmental experiences that build key leadership capabilities
- Develop networks that encourage mentorship and build connections for emerging leaders that cross multiple functions and business units
- Create learning programs designed specifically to accelerate on-the-job learning and leverage networks
- Increase return on investment of leadership development expenditures
- Use technology to provide development experiences at anytime, worldwide
- Measure the impact of their investments

Five ways to get more value now

Start with the end in mind. Imagine the types of leaders your company will need to execute its business strategy five years from now. Where will those leaders be needed? What attributes must they possess? When you have the picture of your ideal future leaders in mind, create a list of experiences — job assignments, special projects, coursework, coaching, networking — your company can provide that will help develop the capabilities your organization will need.

Learn to spot high-potential leaders. As people step up into increasingly complex and demanding roles, some falter while others thrive. Before you decide who should be in the leadership pipeline, look for people who demonstrate resilience and flexibility in uncertain environments.

Stretch your people. Create opportunities for your people to grow and demonstrate leadership potential through stretch assignments, hardships and other developmental experiences. There is a place for learning in the classroom and online, but you should use these to *accelerate*, not replace, on-the-job learning.

Open the network. Potential leaders don't learn in a vacuum. They need access to mentors, peers and coaches who can help them with their toughest developmental challenges. Also, look for opportunities to connect high-potential employees with your organization's current leaders, especially those who are willing to share how they handled their own business and professional challenges.

Measure impact. There's only one way to know whether you're getting a positive return on your investment in leadership development, and that's by identifying and measuring the ways in which leaders drive value for the organization.

Leadership Services in action

- A leading health care system wanted to understand how it could achieve a better ROI from its leadership development activities. We led a series of seven workshops with senior clinical, business and HR leaders to envision the leadership development future state, including strategy, framework, operating model, governance, funding structures and ROI measures. The client is currently implementing the new strategy and expects to save several million dollars over the next three years. In addition they expect a better ROI from investments due to less duplication and stronger ties between leadership development and strategic goals.
- A global financial services company needed to create a rolling pool of high-potential employees who would rotate through cross-functional and global jobs to develop the managerial capabilities needed to assume top positions. We helped our client design major aspects of the global development program, select high-potential employees and measure individual and organization success. As a result, the company expects to save nearly \$400,000 for each general manager position filled with qualified internal candidates.
- A global beverage company wanted to identify, develop and expand the capabilities of middle managers located around the world to prepare them to advance within the organization. We helped the company establish, manage and execute the development project, including needs assessment, communications and high-level course design. At the end of our engagement, the program was transferred to the client project manager, allowing the company to own and deliver its own proprietary program.
- As part of its new operational strategy, the internal consulting group of a global health care company needed to quickly develop its employees' abilities to advise the business on strategic Information Technology (IT) projects. We helped the organization design and develop an instructor-led consulting skills program and interactive simulation. This "boot-camp" program was delivered to more than 150 participants across the United States, Germany and Singapore over a three year period, equipping a large proportion of the workforce with the capabilities needed to successfully execute the group's new strategy.

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