

Agile Leaders: Born or Bred?

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Leaders who can thrive in any business environment share one important trait: agility.

Consider the following two very different scenarios. The first involves a manager in charge of the logistics operations for a company where the supply chain is in disarray.

“You need someone who’s good at processes and procedures, analysis and decision-making, who’s even-tempered and a good listener but who can make decisions,” said Jim Concelman, vice president of leadership development at global human resources consulting firm Development Dimensions International.



ON THE WEB

There are six qualities that can facilitate a leader’s ability to meet the ever-increasing demands of today’s business environment:

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The second scenario involves a marketing executive in an emerging market whose product launch isn’t going according to plan.

“That person needs to be more creative, insightful, needs to have a passion for marketing and sales and needs to be a good influencer cultivating relationships, especially with customers,” he said.

As disparate as the two business environments are, there’s a common denominator — something a leader who can thrive anywhere would need to move forward in either scenario — learning agility. That means a leader is able to quickly assess a new environment and leverage natural curiosity to figure out how to obtain

information and learn new things, Concelman said.

“Agile leaders are the ones [who], when faced with a new situation, new culture or new group of people, they get it,” said Ana Dutra, CEO of Korn/Ferry Leadership and Talent Consulting.

“These are people who — [whether] they’re moving from leading a startup in Brazil to leading a well-established company in Japan, to going from a turn-around situation to a growth situation, from a private to a public company — they will figure out what it takes to perform. They will figure out how to engage people; they will figure out what needs to be changed and what needs to be reprioritized, even adapt their style [to] thrive and succeed,” she said.

Dutra said that one of the greatest indicators of potential in leadership performance and success is learning agility, which comprises five key factors:

Self-awareness. Individuals who are able to identify their strengths and weaknesses and work on the latter can be characterized as self-aware. These people are interested in getting feedback and are open to continuous learning. “People who [aren’t self-aware] will focus more on how to explain why others perceive them the way they perceive them as opposed to saying, ‘OK, I get it, now do I want to change that perception, or do I want to surround myself with people who can fill that gap?’” she said.

Mental agility. Leaders who are mentally agile are able to draw on previous experiences to derive answers and solutions to problems they haven’t faced before.

People agility. This means leaders know how to

CHARACTERISTICS OF LEARNING-AGILE LEADERS

- Easily learn new functions.
- Clever problem-solvers.
- Think strategically.
- Perform well under new, tough conditions.
- Change behavior or approach easily, and like to try different approaches.
- Have wide interests — are highly curious.
- Deal well with ambiguity and complexity.
- Promotable outside their areas, especially into general management and senior leadership roles.
- Impatient, don’t accept the status quo.

Source: “Becoming an Agile Leader,” an April 2012 report by Korn/Ferry International





HIGH-PROFILE AGILE LEADERS

Who: Alan Mulally, president and CEO of Ford Motor Co.

Selected by: Tish Squillaro, CEO and managing partner of Candor Consulting and co-author of *HeadTrash*.

Why: Mulally had a vision, stuck with it and was able to rally diverse groups of people around his vision, said Squillaro, referring to Ford's decision to not take government assistance like many other automotive companies did. "I bet if he went to any organization and used those same traits, he probably would be really successful," she said.

Who: Jeffrey P. Bezos, Amazon.com founder and CEO

Selected by: Randy Emelo, president and CEO of Triple Creek

Why: Emelo said Bezos embodies traits such as agility, foresight, collaboration and flexibility, which qualifies him to be an anywhere leader. "[Bezos] seems to be good at collaborating and working with others within his organization and an innate problem solver, and he exercises good judicial foresight, which is a critical acumen necessary for leaders today. He's able to anticipate the near future needs and build product and service to support that," Emelo said.

Who: Lou Gerstner, former IBM chairman and CEO

Selected by: Ana Dutra, CEO of Korn/Ferry Leadership and Talent Consulting

Why: "Gerstner started in consulting, one day found himself in a turnaround situation in the public railroad industry, then went to work in a consumer goods and tobacco company that was going through a number of acquisitions, succeeded there as well, and later went on to lead IBM in one of the most challenging times the company had seen — and succeeded there as well," Dutra said. Even though he found himself in different situations, industries and contexts, Gerstner was able to navigate quickly and successfully, she said.

Who: President Barack Obama

Selected by: Steve Gladis, president and CEO of Steve Gladis Leadership Partners

Why: "[President Obama is a] very thoughtful guy who asks a lot of really good questions and spends time thinking about something before he makes a decision," Gladis said. "He doesn't overreact; he's in control." Gladis said Obama has four traits of emotionally and socially intelligent people. The following questions can determine whether other leaders possess these characteristics:

- Are they self-aware? Is their persona in line with what they think it is?
- Are they in self-control? Can they control their emotions?
- Are they empathetic toward other people? Can they put themselves in the other person's shoes?
- Can they manage multiple relationships?

— Deanna Hartley

get the best out of their people. "Understanding what motivates [and] drives people in one type of situation or culture may vary. Those who are successful understand how to adapt to motivate and get the best out of different cultures, different groups of people, different individuals," Dutra said.

Change agility. "We used to look at this in the past as the ability to cope with change, but now what's more important is the ability to drive purposeful change where and when it matters," she said.

Results agility. This type of agility means leaders know when to change plans or reprioritize to achieve certain results.

One key attribute that characterizes an anywhere or agile leader at the Allianz Group — a financial services company headquartered in Munich, Germany — is self-awareness, or the ability to connect and deal with different personalities, nationalities or those with different values.

Just as important is the ability to constructively deal with ambiguity and not only navigate change effectively, but also to challenge the status quo and drive change, said Mogens Raun, senior vice president, talent development for the Allianz Group. An agile leader at Allianz also would be able to build an effective team and leverage it to drive business results in any given environment.

The Allianz Group specifically leverages individuals who fit the aforementioned description for high-risk assignments. Exposing those who are relatively low on learning agility in a high-risk assignment such as turning around a business, building a new one or leading a high-stakes strategic project could set them up for failure, he said.

For example, learning agile executives sent to head up a team to penetrate a new market can develop new skills and hone their agility in these kinds of scenarios. But they would need to either demonstrate or have a propensity toward learning agility to be considered for such an assignment.

Born or Bred?

Are agile leaders born or bred? The answer depends on who you ask.

"It's a combination — I think all of us are born with traits that could become leadership-like abilities, but it depends how you utilize them and how you groom them," said Tish Squillaro, CEO and managing partner of Candor Consulting and co-author of *HeadTrash* with Tim Thomas.

Dutra said few leaders are born ready, and traits that characterize agile leaders can be developed, though some may be more difficult to develop than others, depending on how ingrained certain behaviors or charac-

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HOW NATIONAL GRID MEASURES LEADERSHIP

Utility provider National Grid launched Foundations of Leadership (FoL), a three-tier development program, to help drive change for 3,000 of its first-level leaders in the U.S. and the U.K. To understand and improve the impact FoL had on its workforce and the business, the company partnered with consulting company Capital Analytics in 2010 to deploy a business impact and optimization study.

Based on soft skills, FoL's learning objectives proved difficult to quantify using traditional methods of training evaluation. To show stakeholders a return on the investment in FoL and understand how the program's deployment could be improved, National Grid used a statistical causal model of human capital analysis.

The study considered National Grid's performance review system as a baseline to track changes in performance over time. Other metrics included changes in merit pay, bonuses, retention and turnover during and after training.

Changes in these metrics were compared to a control group of similar leaders who had not yet attended training. "One finding that was very exciting for National Grid was trained leaders showing a measurable increase in their leadership behaviors back on the job compared to those who didn't go through the training," said Therese Sullivan, director of talent, leadership and change management, National Grid. "This gave us great leverage in knowing we were continuing to deploy a very successful program."

FoL covered such topics as safety leadership, revenue generation, situational leadership, emotional intelligence, performance management, leading a union workforce, inclusive leadership and problem solving.

The study used statistics that looked at interactions between multiple variables to analyze the data and isolate FoL's business impact from other variables such as economic factors and leadership changes in the work environment. Further, findings were segmented by employee demographic

groups to show National Grid precisely where — and with whom — FoL showed varying degrees of impact.

The analysis found that manager support enhanced a learner's experience at FoL and improved that learner's ability to apply the concepts on the job. In response, National Grid made manager support — including attendance at a manager's workshop — mandatory for all FoL attendees, so that leaders are set up to succeed in the training.

Then there was another key finding. "Reducing turnover was never an overt objective of FoL, but it proved to be a beneficial, unintended consequence of the training," said Shandy Arroyo, leadership development specialist, National Grid.

Turnover among trainees was significantly lower than the baseline rates for the untrained in both the U.K. and the U.S. Of the front-line leaders who left, 97 percent of them were untrained. This 12-month turnover among the untrained front-line leaders cost National Grid more than \$7 million in replacement costs. In the U.K. alone, the reduction in turnover generated significant savings to cover the costs of FoL training in less than two years.

Performance following training varied in each demographic group. For example, demonstration of leadership qualities was the most improved in the group of leaders with five or fewer years of tenure. Knowing how different tenure groups react to the training allows National Grid to select participants who will benefit the most from the training, and also points to opportunities to improve it for other tenure groups.

"The insights we gained through the business impact study have been invaluable to our ongoing deployment of this important initiative," Sullivan said.

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teristics are in a leader's personality. But development is contingent upon a leader wanting to change; without that desire, any effort likely will prove futile.

Randy Emelo, president and CEO of mentoring company Triple Creek, said those who seem like they're born leaders often aren't. What enables such individuals to achieve the level of success they do is relative.

"Those [leaders who] seem like they're born actually end up thriving in a context that is uniquely suited to their strengths," he said. "There are many top executives who have been hired away by the competition and failed miserably. It's usually because they don't have the networking capability to rebuild the environment that made them successful, or the elements just aren't there."

Made leaders — ones who learned to be great over

time — usually recognize that their environment contributes to their success and, as such, will ensure they have the people and resources around them that they need to succeed.

Regardless of where on the born-or-made spectrum a leader falls, many experts agree that today's ever-changing business environment calls for agile executives.

"The world is getting flatter and more complex, and the evolution of technology and business models, etc., requires a leader to be agile in every given situation," Raun said. "The ability to rejuvenate yourself and your way of doing business and leveraging people around you ... is getting more and more critical for sustaining and building business performance going forward." 