SPOTTING & GROWING LEADERS



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Why Great Leadership is So Significant to Your Company

While your company may be in growth mode, today's global workforce is afflicted with declining productivity. Companies are constantly struggling with disengaged employees and poor retention, and we're seeing increasing investment in wellbeing and a renewed focus on work-life balance to combat this.

Poor leadership will make or break your company's employee engagement, wellbeing, and performance. Business leaders and HR managers, both in enterprise and in growing start-ups, acknowledge the significant role successful leaders and managers play in inspiring greatness in today's changing workplace. And while we all strive to put excellent people in managerial roles, there's no guarantee they possess the qualities needed to bring out the best employee performance, improving productivity and the bottom line.



Here's something they'll probably never teach you in business school: The single biggest decision you make in your job - bigger than all of the rest - is who you name manager.

As HR and people leaders, we must take a good look at our company's org chart, and ponder some critical questions: Who are the leaders? Where are the weakest links? What needs to change as the company scales?

Which employees possess transformational leadership qualities and should be guided onto a managerial path? Developing today's managers and coaching those who have what it takes to manage tomorrow is essential for your company's succession plan.

But how can we spot our people with potential? What managerial skills are indisputably essential, and which may signal trouble down the road? And once you've identified the right person to fill a managerial role, how do you proceed? We address these topics and others to guide leaders like you in identifying and developing your company's ideal workplace leaders.

When you name the right people to manage your company's workplace, everything goes well.

People love their jobs, your customers are engaged, and life is great.

When you name the wrong person manager, nothing fixes that bad decision. Not compensation, not benefits - nothing.



SPOTIAL LEADERS (& IDENTIFYING TOXIC ONES)



Leadership is not about titles. It is not about seniority. It is not about status, and it is not about management. Leadership is about power and the ability to know when and how to use it to influence the people around you to do and become more! Transformational leadership is about using your actions to elevate others and put them on their path to greatness.

"

Winning Traits Shared by Successful Managers

There are countless qualities that good leaders ought to possess. Some essential traits shared by transformational leaders include:

Ability to stimulate intellect	Loyalty and commitment to company vision
Influence over authority	Well-rounded
Genuine and clear communicator	Inspiring but not overbearing
Persuasive ability to garner participation in	Adaptable and flexible
others	High Emotional Intelligence and empathetic

But possessing these qualities still doesn't guarantee success as a manager. As the world changes, managers must shift from boss to coach, valuing people and building their strengths. Leaders must be adept at communication and bringing teams together. They must be skilled decision-makers to meet the demands of the rapidly changing workplace. All this, while promoting a culture of transparency, support, and excellence.

Your emerging leaders are likely to be highly principled, with values and professional aspirations that go far beyond their monthly paycheck. Their ideals are aligned with the company's mission and they are willing to go beyond their call of duty.



In word, deed, and appearance, transformational leaders must exude confidence, kindness, openness and rationality in equal measure.

"

Forbes

Managerial Traits That Raise a Red Flag

We've all heard the saying "People leave managers, not companies," which originated as a chapter heading in Victor Lipman's book entitled **The Type B Manager: Leading Successfully in a Type A World.** Ringing true to many, this has become somewhat of a slogan.

Toxic traits commonly held by leaders who cause their employees to flee include:

- Narcissism, placing reputation and individual performance above all
- Deception and manipulation to advance own agendas
- Controlling behavior
- Poor communicators
- Quick to blame and slow to give credit to others
- Likely to abuse authority by intimidating subordinates, and likely to reward those who support their destructive tendencies
- O Sometimes pit individuals or teams against each other

Toxic leadership doesn't occur overnight, it evolves over time. In order for it to thrive other conditions must be met. In a research study on destructive leadership, Padilla points out that the negative outcome of such leadership on a company requires susceptible followers (2015). These team members are either conformers (individuals with low selfesteem and unmet needs), or colluders (ambitious individuals who share the toxic leader's bad values and approach).

Bad bosses compel good employees to leave their jobs even when they like the company. This is how:

- ☐ They diminish employees by trying to control and micromanage them.
- □ They neglect to solicit staff input.
- ☐ They encourage agreement while discouraging dissent.
- ☐ They fail to provide resources and can't be bothered to remove obstacles.
- ☐ They have an integrity deficit and display unethical behavior.

How HR Can Help:

As the gatekeeper of company culture, HR leaders together with company executives must exhibit **zero tolerance for any unethical leaders with toxic behavior.** Given the far-reaching implications to the company, it is the role of HR to act as the guardians of the company, ensuring the necessary checks and controls are in place.

Processes such as **performance reviews and one-on-one interviews** are a natural place for red flags to emerge and a safe place for whistleblowing. HR managers must maintain an open-door policy, inviting all personnel to share views and voice concerns.

Recruitment is the first interaction with an organization and while it's not foolproof in ensuring hired talent is all good, **testing personality and attitudes** may help assess the personality of the interviewee and pinpoint negative traits. Managerial **job descriptions** should spell out the expectation that employees be treated in an appropriate

and gracious manner, and define the behaviors that will not be tolerated.

Leaders must keep a tight rein on managers whose dealings are questionable by monitoring their behavior for a defined time period. In some cases, employees should be offered a position within the company with a narrower sphere of authority, where they no longer manage individuals.

In certain scenarios, top performers who are effective leaders are pushed into high-risk environments where toxic leadership patterns emerge as a result of unreasonable and aggressive organizational policies that focus solely on financial numbers. Business leaders must revisit their strategies and ensure they aren't going the way of Enron, Lehman Brothers, or Bear Stearns.

DEVELOPING YOUR PEOPLE TO BECOME GREAT LEADERS

Benefits of Development Programs

Many companies offer development programs to their new talent early on, to teach them skills and help advance their careers. These offerings may be broad programs that include career-specific training, or personal development such as time management, computer software training, etc. Such programs enable employers to assess employee strengths and weaknesses and identify budding leaders.

Offering development programs speaks volumes about the company's culture, as one that invests in building a career path for new hires. Other intangible benefits of offering development programs include heightened collaboration and employee commitment. These programs also bolster the company's reputation from an employer branding perspective, thereby attracting ambitious talent.

Introducing High Potential Employees

"High potential employees (HIPOs) have been shown to exert 21% more effort than non-HIPOs and have a 75% chance of succeeding at roles that are critical to business performance and the future leadership pipeline."

Gartner

Given statistics like this one, companies invest in effective development programs for star performers in order to create a pipeline for succession management. Criteria that has traditionally been seen to set these high potential employees apart? Aspiration for leadership, autonomy, flexibility, interest in the company, and the capacity for fast-paced work settings.

Beyond these personality traits, a <u>CEB report</u> reveals that high potential employees exhibit the following actions:

- O Strong decision-makers who act upon them
- O Capable of leading and supervising groups
- O Able to meet goals and objectives
- Entrepreneurial: actively pursue new opportunities for the company

This implies that the potential exhibited by emerging leaders surpasses performance metrics such as meeting or exceeding sales goals. A rare combination of both personality traits and performance is most likely to excel as a leader.

Developing Tomorrow's Leaders, Today

Pinpointing emerging leaders is important, but cultivating their development in the best way possible is even moreso. In order to motivate and train the newest top performers, managers must be infused with the company culture and trained with the necessary tools to perform the tasks below in an encouraging, open, and informative way:

- Create an ownership mentality, entrusting your people to make certain decisions independently.
- O Promote interaction with other leaders, encouraging networking and forging mentor relationships.
- Encourage opportunities to learn more about the industry; for example, participation in conferences.

- O Issue challenges and side projects to force employees to think out of the box. These tasks will reveal high potential employees who have bought into your company culture and are keen to succeed.
- O Rotate positions to experience new functions and grasp a better understanding of the business.
- Support, inspire, and navigate. Offer guidance, but not too much!

On-the-job learning has moved out of the corporate training rooms and onto the cloud, where talent can learn new skills or sharpen existing ones on the job. Companies can use digitized learning as a low cost way to train and empower high potential employees to new heights.

How HR Can Help:

HR is typically a key driver in the **succession planning**, although support from top leadership and other stakeholders is critical to success. While in some companies succession planning is limited to executive roles, companies with wider succession plans are better equipped for today's climate of rapid churn.

HR teams should partner with line managers, customers, or other business functions to **gauge changing business needs**. This analysis will help identify the accurate criteria to pinpoint top performers that fill a skills gap, or possess specific capabilities that the company lacks expertise in. This valuable information will help leaders when creating a succession plan, without wasting time and effort on fitting square pegs into round holes.

The company will benefit from HR's active ownership of emerging leaders' career progression. HR's broad perspective of organizational dynamics and structure will enable them to propose vacant opportunities or the creation of new roles across the company.

Succession plan



WHY GROWING YOUR PEOPLE BEATS HIRING FROM OUTSIDE



You mustn't always put people in boxes based on their job. You've got to think that people are often capable of far more than meets the eye. And if you promote people above what they'd expect, they will give everything back.

Richard Branson

True, hiring one of your own is a safe way to beat hiring woes. However, internal staffing requires a delicate calculation of the candidate's competencies and skills, attitude, habits, culture, and passion to determine who is most qualified for each position.

Benefits of hiring internally:

A known resource with proven potential

Familiarity with business and people

Limited learning curve in becoming acquainted with stakeholders, minimal downtime means boosted productivity

Knowledge transfer across departments or business units

One cannot ignore the risks in promoting people who lack essential leadership skills, as you may end up losing out on one great performer and hiring a poor fit in the new role. Furthermore, there is much to be said for an external hire who brings new ideas, approaches, and a fresh perspective to the company.

"When things get desperate, many leaders look for someone from the outside to shake things up. That's not always the right move. It can cost a lot of time and money to recruit a new person - and there's no guarantee they will fit with your culture or brand. Sometimes a 'B' player on one team can be an "A" player when given a new role, a new boss, a new environment and a new challenge."

Gallup

As proponents of company culture and believers in growing your people, we tend to agree. The impact that hiring from within has on building retention and igniting personal aspirations should not be overlooked. Engaging employees is high up on every company's priority list, and this is one great way to build enthusiasm and company spirit.

How HR Can Help:

Company policy should require managers to **post internal** job openings. Recruiters should sell open positions to current employees, and HR should **equip managers with tools** to hold regular conversations with teams about career growth.

Assume your people are surfing Indeed for their next gig, and make every effort for your pitch to stack up against the competition.

Meet bob

We know how important it is to make holistic, data-driven decisions about your people, especially in light of today's workplace changes. That's why we built bob, an employee experience platform that develops leaders and helps them adapt to modern practices and the latest tech, while boosting morale and lengthening their lifecycle.

The main functions bob uses to spot and inspire its future leaders can be found in the Performance, Culture, and Surveys features.

bob grows great leaders

Performance - bring out the best in your people

- O Goal-setting helps managers support growth
- O Reviews are completely customizable
- O Dashboards help spot top performers

Surveys - drive engagement through feedback

- Understand employees' perspectives
- Track milestones and lifecycle events
- O View insights by team, site, and gender

Culture - create a unique sense of belonging

- O Communicate with company-wide messages
- Map out your people's networking hubs
- Create personalized hobbies and clubs



In 2019, it's time to make smarter decisions when it comes to your people and organization.

To learn more about hibob and our data-driven tools, get in touch with us at

contact@hibob.com.