



OF DRAGONS, CAVES, AND ROCK STARS

The New Reality of Leadership Development

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It was a great ride. For several years prior to 2007, the business environment felt positively heady: continuous growth, robust economy, and new technologies created an enthusiasm and optimism that was dampened by international events and war, but not truly curbed. For those of us working inside high-growth companies, there was plenty of work to do. Thanks to progressive companies like GE and dynamic leaders like Jack Welch, we also had the sponsorship we needed to get things done. We congratulated ourselves that this sponsorship was well deserved and frankly overdue. We rolled up our sleeves and dug right in, happy in the knowledge that we were engaged in a worthwhile pursuit that would bring us, our constituents, and our companies into a prosperous and successful 21st century.

Then the earth moved. At first, there was just a deep rumble. We tried to reassure ourselves that all this was just a needed correction. Still we were bound up in the undying optimism of denial. Just a blip, we thought. We will be okay. We believed the economy to have incredible resilience, our leaders to have brilliant insight, and ourselves to have the professional stamina that could weather any storm.

Then the rumble grew stronger and stronger. In the last few months of 2008, it seemed everything came undone. Consumer confidence plummeted. Markets convulsed. Once stalwart businesses failed. Investors recoiled. Formerly lauded executives were ousted and vilified.

Then came the election of a new U.S. president who clearly had a different approach—not only about how to run but also about how to win and how to work. It felt like the start of a new era. As scholars of leadership, we were fascinated by this new model and felt a stirring of hope. But we also had to face that perhaps that this was the end of an era. Our era. Done.

And so here we are. Despite our eternal optimism, we must finally admit that these times feel strange, hostile, and most of all uncertain.

We know from experience and from history that difficult times test us all—bringing out the best in some and the worst in others. When times get tough, we question what we really want from life, from our careers. In the same way, the economic downturn is forcing organizations and leaders to make tough decisions about what they really need to survive and ultimately thrive. For those of us who have been charged with developing the next generation of leaders, it's time to question our dearly held assumptions about the relevance and efficacy of our work.

We have believed that the strategic function of human resources is to build the organization that can succeed in the marketplace. Furthermore, we have believed that the long-term health of an organization is dependent on the quality of its leadership. Right?

Then we must ask—and answer—some tough questions. In our darkest moments, in quiet conversation with our most trusted colleagues or perhaps only in the recesses of our own minds, we must ask ourselves even tougher ones:

- How could this happen?
- How responsible are we for this incredible and unfortunate situation?
- How could smart and capable people—the very people we have devoted ourselves to developing—lead us to such an abyss?
- How in the world could we have missed what was really going on?
- How did we develop leaders who brought us to this point?
- How could the strong organizations we thought we were building turn out to be so fragile?

For those of us who have devoted our lives and careers to helping organizations and individuals grow, it is a bitter thought that what we do doesn't really end with a positive result. It is sobering—even heart-breaking—to consider that the labor of love that has consumed our professional lives might have contributed to this downfall.

So, for a moment, let's revisit some of assumptions about our work and thus why we have devoted ourselves to what we thought was such a worthy endeavor. Then let's examine each to see what lies beneath.

Assumption 1: Developing Leaders Is an Investment in the Future

We have believed that human capital is an asset to be managed as aggressively and intelligently as financial capital. Of course, a key component of the human asset is the leadership pipeline, so investing in future leaders was really the heart of our work. Organizations, we have said, cannot grow and thrive if they do not have sufficient breadth and depth on their leadership benches.

We have developed processes and tools to assess the strength of our talent portfolio, shore up vulnerabilities, and exploit strengths. We have looked at our business strategies and identified what talent we needed to succeed. We have conducted regular talent reviews and determined what external talent we needed to acquire and what internal talent we should develop. We focused on developing career plans for high potentials and readied them to step into bigger roles. In theory we have prepared ourselves for the future with wise investments in human capital.

In addition, many organizations have considered what they need from future leaders and articulated those needs in the form of a customized leadership competency model. Other organizations have chosen to adopt a generic but respected competency model from a consulting firm or vendor. Then we leadership development professionals use such models to serve as roadmaps for development processes, tools, and programs. The model then becomes the target, what to build toward.

What Lies Beneath

While we like to pretend otherwise, we do not know much about the future. The future is, by definition, something that hasn't happened yet.

Think of the last ten years. How many of the game-changing events in the world did you predict? September 11? The tsunami? Hurricane Katrina? The financial meltdown? How many?

Now think of the changes in your industry and your organization in the last ten years. How many changes of leadership? Changes in business strategy? Changes in organizational structure or philosophy? Be honest; how many of those did you really see coming a few years in advance?

Consider this: no doubt many of our clients now hold jobs that didn't even exist a few years ago. Furthermore, the jobs they will assume next probably don't exist now. Even models for change management pretend that the future will unfold in a somewhat linear and predictable fashion. But chaos theory—and life—would indicate otherwise. With the world both outside and inside our organizations

changing so dramatically—sometimes overnight—how can we even pretend to know what people will need in the future? Truly. How can we possibly know?

Let's face it. The best we can do is to make educated guesses about the future. Like those in Plato's Cave, we can see only projections about the future from our vantage point, which is firmly anchored in the present and illuminated only from behind.

If we can't really know what will be required of leaders in the future, should we focus more on making decisions for the greater good, developing resilience or other enduring capabilities that do not depend on a particular context or business opportunity?

Assumption 2: The Wisest Investment Is Spent on Top Talent

If an organization had limited resources to invest in developing leaders, it made perfect sense to put our money on the winners. "A" players made all the difference in determining which companies won and which ones lost. The "A" players had the most to offer, which made them mobile and thus posed retention risks. Consequently, they needed special attention and incentives to stay. "B" players were merely supporting actors in the drama produced and directed by the "A" players. "B" players had fewer options and were more or less expendable. They were less likely to leave so really didn't need to be cultivated. We didn't need to worry about them; they weren't going anywhere.

So we focused on those worthy of our attention: those "A" players. We asked them to participate in invitation-only programs to accelerate their development. We sent them strong messages that we knew how special they were. We set them apart from others with special services and attention. Developing them, we said, was in the best interests of the organization. Developing their talent, we thought, was a critical investment in the future.

What Lies Beneath

Focusing only on top talent really means that we were cultivating stars—all-stars. Any sports fan can tell you that all-stars can be incredible performers—exciting to watch, brilliant in their element—but perhaps with large egos and not especially good team players. An all-star might be willing to take credit for the win, but is less inclined to take responsibility for losing. Sound familiar? Know of any leader who loved the spotlight when things were good but vanished when the spotlight grew harsh and revealed mistakes, BIG mistakes?

And who was left behind to pick up the pieces and clean up the mess? That's right. The "B" players. As Thomas J. DeLong and Vineeta Vijayaraghavan (2003) pointed out in their article in *Harvard Business Review*, "B" players quite likely are the dependable people who hold things together in difficult times. Difficult times, indeed. Like now?

So here are some new questions to ask and answer:

- In focusing on the "A" players, do we develop leaders but disenfranchise the rest of the team?
- Does focusing on individual high-talent individual leaders actually undermine the overall health of the organization?
- Are we actually feeding the monster of hubris?
- Do we fail to acknowledge how fleeting, fragile, and context-dependent the "high-potential" label really is?
- Do we give lip service to teamwork, but, in fact, worship individual winners most of all?
- What about the bench of talented people we have worked to ready for bigger, broader roles? Will they really be the ones to take on those roles in the next iteration of our organization's life?

Keep in mind that if, during one of these seismic shifts, an organization is swallowed by a stronger competitor, the high-potential list of today's administration will likely be transformed into an outplacement roster.

Or perhaps an organization continues to thrive, but a key leader derails. If so, those on his or her high-potential list are immediately tainted. Furthermore, everyone the fallen leader led or sponsored may be marked forever as a loser. No matter how talented, no matter how smart. Toast. Privately, we may even make dark, self-conscious jokes about who has gone from "hero to zero."

Then, the new conquering hero will want his or her own team in place, and purging the old is the first step. Of course, he or she will need our help. So the seduction begins: we talent stewards are invited to build the next iteration of our organizations in preparation for an unknown future.

- But before we start anew, do we ever ask ourselves:
- Was investing in the derailed leader really wise after all?
- Do we merely dismiss the derailment as an individual case, an aberration in our otherwise sound strategy?
- Do we rationalize that a derailment of a perceived high talent is an isolated individual case rather than an indicator that we have failed to choose wisely?

Assumption 3: Leadership Development Sustains Culture and Transmits Core Values

In our conventional wisdom, internal leadership development programs are superior to external programs, partly due to the powerful bonding opportunity for participants. Furthermore, internal programs can be based on the unique attributes and needs of an organization and serve to promote core values and sustain corporate culture. Leaders who grasp current business challenges, who build relationships with other leaders, who learn to navigate laterally in an increasingly complex and interdependent organization, we thought, are the superstars of tomorrow. We believed that working together on complex business problems together in action learning programs was the real-time way to build real-time capabilities in the organization's own unique business context.

What Lies Beneath

Most organizations have both an explicit and an implicit set of values. The expressed values of the organization often serve as the foundation and context for the competency models and the accompanying leadership development programming and processes. Nonetheless, the implicit culture and values will likely trump the explicit when the going gets tough. Of course, leadership behavior, as one of the most powerful cultural levers, will signal what is truly important and acceptable—regardless of the explicit expressions. If the gap between what is and what is desired is too great, cynicism can take hold. If allowed to grow, cynicism can ultimately poison the entire organization. Ultimately, if the leaders have built working relationships on the less-noble and more self-serving implicit values like greed and entitlement, derailment can ensue for the entire organization.

So we must ask:

- Has our noble intent to build strong working relationships and reinforce core values been subverted to something more sinister?
- Has our powerful bonding opportunity among a select few in effect built a sense of entitlement?
- Does this sense of entitlement for the few in turn breed greed?
- Do the explicit business goals really camouflage the more powerful implicit goal of building executive wealth?

Assumption 4: Sponsorship from the CEO Signals Enlightened Leadership

In recent years, a key component of our work has focused on the development of a strong leadership pipeline. Being serious about developing future leaders has become a key indicator of a great place to work and build a career. High-profile leadership and career development programs have become potent tools in attracting top talent. High-talent individuals have expected their organizations to provide them career growth and opportunity.

Engaging the CEO as a visible and audible advocate for developing the careers of his or her team has been among the most rewarding aspects of our work. It was exhilarating to be so near the power base, to be in the know about the business and the future of its most gifted leaders.

What Lies Beneath

In reality, high-profile leadership development may be more an expression of ego—for the organization, for the CEO, for HR, for us leadership development pros. Perhaps the higher the profile, the bigger the ego.

Unfortunately, this expression of ego may culminate in programs that merely clone the sponsoring executive rather than develop true leaders who have the courage to question and engage others while taking on unprecedented challenges.

It is clear that many in this outgoing generation of executives aspired to be “rock star” executives with rigorous talent-management processes and tools used in rock star companies. So every rock star executive wannabe, attracted to the glamour and cachet enjoyed by their icons, embarked on similar paths. And, like groupies, we leadership development professionals were thrilled to bask in the reflected glory of our own icons. We came to think of ourselves as rock stars too; we enjoyed the gravitas.

But where are those rock star executives today? A notorious few were humiliated doing the perp walk. At least one has died. But many more have become pariahs—exiled from their former arenas, unwelcome and unwanted.

Conclusion

Where does that leave us?

We have come full circle—back to the point at which this discourse began. In the thrilling and satisfying times, we HR pros saw ourselves as business strategists. We were the stewards of human capital. We knew how to find the best talent.

We knew how to engage people. We knew how to reward them to spur high performance. We knew how to streamline and automate our work processes to save money. HR had earned a seat at the executive table. We were thrilled. What's not to like? Our field was finally getting the recognition and status it deserved. And so were we. It was about time.

Nonetheless, if we truly believe we were strategic business partners, then we have to take the good with the bad. If we were eager to take a deep bow when the business was soaring, guess what? We now have to go down when our business tanks. We simply can't have it both ways. We can't now distance ourselves from failure and re-cast ourselves as mere supporting players.

A brilliant HR executive I worked with for many years used to say that HR business partners are really like dragon-riders. When the dragon dies, the rider dies too. If we want to enjoy the ride, we have to be prepared to go down when our dragons go down.

So why do we bother? Why should we bother? When it's all so pointless?

Here's why.

Because, like many noble human endeavors, developing people is a faith walk. When we invest our time and attention in helping someone else, we can never be sure that he or she will be worthy of our investment. When we start on the most difficult of life's journeys, we can't always be assured that we will succeed. But we are propelled by an underlying and unquenchable optimism that is the true basis of our work.

So we look at where we are today, and we consider where we'd all like to go. We look at the upcoming generation of leaders and recognize that we have something more to offer. Wiser now, we demonstrate our own resilience and strength of character. We overcome our disappointments and quell our doubts. We work with all our imperfect tools and our imperfect clients; we offer our imperfect selves. We fashion a plan, an approach, and a map for the arduous journey ahead.

Then we climb aboard this new untested dragon. We hit roadblocks when our past favored approach doesn't work. We take a deep sigh. We take a detour. We take a risk and try something new.

We whiz along for a while and then hit a bumpy patch. Then things smooth out again. And then another bump. A big one this time. We fall off our dragons. Offering a reassuring pat, we climb back on, find the path, and persist, still trying to find our way. We stay the course because we believe in the people we work with and want to help them. We engage because we believe in the mission of the organizations we are serving. We believe that the aspiration is worth pursuing. We believe in the ability of deeply flawed human beings to become more than they are today. We believe we can all grow.

And, like many noble human endeavors, helping others grow is never really over. There is no finish line. Not for clients. And not for us. Riding dragons is never easy. Rock stars need not apply.

Reference

DeLong, T.J., & Vijayaraghavan, V. (2003, June). Let's hear it for B players. *Harvard Business Review*.

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