

# Developing and Broadening Specialists

“When specialists become leaders, they often find themselves thrust into a new role that requires leading in a totally different manner. They must lead without being expert in everything or being able to stay on top of all the details. To thrive in the new role requires giving up much of what made them successful to that point and learning to rely on a whole new set of skills.”

Wanda T Wallace, report co-author.

# crf

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**Developing and Broadening Specialists**

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# Developing and Broadening Specialists

Wanda T Wallace, PhD  
Gillian Pillans

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Anita Harris

e.g. sheppardmoscow

## Foreword

Some of my most satisfying work as an organisation development specialist is to help people who consider themselves to be primarily technicians, specialists or functional experts – lawyers, bankers, medics, researchers or financiers – to uncover their motivation and a sense of reward in leading others.

This report focuses on making transitions from technical specialism to leading others. Today, leadership is increasingly required of those whose training is highly specialist.

This report gives food for thought on how organisations are tackling these complexities, and asks whether we should be paying more attention to how we help specialists manage the transition. It shows how some organisations in fact need specialists to lead more than ever before, while also retaining their technical expertise for longer.

The subject raises important questions about how to help these leaders balance the competing demands of their specialism versus their role as leaders – and about the selection, development and retention of specialist leaders in these squeezed economic times.

Sheppard Moscow have been working for the last 45 years in this field. We operate globally to assist clients transform their organisations, cope with change, build leadership capability, align their culture to strategy, and to help teams develop and individuals to become more effective. We have found that one of the difficult aspects of leadership for specialists is developing the strength of relationships needed to influence strategic decisions and outcomes.

We have developed the Strategic Influence model shown here, which helps individuals and organisations to define and develop the core capabilities required by leaders for them to achieve strategic objectives.

Sheppard Moscow is delighted to be supporting this research as we engage in these questions with our clients.

**Anita Harris,**  
Organisation Development Specialist  
Sheppard Moscow



Source: SM LLP, 2012



Wanda T Wallace



Gillian Pillans

## About the authors

### Wanda T Wallace, PhD

Dr Wanda Wallace is President and CEO of Leadership Forum Inc which designs and delivers innovative programmes that enable leaders to improve their leadership ability and skills in strategic thought, team building, talent development, cultural inclusivity and strategic execution.

Prior to founding Leadership Forum, Wanda was Executive Vice President of Duke Corporate Education, following her tenure as Associate Dean of Executive Education and Professor of Marketing at the Fuqua School of Business, Duke University.

### Gillian Pillans

Gillian Pillans has worked as a senior HR practitioner and OD specialist for several organisations including Swiss Re, Vodafone and BAA. Prior to her HR career, she was a management consultant with Deloitte Consulting. She is also a qualified solicitor and has recently advised on several high value discrimination claims.

Gillian was co-author of the CRF report, *Diversity and Business Performance* and author of CRF's *Developing an Effective HR Strategy*.

## Acknowledgements

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## About CRF

Founded in 1994, the Corporate Research Forum is a membership organisation whose international focus is on research, discussion and the practical application of contemporary topics arising from people management, learning and organisation development. CRF has become a highly influential focal point and network for over 100 members representing a cross-section of private and public sector organisations.

- Its annual programme of research, events and publications fully reflects members' interests, in addition to the annual international conference. Side meetings and interest groups are also initiated to meet challenges that members might have.
- Contributors are acknowledged experts in their field with a worldwide reputation as leaders and innovators in management thinking and practice.
- Sharing and collaboration among members is a key feature of CRF's activities. We actively encourage networking at all events, and especially through member lunches and HR director dinners.
- The Forum is led and managed by highly regarded former HR professionals who have a passion for delivering excellence in the leadership and development of organisations and people.

CRF's goal is to be valued for excellence, rigour, relationship building and providing an independent view which, together, lead to measurable improvement in members' people and organisation performance.

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# Executive Summary

1 In an increasingly competitive, knowledge-intensive and connected business world, the demands of leadership are changing. The need now is for leaders to combine business and leadership skills with deep technical knowledge – requiring specialists at senior levels to balance leading with continuing to deliver technical expertise, client support or project work. We sought to understand the challenges this raises for specialists aspiring to leadership and identify how their development is best provided.

2 This report covers a broad range of specialists, from engineers and scientists to consultants and lawyers. What they all have in common is intensive technical training, a strong professional identity and deep technical knowledge.

3 We examined the differences between what makes a technical specialist successful and what is required of leaders, finding that many valued skills in specialists can be a barrier to leader success.

4 Many paradoxes have to be negotiated by specialists, including

- moving from operating with certainty, detail and logic to being able to deal with ambiguity, and making decisions based on limited information and intuition
- learning how to influence through relationships rather than by knowledge, data and facts
- becoming skilled in inspiring and motivating people with different styles, not just dealing with the same type of people

- learning to relinquish control of all the details
- focusing on the strategic and commercial, as well as technical issues.

Specialists becoming leaders also face changes in attitude from being motivated by facilitating and developing others rather than doing work themselves, and regarding themselves as business leaders.

- 5 Though organisations value leadership capability, some reluctance among specialists to move into leadership is evident, along with concern about losing their identity, expertise and perceived value to the organisation. Few good role models of leadership practice appear to exist from whom specialists may learn.
- 6 The transitions that typically have to be navigated when moving from an individual contributor to enterprise leadership are described. This model of career passages – or similar – is used by many participating organisations in our research to underpin their approach to leadership development and leader curricula. However, this model does not adequately address the needs of specialists who have to be both producer and leader.
- 7 Most organisations run generic leadership and commercial skills development programmes for specialists and other function staff. Given the challenges raised in this report, we question whether such programmes actually deliver what specialists need – few organisations we spoke to have translated these challenges into targeted development activities. Updating curricula to reflect the unique issues facing specialists is of critical importance.

“When specialists become leaders, they often find themselves thrust into a role that requires leading in a totally different manner. They must lead without being able to stay on top of all the details.”  
**Wanda T Wallace.**

8 Commercial skills are a key need for specialists – developing a better understanding of business generally, strategy, and how it delivers business objectives are examples. Leader-specialists also require negotiation, customer relationship and selling skills.

9 Development budgets are clearly under pressure which means achieving more with less. Many opportunities outside traditional programmes exist to develop specialists – stretch assignments, rotations, project work, leading cross-functional teams and support through mentoring and role modelling, are useful practices.

10 We have identified key actions, including

- rethinking the selection of specialists as leaders by focusing more on leadership potential and motivation to lead rather than technical skills alone
- giving specialists opportunities to develop commercial and leadership skills as early in their careers as possible
- helping leaders to accomplish a balance between leading and producing by clearly defining roles, objectives and performance standards – and explaining the nature of any transition required
- tailoring leadership development towards the specific challenges that specialists face as leaders.

11 Overall, we argue, development must take into account individuals’ learning needs, the principles of adult learning and different learning styles. Its effectiveness should be evaluated against pre-determined objectives.



# WHAT'S THE ISSUE?

Topics covered		Introduction
<b>1.1</b> Report purpose	10	This chapter examines the context, issues and challenges facing specialists as they transition to senior management and leadership. The implications for development are discussed.
<b>1.2</b> Definitions	10	
<b>1.3</b> Why this issue is important	11	
<b>1.4</b> Do leaders have to be specialists?	13	

**Mintzberg on leadership and management**

- Business guru Henry Mintzberg is concerned that management has become devalued in recent times.
- "... ever since the distinction was made between leadership and management – leadership somehow being the important stuff and management being what surgeons call the scut work – attention focused on leadership.
- "My view is that management without leadership is disheartening or discouraging.
- "And leadership without management is disconnected, because if you lead without managing, you don't know what's going on. It's management that connects you to what's going on.
- "We can make the distinction between leadership and management conceptually, but in practice I don't think we should."

**Interviewed for MIT Sloan Management Review, 1 October 2009.**

**1.1**

**Report purpose**

Many specialists attain a qualification and level of proficiency, but advancement or development often requires the acquisition of leadership or business skills which are significantly different to those of their initial profession. In this research we sought to identify

- the dilemmas specialists face in career progression, particularly the balance between being a professional and a leader
- their challenges in developing commercial and leadership skills
- the alternatives in career progression to leadership positions
- what organisations are doing to help specialists manage the difficult transitions to commercial or leadership roles – and to broaden their careers
- why this issue is becoming increasingly important.

This report complements CRF's 2004 report, *Managing Senior Technical Specialists*.

**1.2**

**Definitions**

In participant discussions, the terms 'management' and 'leadership' became confused because of difficulty in distinguishing between the two in practice. Even at junior levels, managers need to inspire and motivate their people, which might be considered leadership, and senior leaders still have to manage – budgeting and project management are examples. For clarity, this report uses the term 'leadership'.

Some interviewees cautioned against undervaluing management, with Martin Hird of Lancaster University Management School highlighting these challenges.

- Delaying has led to fewer opportunities to practise it in early career.
- Outsourcing requires different management skills which concerns contract and relationship management more than motivating people.
- The current focus on engagement and employee surveys has shifted power towards disgruntled subordinates, thus increasing manager pressure.

Tessa Honey, Global Head of Learning, Talent, Resourcing and OD at HSBC Securities Services, echoes this view. She says a barrier to specialists developing good management skills is that some organisations tolerate a lack of judgment or managerial mistakes more than they do technical ones, which are likely to be more obvious.

**What makes a specialist?**

We offer a wide view of what specialist roles might be, covering recognised professions – as with lawyers or engineers – to creative roles such as journalists. We have also considered what organisations told us are their specialist skills. Here's our definition.

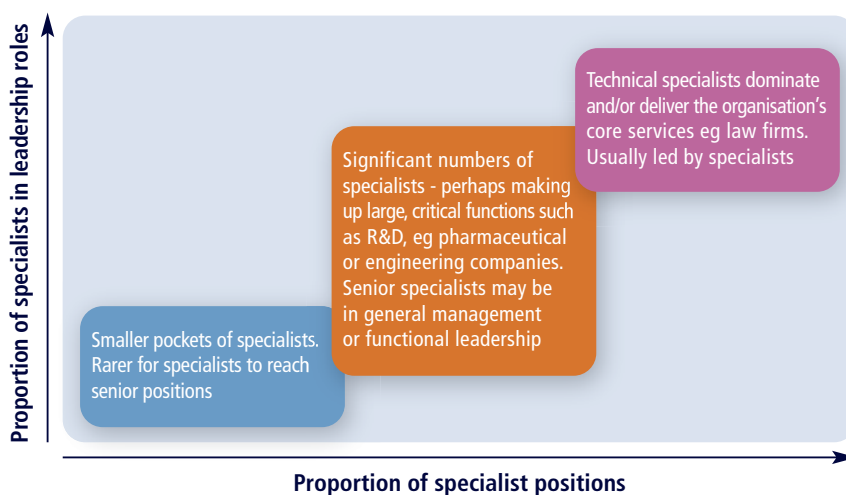
- Individuals with considerable technical training or knowledge.
- They may have a professional qualification or be part of a defined profession such as lawyers or accountants – though this does not necessarily apply to all specialisms.
- A professional institute may establish standards and qualifications – the latter with a long, progressive examination process.
- It can take years to develop to expert level.
- Individuals may attain seniority while still remaining an individual contributor.

Although there are generalities, there are also different types of specialists.

- Deeply technical, expert roles such as engineers and scientists.
- Fee earners in partnership firms such as lawyers and accountants.
- Revenue generating/client-facing roles among senior managers, such as investment banking.
- Functional specialists, including IT and finance.

Where differences between specialist disciplines emerge in this report, they are highlighted. The profile of specialists we interviewed is shown here.

### Specialist profiles in interviewed organisations



## 1.3

### Why this issue is important

The demands of leadership have changed over the last twenty years, with general managers able to lead without technical expertise becoming rare. Leaders are now expected to both lead and retain technical strengths until late in their career. The current economic situation, increasing international competition and the realities of running businesses today, bring this dilemma into sharp focus, as noted in the column.

### Contextual realities requiring leader-specialists

- The world is increasingly knowledge-intensive – leaders must understand products and technology – as well as innovation being critical to competing.
- Competition from emerging economies such as India and China, with their vast numbers of specialists, requires organisations to have the best specialists with both commercial and leadership skills.
- George Yip, Professor of Management at the China Europe International Business School, points out that almost all China's top leaders are engineers by training.
- In the current economic climate, people have to both produce and lead. Many do not want to give up producing because, they believe, in tough times, leaders may become expendable while producers are retained.
- Competition and shareholder expectations require a much more commercial ethos across all organisation levels.

**Practitioner views**

- “The current economic climate means people need to take on broader responsibilities to protect themselves. The days of giving up technical work to manage are long gone.” **Paul Minx, Head of Leadership Practice EMEA, Morgan Stanley.**
- “Leaders these days are struggling with the sheer complexity of the world. It is too complex for one person to deal with and, therefore, collaborative leadership is very important.” **Simon Lau, Head of Leadership Development, Standard Chartered Bank.**
- “This issue is a ‘hardy perennial’ for companies. Developing specialists as leaders needs to have a clear approach.” **Matt Nixon, Global Head of Talent, Barclays Bank.**

Beyond these contextual factors are issues concerning organisations – and organisational change – themselves.

- With middle management being reduced or restructured, organisations are flatter – resulting in fewer opportunities to progress towards leadership. However, specialists can go from being an individual contributor or managing a small team to a larger leadership role almost overnight.
- Flatter structures lead to reconsidering how knowledge and specialist skills are valued relative to leadership capability. Individuals now spend longer in specialist areas than previously, leading to more specialists – and more to know – than ever before.
- As professional managers tend not now to be employed, senior leaders have to come from specialist functions. This view is supported by Roffey Park research which states, “the popularity of recruiting professional managers has ... waned over recent years, in favour of more concerted attempts to support the development of technical experts into leaders.”
- Those organisations run by senior specialists such as law firms, struggle with good leadership practices, often being asked to lead without development.
- Many become leaders without practice, preparation or being able to learn from good role models.
- With restricted development budgets and the conundrum of having to do more with less, resources have to be allocated creatively and evaluated for their effectiveness.

- Leaders now must use influencing and political skills to navigate their way around complex matrix structures and multi-disciplinary teams – collaboration across all levels is critical.
- New leadership skills are in demand – being able to lead remotely, communicate and collaborate online, and work with external partners through outsourcing and joint ventures, are examples.
- Though organisations claim to value specialist career tracks, the language around star talent and salary structures indicates otherwise. And with strong links between engagement and productivity, the focus on better leadership and performance will intensify.

**Need for development**

The importance of developing specialists to become leaders was stressed by several interviewees.

- Michael van Impie, Director, Markets and Client Solutions, Center for Creative Leadership, told us that this issue is very much on their clients’ radar, especially the transition points where leaders broaden their responsibilities and move on from being a technical specialist. “At this level, dealing with ambiguity is a key challenge – moving from being a guru to no longer knowing all the answers.”
- Margaret de Lattre, Director, Tailored Executive Education, Ashridge, says their clients are not explicitly tackling the balance between being a contributor and leader, but are interested in how they can help people manage transitions to leadership.

- Anita Harris, Partner, Sheppard Moscow, finds this is a key client issue, particularly in knowledge-intensive enterprises. "Organisations have to grow their people and those with management responsibility must still continue producing." She adds that organisations now appreciate not just what leaders do, but how they do it. This has led to a greater focus on building leadership capability at all levels.

The difficulty of persuading specialists to develop their selling, customer relations and marketing skills, was noted by interviewees. This challenge is acute in professions where senior people leaders can find business development somewhat daunting.

## 1.4

### Do leaders have to be specialists?

We sought to understand the balance organisations expect between technical and leadership skills. In 2004, our research found steady progress towards 'professionalising' management, with senior posts being filled on the basis of leadership skills, not just technical expertise.

The focus has now shifted. Many organisations expect senior leaders to have strong technical backgrounds, a point confirmed by two studies reported in the Wall Street Journal. See *Move over MBAs, Here Come the Engineers*, 31 January 2012.

- Generic titles such as Chief Operating Officer are being overtaken by function-specific leaders such as Heads of Marketing or Research and Development.
- The recent economic crisis has led to fewer general managers and more functional experts at senior levels and at corporate headquarters, where they have greater power to drive key actions into regions.

According to our research, certain sectors or types of business are likely to need specialist leaders more than others.

- Professional services such as legal and accounting firms, where individual contribution is required to senior levels. A large City law firm might have very few people in the fee-earning structure who are so senior they no longer do direct client work.
- Engineering, science and technology-based companies such as Rolls-Royce and GSK, where products or services are highly complex with customers often needing specialist interactions.
- Parts of financial services such as insurance and investment banking. Banks we spoke to have different issues – general managers are more evident in retail banking compared with specialist leaders in commercial and investment banking.

Note also that it can be difficult to transfer success across different sectors and businesses. The experiences of Andy Hornby moving from Asda to HBOS or Bob Nardelli going to Home Depot from GE in their failures to achieve this, indicates that a solid grounding in what you are required to lead is essential. The reality today and the challenge for specialists is that leaders must have technical, commercial and leadership skills to be successful.

#### Kotter on general managers

- John Kotter, in his seminal 1982 work, found that even general managers have a high degree of specialism in what they do – albeit focused on a company or industry rather than a technical specialism.
- He did not find evidence of the existence of 'professional management' – the ability to manage well nearly anything through reliance on general principles and skills.
- "The General Managers' were all highly specialised in many ways ... sets of interests, skills, knowledge and relationships.
- "These specialised personal assets allowed them to behave in ways that fit the demands of their specific situations."  
**Kotter, The General Managers, 1982.**

## WHAT IS SPECIAL ABOUT SPECIALISTS?

Topics covered		Introduction
<b>2.1</b> How specialists view leadership	15	Fully understanding specialists – and specialists understanding themselves – is crucial for making effective leadership transitions. This chapter discusses the issues and paradoxes.
<b>2.2</b> Shifts in mindset	15	
<b>2.3</b> Specialist to leader paradoxes	16	

“For many specialists, their first passion is their technical specialism. They didn’t sign up to lead people and sometimes struggle with it.” **Paul Minx, Morgan Stanley.**

**Lessons from experience**

Research by the Center for Creative Leadership identified the sets of skills below that were demonstrated by successful executives. These can provide a template for development throughout a leader’s career.

**Setting and implementing agendas**

- Technical/professional skills.
- Knowing the business one is in.
- Strategic thinking.
- Shouldering full responsibility.
- Building and using structure and control systems.
- Innovative problem-solving methods.

**Relationships**

- Handling political situations.
- Getting people to implement solutions.
- Understanding what executives are like.
- How to work with executives.
- Strategies of negotiation.
- Dealing with people over whom you have no authority.
- Understanding other people’s perspectives.
- Dealing with conflict.
- Directing and motivating subordinates.
- Developing other people.
- Confronting subordinate performance problems.
- Managing former bosses and peers.

*Continued in next column*

**2.1**

**How specialists view leadership**

Sometimes specialists are reluctant to leave behind their specialist role and become leaders. Ironically, they tend to place a low value on leadership even though it might be highly valued by organisations. This was a common theme in our interviews – for these reasons.

- The identity and self-worth of specialists is tied up with their specialism which is often more important to them than the organisation itself. Moving into leadership means affiliating more closely with the organisation and different stakeholders, potentially requiring a shift in identity and values for the individual.
- We uncovered concerns among specialists about losing their expertise, whether they could return to their specialism if unsuccessful as a leader and what the benefits of leadership actually were.
- Specialists may not regard leadership as being of value or as professionally fulfilling as their particular expertise.
- Fee earning specialists understand their value to the firm – but are also conscious of being a visible overhead in difficult economic times, especially if they are spending less time on client work. Some specialists may have difficulty in valuing their contribution as a leader.
- And, some specialists may care more about the status or position associated with their expertise than the money and power that leadership might bring.

Sheppard Moscow’s Anita Harris summed up this identity issue. “It is difficult for technical people to break away from what made them good at their job in the first place. They can become seduced by complex technical or legal problems – they are motivated by dealing with these situations and become good at what they do because of this. A challenge with specialists is helping them develop others rather than doing the work themselves.”

**2.2**

**Shifts in mindset**

Becoming a leader requires specialists to shift their mindset, and to view themselves and their work differently. There are two aspects of this.

**Being a business leader**

Leaders must understand their business, its strategy and the commercial context – as well as becoming expert in financial management and negotiation. Good leaders also need selling and deal-making skills for developing new business.

“Specialists can feel uncomfortable with the messy, difficult stuff: managing the matrix, setting the vision, bringing people together.” **Simon Lau, Standard Chartered Bank.**

### Gaining value from leading others

As noted above, specialists can be sceptical about the value and benefits of being a leader. Helping them realise that it can be rewarding to achieve things through other people can help change their view of leadership.

Appropriate mindsets for leadership can be developed in several ways.

- Making explicit the expectation of progression to leadership from the start which is typically well done by large accounting firms and consultancies with their ‘up or out’ approach.
- Encouraging specialists to take an interest in the commercial aspects of the business by communicating strategy and business results, and by enabling them to have contact with customers.
- Identifying specialists with a natural interest and motivation for leadership. Those who are not curious about how others tick find it difficult to lead people who are not like themselves.
- Helping individuals understand that they can derive job satisfaction from growing and developing others.

## 2.3

### Specialist to leader paradoxes

Specialists face many paradoxes when they aspire to being a leader. The skills and attributes that meant career success as a specialist – precision, micro-management, and deep understanding of a technical field, for instance – are not always effective in a leadership context, and can even be a barrier to success. The table below sets out some of these paradoxes.

Making specialists aware of these paradoxes, and taking them into consideration when designing development interventions, may help shortcut the challenges they face when taking on leadership responsibilities.

In the next chapter, we discuss the key career transitions faced by developing leaders, and the implications for specialists.

### Lessons from experience *continued*

#### Basic values

- You can’t manage everything alone.
- Sensitivity to the human side of management.
- Basic management values.

#### Executive temperament

- Being tough when necessary.
- Self-confidence.
- Coping with situations beyond your control.
- Persevering through adversity.
- Coping with ambiguous situations.
- Use, and abuse, of power.

#### Personal awareness

- Balance between work and personal life.
- Knowing what really excites you about work.
- Personal limits and blind spots.
- Taking charge of your career.
- Recognising and seizing opportunities.

Although this research is over 20 years old, it still has validity for leadership programmes, coaching/mentoring schemes and as a self-development tool.

**Source: McCall, M, Lombardo, M, Morrison, A: The Lessons of Experience, Free Press, New York, 1988.**



**Specialist and leader paradoxes**

What's required of specialists	What's required of leaders
<ul style="list-style-type: none"> <li>• Being in control and needing to know all the information</li> </ul>	<ul style="list-style-type: none"> <li>• Knowing when to let go and when to get involved; working through people who know more than you</li> </ul>
<ul style="list-style-type: none"> <li>• Certainty</li> </ul>	<ul style="list-style-type: none"> <li>• Ambiguity</li> </ul>
<ul style="list-style-type: none"> <li>• Doing it yourself</li> </ul>	<ul style="list-style-type: none"> <li>• Relying on and enabling others to achieve what you need to do</li> </ul>
<ul style="list-style-type: none"> <li>• Deep focus and concentration</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to shift focus quickly</li> </ul>
<ul style="list-style-type: none"> <li>• Focus on the detail, which can sometimes be at the expense of the bigger picture</li> </ul>	<ul style="list-style-type: none"> <li>• Being commercial and strategic - seeing and communicating the bigger picture</li> </ul>
<ul style="list-style-type: none"> <li>• Being right; dealing with absolutes</li> </ul>	<ul style="list-style-type: none"> <li>• Making a good call</li> </ul>
<ul style="list-style-type: none"> <li>• Reliance on logic, analysis and evidence for making decisions</li> </ul>	<ul style="list-style-type: none"> <li>• Importance of relationships, feelings and intuition in making decisions</li> </ul>
<ul style="list-style-type: none"> <li>• Influence through rational argument, data and facts</li> </ul>	<ul style="list-style-type: none"> <li>• Influence through relationships and politics</li> </ul>
<ul style="list-style-type: none"> <li>• People follow because they are right</li> </ul>	<ul style="list-style-type: none"> <li>• People follow because they're inspired</li> </ul>
<ul style="list-style-type: none"> <li>• Typically dealing with the same type of people as myself</li> </ul>	<ul style="list-style-type: none"> <li>• Bringing different people together to deliver a common action plan; able to deal with all types of people</li> </ul>
<ul style="list-style-type: none"> <li>• Relative control of how you spend your time</li> </ul>	<ul style="list-style-type: none"> <li>• Others control your calendar – need to make time for people you lead</li> </ul>
<ul style="list-style-type: none"> <li>• A quirky personality is acceptable or can even be seen as an asset</li> </ul>	<ul style="list-style-type: none"> <li>• Need for executive presence</li> </ul>
<ul style="list-style-type: none"> <li>• Primary affiliation with profession or specialism - "I'm a lawyer/engineer/scientist"</li> </ul>	<ul style="list-style-type: none"> <li>• Primary affiliation with company and industry - "I work for X"</li> </ul>
<ul style="list-style-type: none"> <li>• Value professional networks above organisation networks and hierarchies</li> </ul>	<ul style="list-style-type: none"> <li>• Required increasingly to develop internal, cross-functional and industry networks as they become more senior</li> </ul>

Source: CRF, 2012

## TRANSITIONS TO LEADERSHIP

### Topics covered

<b>3.1</b> Leadership pipeline model	19
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### Introduction

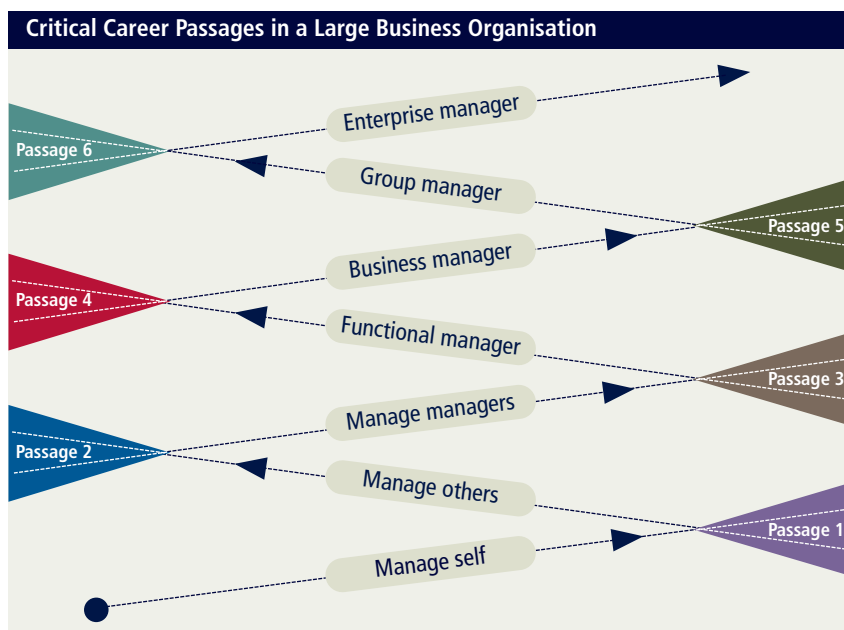
Making, and managing, transitions from specialisms to leadership can be fraught with difficulties. This chapter examines a leadership pipeline model and describes different transition situations.

“The most difficult transition is when you reach the level where everything that made you successful as a specialist becomes your Achilles heel.” **Wanda T Wallace.**

### 3.1

#### Leadership pipeline model

What transitions do specialists pass through as they move into leadership? The most common model cited by participants was that of Charan et al – see the column. They identified six career passages that typically occur in large, decentralised businesses. Each passage represents a different level and complexity of leadership – and, therefore, a major shift in job requirements with different skills, values, and time applications.



Source: Charan et al, 2011

#### Changes at each passage

**Passage One:** From managing self to managing others.

- Move from doing to planning and assigning.
- Measuring the work of others.
- Motivating and coaching.
- Re-allocating how you spend time to complete your assigned work – you are unlikely to be ‘just’ managing at this level – and help others perform effectively.
- Change in values – learning to value managerial work and gain satisfaction from getting things done through others.
- Valuing making others productive rather than being a producer.
- Seeing it as your responsibility to make time for your staff.

#### Charan et al source

Ram Charan, Steve Drotter and Jim Noel:  
**The Leadership Pipeline: How to Build the Leadership Powered Company,**  
Jossey-Bass, San Francisco, 2011.

The premise behind their work is that, “different levels of leadership exist and that people need to make skill and value transitions at each level.”

**Passage Two:** From managing others to managing managers.

- Move from managing individual contributors to managing managers with more pure management responsibilities.
- Specialists face the dilemma here of how much they need to know. Do they need to be more expert than the people who report to them? Do they need to be able to provide a thinking framework?
- Thinking beyond the immediate function and considering strategic issues that concern the overall business.

**Passage Three:** From managing managers to functional manager.

- Becoming skilled at taking other functional concerns and needs into consideration.
- Being a team player with other functional managers while also competing for limited resources.
- Aligning functional strategy with overall business strategy.
- Delegating responsibility to direct reports for overseeing functional tasks.

**Passage Four:** From functional to business manager.

- P&L accountability.
- Responsible for integrating functions, rather than simply understanding and working with other functions.
- Walking away from the function that has been 'home' for the last 15 or so years is a huge challenge.
- Taking a long-term view.

**Passage Five:** From business to group manager.

- Evaluating strategy and developing portfolio strategy across businesses.
- Developing business managers.

**Passage Six:** From group to enterprise manager.

- Transition focused more on values than skills.
- Performance will be assessed annually on three or four high-leverage decisions.

#### Career passages critique

Many of our research participants use this framework – or similar – as the basis for their leadership development curricula. However, we found little evidence of organisations adapting this specifically for the needs of specialists.

“Styles that suit the transition to leadership are being at ease with communication, having a level of empathy and emotional intelligence, and a natural curiosity for helping others to develop.”

**Cathy Doyle-Heffernan, Dyson.**

Indeed, many senior specialists Wanda Wallace works with struggle to relate aspects of this model to their experience of developing as a leader – in a number of critical ways.

- The model presumes that, once an individual reaches the stage of managing managers and beyond, they no longer need to act as an individual contributor but become ‘all about leadership’.
- Realistically, many senior specialists have to balance the demands of leading and producing – and there are few senior leaders who do not retain some element of client delivery or technical input.
- Specialists can sometimes skip transition levels. For example, a lawyer client of Wallace’s went from managing one or two junior lawyers to leading a global practice area in one step.
- Further, specialists do not necessarily have opportunities to practise and develop leadership skills in a traditional first-line supervisory role. When they are leading, some skills may be missing – but they may feel basic management skills training is inappropriate or the content too simplistic.

## 3.2

### Transition examples

We can distinguish two types of transition for specialists.

- The traditional model, as set out above.
- The producer-leader model, where leadership becomes an add-on to the work of an individual contributor.
- Some organisations, particularly in professional services, have recognised this and have adapted their leadership development approaches accordingly.
- See the Professional Service Firms example below.

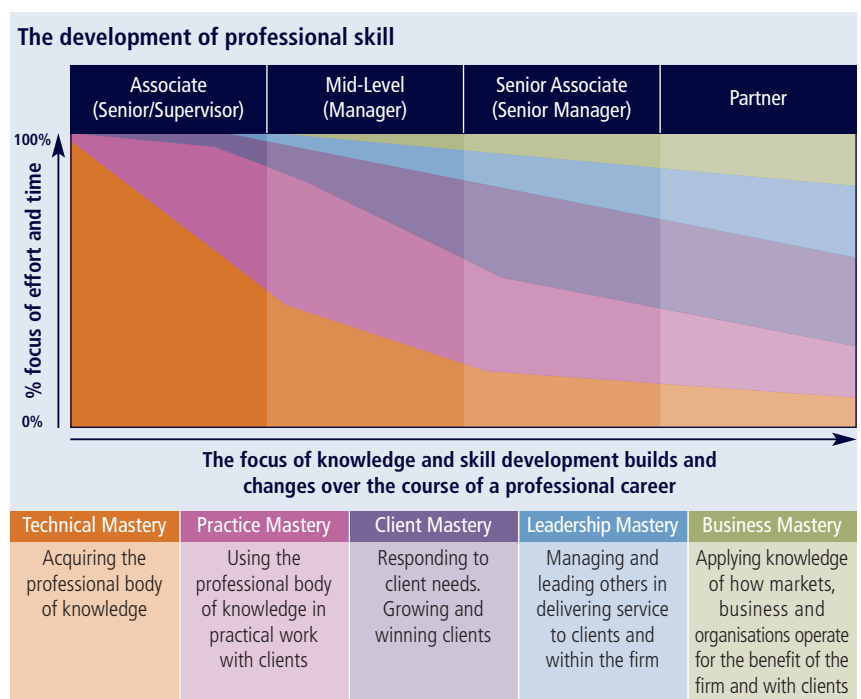
However, organisations with many specialists which have to balance producing and leading – but which continue to base their investments in leadership development on the traditional transition model – may be failing to equip them adequately for the realities of leadership they face.

#### Professional service firms

As noted throughout this report, career development for specialists in partnerships differs from other sectors. Des Woods, Partner, Møller PSF Group, who specialises in the strategic development of professional firms, highlights these unique features.

- People essentially do the same job throughout their career, but simply add on extra responsibilities. Woods uses the PSF Professional Development Model below to describe how the balance between being a producer and leader develops during a professional’s career.
- Finding time for training is difficult as it takes the individual away from fee-earning – client needs may be prioritised over individual development.
- Partnership is a key transition. It can be perceived as the pinnacle of a professional career, but the reality for a new partner is:
  - they are back at the bottom of the hierarchy
  - complexity overload occurs
  - individuals may have to feed work to others.
- Partnerships can be short-term focused with development investments often the first to be cut when times are hard.
- Specialist development is dependent on the quality of a firm’s work allocation system.

**PSF Professional Development Model**



Source: Des Woods/Möller PSF Group, 2012

Johnny Nichols, HR Director at Bird and Bird, describes how his firm has recognised that the producer/leader balance is particularly difficult for new partners, and has implemented a development programme to help them understand the challenges of promotion. This issue also features in a development programme for existing partners. The firm is not prescriptive about balance, preferring to encourage people to find the correct balance for themselves.

The method for selecting leaders in partnerships is unique too, being based on nomination and the votes of other partners. Andrew McEachern, Group Director of People and Talent Development at Norton Rose, says this sometimes results in a consensus candidate being appointed – rather than selection based on a rigorous, competency-based process – with sometimes questionable results.

A particular issue for specialists who become leaders is the difficulty of returning to being an individual contributor once they have ‘crossed the Rubicon’ into leadership. McEachern notes that it is common legal sector practice for senior partners to rotate between firm leadership and fee-earning roles, without any loss of credibility. Partners rarely give up opportunities to return to fee-earning after a period of leadership – this flexibility could well be emulated in other specialist areas.

### The group functional manager

Although Passages Four to Six of the Leadership Pipeline model are irrelevant for all but a very few senior specialists who move into general management, Charan and colleagues adapted it to reflect a role which exists in many large organisations – the Group Functional Manager. This has three key requirements.

1. **Integration.** Integrating functional strategies from different businesses into a cohesive, comprehensive, group functional strategy.
2. **Will We Make Money Mentality.** The requirement to analyse functional strategies from commercial and business perspectives.
3. **Matrix Management.** Functional managers have to develop excellent relationship management, communication and negotiation skills to balance function and business requirements, which can create significant potential for tension and conflict.

Charan et al also identify four sets of skills and work values for success in this role.

- Representing the enterprise rather than a business or function.
- Thinking and evaluating like a CEO, relative to their function.
- Shifting away from a functional value system towards one that is enterprise-focused.
- Rethinking the function role, and determining what and how it should contribute to the business.

### What if subordinates know more than me?

- A dilemma faced by senior specialists is the point at which it is acceptable to know less than the people below you. This will differ according to the specialism and the organisation.
- Is it possible to add value while possessing less knowledge than a subordinate?
- It can also be that a senior specialist’s expertise is used in a different way – they may act as a sounding board, or may be responsible for bringing together a group of people to solve a problem.
- This is common in engineering disciplines. A senior engineer is no longer required to know the answer to the problem, but needs to be experienced enough to help a team think through the situation and arrive at a solution.

“Companies may say otherwise, but even at middle to senior levels of leadership, technical organisations tend to hire people for their technical specialism – it’s difficult to move away from that.”  
**Cathy Doyle-Heffernan, Dyson.**

### 3.3

#### Selecting specialists to lead

Many of our organisations reported that they still select the best technical people to become leaders. As noted above, there are dangers in taking this approach. We argue that a mindset shift in how specialists are selected for leadership is crucial with a balance between leadership potential and technical expertise.

That said, some interviewees were concerned that **selection** for leadership was undervalued relative to the investments companies make in **developing leaders**.

Whether appointed internally or externally, selection criteria for leadership roles should consider the following.

- Leadership potential – including strategic thinking ability, resilience, courage, networking and communication skills.
- People orientation.
- Natural interest and motivation to lead.
- Willingness to learn and seek advice.

There are many standard tools for measuring potential. However, there is a danger in relying on generic leadership competency frameworks without bringing a step change in the quality of leadership. Instead, Wanda Wallace thinks organisations should be clearer about required **behaviours**, if individuals are to understand what is expected of them.

Technically-oriented people often feel the terms are too loose and rightly ask what they should actually do. For example, organisations often say people should be ‘strategic’, yet they fail to specify what ‘strategic’ people do that others do not.

### 3.4

#### What if a specialist fails?

Martin Hird of Lancaster University Management School raised two needs about specialist transitions to leadership.

- Identifying possible derailment factors that could result in a specialist failing as a leader.
- Being able to recognise an ‘undevelopable person’. In his view, this occurs when a combination of their disposition and motivation makes it highly unlikely they will change, irrespective of how good their technical skills are.



“One of the toughest transitions is when you are forced to do something you are not good at because it is the only way to progress.” **Gail Sulkes, Thomson Reuters.**

Specialist failure as a leader is a challenge for organisations, especially since, as noted above, it may be difficult to return to a previous role and retain credibility. While derailing leaders may have to leave an organisation, some steps can help avoid this situation.

- Selection is key – avoid picking the best technical person and select on potential to lead. This may be an obvious point but was a frequent problem for interviewees.
- Be aware of the difficulty of transitions – provide formal training, induction and ongoing support from the line manager, HR and mentors or coaches. The next chapter explores this in detail.
- If exiting from leadership is necessary, a specialist role in another part of the business may work.
- Focus resources on helping rebuild the confidence and reputation of individuals affected.

## DEVELOPING SPECIALISTS AS LEADERS

Topics covered		Introduction
<b>4.1</b> Training leaders	27	The pressures organisations face to reduce spending on development, and achieve more with less, have been raised above. We look at training, development and experiential approaches to help specialists develop leadership skills.
<b>4.2</b> Commercial skills	29	
<b>4.3</b> Difficult assignments – stretching the comfort zone	29	
<b>4.4</b> Defining roles and performance standards	30	
<b>4.5</b> Job design and work experience	31	
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“Don’t let people opt out of leadership. You must be alert to the fact that people can have leadership potential without knowing about it.” **Matt Nixon, Barclays.**

#### The 70/20/10 Learning Model

The 70/20/10 model of learning and development was often mentioned by research participants.

Developed by Michael Lombardo and Robert Eichinger, with Morgan McCall, at the Center for Creative Leadership, it blends different learning approaches which can provide focused learning.

They concluded that development would be

- about 70% from on-the-job experiences, tasks, and problem solving
- about 20% from feedback and working around good or bad examples
- about 10% from courses and reading.

Wanda Wallace believes this breakdown is somewhat simplistic. For example, taking part in a course encourages reflection about job experiences, so it is difficult to quantify what is learned when.

**Source:** *The Career Architect Development Planner*, Lombardo and Eichinger, 1996.

## 4.1

### Training leaders

Virtually all surveyed organisations provide formal leadership development programmes. Many specifically map activities to the transition levels identified by Charan et al in the Leadership Pipeline – see the previous chapter – or use similar models such as the Center for Creative Leadership’s Leader Development Roadmap. Some examples are covered in more detail in the Chapter 6 case studies.

We noted, however, that very few organisations target leadership development specifically at specialists – they tend to attend programmes along with generalist colleagues. Organisations are aware of the particular challenges for specialists, but have not typically tailored their leadership development to reflect this.

One exception is GSK, who have tailored two of their leadership programmes to the R&D function, involving all the relevant population, which amounts to several thousand at a time. This coincided with a major culture change within that function, moving towards a more decentralised, commercially-focused structure.

There was much variety among interviewee programmes for

- being in-house or externally run
- time away from the office
- modular or one-off longer programmes
- pace and the amount of space for personal reflection
- content.

#### Practical examples

These views and practices are worth considering.

- We found some organisations – especially Morgan Stanley and Bird and Bird – helped participants to strike an appropriate balance between being a revenue earner/producer and people management.
- Linking learning to real-life work scenarios – SHL encourage personal work plans to be based on work situations they will have to face.

• Senior managers who were previously specialists can be effective coaches and mentors. For example, the finance function at Deutsche Bank uses the CFO’s experience of learning to lead in other parts of the business outside his specialist area.

- Timing is a critical issue. Organisations like Standard Chartered try to introduce programmes up to six months before appointment to help specialists prepare for the mindset shifts required.
- A programme for aspiring partners at Ernst & Young is designed to simulate the partnership experience while identifying skills and experience gaps.

- Some leadership skills are easier to teach than others, according to Cathy Doyle-Heffernan at Dyson. Public speaking, the basics of management and executive presence, are easier to put over than inspiring others, for example.
- Tailoring learning to individual needs was important to interviewees. As one example, participants had to identify the key people they had to influence, and prepare an influencing plan for each individual which would then have to be implemented after the programme.

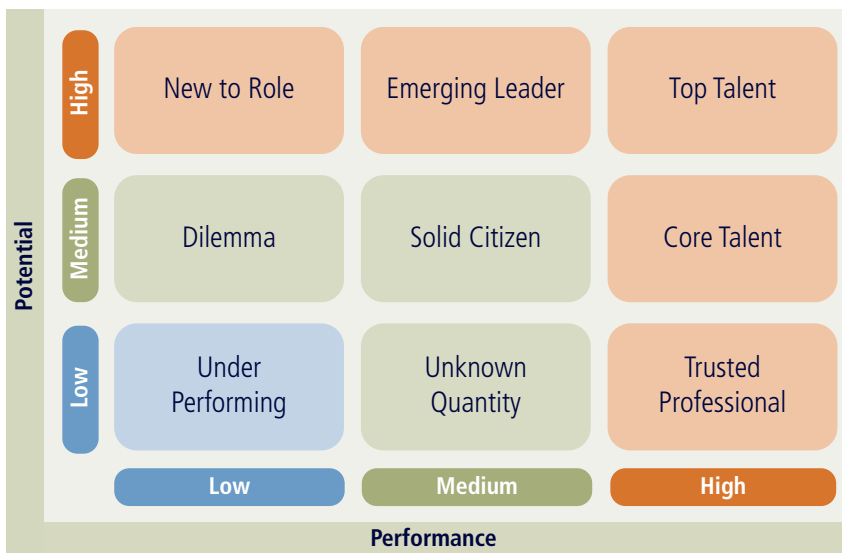
**Need for reflection**

Creating time for reflection is important to allow participants to put into practice and assimilate their learning. However, this is often made difficult because of day-to-day demands, exacerbated by the pace of change and short-termism prevalent in much business today. Some interviewees said they were forced to reflect and learn from experience only when confronted with a situation which had gone wrong.

**The Nine-Box Talent Model**

Many organisations use a version of the nine-box model as shown below to identify their high performers and high potentials. Selection for elite programme opportunities or network participation often depends on being in the high potential boxes. Using this tool for senior technical specialists needs care, as there is often a bias in favour of leadership positions – high-performing technical specialists making sizeable business contributions may not be seen as future leadership potential.

**The Nine-Box Talent Model**



Source: CRF and others

"Job challenge and, specifically, difficult assignments are ... the best teacher of up-and-coming executives." **McCall et al, 1998.**

**Commercial skills**

- Understanding the business environment, including
  - basic economics
  - how the City works
  - reading financial statements
  - key measures and ratios
  - background to the industry in which the company operates.
  
- Understanding the organisation's commercial context
  - strategy, products, competitors, customers and markets
  - regular communication of business objectives and performance against plan.
  
- Specific skills such as
  - budgeting
  - negotiation
  - selling
  - customer relationship management.
  
- Developing political know-how, relationship skills and how to develop networks.

**4.2**

**Commercial skills**

A challenging aspect of leadership for specialists is commercial and business skills. The areas listed in the column will need development or support from the organisation to increase awareness of the commercial aspects of their role and develop key skills.

Several participating organisations provide training which blends commercial/business skills with leadership training. These were described as 'mini-MBAs'. However, such programmes are not so effective for dealing with the personal challenges of leadership transitions.

**4.3**

**Difficult assignments – stretching the comfort zone**

Stefan Krause, CFO of Deutsche Bank, told how his experiences at BMW shaped his personal leadership philosophy which, in turn, has influenced his approach at Deutsche Bank – see the case study in Chapter 6. In two different roles, he was forced to move out of his comfort zone and lead teams in areas in which he was not expert. Through this he learned that

- leading people whose expertise is different to your own means you cannot micro-manage
- the only way to survive in such a situation is to develop good leadership skills – forming people into teams to solve problems by pooling their collective brainpower, encouraging them to set targets and learn together, and building their self-confidence as a team
- leaders who are experts are often not good listeners – leading outside your area of expertise means you have to learn to listen and not be afraid to ask questions
- effective leadership is about sending clear and consistent messages about strategy and direction, and making sure the team is aligned to deliver. Where teams are not performing well, this is usually due to problems with alignment.

This philosophy appears in HSBC's International Manager programme for high potentials. They are recruited early in career, and are expected to take on a range of short- to medium-term assignments in any function or geography, depending on the Bank's needs. The aim is to develop general management skills, with most future senior leaders expected to emerge from this group.

*In Lessons of Experience, McCall and colleagues found that leaders' development was enhanced by learning from mistakes and receiving different sources of feedback – though uncomfortable, they enabled executives to improve self-awareness and gain insights into strengths and weaknesses.*

The authors produced the career development events in the table below, which successful executives would typically experience. These can be used to shape career paths for high potentials and as a guide for feedback.

**Development Events**

<p><b>Setting the Stage</b></p> <ul style="list-style-type: none"> <li>• Early work experience</li> <li>• First supervisory job</li> </ul>	<p><b>When Other People Matter</b></p> <ul style="list-style-type: none"> <li>• Bosses</li> </ul>
<p><b>Leading by Persuasion</b></p> <ul style="list-style-type: none"> <li>• Project/task force assignments</li> <li>• Line to staff switches</li> </ul>	<p><b>Hardships</b></p> <ul style="list-style-type: none"> <li>• Personal trauma</li> <li>• Career setback</li> <li>• Changing jobs</li> <li>• Business mistakes</li> <li>• Subordinate performance problems</li> </ul>
<p><b>Leading on Line</b></p> <ul style="list-style-type: none"> <li>• Starting from scratch</li> <li>• Turning a business around</li> <li>• Managing a larger scope</li> </ul>	

Source: McCall et al, 1998

**Specialist-general managers at Tesco**

Tesco’s approach to leadership development combines several practices detailed above into one programme. In principle, people from any function can aspire to be general managers – country CEOs or COOs, for example – providing they have the potential. Significantly, 80%-90% of management appointments are internal. There are two programmes for different levels as described here and in the column.

**Global Management Programme**

This new, accelerated programme aims to progress people in their second job after graduation to director level – Store Director or Marketing Director – within five years. Selection is from any function and the transition steps have been identified. It combines work placements with a core leadership curriculum and tailored development. The goal is to develop commercial and store management skills.

**4.4**

**Defining roles and performance standards**

A challenge most new leaders face early on in balancing producing and leading ‘work’ is that, once promoted, their performance may still be assessed on the quality or output of their technical work. They may be expected to stay on top of the detail after promotion, but this simply reinforces old patterns and can lead to poor behaviours – failing to delegate because it is not rewarded, is an example. We recommend the following.

- A clear definition of what is expected of a leader for behaviours and outputs.
- Rethinking all performance measures, rather than just making leadership an add-on to existing ones.

**Tesco’s Advanced Leadership Programme**

- This programme is designed for senior general managers – although not exclusively targeted at experts, there are some senior specialists who participate.
- It is similar to an in-house MBA, and seeks to broaden participants’ outlook on the company, and help them transition into a general management position.
- Peta Hay, Group Resource Director, says they have found it harder to develop general management skills in specialists at this level than at more junior levels.

She cites two reasons.

- Senior people who have ‘grown up’ in their functional area may not have had opportunities to develop people management skills which is key to general management positions.
- So, by broadening skills through planned development experiences early in their career, the transition to general management is more manageable for specialists.

## 4.5

### Job design and work experience

It is easier for specialists to develop leader mindsets early in their careers if the organisation is set up for this. As noted above, technical disciplines tend to have their own cultures, and personality types become self-perpetuating – due to the calibre of people attracted to the discipline and how they are trained.

Enabling specialists to become accustomed to working across functions and thinking about commercial issues can reduce such barriers.

The prevalence of complex projects and matrix working also offers opportunities for specialists to build early career experience – as these approaches show.

- **Involvement in multi-disciplinary teams.** Specialists can collaborate well with other specialists, though it can be harder to do so with other disciplines. Designing work around teams encourages collaboration skills – as does having specialists explain what they do to others outside their area. It also develops their communication skills as well as a sense of identity. An example is Legal & General's leadership development programme which assigns future leaders to cross-functional projects.
- **Project and task force assignments.** These may test whether a specialist is able to lead something without having to **master** it first, and to see if they can work with, and through, others.
- **Develop commercial skills in 'crossover' functions.** The structure of GSK's Drug Performance Units means scientists have to prepare a business plan and consider the commercial aspects of the products they develop. Engineers involved in design or project management at Dyson have to learn to apply their technical skills in a business context.

## 4.6

### The role of senior management

Our interviewees, and the literature we reviewed, confirmed the importance of having good leadership role models. Here are some useful activities.

**IDENTIFY FUTURE TALENT.** Senior leaders have a key role in identifying future leaders and taking an interest in their success. At Ernst & Young, a success factor in partner selection is engaging senior leadership interest.

**NURTURE POTENTIAL LEADERS.** Line managers can help specialists decide if a move into leadership is suitable, and prepare for the different behaviours and mindset shifts required. "Some people think leadership isn't for them, but they are motivated to help others grow and develop, and this is something that can be nurtured," says Sinead Collins of Kellogg.

**COACHING.** This can help new leaders develop personal tactics to be successful. Often, they are desperate for advice and feedback, knowing little about expected behaviours. Biotechnology company, Genzyme Ireland, uses 'transition conversations' for new leaders to discuss their challenges and personal tactics.

**ROLE MODELLING.** It is difficult to learn how to balance producing and leading in the absence of a template of good practice to follow.

**SUPPORTING NEW LEADERS.** Line managers can help specialists balance individual contribution and leadership, align their objectives and incentives, and be aware of the leadership skills they will need.

## 4.7

### Coaching, mentoring and feedback

Many surveyed organisations provide coaches specifically to support a transition. At HSBC, for example, coaches help new leaders through the first 100 days. However, internal coaches are often in short supply – and funding may not be available for external coaches, particularly for more junior leaders. We also find that senior management is increasingly challenging HR to justify spending on coaching and evaluate whether it makes a difference.

Mentoring is also common, whether formal or informal. A good example is SHL's peer-to-peer mentoring programme. Many leaders find the experience of leading others quite isolating, and it can be helpful to discuss their concerns with someone in an equivalent role in another country, for example. Note that role definition and support, and development of mentors, are essential requirements in any mentorship programme.

Social media are used increasingly for colleagues to communicate on a more informal basis and build career/transition networks.

Note also that developmental 360 degree feedback, whether done as part of formal development or a new leader's on-going development, can be a powerful way of helping them see how their behaviour as a leader is perceived and what they may need to change.

## 4.8

### Pro bono

Some organisations reported preparing people for leadership with work on charitable projects or pro bono activities. Morgan Stanley has two programmes, for example – one involving setting up and managing designated charities, and the other, working with participants in a competition to secure micro-financing. High potentials are nominated for these projects, and taking part is seen as prestigious.

Some interviewees shared insights about what they had found to be the best ways of teaching leadership skills to specialists. See the column and those below.

#### Fact and structure are key

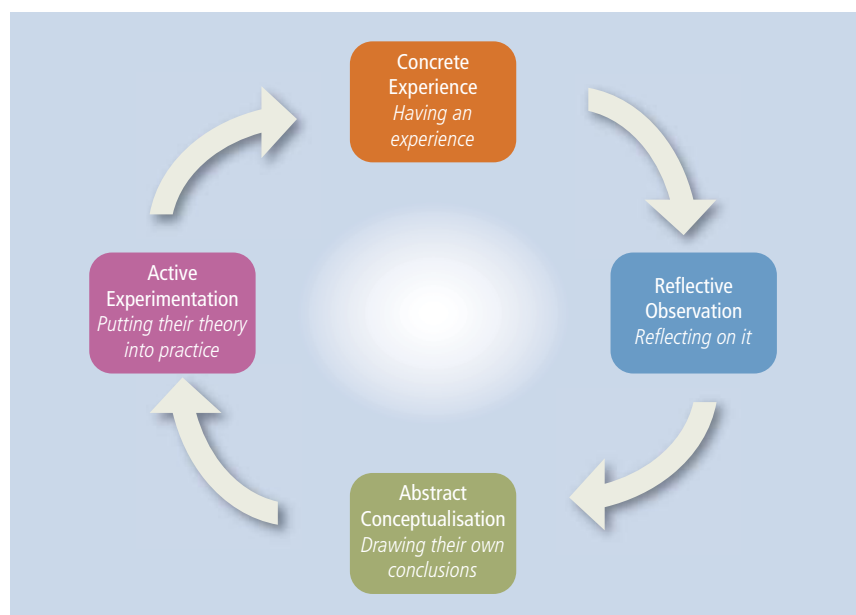
- According to Cathy Doyle-Heffernan of Dyson, technical people learn leadership skills in the same way they learned their specialism – that is, by recipe.
- She finds that fact-based, structured learning, is the best way to teach leadership skills.
- By explaining the required behaviours of a leader in a fact-based way, specialists understand and can apply it.
- Doyle-Heffernan also finds that explaining the concepts using psychometrics can work well.
- For people who do not naturally have a way of observing behaviours, this helps them interpret situations they face as a leader.



- Natalie Woodford at GSK cautions against trying to teach leadership based too much on principles and analytical models. She says that scientists are used to influencing by facts and data, and will pull apart any model presented to them. Instead, she finds teaching specialists to use their judgment, often using a storytelling approach, can be more successful.
- Ashridge work differently with clients from highly technical organisations because they may require more evidence and examples to support programme content. Trainers have to actively encourage participants to be more open-minded rather than them having right and wrong answers for every situation.

Although not mentioned by any of our interviewees, there is merit in considering David Kolb's Learning Styles Model when designing specialist programmes. He identified four distinct approaches that individuals use to develop their experience, as shown in Honey and Mumford's adaptation of the model below. These are concrete experience, reflective observation, abstract conceptualisation and active experimentation.

According to Kolb, the ideal learning process engages all four modes in response to situational demands. For learning to be effective, all four of these approaches should be incorporated.



Source: Adapted from Honey and Mumford, 1982

# SPECIALIST CAREERS ON THE TECHNICAL TRACK

Topics covered		Introduction
<b>5.1</b> Dual career ladders	35	In this chapter, we highlight several approaches for broadening specialists' skills and experience, and helping them achieve career fulfilment without leadership responsibility.
<b>5.2</b> Reward issues and value	36	
<b>5.3</b> Particular approaches	36	

“Senior specialists are rarely the ‘boffins’ of organisational folklore ... they need to interface with real business issues and other people. Being a specialist requires both business and people skills – even if people are not managed directly.” **CRF, 2004.**

## 5.1

### Dual career ladders

Specialists who reach senior leadership positions will only ever be a small proportion of an organisation’s specialist population. So, the careers of those not following the leadership track cannot be overlooked. As noted earlier, it is also critical that they develop strong commercial skills and an understanding of their business.

Having a clearly-defined technical pipeline offers an alternative for people not interested in leadership who may still seek more challenging work and greater responsibility. They can be motivated and rewarded for their technical contribution.

Most of our organisations have a dual career track process, some more formalised than others. They may be based on an internal definition of career paths such as job families, or reflect industry norms, as in the typical career structures of partnerships. Job families can define expectations at different levels and the skills specialists need to develop.

#### Our observations

Note these observations from our experience.

- Specialists at the top of the technical track still need to develop the skills highlighted as necessary for leaders, such as influencing without authority and commercial awareness.
- The reality is that few reach the pinnacle of the organisation either as leader or specialist. However, specialist careers tend to have a glass ceiling which is usually just below senior management.
- Organisations should be careful that the dual ladder is not seen as a consolation prize for failed leaders – or a way of shielding professionals from competing in the mainstream.
- There is a danger of encouraging silo thinking, which works against the matrix structures of most large, complex organisations today.
- There are few senior roles available for specialists which do not involve leading others, and these are less common than achieving seniority and the associated rewards by moving up the corporate hierarchy.

Typically, technical career ladders do not reflect any cross-over between the leadership and specialist track. However, Thomson Reuters have developed a more fluid career model within its Editorial area which is designed to encourage specialists to cross between the leadership and specialist hierarchy at different points – depending on what is appropriate for their career development. This is described in Chapter 6.

Note, however, this caution from Anita Harris of Sheppard Moscow. “There is still a wide belief in the corporate world that staying on the technical route is more of a B road – compared to the A road of being on the leadership track.”

## 5.2

### Reward issues and value

Kevin Abbott, Director at the Performance and Reward Centre (PARC), CRF's sister organisation, gave some insights into reward issues for specialists. As regards how companies value technical skills relative to leadership skills, he says companies have different positions on the spectrum shown here.

#### Differences in valuing skills

Technical Skills Most Highly Valued	All Skills Valued Equally	Leadership Skills Most Highly Valued
<ul style="list-style-type: none"> <li>Tends to happen where companies derive competitive advantage from certain technical skills</li> <li>Critical people rewarded differently - everything is done to retain business critical people</li> </ul>	<ul style="list-style-type: none"> <li>Approach aims to encourage team working</li> <li>Technical skills, leadership and team contribution all valued equally</li> <li>Rewards may be more team-based, where individuals are rewarded based on the scale of their contribution, regardless of source</li> </ul>	<ul style="list-style-type: none"> <li>The most common approach</li> <li>Reward increases higher up the corporate hierarchy</li> <li>May happen where there is little technical product differentiation and success is based on quality of leadership, efficiency of operations, quality of customer service, etc</li> </ul>

Abbott points out that the motivation for many specialists is not necessarily what they earn – extrinsic rewards such as the work environment, work content, the amount of freedom, peer recognition, etc, can be more important. For example, keeping research scientists happy might involve equipping them with a state-of-the-art laboratory, allowing them to attend conferences, and keeping corporate bureaucracy as far away as possible. It is important to pay them enough so they do not feel under-valued, but reward is unlikely to be their primary driver.

However, this tends not to apply to fee-earning specialists such as bankers, lawyers and accountants. Here, taking on a leadership role can reduce an individual's earning capacity, so firms need to incentivise leaders so they are not discouraged from leading.

## 5.3

### Particular approaches

In some organisations – most notably in the media and engineering sectors – where a senior specialist prefers not, or is incapable of, being a good leader, a senior support person is appointed to cover the gaps in their business and people skills. They may act as joint MDs, as we discuss further in the media organisation case study in Chapter 6, or as a functional COO. This can be done informally, by carefully selecting people whose skills complement the senior specialist. However, there are a number of downsides to this approach.

- The cost of additional staff.
- Building trust between people with different styles who share the same job.
- Finding people with complementary skills.
- Being clear about who has the 'real' power, which can create conflict between co-heads.

### Project roles

A good way of broadening specialists' experience, particularly commercial awareness, is involvement in cross-functional project teams where they use their functional expertise but also experience different parts of the organisation. This appeared to be the top method for interviewees of broadening specialists outside their area of expertise.

### Involvement in strategy development

Senior specialists can play a significant role in advising top management about key business issues, technical problems, or participating in strategy development. This helps demonstrate their value to the organisation.

### Skill owners or heads of profession

Sometimes heads of profession are appointed to be responsible for co-ordinating specialists in a cross-organisation discipline, or for providing thought leadership for all specialists in a particular field. The concept of the Fellowship within Rolls-Royce is an example, described further in Chapter 6. This can be particularly useful where specialists are spread geographically or in different divisions.

The skill owner role is also a good development opportunity for high potential specialists to experience aspects of leadership before taking on a formal leadership role. Typically, this would include the following responsibilities.

#### Skill owner responsibilities

- Responsibility for standards, curricula and professional development across the specialism.
- Representing the specialism to senior management, to ensure it is properly considered and supported.
- Oversight of career development and resourcing across the specialism.
- Responsibility for specialist know-how, its continuous development and dissemination.

#### Other approaches to consider

These approaches can help specialists broaden their learning and experiences.

- Representing the organisation to major customers.
- International assignments.
- Client secondments.
- Being assigned as a coach or mentor to others.
- Participation in professional networks such as CRF.
- Attending conferences and writing papers.
- Sponsorship for higher education or a PhD.
- Making sure someone senior is monitoring the high-value specialist's career to continue to challenge and motivate them.

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### Introduction

This chapter provides many contrasting approaches to developing and broadening specialists, including both leadership and technical track experiences.



**Partner transition challenges**

- Deep technical expertise developed in early career does not necessarily prepare people for Partner level.
- Prior to partnership, people are usually promoted on technical expertise, and are sometimes recommended for partnership because they have strong technical skills. However, partners are expected to have broad skills in four key areas, as shown in the diagram below.
- They are expected to stand on their own feet commercially, and both win new business and maintain existing client relationships.
- Broad commercial skills needed for success as a Partner have to be developed early in an individual's career.

**6.1**

**Ernst & Young**

Ernst & Young employs specialists in four key practice areas – Assurance, Tax, Transaction advisory services, and Advisory.

Although there are challenges in each practice area, specialists in some service lines find the transition to leadership easier than others. For example, individuals in Advisory tend to fare better than in Assurance or Tax. Andrew Wright, Partner Development Leader, EMEIA, says this is because of the nature of Advisory work, which helps foster the right mindset for leadership by requiring specialists to think in performance terms about their clients' organisations.

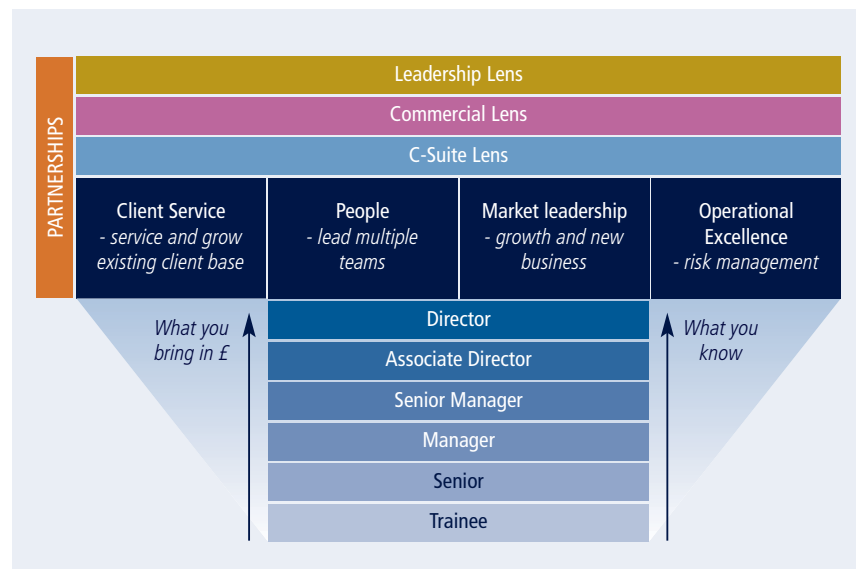
**Transition points**

The firm has identified two key transition points which are particularly challenging for their people – the transition to Manager, which is where individuals first take on significant leadership responsibilities, and transition to Partner.

Historically, heavy investments have been made in the first transition, combining formal training, internal transition coaching, and mentoring. As a result, Wright points out that individuals tend not to experience many issues at this stage.

Transition to Partner is the most challenging, and he identifies the reasons for this in the column.

**Ernst and Young T Model of Development**



Source: Andrew Wright, Ernst and Young

### Steps to broadening skills

Ernst & Young uses several steps to help potential partners broaden their skills early – making the T-shaped career track above more of a V. This includes the following.

- Being more rigorous in early career about participation in leadership skills development activities – client demands sometimes interfere.
- Implementing a leadership development programme at senior manager level, designed to simulate partnership experience. Individuals then prepare a tailored development plan and are assigned a mentor.
- Setting up self-managed learning groups, working in cross-service line teams. This helps develop understanding of the firm’s value proposition.
- Making the individual’s counsellor, who is responsible for career and performance management, accountable for the correct development opportunities and making it happen where necessary.
- Producing an experience map for each of the four Partner skillsets, which shows people what is expected and the skills needed.
- Improving transparency and clarity of expectations about the promotion process.
- Engaging existing Partners in developing high potentials moving towards partnership.

Implementing these measures in India, as one example, has resulted in a significant improvement in partnership admission success rates. Today, 80%-85% of people nominated are successful, compared with 50%-55% six years ago.

## 6.2 SHL

SHL is confronted by many challenges identified in this report as they develop their consultants into leaders – in helping their psychologists develop commercial skills, for example.

### Track programmes

Consultants have a choice of two, equally-valued career tracks. Those moving onto the leadership track benefit from an in-house leadership programme which runs parallel with their career progression through the company’s six management layers. Content covers the following aspects of transition to general management that SHL perceives as most difficult.

### Partner-expert career conflict?

- Is it possible to be a deep technical expert and a Partner?
- Andrew Wright thinks this is difficult, as Partners are expected to focus on winning new clients and servicing existing business – for which they must retain some of their technical specialism.
- The firm has an alternative career destination – a salaried Executive Director.
- This allows deep specialists to receive some kudos of partnership – attending Partner meetings, for example – without client obligations.
- However, there is an element of glass ceiling to this role as earnings are capped. It is rare for an Executive Director to progress to Partner.







**DPU profile**

- Each DPU prepares a triennial business plan which is the basis for allocating the company's \$500 million per year investment funding.
- Successful DPUs grow and receive more funding – less successful ones may result in GSK exiting parts of a market.
- The idea is that GSK operates more like a collection of small biotech businesses rather than a corporate giant.
- A typical DPU might have 60-70 staff, significantly smaller than the huge teams that existed under the old structure.

- Decisiveness and empowerment.
- Role modelling.
- Thinking about risk.
- Becoming less academic and more commercial.

The firm was keen to make the programme as practical and work-focused as possible. Rather than dealing with abstracts, participants tackle specific issues faced in their current role by developing an improvement plan.

Consultants on the specialist track must have an interesting and stretching portfolio of projects, along with the support of three well-known leaders who assign work to delivery teams. It is also common for SHL to sponsor experts wanting to undertake PhDs.

**6.3  
GlaxoSmithKline**

It is a given at GSK that those who lead the scientific and clinical functions have to be exceptional scientists – the challenge is who to promote and how to get them there. Natalie Woodford, SVP of the Talent, Leadership and OD Centre of Excellence, and Liz Fraser, Global Talent Business Lead for R&D, discussed the company's philosophy. It is to hire the best scientists available, and develop them into effective and inspirational leaders – mediocre scientists do not make senior management.

However, although most remain deep technical experts, business imperatives, organisation structure and practices mean scientists have to develop broader skills and work closely with commercial colleagues.

**New R&D function model**

In late-2008, GSK introduced a new organisation model within the R&D function, moving from a highly-centralised form to, currently, 36 Drug Performance Units (DPUs). Each is responsible for developing medicines in particular therapeutic areas. See the profile notes in the column.

This created a new career path for GSK's scientists, which requires a different, and challenging, skillset. DPU heads need the following.

- Deep technical expertise and credibility in their science field.
- Business leadership and entrepreneurial skills.
- People management capability for navigating a consensus-driven organisation.
- The ability to deliver business and scientific targets, rather than focusing purely on medicine discovery measures as in the previous structure.

- A change in mindset about interfaces with other parts of GSK resulting in joint accountability.
- In some cases, scientists manage partnerships with third parties who develop medicines, and so require skills in managing external relationships.

#### Tailored programmes

To support the new structure and roles, R&D tailored GSK-wide programmes to meet the leadership needs of their specialists.

**FIRST LINE LEADER.** R&D viewed these leaders as so critical that they ran this programme conference-style for all 2,000 people in the same week – for the function only, facilitated by the R&D leadership team. This allowed them to address its particular leadership challenges. In practice, senior management visibility is typical of this team, which is keen to role model good leadership.

**LEADING DELIVERY.** For managers of managers, this was again run by the leadership team with the whole R&D group.

Many career options exist for scientists wanting to move beyond medicine discovery into clinical development, drug safety, or regulatory affairs – it would be rare for such specialists to become general managers, as they tend to develop out of the commercial units.

Fraser thinks this is because people who choose R&D at the outset of their career tend to have a deeply-ingrained love of science, which drives them to remain in scientific roles. Woodford notes that cross-overs between science and commercial – such as medicine marketing – are better positions for those seeking to move into general management.

#### Medicine development leaders

- Another career option for more commercially-minded scientists is the Medicine Development Leader (MDL).
- Each medicine is assigned an MDL in the early stages of development.
- It is a senior integrative leadership role with responsibility for managing the lifecycle of a product.
- In addition to scientific expertise, it involves pulling together the internal functions and external stakeholders to develop and commercialise a medicine.

#### Success factors

Success for MDLs requires striking a balance between a broad strategic overview and diving into detail – understanding the scientific and business aspects of a product, and having the interpersonal skills and credibility to marshal senior people from across GSK. MDLs usually emerge from R&D or Clinical Development, having experience of different areas to broaden their skillset. For R&D scientists, it is usually the closest they will come to general management.



## 6.4

### Genzyme Ireland

Genzyme, a Sanofi company, has pioneered for over 30 years the development and delivery of transformative therapies for patients affected by rare, debilitating diseases. It established a manufacturing plant in Waterford, Ireland in 2001. Head of HR – Genzyme Ireland, Colin Wallace, and Mary Sullivan, Organisation Development Manager, Genzyme Ireland, described Waterford’s approach to developing specialists who are predominantly scientists, and chemical and process engineers.

Whereas other pharmaceutical and biotech organisations usually look for the best technical skills when recruiting specialists, Genzyme Ireland tries to foster a strong culture of leadership and co-operation across teams at every level. This is reflected in their recruitment practices. Cultural fit is a key consideration.

The company has tried to give equal weight to leadership and technical hierarchies. They value technical contribution on a par with leadership contribution. For example, scientists can progress to a technical leadership role, which does not involve leading people. Its focus is more on thought leadership and transferring technical know-how to others.

The key wealth generators in the business are senior scientists who do not necessarily have leadership responsibility. They are well looked after as regards remuneration and status, and recognition across the organisation. Wallace compares them to product designers in Apple, who play a pivotal role in competitive success.

#### People leader philosophy

- Genzyme Ireland has a philosophy of anyone being a people leader, providing they have a baseline level of skills and are motivated.
- It relies on line managers to have development discussions with individuals who wish to follow this route.
- They tease out whether prospective candidates have a genuine passion for leadership – or whether it is simply ambition for career progression.

The company has found that specialists can struggle with ‘letting go’ of detail when they become leaders, and can also struggle with trusting their intuition.

In order to help master these skills, HR engages new leaders in ‘transition conversations’ – rather than the more traditional first manager training run by many other organisations. They are designed to help a new leader plot how they will approach transition issues. HR also liaises with line managers to make sure the environment allows new leaders to ‘let go’ as required.

## 6.5

### Rolls-Royce

Engineering talent has always been at the heart of Rolls-Royce, with engineers being represented at every level. Senior technical and commercial roles are filled by engineers – for example, the Group COO, Chief Scientific Officer and the Presidents and COOs of each of the five divisions, have a high proportion of engineers by background. Senior general managers continue to be developed internally from the engineering population – although expansion into new markets over the last decade has meant skills in certain market segments have had to be bought in.

#### Tracks for engineer

The company has identified three key career tracks for engineers.

##### Technical specialist route

- At the top is the Fellowship and the top of this is a Senior Fellow responsible for keeping their expertise – that of their area of technical influence and its specialists – at the highest level.
- Promotion for all technical specialists is based on individual skills and knowledge assessments against set criteria.
- Individuals have to demonstrate through their track record and potential that they are capable of, and have the passion for, operating at this level – as well as being a catalyst for technical change in the organisation.

##### Programmes route

- Engineers progress by managing increasingly complex and large projects.
- These require them to become skilled at influencing and negotiating with functions to gain the resources they need.
- They also lead multi-disciplinary teams to deliver projects in line with financial and project plans.

##### Technical management route

- Progression occurs by taking on ever greater functional management responsibility.
- Technical managers have more conventional people management, budgeting and resource management responsibilities.
- Engineers on the Programmes and Technical Management routes are promoted by applying for vacancies arising – rather than being assessed as having reached a certain level of expertise.



# Rolls-Royce

### Technical specialist programme

- Provides an understanding of the specialist leader role and how they are expected to influence the business by implementing ideas which will result in business impacts.
- Broadens business knowledge through exposure to other functions – such as sales and marketing and manufacturing – to understand the commercial aspects of the technical solutions they develop.
- Communicates the wider Rolls-Royce strategy, along with business and customer priorities.
- Develops critical skills such as influencing, commercial awareness, political sensitivity and strategy development.
- Builds an internal network by meeting people worldwide to enable the challenges of different geographies to be shared – and help participants appreciate the diversity of the organisation.
- Gains exposure to current Fellowship members and the Senior Engineering Executive as a means of recognising and sponsoring efforts.

### Specialist academy and Fellows

Rolls-Royce has recently updated the development approach for Technical Specialists. A Specialist Academy has been introduced to run programmes for high potentials to become future Fellows. They are designed to broaden the skills and knowledge of participants and include the features in the column.

Potential Fellows practise their programme skills with cross-functional, multi-disciplinary projects – leading the delivery of a product of significant value. They are expected to demonstrate their commercial, political and influencing skills by preparing a proposal, pitching it at senior decision-makers and obtaining the resources they need for its delivery. Their performance on the programme is assessed, in part, by whether the project is delivered successfully.

### Two springboard roles

The background of the Presidents and COOs of Rolls-Royce’s business divisions shows that engineers can succeed in commercial and general management roles. Like other organisations, there are several leadership programmes, supported by mentoring, for example, to help leaders develop their skills.

However, most development is done on-the-job, and to facilitate this, two critical ‘springboard’ roles have been identified which are the foundation for general management careers.

#### Integrated Project Team Leader (IPTL)

- This relatively junior engineering role involves leading a project team to deliver engines to fulfil customer orders.
- The IPTL is required to lead a team of equals, bringing together the commercial, technical and financial aspects of a project.
- It gives engineers the opportunity to develop the broader skills needed for general management.

#### Sub-system Manager

- This role in the supply chain requires engineers to interface between teams which make engines and those in manufacturing.
- It ensures that all required components are manufactured and delivered according to the project plan for an engine.
- Success in this role requires good project management and commercial skills, along with an understanding of customer needs and priorities.

## 6.6

### Dyson

There are two teams in Dyson where developing and broadening specialists is demonstrated in different ways – New Product Innovation (NPI) and New Product Development (NPD). The NPI team develops products from original idea to early stage prototype, while the latter takes products through to manufacturing. Both teams mostly consist of engineers.

Cathy Doyle-Heffernan, Group HR Director, and Head of Group HR, Emma Worsley, explained how experience has shown that different profiles of people tend to suit each of these teams better – which also determines how likely they are to progress into more generic leadership positions.

#### Three career paths

There are three typical career paths for engineers at Dyson.

##### Principal engineer route

- Where an individual becomes a deep technical expert and remains in the same area throughout their whole career.
- They may take on leadership responsibility within the function, but rarely move outside it – this is the typical career path within NPI.
- Leadership in NPI is as much about providing technical leadership and direction as it is people management.

##### Design or project management

- These roles still have a strong technical element, but involve co-ordinating a range of organisation resources to steer a product through its stages of development.
- Engineers on this route must understand the commercial aspects of the business and apply their technical skills to a business context.
- These engineers tend to be in NPD – indeed, the team leader has a background in process development.

##### General management route

- The organisation is very flat, so people who choose this route are likely to take on significant people management responsibilities at an early stage.
- They require strong emotional intelligence and an ability to inspire others.

#### Recruitment practices

Dyson has continually recruited a significant proportion of its engineers as graduates – 50% of recruits in 2011. Talent is developed internally as much as possible, so it is rare to recruit senior engineers externally.

## Deutsche Bank



### Leadership capability findings

- Key strengths were setting direction and strategy and challenging the status quo – but people had difficulty seeing the broader organisational context and lacked skill in developing people and experience of leading change.
- It was not that they lacked capability – more that their roles had been too narrowly defined in the rigid structure. This meant those at director level were not given the lateral exposure necessary to develop a broader view of the bank’s business – hence their difficulty in leading change when promoted to MD.
- Changes in the business – particularly the offshoring of processing activities – required a different type of leadership, as Finance shifted from being a service provider to CFOs partnering with their businesses and exercising commercial judgment.
- Leaders struggled in flexing their style with different types of people and situations.
- Success as a leader was measured more by getting people promoted than by helping them develop new skills.

## 6.7

### Deutsche Bank

Group Finance at Deutsche Bank have had an on-going discussion over 18 months about its balance between technical expertise and leadership capability, facilitated by Karen Meyer, Global HR Business Partner, Group Finance. This was prompted by the Group CFO, Stefan Krause, who felt that technical skills were being overvalued by the Finance executive team relative to leadership skills. That balance needed to change.

The executive team agreed to a leadership capability assessment by Egon Zehnder involving the 110 managing directors and around 20 directors who were direct reports to executive team members. The key findings of the assessment are in the column.

It was difficult to persuade the Finance executive team that this was an issue, but Krause convinced his team by

- revealing the results of employee surveys which showed significant improvements when people with the right leadership style were appointed to run teams
- role modelling leadership by moving away from the core belief that only people with an investment banking background – that is, specialists – could succeed in Finance.
- Krause also took risks on new hires from outside investment banking. His experience at BMW had taught him that the best way to develop leadership skills was to put people in a position where they could not rely on their technical expertise to make a success of leading.

### Leadership philosophy

Krause’s leadership philosophy is based on effective leadership being about alignment, and sending consistent messages for strategy, and what leaders say and do – it is not related to technical skills.

- The primary focus of recruitment is technical skills, even at senior levels, where the figure is around 60%-70% due to engineering innovation being the hallmark of Dyson’s success.
- This means it can be challenging to know whether or not new recruits have natural leadership ability – and to develop that ability quickly enough to keep up with the company’s growth.

Until now, it has operated by hiring high volumes of technical staff who provide the varied skills needed. HR is usually able to predict the most suitable route for new entrants in order to shape and develop their innate skills. HR also helps the organisation understand the skills profiles needed and tailor recruitment to achieve the right mix.

Actions taken to support this philosophy include the following.

- Reviewing the criteria for MD roles and distinguishing between leadership and individual contributor roles.
- Changing the criteria for lateral hires at senior level.
- Ensuring that junior people with leadership potential are nurtured and given opportunities to develop.
- Defining leadership competencies for Finance, including influencing, developing people, managing stakeholders and creating vision.

This is a big change programme within the function which is still in its early days. Meyer is currently piloting a new programme to help individuals build on feedback from the assessments and prepare a development plan to address issues. Success will be measured by reviewing the reputation of the Finance function and success rates in promoting internal candidates to leadership roles.

## 6.8

### Standard Chartered Bank

Standard Chartered has found that the issues in developing specialists play out differently in different divisions. Head of Leadership Development, Simon Lau, contrasts the wholesale bank, where specialists tend to prefer – and are expected – to remain deep functional experts much later in career, with the retail bank’s flatter management structure. Here, employees experience leadership much earlier in their career. However, there are some common themes that affect all specialists – see the column.

Six leadership development programmes have been developed covering new leader level right up to the executive team. These map closely the leadership transitions model described in Chapter 3. They are designed for specialists and generalists alike, but the two levels which Lau has found particularly critical for specialists are as follows.

**LEADING SELF.** Moving from individual contributor to new leader.

**RETHINKING LEADERSHIP.** Moving from the equivalent of VP to director. This is the level at which the Bank expects individuals no longer to be involved in technical issues. Expectations of broad commercial and leadership skills change dramatically – and letting go of technical work can be a real challenge.

#### Improving programme effectiveness

These features have improved the effectiveness of the programmes.



#### Specialist challenges at Standard Chartered

- The Bank’s strong matrix organisation and consensus-driven culture require influencing skills and interpersonal sensitivity. This can be particularly challenging for mid-career specialist hires, as they can find it difficult to adapt to a different culture after 10-15 years at their previous employer.
- The need to spend less time contributing as an individual and more in setting strategy and directing, as people become more senior – and working out where that balance should lie.
- Shifting focus from skills development to having the right mindset for leadership at more senior levels.





- Providing support at the right time – three-to-six months before a job change to allow for adequate preparation.
- Building in time for personal reflection.
- Expecting participants to define goals and formalise them in the Bank’s learning system – a team in India contacts individuals and their line manager to track progress after the event.
- A follow-up call 100 days after the programme – an opportunity for participants to share learning, bond and check what has been applied.

## 6.9

### Legal & General

Brian Parkes joined Legal & General (L&G) as Head of Talent & Learning last year with a remit to introduce a new leadership development architecture for the company. It has a number of people in leadership roles, who by the nature of the business of managing risk, are exceptional technicians – but who found the broader aspects of leadership challenging.

#### Strengthening leadership capability

A talent review found that leadership capability needed to be strengthened. This was implemented by an approach similar to the Leadership Pipeline model in Chapter 3, selected because it is perceived as rigorous and suited the culture. The plan is to have a leadership development framework with programme delivery mirroring each of the six transition levels in the model.

An early part of Parkes’ work was to identify where to begin. A needs assessment showed that the initial focus should be on first stage transitions – and also on the transition from functional to business leadership, where leaders were most likely to derail.

So far, L&G has begun to roll out two programmes.

**EVERYDAY LEADERSHIP.** Designed for people making the leadership transition for the first time, it is a modular programme supported by career transition coaching.

**FUTURE LEADER PROGRAMME.** Aimed at helping people move from functional to cross-business leadership. It is focused on involving people in enterprise-wide projects, rather than classroom-based teaching.

Historically the people who were selected to progress to leadership positions have often been the most capable technical people who have demonstrated excellence. This has meant that there was a shortage of home-grown senior talent with a broader leadership capacity and an over-reliance on buying in skills. The company is now introducing a number of tools for senior level roles, to assess for indicators of potential such as learning agility and applied reasoning. Parkes hopes that this, together with supporting leadership development programmes, will help L&G achieve a better balance between ‘buying’ and ‘building’ leadership talent.

Parkes hopes that this, together with supporting leadership development programmes, will help L&G achieve a better balance between buying and building leadership talent.

## 6.10

### Thomson Reuters

Thomson Reuters' approach to developing and broadening specialists is to recognise different types of leadership, not all of which involve leading people or managing a P&L – and to acknowledge that fluid career structures in certain areas are a business imperative for people to move elsewhere to achieve the job they want.

Each approach builds on 15 defined job families in a global role framework which sets out the broad responsibilities within each family at each level. We focused on two areas – Editorial and Technology.

#### Editorial structure and roles

The appointment of a new Editor-in-Chief has led to a change in the distinction between journalists and management/administration. This enables writers to focus on writing, with management activities such as budgeting, hiring and operational support, being handled by others. It is achieved by two distinct roles.

- The Bureau Chief, a senior journalistic role focused on leading and coaching people on their writing.
- The General Manager who manages people and resources.

The News organisation has a career structure where achieving seniority does not depend on taking on management responsibilities. Progress to a senior individual contributor position can be made – as a columnist, for example – which does not involve leading people.

Journalists tend to be motivated by becoming great writers and, although there are some who wish to develop their seniority and influence by moving up the organisation, they do not necessarily want to do this by taking on a role in the corporate hierarchy. A high degree of career flexibility, which allows them to follow their career motivations, has been introduced.

#### Career pyramid

Gail Sulkes, Vice President, Strategic Talent, described this approach as a 'stepped pyramid' as illustrated below. The traditional management track still exists, but people are encouraged to move up the hierarchy on either side of the Specialist/Manager side of the pyramid – and cross over between each track at different points in their career as appropriate.

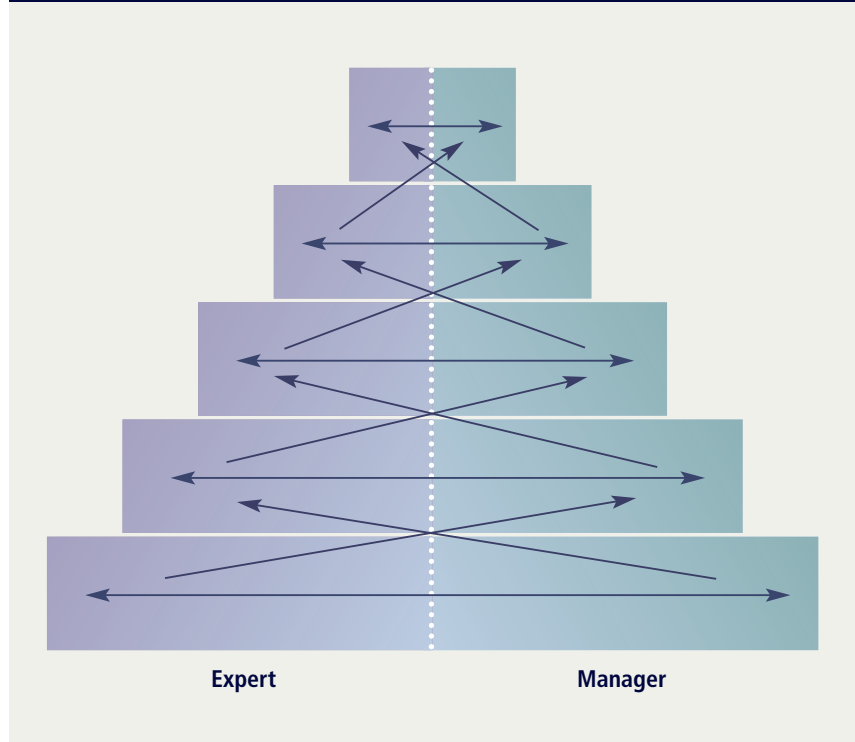


**Observations on career pyramid**

- The zigzag pyramid is an attractive model and appears to help address the concern many specialists face about losing their expertise if they follow the leadership path – or the difficulty in returning to the technical track.
- The model seems to work well in creative or journalistic organisations – a number of companies we interviewed in this field have similar models.
- However, in reality, it is rare for people to make the cross-over once they have reached senior levels on either side – their careers and motivations become fixed.
- Often, the only way to switch is to move to another organisation.

This can happen at quite senior levels although, realistically, it is most common at junior levels – reporters becoming editors and vice versa, for example. Should it occur at senior levels, it might be through an assistant Bureau Chief in a small bureau moving to a senior reporter role in a larger bureau.

**Thomson Reuters’ ‘Zig-Zag’ Career Pyramid**



Source: Gail Sulkes, Thomson Reuters

**Career development in technology**

Nicholas Creswell, VP, Talent and Development, Technology, described how the Technology function is developing a dual approach to career development. While the traditional career model of moving up the management ladder still applies, Creswell has a remit to create an environment where it is possible for technologists to progress by being thought leaders rather than managers – see the role differences in the table. An example would be enterprise architects, who have a strategic role but are not necessarily people leaders.

### Traditional v Thought Leadership

#### Traditional leadership

- Historically the people who were promoted were those who were good with technology
- Now focus on identifying people with management potential and equipping them with management and coaching skills

#### Thought leadership – the ‘Guru’

- Cultural shift for the organisation
- Identify critical domains for the business such as mobile, technical architecture and systems architecture
- Key specialists can take on leadership roles without requiring management responsibility
- Recognising a different type of leadership based on thought leadership, influence, technical expertise, networking, external reputation, and building internal and external communities

Creswell identified four critical enablers of this approach.

**THOMSON REUTERS’ JOB FAMILY FRAMEWORK.** With this recently-launched initiative, HR is trying to avoid a box-ticking exercise in favour of articulating career options and developing careers in a consistent manner globally.

**ENGAGING TECHNOLOGY LEADERSHIP IN TALENT.** The CTO is passionate about talent and nurturing thought leaders. He set the critical domains for technology, and conducted talent reviews to identify key people for each. The function is now actively engaged in talking about high potentials and thinking more carefully about development moves – whereas, in the past, these happened more by luck than active planning.

**SELECTION.** The function is now selecting people at graduate level who have the potential to be future thought leaders – recruiting PhDs in computer science is an example – though it still focuses on selecting people leaders.

**VIRTUAL COMMUNITIES.** A social media technology platform has been set up which is transforming the way subject matter experts connect across the organisation. Often small in number, these learning groups encourage content expertise to be shared, and have made a significant difference to the ability of people to find each other and develop internal specialist networks.

“Companies can do more to encourage a sense of community internally among their specialists. External communities of these groups tend to build naturally, but companies have to work at it,” explains Gail Sulkes.

## 6.11

### Large Media Production Company

This case study describes some particular challenges when moving creative specialists into leadership positions. We asked the HR director whether it was possible for them to become effective leaders. She feels it is difficult because the skills involved in developing creative output, and commercial and people management, are very different. It is rare to find people who can combine both, successfully. Specifically,

- producing creative output is intensive, all-consuming work, requiring an attention to detail. Creatives can be good at leading people in delivering a creative project, but may not be motivated by taking on commercial and financial management or leading the company
- people usually join the industry because they enjoy generating ideas and seeing them come to fruition. They are not motivated by traditional management.

#### Tackling a conundrum

Ways in which this conundrum is approached include the following.

- The organisation is structured around top creatives. These are people who come up with, and produce, creative output that is commercially successful and, accordingly, have a high status. They are responsible for their business P&L, and commercialising creative ideas. They tend to achieve leadership roles because they produce commercial 'hits', rather than as a result of particular leadership skills.
- The top creative is usually supported by a COO or commercial director, who are seen as 'money people' and undertake the non-creative management work, thus allowing creatives to focus on output.
- Rotations. Sometimes people are moved between leadership and purely creative roles, enabling them to spend time on their creative passions.
- Creating spin-off production companies. This approach can be successful for incentivising creatives who have a strong entrepreneurial drive and wish to run their own business with the parent company's financial support.

## REPORT OVERVIEW

Topics covered	Introduction
<b>7.1</b> Conclusions	55
<b>7.2</b> Recommendations	55
	<p>While many findings, practices and points of advice are provided in the preceding chapters, the really important issues are summarised here, along with recommendations to guide reader thinking and actions.</p>

## 7.1

### Conclusions

- Organisations today are flattening, and becoming increasingly demanding of their specialists, who are required to take on commercial and leadership roles whether they want to or not. Just as the 'general' manager is becoming rare, the specialist without commercial leadership skills is unusual – except in the most rarefied of environments.
- A disconnect can exist between the expectations of specialists as leaders, and the resources provided to support their development. Organisations recognise the challenges they face in their transition to leadership, but related development has not caught up. HR continues to run generic programmes – hoping to achieve the same results as in the past.

• We found evidence that the role of leader has changed, and that greater technical and commercial capabilities are required, and expected. They are faced with balancing the demands of leadership with continuing to act as individual contributors – whether dealing with clients or being involved in projects. Most organisations do not make explicit where that balance should lie and what the expectations should be. Development activities need to keep pace with these increasing demands on leaders.

- Sometimes, the best technical people are selected to lead. This may not always be the best outcome for the organisation or the people who work for such leaders.
- A challenge is still evident in attracting specialists to become leaders, especially as the role becomes increasingly demanding.
- Business and leadership skills require a different way of reasoning to that previously used by specialists – certainty becomes ambiguity and facts become judgments. The commercial context needs to be well understood and factored into development.

• The best organisations have analysed these issues and introduced measures to recruit and develop specialists and leaders who are fit-for-purpose. Many others do not recognise the issues – or offer solutions without the basis of analysis, rigour, theory or evaluation.

## 7.2

### Recommendations

- Develop leadership, commercial and interpersonal skills by designing jobs, teams, rotations and projects in a way that exposes specialists to other functions. This also encourages the development of commercial awareness, and gives people an opportunity to experience what it is to lead.

- Identify potential leaders in specialist populations as soon as possible and help them develop skills early on in their career – when they are more malleable and less constrained by the mindset of their specialism.
  - Encourage the right attitudes and motivation for leadership through role modelling and mentoring. Avoid promoting people on technical skills alone.
  - Be as explicit as possible about your own, and the organisation's, expectations of specialists developing commercial and leadership skills, along with any plans for their career progression.
- Ensure initial selection processes are balanced to reflect the need for technical ability while recognising organisation 'fit' and potential for further development. Even the most narrow of specialists has to work with others – be aware that selection of brilliance without empathy is high risk.
- Mentoring, perhaps more than coaching, offers a way forward. Some organisations nominate internal mentors in key areas to develop the next generation. This approach also provides development opportunities for mentors – along with real, hands-on, cost-effective development solutions.
  - Coaching, especially for specialists, needs clear objectives and pre-determined, core expectations – along with regular, independent monitoring for effectiveness. Going through the motions adds no value.
  - Development programmes should be based on learning needs and the principles of adult learning – and should take into account different learning styles. Effectiveness must be evaluated against objectives.
- Ensure the right leadership behaviours are practised, recognised and rewarded. Unless good practice and leadership role models exist at senior levels, efforts to develop skills and attitudes at more junior levels will be meaningless.



## PARTICIPANTS AND READING LIST

### Participants

Kevin Abbott, Director, the Performance and Reward Centre.

Sinead Collins, European Organisation Effectiveness Manager, Kellogg.

Nicholas Creswell, Vice President, Talent and Development, Technology, Thomson Reuters.

Margaret de Lattre, Director, Tailored Executive Education, Ashridge.

Cathy Doyle-Heffernan, Group HR Director, Dyson.

Liz Fraser, Global Talent Business Lead, R&D, GSK.

Rachael Hanley-Brown, Regional Director UK/Ireland, Center for Creative Leadership.

Anita Harris, Partner, Sheppard Moscow.

Peta Hay, Group Resource Director, Tesco.

Martin Hird, Executive Director, Centre for HR-Led Performance, Lancaster University Management School.

Wendy Hirsh, independent researcher and writer.

Tessa Honey, Global Head of Learning, Talent, Resourcing and OD, HSBC Securities Services.

Simon Lau, Head of Leadership Development, Standard Chartered Bank.

Alison Martin, Division Head, Life and Health Reinsurance, Swiss Re.

Andrew McEachern, Group Director of People and Talent Development, Norton Rose.

Karen Meyer, Global HR Business Partner, Group Finance, Deutsche Bank.

Paul Minx, Head of Leadership, Management and Professional Skills Practice EMEA, Morgan Stanley.

Johnny Nichols, HR Director, Bird and Bird.

Matt Nixon, Global Head of Talent, Barclays.

Brian Parkes, Head of Talent and Learning, Legal & General.

Sean Pratt, R&D Development Consultant, Learning and Development Centre of Excellence, Rolls Royce.

Eleanor Radbourne, Senior Capability Consultant, Resourcing and Development Centre of Excellence, Rolls Royce.

Gail Sulkes, Vice President, Strategic Talent, Thomson Reuters.

Mary Sullivan, Organisation Development Manager, Genzyme Ireland.

Michael Van Impe, Director, Markets and Client Solutions, Center for Creative Leadership.

Colin Wallace, Head of HR, Genzyme Ireland.

Des Woods, Partner, The Møller PSF Group.

Emma Worsley, Group Head of HR, Dyson.

Natalie Woodford, SVP Talent, Leadership and OD Centre of Excellence, GSK.

Andrew Wright, Partner Development Leader EMEA, Ernst & Young.

We are also grateful to a number of other participants who wished to remain anonymous.

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CORPORATE RESEARCH FORUM

**Corporate Research Forum**

One Heddon Street Mayfair London W1B 4BD United Kingdom

T + 44 (0) 20 7470 7104 F + 44 (0) 20 7470 7112

[www.crforum.co.uk](http://www.crforum.co.uk) [enquiries@crforum.co.uk](mailto:enquiries@crforum.co.uk)