



HOW TO DEVELOP GOOD LEADERS EARLY

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Partners of a very successful practice faced a challenge: How could they replace Leonard? To them, Leonard, age 29, already exhibited many of the attributes of an effective leader, even though he had only five years of professional experience. He was clearly the kind of person the firm and most other firms value and want to keep. Unfortunately they had no plan in place to retain and develop his skills.

Many firms face similar problems with leadership development. Identifying and then assigning a new leader are challenging tasks: Occupying a position of leadership doesn't necessarily mean that others will follow. Superb leaders are rare, and they can be hard to spot before they blossom. But how should a firm select people to steer its next generation?

There are several common approaches. Some firms try to pick new leaders by a sort of "natural selection." This approach assumes that future leaders will simply develop themselves. Although this method might succeed, it often opts for the most loyal rather than the most worthy. People who remain with a company are frequently a firm's caretakers instead of its entrepreneurs.

Other firms realize the need for new leadership by hiring outside leaders. However, this can be tricky and disruptive. It sends a message to the employees that no one within the firm is worthy of leading. The process also can be difficult for the person brought in to lead. An outsider coming into an existing culture faces issues of acceptance. If a newcomer enters an organization that has serious problems, people within may resist his or her attempts to change it, any benefits notwithstanding. Often a leader from the outside has to "clear the way" for successes—a process that can cause as many problems as it solves.

Leaders also sometimes "arrive" through a merger or acquisition, which creates its own set of issues. Results are far better in mergers and acquisitions in which there is an ample discussion about workplace culture and a comprehensive integration plan. Nevertheless, in a random sampling of recent design firm acquisitions, fewer than 15 percent of the acquired personnel remained as long as 3 years. Since the acquiring company failed to retain the talent it had worked so hard to acquire, it is reasonable to conclude that the acquisitions were less than successful.

By far the best way to develop leadership is to do it actively, and from within. Developing leadership candidates internally capitalizes on a firm's best talent. Whether an individual takes on more responsibilities gradually or is put on a fast track towards leadership in the firm, the process assures smooth continuity and retains a firm's most integral leaders. The point is to recognize talent internally and to put a plan into place that develops it. Even with a mediocre development program, a great candidate will succeed, but the reverse simply isn't true.

Surprisingly, this process of internal development is far less frequent than one might expect. There are two main reasons for this: It's not always easy 1. to recognize new leadership or 2. to develop that leadership successfully.

Confident, entrepreneurial individuals are frequently impatient. They may become frustrated with less effective leadership around them. Yet many leaders are ready to take on more influential and visible roles earlier in their careers. Firms can lose their next generation of leaders simply by not identifying and developing them early, with the result that the leaders move elsewhere to lead.

If a firm is to recognize and foster its younger talent, it helps to have a plan in place to develop it. There are a few approaches it might consider. One would be to send the individual out for training, and another would be to implement an internal training "university." A very effective method is osmosis, which exposes and involves potential leaders in the current scene. Future leaders gain insight into how values and vision influence decision-making, how current leaders envision and play out their leadership roles, and how leaders make decisions.

In Leonard's case, the partners at the firm realized the need to put in place a plan to retain him. Perhaps because of the relatively young ages of the current partners, previous versions of Leonard had chosen to leave the firm at the age of about 30. With the input and facilitation of their management consultant, the partners decided to give priority to keeping Leonard and to developing a strategy to help him grow. They developed and moved forward with a four-step game plan:

1. **Communicate** to the rest of the firm their intention to help Leonard develop into the kind of leader that the firm would need 10 to 15 years in the future when the current leaders would likely be out of the firm.

(Immediate response from some senior staff members indicated that they believed preparing Leonard for a future leadership role was tantamount to pushing them out of their current management roles and career paths. Four of the most senior staff members resigned. This very serious issue was resolved through subsequent conversation and increased understanding, with the result that they rescinded their resignations.)

2. **Include** Leonard in dialogues and meetings, and social/civic/business activities outside the firm. The firm held no exceptions. Leonard observed and was involved in discussions about hiring, firing, technology, marketing, strategy, facilities, and everything else. The partners' completeness of Leonard's involvement aided him.
3. **Train** Leonard in managerial matters, such as financial management and compensation planning.
4. **Involve** Leonard in external forums for leaders of other design firms.

The most recent chapter is worth noting:

- The plan has been extremely successful, based more on the partners' selection of and commitment to the right person than on anything else.
- The combination of Leonard as the right successor, the plan, and the organization's acceptance of both the candidate and the plan resulted in Leonard's leadership maturing much more quickly than anticipated. (Seven to ten years seemed reasonable; four years was the reality.)
- The partners' willingness to step back from their own individual situations and think about the firm's long-term needs and well being was critical to the commitment to Leonard, the design of the plan, and its implementation.

Leadership evolution is crucial to the continuation of a firm. Superb leadership is crucial to the continuation of a great firm. By identifying potential leaders early, the firm ensures its ongoing success. Not making such identification can eliminate some very good options for future leaders. By setting in place a plan for leadership development, current leaders are setting the stage for their firm's future success.

Checklist for Good Leaders

- Do they propel the organization to succeed more by inspiring than by directing?
- Are they more interested in influence than its accoutrements?
- Are they more motivated by their ability to help the firm succeed than by their right to sit in its corner office?
- Do they exude passion for the vision that they help shape and inspire others to achieve?
- Do they have personal values that are well aligned with the firm's
- Do they have high standards and inspire others in the firm to achieve them?
- Are they mindful of the long term and the big picture?
- Are they modest, joyful, enthusiastic, approachable, and engaging?
- Do they value and respect personal lives both their own and those of others in the firm?