



Group HR

MANAGEMENT BRIEF

Lessons Leaders Learn

TATA MANAGEMENT TRAINING CENTRE

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Lessons leaders learn

In a world where the sources of competitive advantage are drying up sooner than ever before, the light is shining all the more brighter on leadership development. Corporate India, too, has made leadership development a focus endeavour, as evidenced by the substantial investments it is making in training and nurturing potential leaders. The jury is out, though, on whether these efforts are enhancing India's talent pool of business leaders to the extent possible or necessary.

Given the long gestation periods for developing leaders, and the organisational exertions and resources this demands, we could do with some clear answers to a critical question: how and where do people actually learn the 'lessons' that enable them to develop into successful leaders?

For starters, do leadership lessons really exist? If they do, where can we find and learn them? At a pragmatic level, if we are keen on developing more leaders in our organisation, should we increase training and executive education budgets, or should we get managers to spend more time developing their juniors.

10 key lessons

- Gaining in confidence
- Being aware of oneself
- Understanding and establishing life goals
- Being execution- and operation-savvy
- Mentoring and motivating subordinates
- Improving management and leadership skills
- Grasping the technical side of running a business
- Embracing innovation and entrepreneurship
- Getting the right information
- Nurturing and developing subordinates

Also, will the rewards be better if we get employees to confront tough challenges early in their careers?

These questions, and the nuances and shades they come draped in, reveal how far the leadership-development net can be cast. Essentially, they highlight the truism that experience is the best teacher, which may explain why companies set potential leaders up for a variety of experiences. Which of these are likely to lead to the development of effective leaders?

The quest to find answers to the many queries on leadership development was what led to the trailblazing 'lessons of experience' study conducted in the United States by the Center for Creative Leadership (CCL) back in the 1970s. This much-acclaimed initiative lies at the heart of the highly rated leadership-development programmes offered by the centre over the years.

Coming to India

The Tata Management Training Centre, in collaboration with CCL, has carried out a similar 'lessons of experience' study in India over the last couple of years. The reason for undertaking the study all over again in this country - rather than transplanting the findings from the American version - was to make certain that cultural and contextual differences were incorporated.

The India research study set out to discover the answers to two questions on leadership development:

- What kinds of lessons do leaders in India usually learn?
- How do they learn these lessons?

Under the study, 71 successful leaders were interviewed. We asked the interviewees to list at

least three significant or memorable events in their life, events that had led to a lasting transformation in their approach to management. We probed each of the events listed, with questions about what had been learned from the experience and what had led to the learning.

We have classified our findings from the interviews into 29 types of lessons, which have been extracted from 25 types of events. We have outlined the types of lessons learned and the types of events that led to these learning experiences.

‘Three worlds’ of leadership learning

The early findings of the study indicate that leaders learn lessons pertaining to what we call the ‘three worlds’ - one of them internal and two external - that they belong to and are participants of: their own ‘inner world’, and the external ‘world of getting things done’ and the ‘world of people’. The leadership lessons appear to be equally distributed across these three categories. This is instructive, showing that organisations need to balance their focus when it comes to leadership development.

The inner world cluster is about lessons related to the person, including weaknesses and strengths.

Here it is all about what helps these individuals become aware of, and transcend, themselves (See Table 1). This appears to be the bedrock of the leadership-development methodology. The world of getting things done is, perhaps, the most visible component of the leadership-development process. This cluster includes skills and competencies that connect to ‘getting things done’ in the work context. The most important factor here seems to be developing one’s own worldview of management and leadership.

The world of people cluster is concerned with managing and developing relationships, among them with peers, superiors and subordinates. This is a vital module in the leadership-development matrix, principally because of the interpersonal capabilities they bring into sharp relief.

The study indicates that within these three clusters the most commonly learned lessons are about:

- becoming more confident;
- becoming aware of one’s own weaknesses and strengths;
- understanding and clarifying life goals;
- learning to execute an idea and make it operational;
- learning to manage and develop subordinates;
- learning the technical aspects of running a business;
- becoming innovative and creative;

Table 1: Lessons learned in the three worlds

Inner world (35%)	World getting things done (32%)	World of people (33%)
Confidence	Being execution- and operation-savvy	Managing and motivating subordinates
Self-awareness	Improving management and leadership skills	Nurturing and developing subordinates
Life goals	Grasping the technical aspects of running a business	Team management
Becoming humane	Acquiring broad organisational view and strategic insight	Building relationships with peers and superiors
Building credibility	Becoming adept at decision making and problem solving	Communication and feedback
Dealing with ambiguity	Handling organisational change	Customer orientation
Coping with setbacks		
Developing flexibility and adaptability		
Integrity		

- learning how to access relevant information;
- developing an understanding of the management and leadership process.

It is worth noting that of all the leadership lessons that the senior leaders said they had learned the top three came from the inner world, and these were about themselves.

Where do leaders learn their lessons?

According to the study, the three clusters of learning happen through various experiences, only a few of which are delivered in anything resembling a classroom. The findings indicate

10 important events from which leaders learn

- New initiatives (starting things from scratch)
- Early socialisation
- Role models within the organisation
- Fix-it or turnaround situations
- Lateral or cross-functional moves
- Coursework and training
- Personal experience (outside the organisational context)
- Dealing with labour and trade unions
- Early experiences in the organisation
- Enhancement of job scope

that corporate leaders in India learn most of their lessons from ‘challenging assignments’ (46 per cent). The two other categories of experiences that proved the most potent in conveying lessons are ‘other people’ (21 per cent) and ‘hardship and adversity’ (16 per cent). Only a small part of the lessons (3 per cent) can be said to have been absorbed in a classroom, by way of coursework or training (See Fig 1).

The leaders interviewed for the study stated that they had learned almost half of their leadership lessons from different kinds of challenging assignments in the workplace, such as...

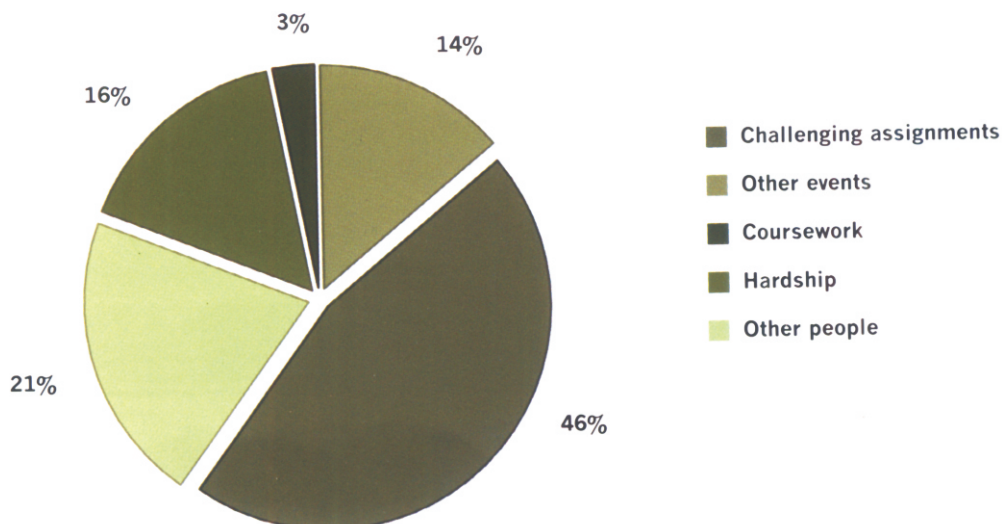
- being in charge of a new initiative (starting something from scratch);
- fixing a problem;
- taking up enriching job assignments;
- moving from one functional area to another;
- taking up supervisory responsibilities.

Research backing up the study suggests that the types of experiences that lead most frequently to leadership lessons are:

- new initiative (starting something from scratch);
- early socialisation;
- role models within the organisation;
- fix-it or turnaround situations;
- lateral or cross-functional moves.

Of the top five key events, three belong to the category of challenging assignments (new

Fig 1: Where do leaders learn their lessons?



initiatives, fix-it or turnaround situations, and lateral or cross-functional moves). This indicates that leaders seem to develop skills on the job rather than outside it. Significantly, the leaders seem to have learned considerably from working with and observing their bosses and seniors, as well as other workplace role models.

About 16 per cent, or one-sixth, of the lessons were learned from adversity and hardship situations, such as professional and personal mistakes, business crises, dealing with intransigent trade unions, handling mergers and acquisitions, and unanticipated organisational change.

Implications for leadership-development practices

The message that emerges from the study is that no one category of experience can, by itself, deliver able leaders. Managers really need to focus on a blend of challenging assignments, exposure to role models and coaching, and quality executive education.

While it is relatively easy to fix the quality of executive education, improving the quality of assignments often calls for hard-to-negotiate structural and career-path changes. It is more

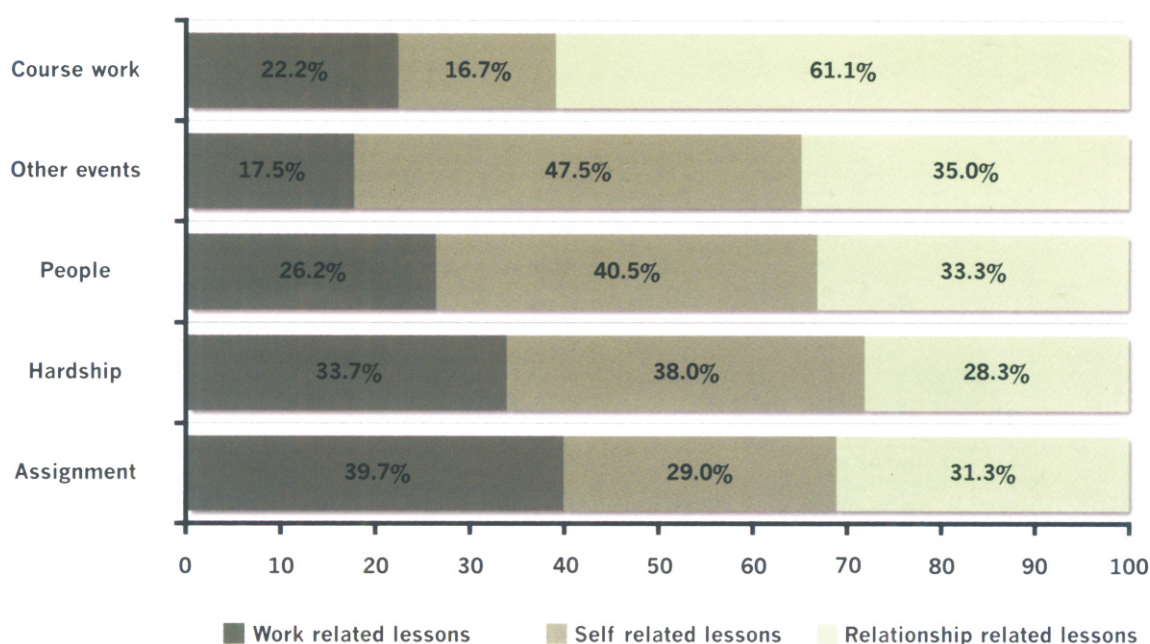
difficult still to effect a significant change in the quality of role models and coaching. Yet the latter two are far more potent, the study suggests, than executive education aimed at crafting leaders over time.

This is why it is important that top managers take personal responsibility in developing the next generation of leaders. The kinds of organisational pathways that are needed to create the leaders of tomorrow always vitiate against the logic of running the business of today. This calls for direct action and personal involvement from the highest level of decision makers in the organisation. However, this is not to suggest that senior leaders are the only ones who need to work overtime to develop leaders; it is to affirm that their direct and visible support to leadership-development programmes is a prerequisite.

Much can be done by operating managers across functions, including HR, to set the stage for effective leadership-development solutions: socialising with talent, instituting cross-functional teams to work on highly visible projects, ensuring high-quality team training for all first-time leaders, to name just three.

We can complement this process with leadership-development material - available off the shelf - that spurs the imagination of

Fig 2: Relationships between lessons and events from which they are learned



practicing managers on what they can do to improve leadership development in their ambit of influence.

Learning intensity

Let us dive deeper into the data from the study to resolve a particularly difficult problem. Let's say you have some subordinates who you wish to develop into leaders. What developmental actions will prove most valuable (for simplicity, let's restrict ourselves to three choices: challenging assignments, coaching and executive education)? Will they all benefit from the same action? Most likely not. Additionally, there is the dynamic of individual interest that has to be factored in.

Different categories of experiences (events) lead to different kinds of lessons learned from different clusters. Fig 2 gives an overview of the nature of relationships between lessons and the events from which they are learned.

How can organisations develop leaders who are more confident about themselves?

- New initiatives: Giving them the responsibility of developing new products, expanding existing markets, starting something from scratch, etc.

- Fix-it or turnaround challenges: Giving them the responsibility of fixing a problem, attending and solving a crisis situation.
- Being empowered and trusted: Giving leaders autonomy and empowering and trusting them to do a good job.
- Role models: making senior leaders accessible and getting them to take time out to coach and mentor high-potential manager.

Summary

The early findings of the lessons of experience study have opened up interesting new ways of looking at leadership development as a process. Business heads and HR managers in India need to enhance their leadership development mix with much more than coursework and training. Customising a balanced meal of high-protein assignments, the carbohydrates of role models and the appropriate spices and salt of courses and training is probably what our leadership development cuisine has to incorporate.

We need to use, even create, challenging assignments in our organisations to groom and manage talent, besides encouraging senior leaders to mentor them. The lessons of experience study should help HR and other organisational leaders approach the process of leadership development in a new, more refined and effective manner.

