



WHY LEADERSHIP DEVELOPMENT IS ALL WRONG

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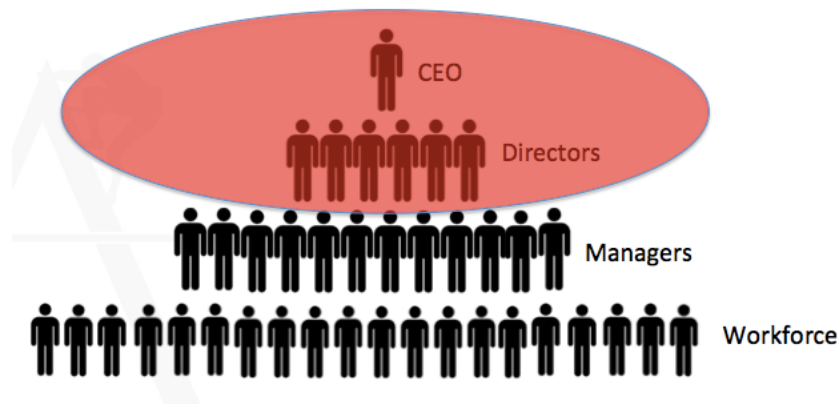
The Current State of Organizational Leadership

Organizations are failing to plan and leaving their leadership pipeline barren. A recent Bersin study showed only 6% of organizations feel their leadership pipeline is very ready and 86% of companies globally cite “gaps in their leadership pipeline” as one of their top 3 issues.

Yet young professionals want to lead and they value their leadership skills being developed well before they actually manage people.

US companies alone spend \$15B annually and on average \$3,000 per employee in Leadership Development. Here’s the disconnect: all of that investment is made once an employee is already in a leadership position. Best known in corporate America as “managing people.”

The Current Leadership Development Market is at the Top of the Hierarchy

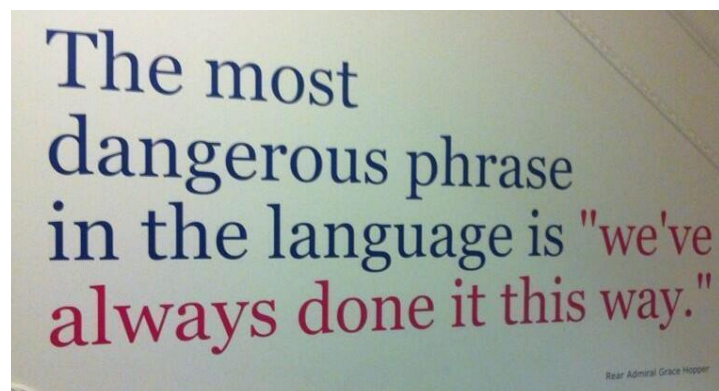


The vast majority of leadership development organizations are focused at the top of the organizational pyramid. And when you think about it – that makes sense. If a CEO of a company is making \$300k per year, it’s justifiable to spend a few thousand dollars on leadership development in order to improve their performance.

"High salaries justify high fees"

But, a senior leadership position in a large organization would hopefully have a baseline level of competence. Most in these roles know how to build relationships, set a "vision" and create systems to manage performance.

So it's simple, the majority of CEO/Director level leaders have a baseline level of competence built-up throughout their career, yet organizations continue to invest there for incremental improvement because "we've always done it this way." We know that's a dangerous way for any organization to think, made famous by the Grace Brewster Murray Hopper:



The question must be asked, "Would organizations get more of an impact from training highly skilled professionals or a first-time leader?"

Think about it. More often than not, first-line leaders get promoted because they are good at their job. But being good at your job is only one element in the equation; it doesn't mean they will be good leaders. Leaders have to be able to get other people to perform, and most of the time, they learn this through trial and error.

What Should Leadership Development Look Like?

If there is ever a time in history that we needed more leaders, not less, that time is now. Our world is changing at a rapid pace and in order to effectively compete in today's marketplace, strong and next generation leadership is required.

The beauty of leadership is anyone can be a leader and it doesn't require gray hair, 30 years of business experience, or astronomical levels of business success. As long as a person, at their core, understands leadership is about developing people and helping others become better versions of themselves.

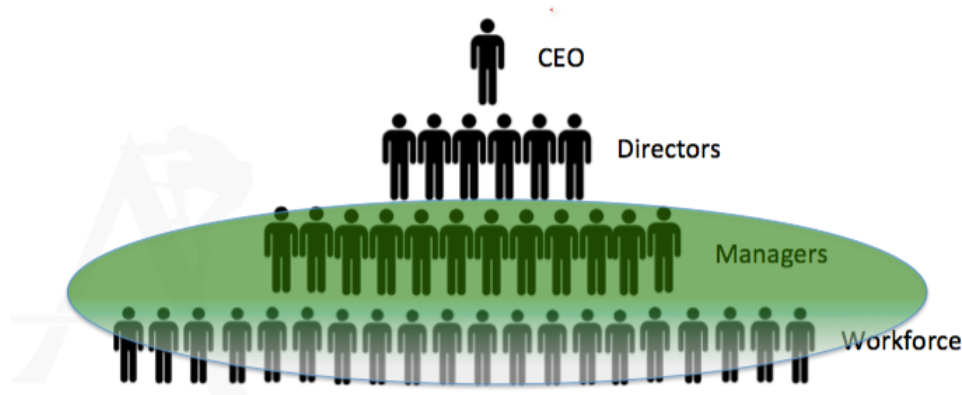
There are leadership skills that are extremely important, regardless of age according to Harvard Business Review.



Unfortunately, there is a double-edged sword when it comes to age. Often, younger professionals don't have the experience to have all of these leadership skills fully developed yet. At the same time, older professionals have them yet forget their importance because of the almighty \$\$\$\$. The key is, if you can apply these leadership skills, your age doesn't and shouldn't matter.

What World Class Organizations Do

What do world-class organizations do to develop their people so they don't put their people in the difficult position to sink or swim? They develop high performing members of the workforce and all managers from day one.



Take for example Toyota. They have what they refer to as 'dojos'. These are simply classrooms where they train people to go on the assembly line. Everyone who joins the organization gets taught in a dojo before they go and build Toyota products.

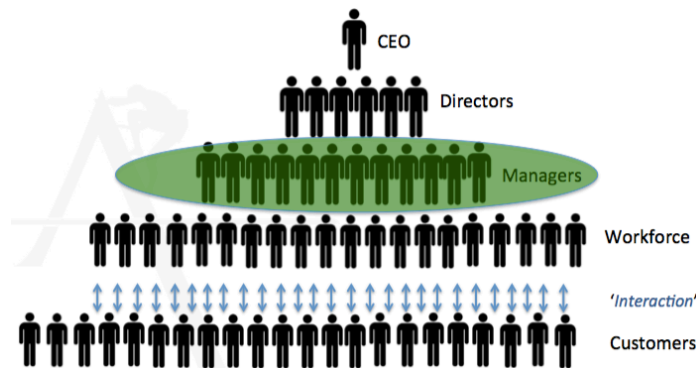


Why? Because world class organizations would never send someone to do a job without training them how to do it properly!

The point is world-class organizations, get it right from the start. There is no fear of the *"what happens if we train them and they leave?"* World-class organizations believe that it is a bigger risk not to train people. It is a bigger

risk to ask their people to do something without teaching them how to do it properly. Why? Because customers are the ones that pay for it.

It's clear the performance of an organization is entirely dependent upon its people and the performance of the people and the quality of the interactions with customers are dependent on the leadership capability of the front-line managers.



Why Most Organization Don't Train at This Level

Most organizations don't get to leadership development at these levels in their organization for a very simple reason. Lower salaries make it harder to justify high fees. The idea of bringing employees making less than \$80,000 and spending thousands of dollars on them is hard to swallow. To make matters worse, these people are on the front lines, so taking them out of the field for 2-3 days, is almost out of the question.

The problem with not training them is over two million people are promoted every year into management roles. 60% of new managers underperform or fail. Without providing training and development opportunities organizations risk:

1. Low Employee Performance. Managers and Leaders can improve individual employee performance as much as 45%.
2. High Employee Turnover. There is a quote every leader must know, "People leave managers, not companies."
3. Low Employee Engagement. Managers and leaders play a crucial part in the culture and engagement of employees.

What Organizations Can Do About It

Young Professionals that are made up of first line managers and the current employee base are the present not the future. Getting them ready to lead and having them in leadership positions is one of the top 5 things organizations can do to better compete in today's marketplace. The people who embody what true leadership is all about will innovate, reinvent broken company cultures, and develop people at a rapid rate. So focus on identifying the people with the skills needed to lead and less on age. When training them here are a few tips:

1. Provide Online Leadership Development Programs
 - a. For Established Employees Leverage Executive Sponsorship
 - b. For New Employees Include it in Onboarding
2. Leverage Social Interaction to Increase Community and Adoption
3. Include Learner Response Projects to Ensure Knowledge is Transferred
4. Provide a Library of Best Practices for Just-In-Time Learning

Learn More

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ABOUT LEARNLOFT

We realized there were so many companies offering online training to help people with technical skills, but nothing that would help them advance their career beyond “average”. We focus on enabling individuals to develop skills that will last beyond the latest software update or newest technology tool. The skills you learn with us will not only last a lifetime, they’ll help you lead an extraordinary life. Are you ready to reach new heights?

LearnLoft is online learning company focused on developing the modern professional. We use a combination of technology and content delivery methodology to elevate people to new heights.

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