

The Importance of Leadership Development



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Many people know the adage “People don’t quit jobs. They quit managers.” That quote alone should tell organizations that they need leadership development. But when coupled with some of the findings from a [2022 survey by OfficeVibe](#) survey (75% of employees who display low engagement levels or leave their jobs say it’s due to their manager or leadership), it’s apparent that leaders need training.

Benefits of Leadership Development

Investing in leaders will directly impact organizations and will especially have positive impacts on some of today’s biggest business challenges. 55% of CEOs say leadership training is a big challenge they hope to tackle in the coming years.

Added to that, employees rely on their leaders to set the standard of their company’s work culture and are not afraid to look for other opportunities if that culture doesn’t align with their principles.

For the Organization

A [leadership training research study](#) conducted by the Journal of Applied Psychology illustrates how leadership development affects the organization as a whole:

- Leadership training programs can lead to a 25% increase in learning
- 28% increase in leadership behaviors performed on-the-job

Even more so, organizations will see better financial performance as leaders build stronger relationships with clients, turnover decreasing as leaders learn the skills needed to develop employee trust, better talent recruitment, increased agility as leaders are better equipped to make decisions rapidly, and improved company culture as employees begin to see training from the top down.

For the Leader

Learners have a lot to gain from continuous development. Increasing their skillset makes them more marketable for career opportunities and decreases stress in their daily job roles.

Leadership training programs teach skills to:

- Inspire team members to think critically
- Engage employees so they are excited about their contributions
- Invigorate and uplift team members to be creative and innovative
- Support individuals when they are struggling with their job performance
- Drive organizational success by utilizing team members’ strengths and building up areas where there is room for improvement

That agility comes in handy as many organizations are either entirely remote or embracing hybrid work.

Leading in a Time of Isolation

The COVID-19 pandemic threw organizations for a loop and challenged the skills of leadership everywhere. Leaders are responsible for guiding their organizations through change and during the last few years, leaders were expected to adapt to the changes and make decisions for the betterment of the organization and their teams. They needed to be in tune with how people react in stressful situations as well as how they deal with uncertainty.

It's important here to look at bosses of the past vs. bosses of today. Bosses in the past often closely managed the time and activities of their direct reports, demanded presence in the office, were micromanagers, and wanted to focus on hard skills with a one or two soft skills sprinkled in.

When the pandemic hit leadership had to change. They learned to become more in tune with their feelings (emotional intelligence), how to meet the needs of their isolated employees, and found ways to manage a new type of workforce.

Bosses now look at the big picture, spend more time managing results and outcomes and less time micromanaging their teams. They want to have a deeper understanding of their organization, and focus more on skills that make their employees better people while still investing in their job role skills and desired career goals.



Leaders of today should focus on a few key things moving forward.

1. Building trust – To keep teams performing at a high level, there has to be trust in the relationship. Trust that a leader won't micromanage and trust that an employee is getting their work done. Trust can be nurtured through communication, clarity, accountability, feedback, and valuing employees.

2. Agreeing upon communication cadences/mediums – Leaders should be aware of how and how much they are communicating with their teams. Work with team members to decide how they prefer to receive communication and how often it should come. Consider meeting once a week to talk over projects and offer help if needed.

3. Investing in emotional connection – Remote work is hard on everyone and that's why leaders need to be aware of their own emotions, and those of their teams. Inspiring leaders will do what needs to be done to engage employees and make them feel connected, even from a distance.

4. Remaining flexible and showing compassion – Working remotely comes with a lot of variables, so it's important to remain flexible. Workers can have internet issues, children to care for, pets on their desks, etc. Anything can happen, and managers and leaders need to remain flexible and understanding.

5. Building culture - Company culture is constantly evolving and being created, and it may be different for each employee, especially if some are hybrid and some are remote. Leaders should be using words and emotions when talking about culture to help paint a picture of their ideal company culture.

6. Recognition – This was easier when in the office but offering recognition virtually can be difficult. Leaders need to recognize the efforts of those working remotely as equally as those working in office. This helps build trust, culture, and engagement.

Now let's look at the different types of leadership in an organization and how to make them the best possible employees.



High-Potentials and New Managers

Each organization's definition of high-performing employees (HIPOs) is different. However, in general, a HIPO is in good standing in their role while also showing off skills that would be necessary for a managerial or leadership role, too. They also take initiative and possess leadership skills.

High-Performers vs. High-Potentials

The term high-potential is often used synonymously with high-performing when it comes to employees, but there are a few key differences between the two.

The biggest difference between them is that high-performing employees likely excel in their roles and have a desire to move up, but they lack natural leadership skills, don't want to learn new skills, or simply don't want to lead. Many companies look to those high achievers and then promote them into management positions despite their lack of skills.

Mistaking a high-performing employee for a high-potential employee can be costly. If an organization is unable to distinguish the difference between performance and potential, it will have difficulty hiring and retaining talent. This could lead to confusion around why some contributors aren't "taking off", so to speak. It's because they don't yet have the skills they need to succeed.



Identifying HIPOs

So, how do you spot a HIPO? They demonstrate the following skills:

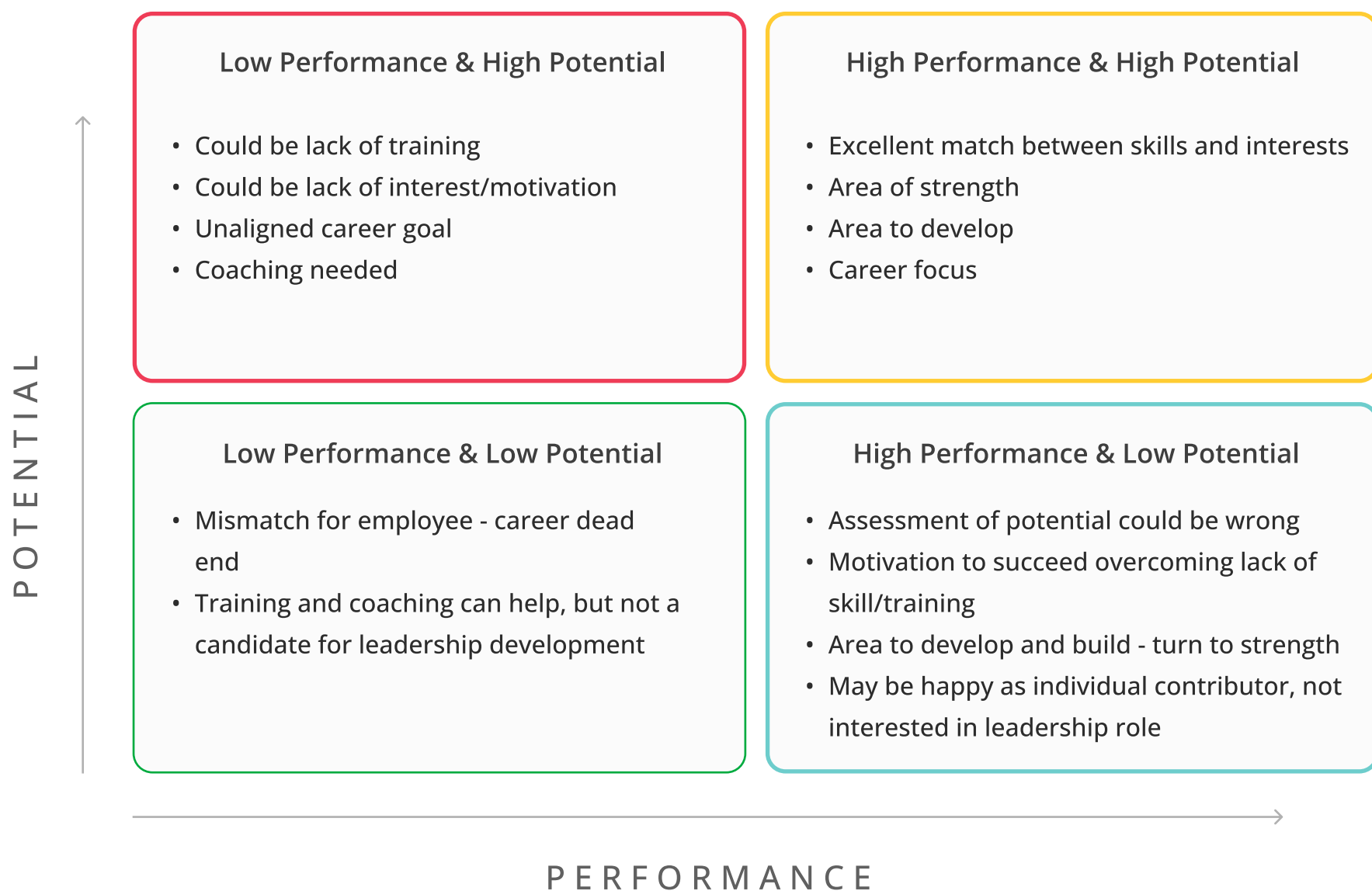
Driven to succeed: HIPOs not only care about their career success, but also the success of the company. Rather than just doing what they need to do, HIPOs look at the entire business and see how their contributions contribute to the overall success of the company.

Takes initiative: Just being driven to succeed isn't enough. HIPOs take initiative, are eager to learn and are often very innovative.

Willingness to take on new projects: HIPOs have the desire to take on additional responsibilities and tasks they aren't necessarily responsible for and view such opportunities to grow.

Manage stress: These employees are ready for whatever and demonstrate resiliency while also being able to grow from their experiences.

Consider this chart to see where your employees fit in.



Now, what's the best way to develop these HIPOs?

Developing HIPOs

Once the HIPO's have been identified, the next step is to [develop them](#).

Succession Planning

Managers should start by chatting with HIPOs about their interests, goals, and where they see themselves heading in their careers. As many of the Baby Boomer generation begin to retire, taking decades' worth of institutional knowledge with them, it's important to start preparing for the future with [succession planning](#).

Question to ask: Is your company expanding, or is a leader leaving or retiring soon? If so, this is the perfect opportunity to promote from within if there is a HIPO with the correct background for the job. Instead of jumping to fill positions because a high-potential employee seems like they would be a good leader, make sure their personality and skills match the position.

Skills Assessment

Those in management roles need to have a strong understanding of the various soft skills required to successfully lead a team. Conducting a [soft skills assessment](#) can help illuminate areas where managers can improve to better enhance team performance. The assessment also shows which skills the HIPO is proficient in, so they can better understand how to share those skills with their team.

Once it's known what skills these HIPOs need to work on, organizations can implement online training.

Online Learning

One way to provide HIPOs a chance to learn skills they are lacking is through online learning. Videos on topics such as conflict resolution, decision making, and problem solving are all great options for soon-to-be managers.

Mentorship

Training is important but so are opportunities to put their skills to practice, that's why HIPOs should also be matched with a mentor who can answer questions, provide feedback, and guide decisions. The mentor should be someone in a position aligned with their career goals.

This is also a chance for HIPOs to job shadow other leaders that their mentor can direct them to. This way they see all an organization has to offer and can learn from everyone.

Let's move to when these HIPOs are moved into their first managerial role.

New Managers

The number of people who will move into first-time supervisor roles is going to grow as Boomers retire. Moving into a new managerial role can be a stressful but exciting event. These new managers will likely face a few challenges along the way.

1. Supervising former peers and friends: Even though those that promoted the new manager see their leadership potential, former peers may still see the person as a colleague. There is a power shift as those managers are now the link to upper management and the go-to for resources, approvals, mediation, etc. Power changes in relationships need to be handled carefully.

2. Finding balance between tasks and management: New managers will likely feel a bit overwhelmed at first trying to find balance between how they're going to manage their time between tasks, meetings, one-on-ones, etc.

3. Inspiration and motivation: In a leadership role, it's now on the new manager to inspire and motivate their team. It'll be important to look at this from a different lens and perhaps rediscover employees' strengths, weaknesses, and passions and then tailor tasks and management around that information.

4. Prioritization: There's going to be a lot of new tasks for new managers, and they'll need help prioritizing them. They'll likely be asking themselves:

1. Will this matter six months in the future?
2. What is the deadline?
3. Do I need to do this, or can I delegate?
4. Is this a priority or can it wait?
5. What does my time look like?

Approaching new projects and requests with this mindset will help new managers put high-priority items at the top of the list and stay productive.

5. New performance expectations: New managers might have imposter syndrome and begin to worry they aren't right for the role or won't meet department and organizational goals. Encourage new managers to write down goals to help them remember and keep them focused.

New managers need to get mentally prepared for the role. Author, expert, and BizAcademy instructor Kevin Eikenberry says, "You've got to get clear in your head that you're in a new role, you've got to look at the world differently, and you've got to try new things." When you are mentally prepared for a new role, you are better equipped to take on challenges that will inevitably present themselves.

Getting mentally prepared means investing time and energy to ensure readiness. New managers should spend time reflecting on their unique perspectives and strengths and how those can and have helped in previous jobs. By taking the time to understand "why" a promotion occurred, the new manager is geared towards success.

Skills New Managers Need to Succeed

Research from Capterra suggests most businesses [aren't doing enough to prepare their new managers](#), with 40% of managers reporting that they received less than two hours of managerial training.

Two hours of training for one of the most important positions in a company isn't enough, and effective management means a lot for your business – good managers can **increase productivity by as much as 50%** while struggling managers can **increase turnover by 60%**!

New managers aren't going to have all the skills they need right away so it's vital to train them. Here are some skills they can work to develop:

- **Emotional intelligence** – ability to understand and monitor feelings and emotions of oneself and others
- **Active listening** – affirming body language and reiterating what is said to make employees feel confident they were heard
- **Delegation** – clearly communicating the importance of tasks and inspiring employees to get them done
- **Coaching** – helping employees improve themselves through trainings and regular check-ins
- **Relationship management** – learning how to manage relationships with employees, co-managers, and higher leadership without showing favoritism
- **Art of feedback** – actively seek feedback from reports while also giving feedback respectfully

These new managers will then evolve into experienced managers and c-suite executives.



Experienced Managers and C-Suite Executives

Senior management at any organization needs training just as much as every other employee. Their focus tends to be on leading a whole company through change, economic fluctuations, competition, etc.

Challenges to Training Them

Training executives does come with some challenges including the following environmental or workplace barriers.

Time: Executives have a lot on their plate and may feel like they don't have time to invest in training.

Budget: Whether their training doesn't fit in the budget, or they feel the budget is better spent on individual contributors, the cost of training can often stifle efforts.

Executives may also try to avoid or refuse further training for more personal reasons.

No options: They may feel like they've attended all the training that is available to them or that training doesn't exist for executives.

They've peaked: They may think that since they've reached the highest level of an organization, more training isn't needed.

So, it may be difficult to get top leaders and c-suite members to invest in their growth and train on important skills.

Skills They Need

Good leadership skills are top of the list of competencies that recruiters need to focus on when hiring people or when managers promote leaders from within the organization.

- **Communication** – working toward bettering one-on-ones, performance reviews, conflict management, actively listening, and change management by being open and transparent
- **Mentoring/Coaching** – guiding employees on their career journeys by providing motivation and inspiration, showing empathy, enhancing dialogue, and believing in their reports
- **Collaboration/teamwork** – showcasing how to work well with others and facilitating opportunities for their reports to do the same
- **Setting Goals** – setting manageable and attainable milestones for themselves as well as their direct reports
- **Developing Relationships** – demonstrating strong relationships with coworkers, clients, vendors, etc.

These skills should also be passed on to their employees through training initiatives and career pathing.

Career Pathing

Top leaders should be invested in the career paths of their employees, many will admit that they don't devote enough time or resources to it, or they don't know how to best complete the task. Corporate-wide initiatives around career pathing can be as simple as discussing career interests or as extensive as planning out skills development through upskilling and reskilling.

BizLibrary has developed the first and only off-the-shelf upskilling platform that provides personalized training and career growth for each individual employee called [BizSkills](#). This unique platform includes more than 500 of the most popular job roles mapped to more than 1,500 key skills, which allows users to immediately see the skills they'll need to be successful.

Those 1,500 skills are then mapped to more than 5,000 courses in BizLibrary's content library so that all learners can easily find the courses they want to take.

Having a majority of the work done makes training employees in the skills they need a breeze.

But there's more to being a leader.

Servant Leadership

Traditional leadership methods are well known and talked about. Good leaders aren't "bosses." Rather than giving orders, effective leaders work by helping employees solve problems, removing obstacles to success, and providing feedback.

While traditional leadership is focused on helping an organization or company thrive, servant leadership puts employees first and focuses on developing individuals so they can perform at higher levels. Here are a few differentiators for servant leaders:

- They work to identify and remove obstacles for employees' success.
- They build trust and strong relationships with their teams
- They hold their values close and use them as guidance in the workplace.
- They actively listen to better understand their employees' challenges.
- They develop others by looking at strengths and weaknesses, and then develop a coaching plan.
- They advocate for employee needs, especially for developing new skills.
- They act as a catalyst for change by demonstrating the behaviors they want to see in their employees.

So, what does the future of leadership development look like?

Leadership in the Future

The need for leadership development has never been more urgent. Companies are starting to realize that with all of the volatile and complex changes happening every day, they need stronger leaders with the skills to help guide employees and organizations through.

Developing leaders can take many forms, such as providing seminars, conferences, outside consultants, online learning, or a mix of the above.

BizLibrary has a solution that combines all of the above in their newest product, [BizAcademy](#). Both new managers and experienced leaders can enroll in expert-led, cohort-based learning academies that are run by industry experts, executive coaches, TEDx speakers, authors, business strategists, and even CEOs.

Through this blended learning format, participants will get to engage directly with experts and their peers to practice what they're learning and receive constructive feedback. In addition to the expert-led sessions, there are also live discussions where leaders can ask questions of their peers, thus enhancing skill development.

Leadership training isn't one size fits all. Even with all the elements listed in this ebook, each organization should look at the skills they need now and in the future. Then, instead of just focusing on general skills, leaders can be trained on the skills they'll need moving forward.



Additional Resources

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