

Leadership Gap Indicator

An Organizational Analysis of Leadership Effectiveness and Development Needs

Prepared For

LGI Sample Organization

All Raters

26 August 2011

Number of Responses = 10



Center for
Creative
Leadership

www.ccl.org

TABLE OF CONTENTS

Purpose and Overview	2
Assessing Leaders	3
Leadership Competency Definitions	4
Respondent Profile	5
Success Profile	6
Reflection Questions	8
Leadership Profile	9
Reflection Questions	11
Leadership Gap Profile	12
Leadership Gap - Now	13
Leadership Gap - Future	14
Leadership Attention Index	15
Potential Challenges	16
Assessing Derailment Potential	16
Reflection Questions	17
Developmental Planning	18
Supplementary Data	24

Purpose and Overview

The Leadership Gap Indicator is a tool for assessing managers' views about their leadership development needs. Managers assess the relative importance of select leadership competencies for success *now* and in the *future* and rate their ability to perform on these competencies. Gaps are exposed when these data reveal a deficit between managers' current and desired state of leadership capability.

To better understand managers' perceptions of their development needs, the Leadership Gap Indicator report presents answers to key questions about your organization's present state of leadership.

Success Profile	Which leadership competencies are critical for success in your organization?
Leadership Profile	How strong are your managers in these critical competencies?
Leadership Gap Profile	How aligned are your managers' strengths with what is considered important?
Leadership Attention Index	Where should your organization focus its leadership development efforts?
Potential Challenges	What factors may lead to the derailment of leaders in your organization?

The data in this report can be used to

- Identify leadership strengths and development needs in your organization
- Begin discussions about the impact of these strengths and development needs on the organization
- Rank the importance of leadership competencies within the organization
- Inform training and development plans.

Purpose and Overview

Assessing Leaders

All competencies in the Leadership Gap Indicator Library are part of the Center for Creative Leadership's (CCL's) typology of leader competencies. These competencies were identified through multiple research projects aimed at understanding effective leadership. They are characteristics of managers, observable through behavior, and are related to effective leadership performance.

The competencies assessed in this survey are organized into 3 dimensions using the typology of leader attributes - *Leading the Organization, Leading Others, Leading Yourself*.

Selected Leadership Competencies

Leading the Organization	Leading Others	Leading Yourself
<ul style="list-style-type: none"> •Being a quick learner •Change management •Decisiveness •Strategic perspective •Strategic planning 	<ul style="list-style-type: none"> •Building collaborative relationships •Compassion & sensitivity •Confronting problem employees •Employee development •Inspiring commitment •Leading employees •Participative management •Putting people at ease •Respect for differences 	<ul style="list-style-type: none"> •Balancing personal life & work •Career management •Composure •Culturally adaptable •Self-awareness •Taking initiative



Purpose and Overview

Leadership Competency Definitions

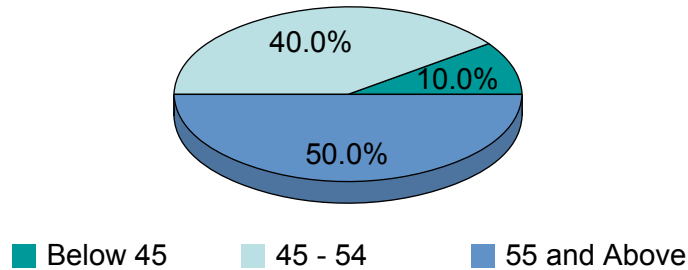
Balancing personal life & work	Balances work priorities with personal life.
Being a quick learner	Quickly masters new technical and business knowledge.
Building collaborative relationships	Builds productive working relationships with co-workers and external parties.
Career management	Uses effective career management tactics, including mentoring, professional relationships, and feedback channels.
Change management	Uses effective strategies to facilitate organizational change initiatives and overcome resistance to change.
Compassion & sensitivity	Shows genuine interest in others and sensitivity to employees' needs.
Composure	Demonstrates self-control in difficult situations.
Confronting problem employees	Acts decisively and with fairness when dealing with problem employees.
Culturally adaptable	Adjusts to ethnic/regional expectations regarding Human Resource practices and effective team process.
Decisiveness	Prefers doing or acting over thinking about the situation.
Employee development	Coaches and encourages employees to develop in their careers.
Inspiring commitment	Motivates others to perform at their best.
Leading employees	Attracts, motivates, and develops employees.
Participative management	Involves others, listens, and builds commitment.
Putting people at ease	Displays warmth and a good sense of humor.
Respect for differences	Effectively works with and treats people of varying backgrounds (culture, gender, age, educational background) and perspectives fairly.
Self-awareness	Has an accurate picture of strengths and weaknesses and is willing to improve.
Strategic perspective	Understands the viewpoint of higher management and effectively analyzes complex problems.
Strategic planning	Develops long-term objectives and strategies; translates vision into realistic business strategies.
Taking initiative	Takes charge and capitalizes on opportunities.

Respondent Profile

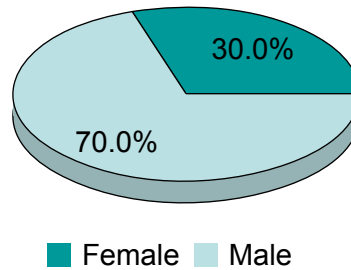
Who completed the survey?

This report is based on the analysis of 10 responses. Below are demographics about the managers who responded to the survey. Due to rounding, totals may not equal 100%.

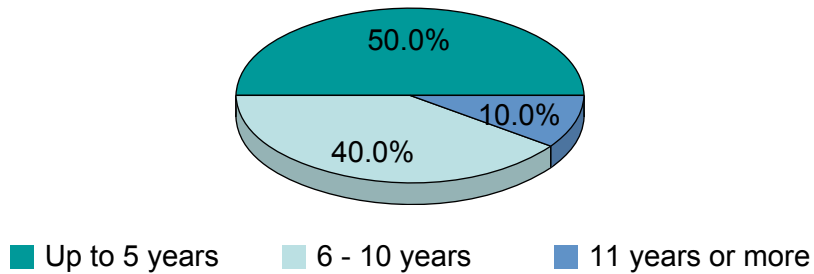
Age



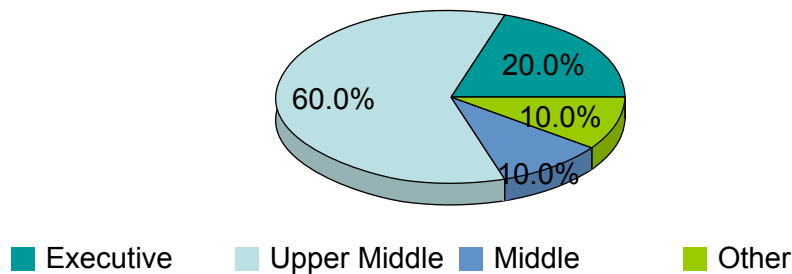
Gender



Years of Service



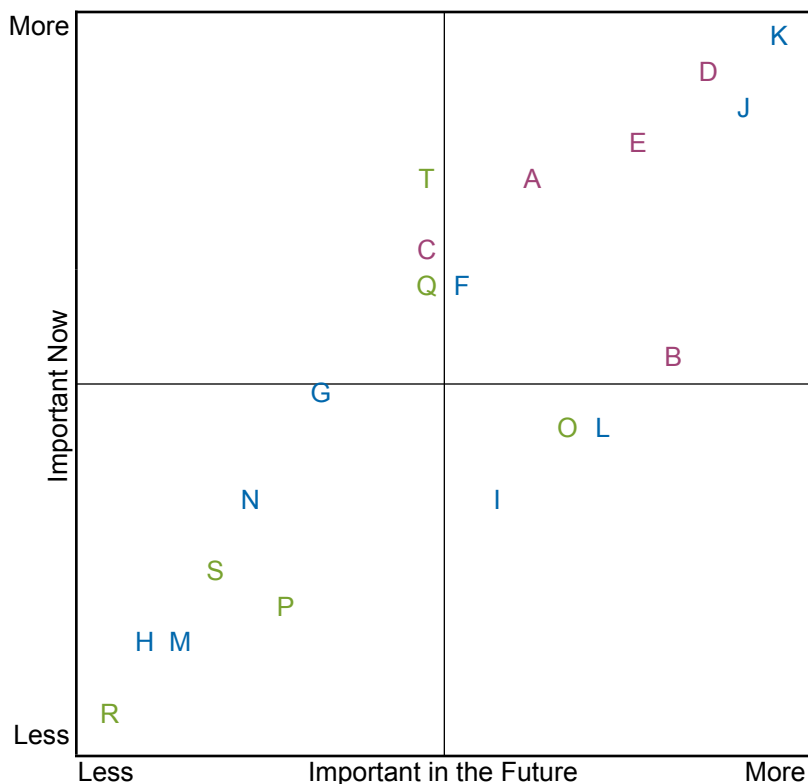
Level



Success Profile

Which leadership competencies are critical for success in your organization?

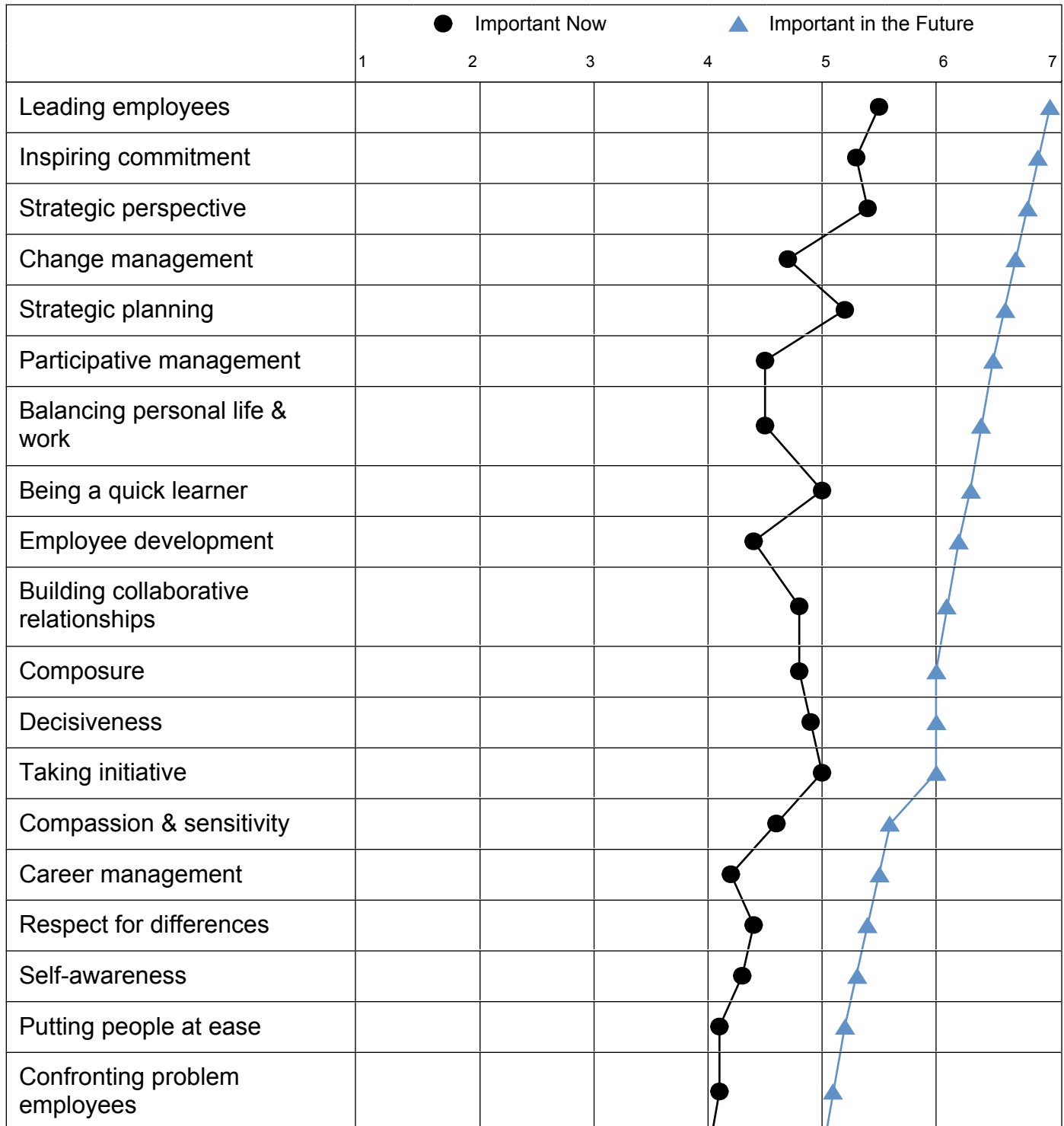
Managers rated how important each skill is for success in your organization right now and how important each skill will become for success over the next five years. Combining these perspectives provides a comprehensive picture of the leadership competencies managers consider to be of greatest importance. In the graph below, leadership competencies that fall in the upper right quadrant are considered by managers to be important both *now* and in the *future*.



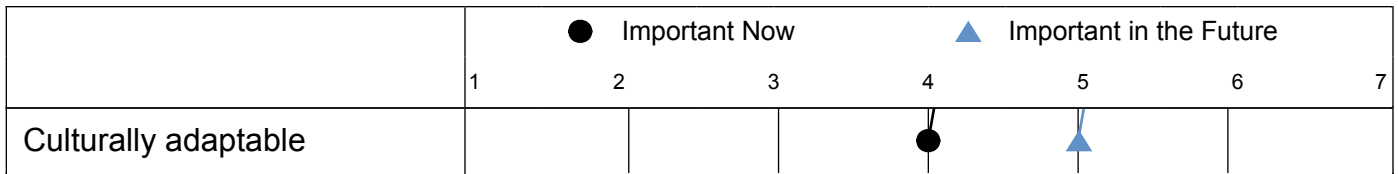
Leading the Organization	
A	Being a quick learner
B	Change management
C	Decisiveness
D	Strategic perspective
E	Strategic planning
Leading Others	
F	Building collaborative relationships
G	Compassion & sensitivity
H	Confronting problem employees
I	Employee development
J	Inspiring commitment
K	Leading employees
L	Participative management
M	Putting people at ease
N	Respect for differences
Leading Yourself	
O	Balancing personal life & work
P	Career management
Q	Composure
R	Culturally adaptable
S	Self-awareness
T	Taking initiative

Success Profile

This graph, also based on the answers to the importance questions, shows the pattern of ratings for each competency over time. Each plot is based on the average score for the group of managers who responded. The competencies are listed in descending order of their importance in the future. The range of possible ratings is from 1 (not at all important) to 7 (critically important).



Success Profile



Reflection Questions

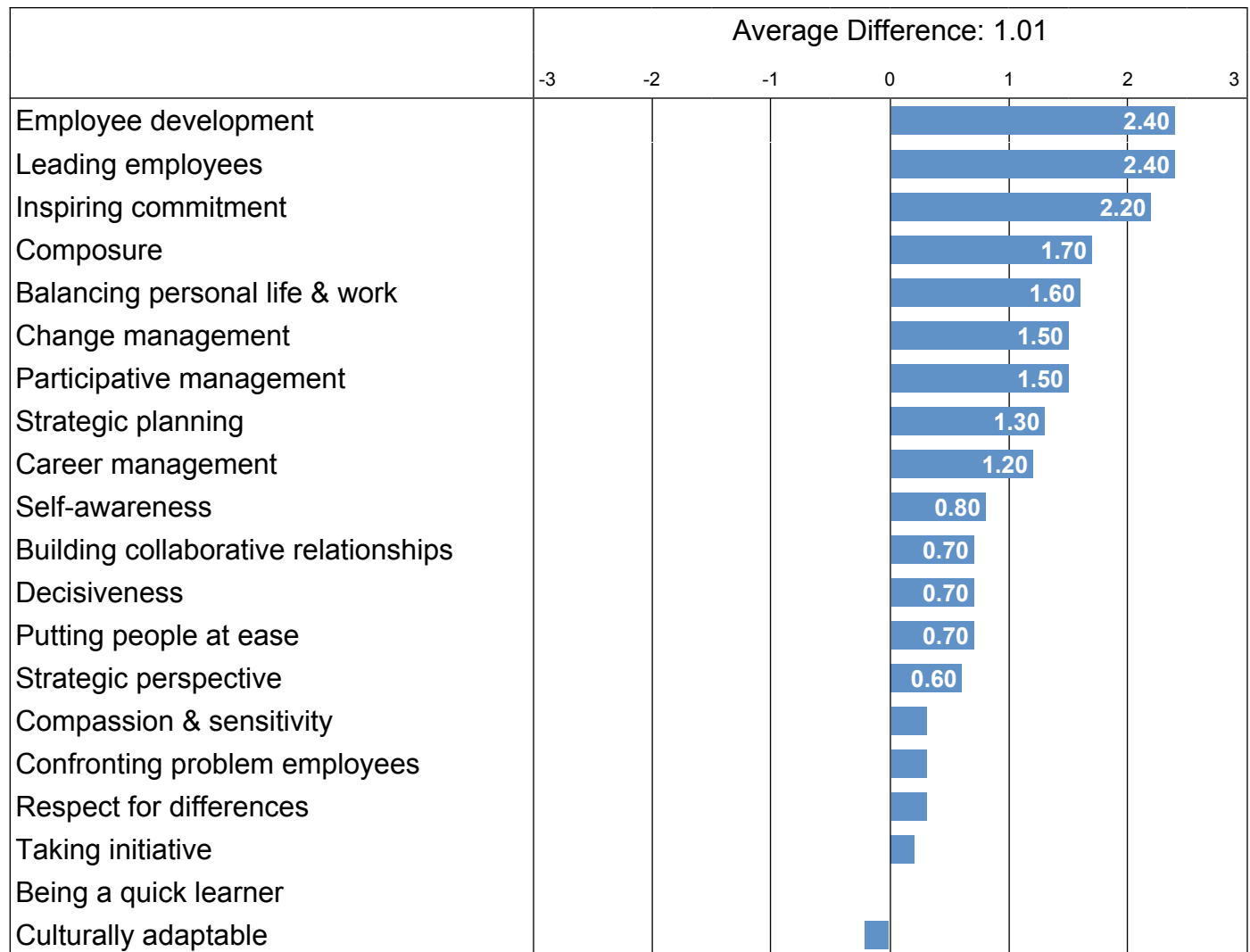
- How well do the importance ratings align with your organization's strategic direction? What is driving the importance of these ratings?
- What might account for some competencies becoming more or less important in the future? For example, are these changes related to changes in your organization's strategy, your industry, or the economy?
- How might changes in the importance of particular competencies impact your leader selection and development practices?

Leadership Profile

How strong are your managers in these critical competencies?

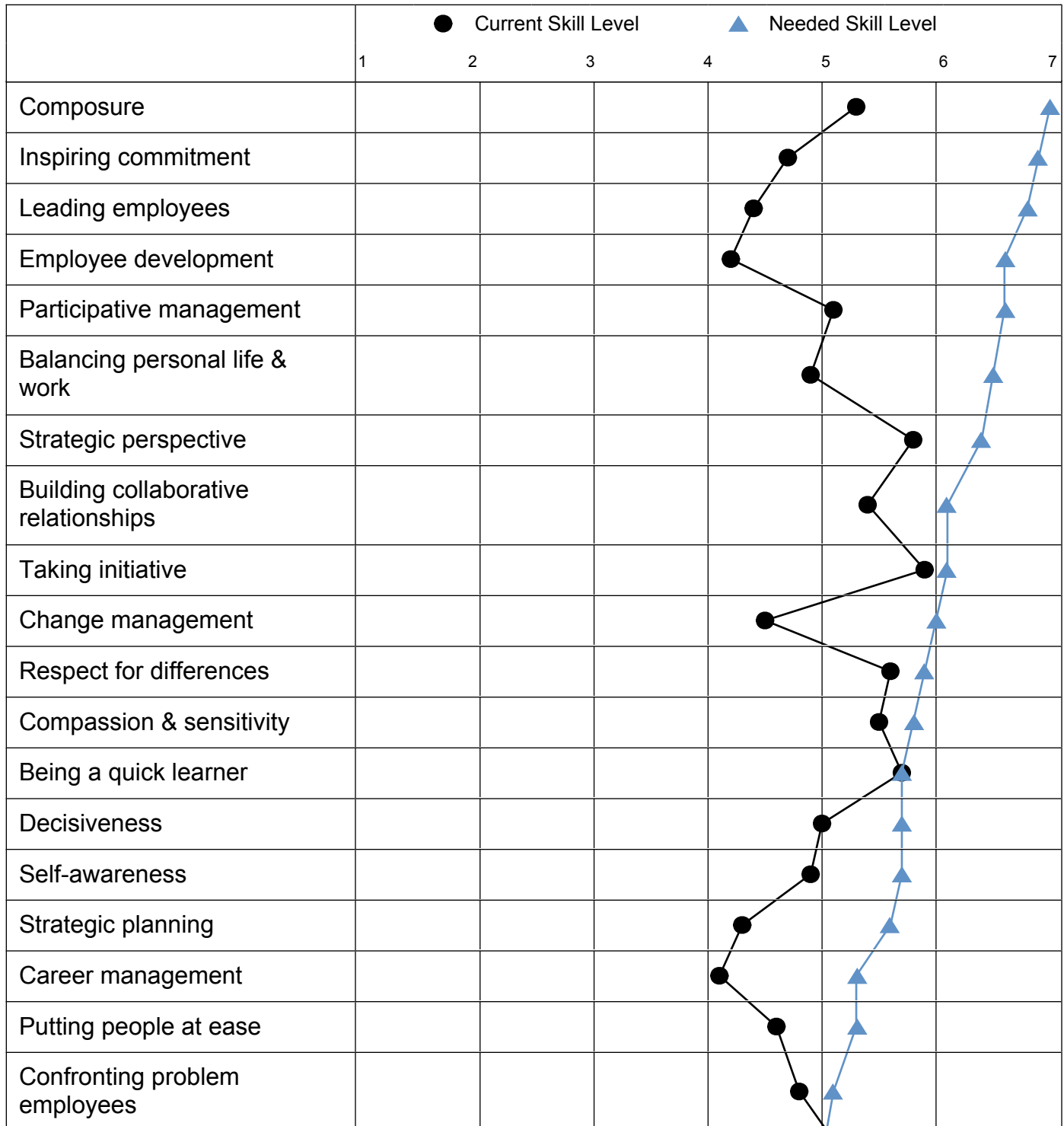
Respondents rated (a) the overall amount of skill that managers at their level currently demonstrate and (b) what they need to demonstrate to be maximally effective on each of the leadership competencies. The graph below shows the difference between managers' perspectives of their current skill and their needed skill. The competencies are listed in descending order of skill gap magnitude.

Positive values indicate that needed skill is greater than current skill. Negative values indicate that current skill is greater than needed skill. In other words, less skill is needed in the future to be effective. The average skill gap is also presented in the table header as a benchmark. The range of possible values is from -6 to +6, but in practice it is rare to see values exceed -3 to +3.



Leadership Profile

This graph, also based on the answers to current and needed skill questions, shows the pattern of ratings for each competency. Each plot is based on the average rating for the group of managers who responded. The competencies are listed in descending order of their needed skill level. The range of possible ratings is from 1 (extremely small amount) to 7 (extremely large amount).



Leadership Profile

	● Current Skill Level		▲ Needed Skill Level				
	1	2	3	4	5	6	7
Culturally adaptable					▲ ●		

Reflection Questions

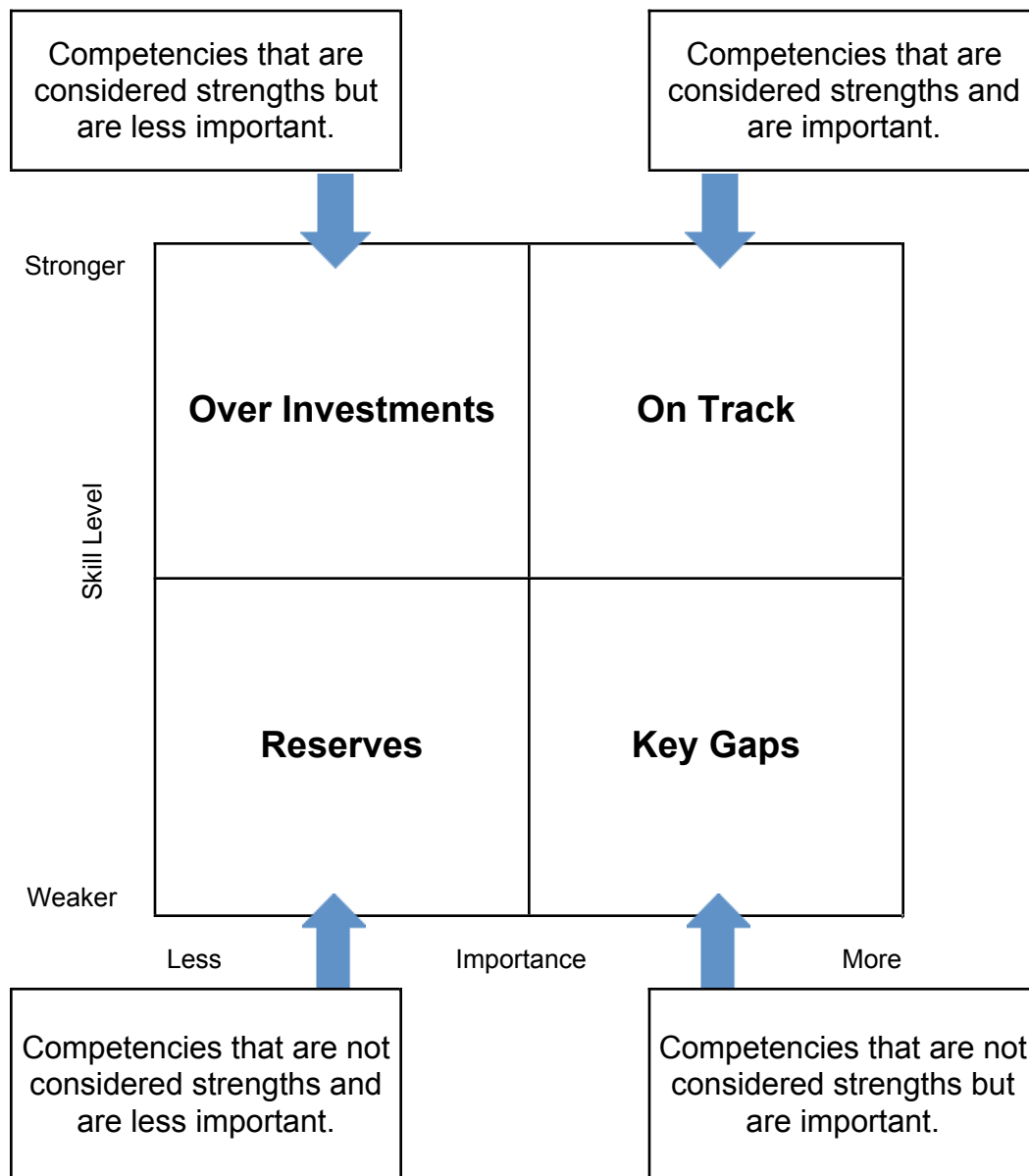
- As a group, what do managers need to improve?
- For each area in need of development, describe specific behaviors that would indicate competence or effectiveness in that area.
- What specific behaviors describe ineffective leaders in these areas?

Leadership Gap Profile

How aligned are your managers' strengths with what is considered important?

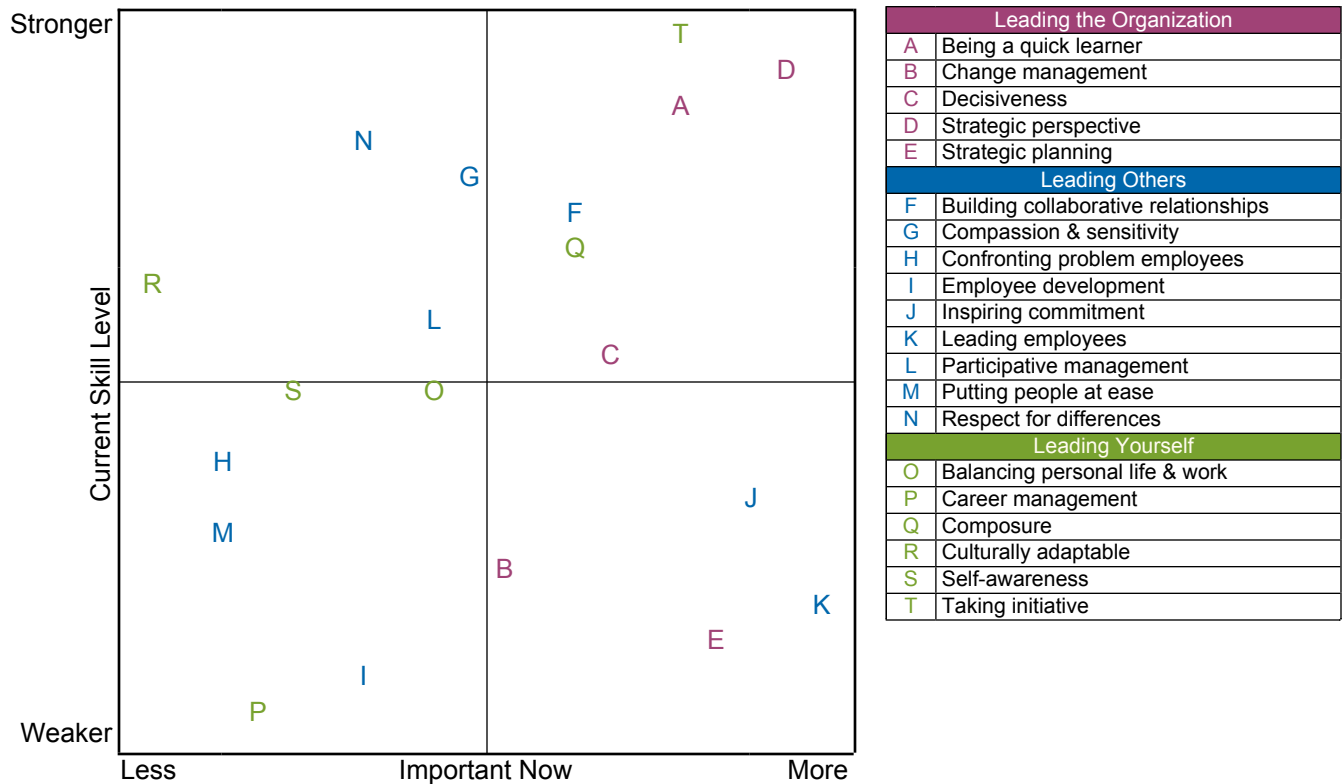
This section of the report gets at the heart of the survey - comparisons of managers' current skill levels with the competencies they consider important *now* and in the *future*. Over the next two pages, competencies are mapped in the appropriate quadrant based on their skill level and importance ranking.

How to Read the Quadrants



Leadership Gap Profile

The four-quadrant graph below overlays importance now rankings with strengths and weaknesses in managers' current skill levels, revealing areas of strong alignment and gaps that may need to be filled.

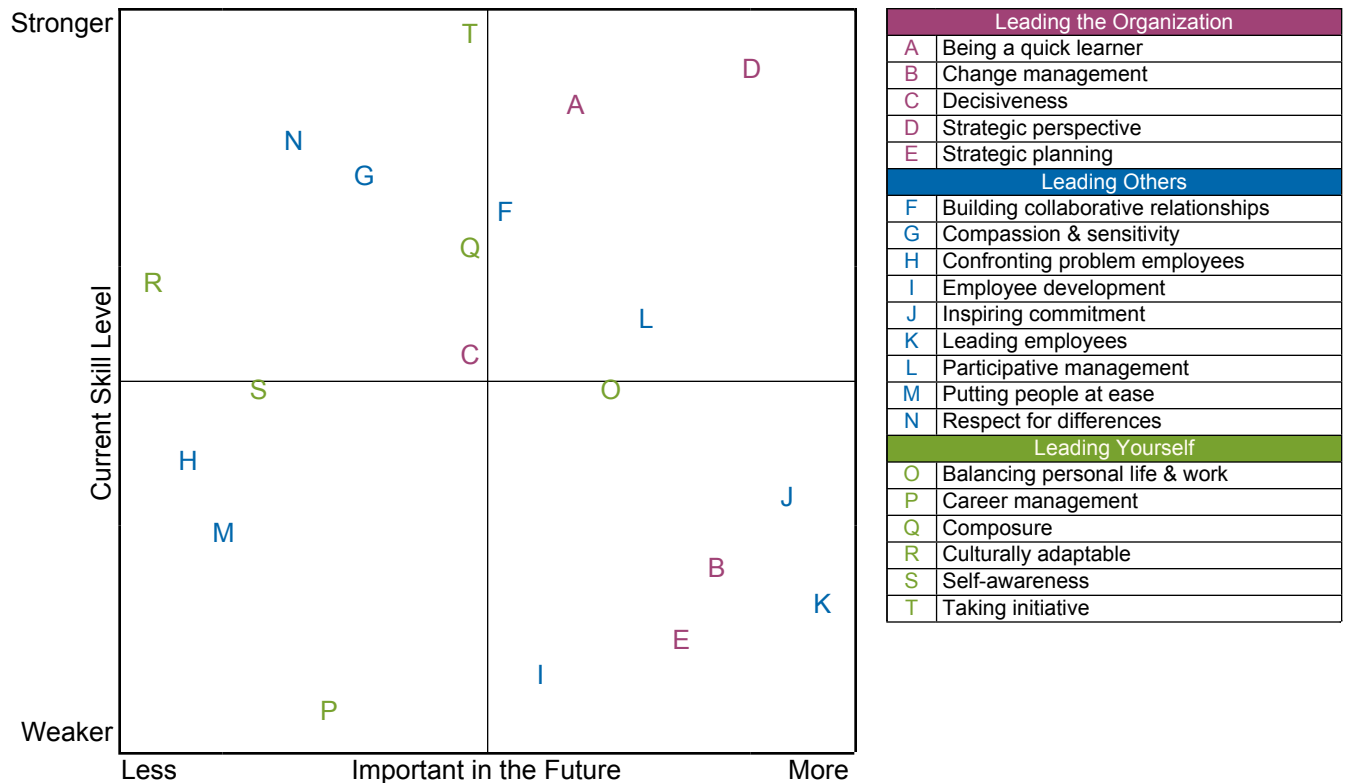


Reflection Questions

- How well are managers' skills aligned with what is important?
- Where do the majority of the competencies fall on the graph?
- What strategies - both short term and long term - can be employed to close the gaps?

Leadership Gap Profile

This graph overlays current strengths with the competencies that are considered important in the future. Like the previous graph, competencies in the lower right corner quadrant may be "red flags" because they represent leadership skills that are important for the future but are lacking strength.



Reflection Questions

- Are there competencies that are not gaps currently, but could become gaps in the future?
- What long term strategies could you employ to close the gaps?
- What targeted efforts can the organization undertake to gain a greater return for training investments?

Leadership Attention Index

Where should your organization focus its leadership development efforts?

The Leadership Attention Index (LAI) helps answer this question. For each competency, the LAI reflects the amount of skill managers say they currently demonstrate, the amount of skill they say they need to be effective, and their perception of the future importance of that skill. Scores on the LAI can range from -50 to +50, but in practice it is rare to see values exceed -30 to +30. The LAI is best interpreted as a relative measure of priority among the skills identified as leadership gaps. A lower index score on a particular skill means that a small skill gap was found and that the skill is not rated as important for the future. A higher index score means that the particular skill requires more urgent attention since the skill was found to have a larger skill gap and was rated as more important for the future.

	Score	-30	-20	-10	0	10	20	30
Leading employees	19.99							
Inspiring commitment	18.06							
Employee development	17.71							
Balancing personal life & work	12.19							
Composure	12.14							
Change management	11.96							
Participative management	11.60							
Strategic planning	10.21							
Career management	7.85							
Building collaborative relationships	5.08							
Self-awareness	5.05							
Decisiveness	5.00							
Strategic perspective	4.86							
Putting people at ease	4.33							
Compassion & sensitivity	2.00							
Respect for differences	1.93							
Confronting problem employees	1.82							
Taking initiative	1.43							
Being a quick learner	0.00							
Culturally adaptable	-1.19							

Potential Challenges

What factors may lead to the derailment of leaders in your organization?

Assessing Derailment Potential

A derailed leader is one who was seen as a high potential candidate for a top job, but who lost his or her effectiveness as a leader over time and was eventually let go or removed from consideration for further promotion. Since 1983, CCL has studied people who reach the top of organizations as well as those who derail, with the purpose of better understanding development needed for senior leadership positions. The five major problems that contribute to derailment are defined below.

Derailment Characteristics

Problem Areas	Definition
Difficulty building and leading a team	Difficulties in selecting, developing, and motivating a team.
Difficulty changing or adapting	Resistant to change, learning from mistakes, and developing.
Failure to meet business objectives	Difficulties in following up on promises and completing a job.
Problems with interpersonal relationships	Difficulties in developing good working relationships with others.
Too narrow functional orientation	Lacks depth to manage outside of one's current function.

Potential Challenges

Managers rated the overall amount to which each of the following factors are problems for managers at their level. The bar graph points out the perceived potential for derailment. The range of ratings is from 1 (extremely small amount) to 7 (extremely large amount).

	Lower Derailment Potential			Higher Derailment Potential			
	1	2	3	4	5	6	7
Difficulty building and leading a team					5.40		
Difficulty changing or adapting					5.20		
Failure to meet business objectives		2.50					
Problems with interpersonal relationships			2.90				
Too narrow functional orientation				3.60			

Reflection Questions

- What are the implications of this information?
- How does derailment affect productivity, group performance, and morale?
- If these areas were strengths, how might things be different?

Developmental Planning

The Next Steps

How prepared are managers at LGI Sample Organization? Below are suggestions to close the leadership gaps identified by the Leadership Attention Index. Competencies with a highest index score are stated followed by three types of suggestions to: **sensitize** managers to the importance of the leadership competency, **enable** the development of the skills, and **support** efforts towards skill development.

Leading employees

This skill has a high LAI value.

Leaders with good skills directing and motivating people interact with staff in ways that motivate them. Such managers -

- Are willing to delegate important tasks, not just things they do not want to do.
- Provide prompt feedback both positive and negative.
- Push decision making to the lowest appropriate level and develop employees' confidence in their ability to make those decisions.
- Act fairly and do not play favorites.
- Use their knowledge base to broaden the range of problem-solving options for direct reports to take.
- Explain, answer questions, and patiently listens to concerns when implementing a change.
- Interact with staff in a way that results in the staff feeling motivated.
- Actively promote their direct reports to senior management.
- Develop employees by providing challenge and opportunity.
- Set a challenging climate to encourage individual growth.
- Reward hard work and dedication to excellence.
- Surround themselves with the best people.
- Find and attract highly talented and productive people.

To improve:

Sensitize

- Provide managers with a list of competencies that are related to managing others well, assess them on these skills and develop strategies to develop them.
- Implement 360 degree leadership development assessment for managers at middle management and senior management.

Enable

- Arrange for training by reputed leadership development organizations.
- Develop internal groups to share experiences; develop forums to share lessons learned and best practices related to handling teams.
- Develop library of leadership-related material.

Support

Developmental Planning

- Create scorecards to help managers measure results.
- Develop mentoring programs for specific cases.

Developmental Planning

Inspiring commitment

This skill has a high LAI value.

Managers who recognize and reward employees' achievements are able to inspire commitment from their subordinates. Such managers -

- Publicly praise others for their performance.
- Understand what motivates other people to perform at their best.
- Provide tangible rewards for significant organizational achievements.

To improve:

Sensitize

- Use The Leadership Gap Report to identify top-priority development objectives.

Enable

- Help managers clarify employees' roles and responsibilities for attaining the organization's vision.
- Help managers communicate a clear vision and direction.
- Encourage managers to clarify high standards of performance.

Support

- Develop internal recognitions for managers to publicly acknowledge their employees.

Developmental Planning

Employee development

This skill has a high LAI value.

Managers skilled in the area of employee development usually -

- Coach employees to improve performance.
- Provide employees with guidance.
- Encourage employees to develop careers.
- Makes sure employees understand their roles.

To improve:

Sensitize

- Offer a career development seminar; encourage career counseling.

Enable

- Encourage managers to have career goal discussions with employees regularly.

Support

- Develop a succession planning process that incorporates developmental events.

Developmental Planning

Balancing personal life & work

This skill has a high LAI value.

Managers with adequate work life balance are able to balance work priorities with personal life so that neither is neglected. Such managers -

- Act in ways that give the impression that there is more to life than having a career.
- Participate in activities outside of work.
- Do not let job demands cause family problems.
- Do not take careers so seriously that their personal life suffers.
- Are not workaholics.

To improve:

Sensitize

- Build awareness, using various self awareness techniques.
- Hold discussions on when, where, and how to say no.

Enable

- Teach organizational skills (reviewing goals, plans, and priorities) and delegation skills.
- Offer stress reduction, yoga, or exercise programs.
- Consider offering onsite recreation facilities, gymnasium, day care, etc.

Support

- Consider offering onsite financial management programs.
- Examine the number of vacation days the organization offers.
- Consider offering flex time.
- Develop organization skills and best practices (TQM, ISO, Six Sigma).

Developmental Planning

Composure

This skill has a high LAI value.

This skill involves demonstrating self-control in difficult situations. Managers with competence in this skill typically -

- Do not become hostile when things are not going well.
- Do not blame others for mistakes.
- Spend more time offering solutions rather than complaining about problems.
- Remain calm when crises occur.

To improve:

Sensitize

- Give managers feedback on how they are perceived by others when they are under stress.

Enable

- Offer stress management courses.
- Develop organizational norms that focus on creative solutions as opposed to problem identification.
- Offer emotional intelligence assessments and classes.

Support

- Make sure managers have support systems in place.
- Make sure managers have healthy avenues to release stress.

Supplementary Data

These tables present the numbers used in the graphs.

Overall Mean Scores

	Currently Demonstrating	Needs to Demonstrate	Importance Now	Importance in the Future
Balancing personal life & work	4.90	6.50	4.50	6.40
Being a quick learner	5.70	5.70	5.00	6.30
Building collaborative relationships	5.40	6.10	4.80	6.10
Career management	4.10	5.30	4.20	5.50
Change management	4.50	6.00	4.70	6.70
Compassion & sensitivity	5.50	5.80	4.60	5.60
Composure	5.30	7.00	4.80	6.00
Confronting problem employees	4.80	5.10	4.10	5.10
Culturally adaptable	5.20	5.00	4.00	5.00
Decisiveness	5.00	5.70	4.90	6.00
Employee development	4.20	6.60	4.40	6.20
Inspiring commitment	4.70	6.90	5.30	6.90
Leading employees	4.40	6.80	5.50	7.00
Participative management	5.10	6.60	4.50	6.50
Putting people at ease	4.60	5.30	4.10	5.20
Respect for differences	5.60	5.90	4.40	5.40
Self-awareness	4.90	5.70	4.30	5.30
Strategic perspective	5.80	6.40	5.40	6.80
Strategic planning	4.30	5.60	5.20	6.60
Taking initiative	5.90	6.10	5.00	6.00

Leadership Gap Indicator Scores

	LAI	Rank
Balancing personal life & work	12.19	4
Being a quick learner	0.00	19
Building collaborative relationships	5.08	10

Supplementary Data

	LAI	Rank
Career management	7.85	9
Change management	11.96	6
Compassion & sensitivity	2.00	15
Composure	12.14	5
Confronting problem employees	1.82	17
Culturally adaptable	-1.19	20
Decisiveness	5.00	12
Employee development	17.71	3
Inspiring commitment	18.06	2
Leading employees	19.99	1
Participative management	11.60	7
Putting people at ease	4.33	14
Respect for differences	1.93	16
Self-awareness	5.05	11
Strategic perspective	4.86	13
Strategic planning	10.21	8
Taking initiative	1.43	18

Leadership Gap Indicator

The Center for Creative Leadership gratefully acknowledges the contribution of the following individuals whose work and dedication made the Leadership Gap Indicator possible:

Lead Contributors

Jean Brittian Leslie

Anand Chandrasekar

Dawn Barts

To cite from this report, please use the following as your reference.

Leslie, J.B., Chandrasekar, A., & Barts, D. (2009) Leadership Gap Indicator. Greensboro, NC: Center for Creative Leadership.

Copyright ©2009 Center for Creative Leadership.

All rights reserved. No part of this document may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of the publisher.