



The Advisory Alliance 60-Second Email™

A Potentially Larger Crisis: Not Just a Shortage of Leaders, but a Shortage of Leadership Ability **February 24, 2006**

In this month's 60-Second Email™, we look at recent research and accompanying findings that suggest the impending shortage of talent goes beyond simple headcount, beyond having enough people to slot into positions. Instead, there is troubling data that strongly suggest that the shortage of talent is truly that, a shortage or lack of ability, even with incumbent managers and leaders.

Imagine that you step on the plane, find your seat, buckle up, and settle in for your flight. Overhead on the speaker system, the captain (who is totally unaware the microphone is on) asks the co-pilot: "You ever flown one of these?...Me neither....I sure hope I can fly this thing." Your stomach plummets and your body recedes to the back of your seat as the plane accelerates down the runway...

Obviously an absurd scenario. No airline would let an inexperienced pilot, let alone a pilot with no experience, "wing it" with their customers and employees. The potential consequences would be catastrophic. It is surprising, however, that recent evidence suggests that in many companies, this is exactly what's happening within their leadership ranks. Leaders who are unprepared and lacking essential skills, are at the controls, taking employees and customers on an uncertain and possibly perilous ride.

In a recent study incorporating 5 years of leadership data from more than 438,000 individuals from 7,500 companies, including the Fortune 500, the Center for Creative Leadership (CCL) examined 16 competencies that are critical to leadership success. From all data collected, the "ability to lead others" was rated the # 1 competency for leadership success, with 89% of all bosses rating this the top competency for an organization's leaders. What is stunning, even frightening, is the fact that when CCL examined companies' ratings of their leaders *strength* across the same 16 competencies, the "ability to lead others" (the # 1 competency in importance) ranked 15th out of 16.

Similar findings were reported by Lominger at a recent Succession Planning conference. Based on research conducted by Lominger, Goldsmith and CCL examining strengths of Managers and Executives, of 67 validated leadership competencies, those rank ordered lower than 50 included: "Directing Others", "Motivating Others" and "Developing People", with the latter being ranked dead last at # 67.

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So in light of the above, we are in many ways boarding aircraft during what are very turbulent economic times, bound for somewhere, with hopes and expectations that the ride will be somewhat smooth.

Please make sure your seat backs are in their fully upright and locked position. Strap yourself in: Suddenly the novice pilot analogy doesn't seem so absurd.

The pilot analogy is not totally haphazard. The pilot of a 747 is fundamentally different in experience and skill than a pilot of a single engine Cessna. True, both are pilots. Both lead people to destinations. Both fly planes. But both have been given the appropriate development and experience necessary to fulfill the unique demands, expectations and spontaneous challenges associated with the scope and scale of their responsibility. The skill required for piloting a 747 is substantially different than that for flying a Cessna. No one would argue the point. You wouldn't stick the Cessna pilot in the 747 and say, "You've done this before. Gift it thrust, pull back, and up you go. It's really the same thing, only bigger. Call me when you get there."

Today's leaders and managers need the equivalent of flight school. Some need to know how to fly a Cessna: a team, a department or a small division. Others need to know how to fly a Regional Jet: a business unit. Others are tasked with flying trans-continental or trans-ocean: their focus and responsibility is enterprise-wide. Therefore, now more than ever, in light of the shortage of leadership *numbers*, there is an even more pressing need to develop level-appropriate, scale-appropriate leadership *ability*. A subject we'll turn to in our next 60-Second Email™.

You can access this and past 60-Second Emails™, as well as subscribe to our mailing list, via this link: <http://www.advisoryalliance.com/newsletter.php>

Until next month,

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