Global Leadership Forecast

Leadership Strategy: The Forgotten Foundation of Business Planning
October 2018

Insights from today's webcast

- Learn about creating an effective leadership strategy
- Gain a greater understanding of how to translate your strategic plans into leadership and talent implications
- Identify opportunities to orchestrate all components of your leadership strategy

Earn Credits

- Stay online for the entire webcast
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Today's Presenters

Joe Dettmann, Ph.D.
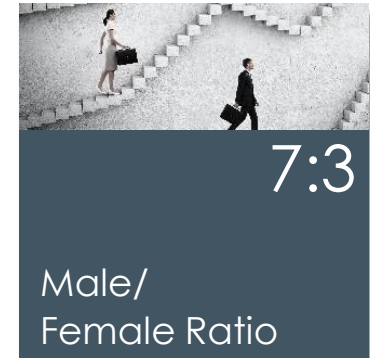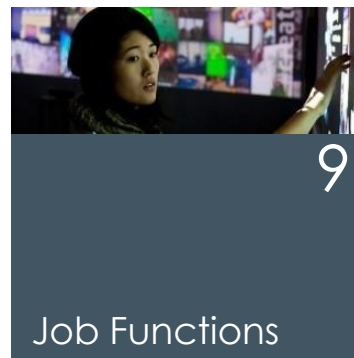Partner/Principal,
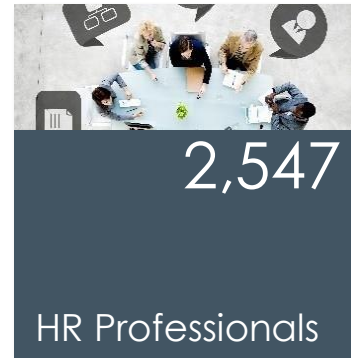People Advisory
Services
Ernst & Young LLP

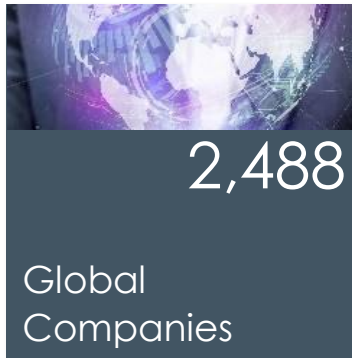**Molly Endres**
Manager, People
Advisory Services
Ernst & Young LLP

Amy Lui Abel, Ph.D.
Managing Director,
Human Capital
The Conference Board

Global Leadership Forecast 2018 at a Glance

2,488 — Global Companies

25,812 — Leaders

2,547 — HR Professionals

50 — Countries

26 — Industries

9 — Job Functions

20% — Millennials

7:3 — Male/Female Ratio

Global + Diverse

Leader Demographics

25,812 Leaders
2,547 HR Professionals
2,488 Organizations

Generation
- 20% Millennial
- 62% Generation X
- 18% Baby Boomer

Country/Region
- 17% China
- 7% Japan
- 7% India
- 25% Southeast Asia
- 14% Latin America
- 16% US/Canada/Puerto Rico
- 8% Europe
- 4% Australia/NZ
- 2% Africa/Middle East

Gender
- 31% Female
- 69% Male

Leader Level
- First-Level Leader 41%
- Mid-Level Leader 31%
- High-Level Leader 23%
- Senior-Level Leader 5%

Industry
- Automotive & Transport 12%
- Energy & Resources 5%
- Finance & Insurance 10%
- Health Care 6%
- Manufacturing 18%
- Other 28%
- Pharmaceuticals 3%
- Professional Services 6%
- Retail 5%
- Technology 7%

High-Potential Leader
- Yes 48%
- No 52%

Key Themes Spanning the Research

> Leaders at the Core
Foundational issues of leader roles, readiness, and strategy.

> Digital + Data
Leadership implications of the digital and data-rich business context.

> Growth + Potential
Proven practices for aggressively growing leader talent and bench.

> Leader Diversity
Understanding and advancing gender and generational diversity in leaders.

> Cultural Drivers
The powerful forces that can propel—or cripple—rapid, disruptive change.

> The HR Opportunity
How HR can elevate and extend its influence on business outcomes.

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Research Insights to Fuel Your People Strategy

OCT

Leadership Strategy: The Forgotten Foundation of Business Planning

NOV

Building A Coaching Culture & Mentoring For Impact

DEC

Rethinking Leadership Potential: Making the Most of High-Potential Talent

JAN

Digital-Era Leadership

FEB

Financial Impact of Leadership Quality

MAR

How Top Organizations are Growing Strong with Women in Leadership

APR

Next-Generation Diversity: How Can Leaders Make the Most of a Multi-Generational Workplace?

MAY

Financial Services: Leadership Challenges and Opportunities

JUN

HR's New Role: Are They Up to the Challenge?

JUL

Meeting the Needs of the Modern Learner

AUG

Collective Leadership: Leading for Value Across Org. Boundaries

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This is a transformative time; we need the right people to lead us through it

Behavioral risk

Increasing risks associated with failing culture due to social landscape (i.e., #metoo, pay gap, ethics)

Regulations

Increase in scandals leading to regulatory mandates

Disruption demanding innovation

Fast, agile disruptors enter the market competing for customers and talent

Shifting priorities

Intense pace of change results in new things to achieve with old ways of working

M&A activity

Recognition that corporate deals succeed or don't in large part because of leadership (and culture) fit

Customer Advocacy

More informed and empowered customers demand transparency and high ethical standards

D&I

Diversity and inclusiveness are critical to achieve better business results and compete for talent

The Expected Evolution of Work

The talent implications of business disruption and technology adoption are vast

Understanding human

Deep analytics and technologies providing new insight to predict and manage human fit and enhance performance

Human + machine

Technologies that reduce or speed up tasks – thereby reducing and redefining human roles and jobs

Unprecedented levels of transparency and insight

Greater integration of humans with technology

Fewer, more diverse colleagues doing different roles in different places

Flatter, agile, hyper-customer-focused organizations with more senior people and less management
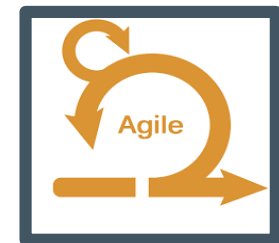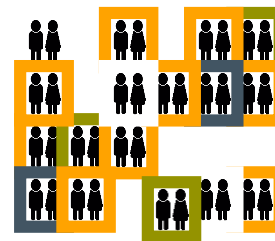
Agile

It's time to get serious about leadership strategy

We asked more than 25,000 leaders how prepared they are to operate in today's complex, highly digital work environment. Guess how many are:

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It's time to get serious about leadership strategy

We asked more than 25,000 leaders how prepared they are to operate in today's complex, highly digital work environment. Guess how many are:

22%

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It's time to get serious about leadership strategy

We asked more than 25,000 leaders how prepared they are to operate in today's complex, highly digital work environment. Guess how many are:

22%

The percentage of CEOs who say they have the talent they need to execute their strategy:

It's time to get serious about leadership strategy

We asked more than 25,000 leaders how prepared they are to operate in today's complex, highly digital work environment. Guess how many are:

22%

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The percentage of CEOs who say they have the talent they need to execute their strategy:

14%

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What do we mean by leadership strategy?

What do we mean by leadership strategy?

A blueprint for your leadership needs tied to your business strategy

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Great leadership supply management

What do we mean by leadership strategy?

A blueprint for your leadership needs tied to your business strategy

Great leadership supply management

The plan to make sure you've got the right leaders, at the right cost, with the right capabilities, in the right places, ready to deliver today and tomorrow

A good leadership strategy has four parts. It …

1 … Clearly defines capabilities required for success *today*

2 … Models supply and demand as part of the strategic planning process

3 … Ensures core leadership processes align and reinforce the right mindset, skills and capabilities

4 … Measures the impact of leadership spend and adapts to optimize potential and performance

Those who get it right are better prepared to lead in this transformative time

Business Challenges

With an **Ineffective** Leadership Strategy | With an **Effective** Leadership Strategy

Business Challenges	Ineffective	Effective
Act decisively	19%	27%
Anticipate and react	22%	34%
Maintain effectiveness	23%	33%
Capturing organizational knowledge	14%	25%
Navigating through complexity	23%	32%
Responding to the competitive environment	18%	32%
Operating in a highly digital business environment	16%	24%
Understanding and acting	21%	37%
Using data	21%	35%

Percentage of Organizations Ready to Meet Each Business Challenge

> **Preparedness to Meet Key Business Challenges When Companies Have an Effective and Ineffective Leadership Strategy**

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Leadership Strategy case 1: National Health Care Insurer

The Challenge

Needed leaders to better navigate disrupted environment and pioneer transforming the organization to deliver integrated health and care ecosystem

The Work

| 1:1 interviews | Research and workshops | Assessment of spend and gaps | Review of maturity models |

The Results

01 Aligned talent processes

02 Closed leadership capacity and capability gaps

03 Lessened compliance driven performance management

04 Engaged talent and accelerated development

05 Reduced reliance on external talent

06 Cultivated an enterprise mindset

07 Fostered senior leader accountability

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Leadership Strategy case 2: Government agency

The Challenge

Needed to modernize leadership capabilities and set a transformative blueprint for the incoming administration

The Work

Leadership model

Reviewed and analyzed leadership model prototypes
Developed unified leadership model with fresh design

Validated and tested model

The Results

Leadership strategy

Developed:
1. Leadership strategy content
2. Design of the leadership strategy to appear future-oriented
3. Performance metrics

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Four questions to ask yourself about leadership capabilities. Does your leadership strategy …

✓ Define capabilities required for success *today*?

✓ Model supply and demand as part of the strategic planning process?

✓ Ensure core leadership processes align and reinforce the right skills, mindset and capabilities?

✓ Measure the impact of leadership spend and adapt to optimize potential and performance?

Leadership Strategy

Where to Start

> Translate strategic plans into leadership and talent implications

> Focus on execution—leadership strategy more often fails due to lack of execution than integrity

> Look carefully before deploying initiatives and resources across the enterprise

How to Excel + Differentiate

> Use predictive analytics to pinpoint the gaps in your leadership supply chain

> Orchestrate all components of your leadership strategy—they don't stand alone: forecasting demand is worthless without initiatives to close gaps

> Prove the return on your leadership investment—HR typically fails to justify the impact of their spend

> Q / A

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Global Leadership Forecast 2018
25 Research Insights to Fuel Your People Strategy

Our Next Global Leadership Forecast webcast: Building A Coaching Culture & Mentoring For Impact

November 13, 2018, 10AM EST
Click here to register for this webcast or here to register for the entire series.

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Human Capital
The Conference Board

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  Respecting Differences and Standing on Common Ground
  December 10 - 11, 2018 (San Francisco, CA)

- **19th Annual Talent Management Strategies Conference**
  Innovative Solutions for a Super Competitive Market
  March 05 - 06, 2019 (New York, NY)

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Webcast

[How to Build Truly Accountable Teams](#)
October 30, 2018

Conference
[2018 Performance Management Conference](#)
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Feedback? Suggestions? How Can We Help You?

Thanks for being with us; be sure to tell your colleagues about next month's webcast

Do you have suggestions for future topics? Please feel free to contact Rebecca Ray at: Rebecca.Ray@conference-board.org

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