

## Creating Future Leaders: Promoting your ILM programmes

Where will tomorrow's leaders come from? What kind of investment do companies make in identifying and developing individuals with the capability and motivation to reach the top in their organisations? What do companies look for when they are identifying people with the potential to reach the top, and how do they go about developing them?

ILM's research set out to find out the answers to these questions by talking to HR Directors and others involved in talent management in a range of large and medium sized companies. You can use this research to promote your ILM programmes to your corporate customers.

### Key messages

Why should employers use higher level ILM programmes to develop their future leaders? Because the structure of ILM qualifications and the kind of programmes that you have designed and deliver exactly meet their requirements:

What employers said	How ILM helps
<p><b>1. Growing their own</b> - although they value a breadth of experience in the early stage of a future leaders' career, companies are keen to identify and train up potential future leaders themselves before they get too senior, so that they can create the future leaders they need.</p>	<p>The flexibility of ILM qualifications means that you can develop programmes that meet their requirements, progressing all the way through from Team Leaders to Strategic Leaders. In-house programmes are the preferred medium, but even open programmes can be tailored to meet the requirements of individuals by drawing on flexible learning resources. ILM encourages innovation in delivery and the combination of relatively small units that can be combined together into whole programmes, with credit accumulation towards a qualification is exactly what employers are looking for.</p>
<p><b>2. Experience is all</b> - a degree is expected, but not an essential. A good educational background is assumed (but not an absolute); experience and the right kind of leadership traits are the keys to being identified as a future organisational leader.</p>	<p>ILM doesn't impose artificial constraints on who can undertake a programme – they don't need particular qualifications to be registered. If someone has the opportunity to undertake the assessment and the potential to cope with the demands of the programme, then that's all that's required.</p>
<p><b>3. Short, task-focussed development activities</b> - an MBA doesn't particularly help the organisation. The research revealed a belief that MBAs were primarily of benefit to the individual, not the organisation. HRDs' ideal development for future organisational leaders is through short, in-house, task-focussed, activities which are translated directly into improved workplace practice.</p>	<p>ILM values knowledge, but we also value the ability to apply that knowledge in real world situations. That's why ILM assessment puts the emphasis on the ability to use what has been learnt. What we also encourage, through various leadership and management units, is a focus on the personal characteristics which someone brings to their role, and an understanding of how these shape their behaviour. It is this Knowing – Doing – Being triad that is so central to ILM qualifications and so much in line with what employers told us they looked for in the development of their future leaders.</p>

## 1. Growing their own

All the companies we spoke to had a strategy for developing future leaders. Some were more formalised than others, but they all recognised that they needed to invest in people, give them the opportunity to build their knowledge and experience, if they were to have a cadre of competent leaders and managers from whom to draw their future leaders. Although managers can and do move around, from company to company, there is a preference for senior leaders to have been developed 'in house', so that they know the business, its operating practices and its markets. This is confirmed by research from US consultants Booz & Co<sup>1</sup>, which found that, internationally, four out of five newly appointed CEOs in large companies were insiders.

## 2. Experience is all

Future leaders will have a range of experience – across different management roles, across different sectors, across different technical or professional specialisms, across different countries. What's more, their experience wouldn't all have been plain sailing. Potential future leaders will have experienced failures as well as successes, and learnt from both.

Future leaders will be able to demonstrate a particular set of personal qualities through their experiences. They will be visionary, motivational and inspirational people who are emotionally intelligent and trustworthy, natural leaders and communicators who are driven and ambitious. They will combine these more personal qualities with commercial and financial skills and high levels of business acumen, skills in people management and development, communication, coaching, feedback and team management.

Future leaders don't have to have a good first degree, although it is more or less assumed that they will these days. However, someone who has risen 'from the ranks' with a vocational, technical or professional qualification offers equally valid strengths (perhaps more so), as long as they meet the other requirements. What all future leaders will possess, especially in more specialised organisations, are appropriate technical and professional skills in relevant areas like law, accounting or engineering.

## 3. Developing future leaders

ILM wanted to know how companies developed their future leaders, and how valuable various qualifications, including MBAs were in this process. Our respondents were quite clear – they saw leadership development as being something that they should do, in-house, using their own people or trusted outsiders who really understand their business and their sector. They use techniques like short courses, online training and coaching to focus on aspects of leadership and management performance that are business critical at that time (managing change, improving customer service, etc) and in ways that ensure that learning is transferred directly into practice.

Accreditation of their leadership development was widely valued, and flexible, modular programmes that develop knowledge, understanding and performance which can also lead to qualifications ticked most of the boxes identified by our respondents.

External courses, especially MBAs, were seen as good at developing knowledge but less good at changing performance, and benefitted the individual more than the organisation. Many companies would support individuals, but there was a belief that people would use their MBA to move on, especially into consultancy.

---

<sup>1</sup> *CEO Succession 2000–2009: A Decade of Convergence and Compression* by Ken Favaro, Per-Ola Karlsson, and Gary L. Neilson of Booz & Co: **strategy+business** issue 59, Summer 2010

## About the research

The research was conducted for ILM in March and April 2010 by FreshMinds an independent research organisation, followed up by a round table discussion in June between HRDs, academics and talent specialists, in partnership with Human Resources Magazine. Electronic copies of the research report and the HR Magazine article are available at [www.i-l-m.com/futureleaders](http://www.i-l-m.com/futureleaders). Printed copies of the research report are available for Centres use from ILM's Customer Service team ([customer@i-l-m.com](mailto:customer@i-l-m.com) or 01543 266867).

The research involved in-depth interviews with HR directors and senior HR managers, heads of talent and heads of learning and development. The majority of respondents came from large organisations, nearly half from organisations with more than 1,000 employees, and only three came from companies with less than 75 employees. 48 companies were in the private sector; the two exceptions were large social enterprises operating in competitive markets. The sample represented a broad range of industries, of which nearly 60% operated internationally. The participants in the round table discussion confirmed the accuracy of the findings and added further rich detail to supplement the research findings.

These companies were broadly representative of medium and large organisations operating in the UK, and the participants in the research were all directly responsible for identifying and building leadership capability for the future. Their views were clear and consistent and their strategy for creating future leaders was thought out and deliberate. In undertaking the research ILM had no idea what the findings would be and the use of an independent and highly respected research company ensured that there was no opportunity for the findings to be influenced by ILM's position on leadership development.