PVH’S LEADERSHIP STYLE:
Giving its leadership culture a fresh new “look.”

Michael Costalas, Kamuela Singleton, Bruce Morbit, and Beth Rossi of PVH
As I write this, there’s drama on Broadway. That shouldn’t be news, but it is in the case of *Spider-Man: Turn Off the Dark*. The $65 million musical is the most expensive ever produced. It has drawn on the talents of the acclaimed stage and film director Julie Taymor, and it features music composed by members of the rock band U2.

So what could go wrong? Plenty, as it turns out. With complex sequences in which characters “fly” across the stage, preview performances of *Spider-Man* have been plagued by technical glitches and injuries to cast members. Reviewers have been negative. The opening was pushed back repeatedly until the producers finally decided to close and revamp the show before it officially opens later this year.

As I watch all this unfold from afar, I’m reminded again that good work isn’t automatic. A big budget and lofty expectations are never enough (instead, sometimes they are impediments to success). Good work demands a relentless focus on execution.

Who knows what has been missing from *Spider-Man*, but we should take every opportunity we get to recognize all that makes good work possible and praise it when we see it.

You’ll find examples of good work in this issue of GO. Here you’ll see how the talent champions at PVH and Fifth Third Bank are strategically developing their leaders. You’ll also get valuable insights, including findings from DDI’s latest Global Leadership Forecast, the largest leadership study of its kind; guidance for CEOs on effective talent management; a thoughtful reflection on the many things people everywhere have in common; and a novel way of looking at time management from author Laura Vanderkam.

And as you’re taking measure of what we have for you here, know that we at DDI understand and appreciate the good work you do—every day—to help your organization select and develop the talent it needs.

Take a bow!

Sheryl Riddle
Senior Vice President, Consulting Services, DDI
features

Growth Never Goes Out of Fashion at PVH
PVH, the company behind many familiar prestige apparel brands, is growing its business—and its people.

Perspective: Long Live the Performance Review
DDI president Bob Rogers has good reasons why it doesn’t make sense to kill the performance review.

Time for a Leadership Revolution?
The findings from DDI’s new Global Leadership Forecast are alarming—and puzzling.

Moving from Greenability to Sustainability: An HR Primer
Here’s how to help your organization look beyond green and promote engagement.

Talent Comes First at Fifth Third
Fifth Third Bank is seeing excellent returns on its strategic investment in leadership development.

We’re One But We’re Not the Same
A “Third Culture Kid” with a unique global perspective sees more similarities than differences among us in our diverse, yet increasingly connected, world.

Helping Your CEO Understand Talent Management
Many CEOs are true talent champions, but many don’t fully understand the critical roles they must play to drive talent management success. Here’s what we would say to them.

departmentS

What’s Going On
New courses on decision making and innovation, the new Facilitators’ Network, and another industry honor for DDI.

What I’m Reading...
Marcus DeFelice of Kia Motors America sees relevance to his job in The Happiness Advantage.

Coffee on the GO
Laura Vanderkam, author of a book on time management, contends that we’re not as busy as we think.
The company behind many familiar prestige apparel brands is growing its business—and its people.
The name PVH may not ring a bell, but you likely know its impressive stable of apparel brands: Van Heusen, Calvin Klein, Izod, Bass, Arrow, and, as of last year, Tommy Hilfiger.

The Tommy Hilfiger acquisition was huge for New York City-based PVH, as it added yet another prestige fashion brand to the company’s portfolio and transformed it into a company with global operations. It also was symbolic, reinforcing in a major way PVH’s continued commitment to growth through acquisition.

When Bruce Morbit, group vice president of organizational development, and his team reflect on the past several months for PVH, their focus isn’t on new seasonal apparel lines or even on the enormousness of more than doubling the size of the company’s workforce to 22,000 employees since adding Tommy Hilfiger. It’s on what they have been doing to build the company an asset, a competitive advantage that never goes out of style—effective leaders.

“We’re trying to evolve the management culture of collaboration, respect and open communication,” Morbit says. “We’re emphasizing that it’s not only important that leaders get their business results, it’s important how they get those results—how they’re treating their employees, whether they’re communicating, coaching, or paying attention to morale on the team.”

The talent champions at PVH aren’t leaving the evolution of that culture to chance. They are driving it through a leadership development program that is unique to the apparel industry.

“We consider this to be one of the most important investments we can make in our company—investing in our people to grow their capabilities and further promote their careers,” says Dave Kozel, senior vice president, human resources. “Development is a high priority for our CEO, Manny Chirico, and we have made it an important part of every leader’s responsibility.”

WANTED: TOP-FLIGHT LEADERS

PVH’s need for a revamped leadership development program was apparent even before the May 2010 purchase of Tommy Hilfiger. The company’s rapid-growth strategy calls for an abundant supply of top-flight leaders at all levels—from front-line supervisors on up. “As we open more stores and grow, we have to fill new positions—and we need to make sure we have the talent,” says Morbit.

The importance of leadership development throughout PVH was underscored by a 2009 employee engagement survey. That survey showed some strong positives, such as PVH’s leaders being rated high in trust, a result that helps to explain the organization’s high level of overall employee satisfaction and its low employee turnover. But areas for improvement also came to light, including a need for leaders to get better in communication and coaching.

In addition, PVH drew on its ongoing information-gathering to identify specific areas where leaders needed to develop. “We really seek out feedback and input from our leaders and associates on their training needs, what they struggle with, and how we can best support them,” says Kamuela Singleton, manager of organizational development.
“A lot of our leaders told us they were not comfortable in coaching situations,” says Michael Costalas, manager of training. “They were not sure what to do or what to say.”

In the spring of 2010, PVH reached out to DDI to help build a comprehensive leadership development program—one that would develop specific, practical leadership behaviors that would transfer back to on-the-job situations. In a sign of PVH’s commitment to leadership development, the company made the program mandatory for all of its more than 600 frontline and mid-level leaders.

The PVH organizational development team and DDI partnered to create a curriculum of courses from the Interaction Management®: Exceptional Leaders, Extraordinary Results® leadership development system. The curriculum included three courses: Essentials of Leadership, Coaching for Success and Improvement, and Leading High-Performance Teams. DDI facilitators delivered all the courses.

A fourth course, Leading Change, was added after the Tommy Hilfiger acquisition. “The leadership development program helped provide a common language for leaders to deal with all of the change,” says Singleton. “There needed to be a common thread. We needed to be speaking the same language. DDI really made that happen through the leadership courses.”

Participant response to the program was extremely positive as indicated by course evaluations (see “Seeing Value—and Job Relevance—in Training” on page 8). “Leaders really left the classes feeling armed to deal with what they found in their departments,” Morbit says. “With the rapid change we’re going through, and with Tommy Hilfiger being acquired, there’s a real importance in communicating, and listening when people have questions. These are the very skills that leaders practice in the classes—holding discussions, and using listening skills to ask how people are doing and what they’re feeling.”

MORE CONFIDENCE AND BETTER CONVERSATIONS

The knowledge and new skills the leaders have gained are already bearing fruit. In the past, Costalas says, “Managers would often come to the HR department and say, ‘I don’t know how to deal with this associate—you’ve got to help me.’”

Now, he says, that’s far less common. “We’re finding that managers are more willing to engage with their associates directly, without having to go to HR and ask, ‘How do I do that?’”

In addition, Morbit says that since the program began, leaders have been much more proactive in building lines of communication with direct reports.

“We’ve started to see a lot of leaders instituting meetings with their teams to talk about what’s going on in order to get feedback,” he says.

Brian Paich, assistant treasurer and corporate group vice president, says he’s noticed the biggest changes in the newer leaders who have gone through the program.

“I see more confidence,” says Paich. “The newer leaders are doing more problem solving, such as conflict resolution, on their own now rather than taking those issues to department heads.”

Paich, who went through the program along with his team, says even seasoned leaders like himself learned a great deal. “It was a good look in the mirror,” he says. “The way it was taught made us not sympathetic but empathetic—the interplay made us see it from the other side of the desk.”

The sessions on coaching, for example, “made clear you need to understand the person you are coaching—what works and what doesn’t—and that the first stab and maybe the second stab should come across as collaborative, not declarative. The basic tenet is that the manager gets things done through others. But the classes reminded us that the ‘others’ are people who have wants, needs, and perceptions.”
Paich says the program essentially provided a tool kit for managers. “Here are the basic tools—here is your hammer, your screwdriver, your saw. You need a foundation, and this was the foundation. Even if you've been a manager for a long time, it never hurts to go back to it.”

Another reason the program was so effective, he says, is that “these classes were not lectures—they were truly laboratories. I thought the instructors did an incredible job of engaging everyone. I watched as they assessed the group and then adapted their style to the group very quickly.”

Marc Schneider, president for dress furnishings, also went through the program with his team. He says it was particularly valuable that, even though the program was targeted to frontline and mid-level leaders, a wide cross section of leaders took part in the program, including managers, directors, vice presidents, senior vice presidents, and presidents.

“One example of that was the session on leading change, which Schneider believes could help managers at all levels adapt to the Tommy Hilfiger acquisition.

“People fear change; they fear the unknown,” he says. “And this session showed how critical it is that there is a clear strategy for communications, and that working collaboratively is incredibly important—so that people are not just running off in different directions.”

Both Schneider and Paich praised the company’s decision to launch the leadership development program.

“I think the fact that our senior management made the commitment is important,” says Paich. “It’s one of the things I admire about this company. It’s an investment in our people.”

PVH’s organizational development team (from left to right, Michael Costalas, Kamuela Singleton, Beth Rossi, and Bruce Morbit) is helping ensure the company has the leadership talent it needs. (Photo by Bryan Duggan.)

PVH’s commitment to leadership development will continue as the company’s partnership with DDI moves forward. The program will expand to include developmental assessment tools—such as 360° feedback—that will better enable participants to identify their development strengths and needs.
“What we’re doing,” Morbit says, “is building a development culture, in which everyone works together to upgrade their skills, get better at what they’re doing, and be effective with people and relationships.”

A strong development culture is important, says Costalas, “not because it sounds good, but because it drives the business. We need our leaders to be adaptable, which means we need leaders who are willing to develop themselves and to think of themselves in changing ways.”

“Leaders are seeing that training is an important part of continuous improvement,” says Morbit, who insists that the skills PVH’s leaders are developing are tied to the long-term success of the company. “And DDI is helping us bring more formal development into their lives.”

Seeing value—and job relevance—in training

The curriculum of DDI courses in which more than 600 PVH leaders participated proved to be especially applicable to their jobs.

Participants were asked to rate the quality of the individual courses by indicating their level of agreement with a series of statements, including:

• “The skills that were taught in this session apply directly to the type of work that I do.”
• “I am confident in my ability to use the skills/knowledge taught in the session.”
• “I have many opportunities to use the skills/knowledge taught in this session on the job.”
• “I already have several ideas about how I can use the skills/knowledge taught in this session on the job.”

Ratings averaged well above four on a five-point scale—among the highest ratings for any PVH training program and a strong indicator of the courses’ relevance to the leaders’ jobs.
“It’s time to put the performance review out of its misery.” So begins Samuel Culbert’s 2010 book, *Get Rid of the Performance Review! How Companies Can Stop Intimidating, Start Managing—and Focus on What Really Matters.* Culbert, a business professor, then goes on to describe the performance review using words such as “sham,” “insidious,” “damaging,” “pretentious,” and “bogus”—all by the end of the book’s third sentence.

DDI president Bob Rogers has seen and heard negative comments like these for years. But he strongly disagrees that performance reviews and the performance-management systems they are part of are inherently bad. Rogers, who himself authored a book on the topic, *Realizing the Promise of Performance Management,* says that banishing the performance review would be “one of the dumbest things you could possibly do” because it’s a critical tool for strategy execution, productivity, communication, and many other critical characteristics that define successful companies.

“The problem is that in a lot of companies performance management is broken,” Rogers says, pointing out that by his estimation only about one in four companies gets performance management right. “That’s why you see so many books and articles about getting rid of the performance review.”

So, if organizations need performance management yet so many do it poorly, what does an effective performance review process look like? Rogers identifies multiple factors that define success, led by one that might strike some as radical: The manager doesn’t own the review process—the employee does.

“The act of conducting a performance review should be a joint responsibility between the employee and manager, but the employee needs to own the process,” he says. “The employee should come prepared with how they think they’re doing, and they should lead most of the discussion.”

In addition, Rogers says that the performance plan that must serve as the basis for a review needs to reflect the organization’s overall strategy, as well as identify specific goals that the employee and manager have mutually agreed to. “One CEO I interviewed for my book said that once he learned how to do it right, he would never manage without a good performance review process because it helps in setting clear objectives and it engages people to see how they contribute to the organization’s goals.”

Most important, though, he says that a review should be little more than a structured extension of the ongoing feedback that managers are giving their employees all year long. Therefore, if the leader has the skills needed to provide effective, ongoing coaching and feedback, little if anything discussed in the review should be a surprise to the employee.

Rogers feels that maybe the biggest challenge is the environment in which performance reviews are conducted. But when organizations get it right, great things happen.

“There has to be high trust, open communication, objectivity, and frequent discussion. When it works like that, then you get all the positive benefits of a good relationship between an employee and leader. You get empowerment; you get engagement; you get trust; you get better coaching; you get better feedback; you get better development. You get all those things.”

“I believe that’s why I have never encountered a company that’s done away with its performance management system. Ever.”

To find out about DDI’s performance management solutions for driving bottom-line performance, visit www.ddiworld.com GO.
After six iterations of examining the state of leadership worldwide via our Global Leadership Forecast, you’d think nothing would surprise us. You’d be wrong.

We’ve been conducting this research since 1999, and the latest batch of data, collected from more than 14,000 leaders and HR professionals from around the world, surprised us. It also alarmed, pleased, and puzzled us as far as what it revealed about how organizations identify, develop, and promote leaders. We saw how little has really changed about these practices and how far we still have to go.

Here, we highlight some of the findings in this year’s report, The Global Leadership Forecast 2011: Time for a Revolution. To access the full report that paints the whole picture, visit www.ddiworld.com/GO.

BUSINESS IS CHANGING… LEADERSHIP IS NOT

If there’s one phrase that comes to mind when thinking about this year’s data, it’s “We are going nowhere. Fast.” The business priorities from just three years ago are different from the ones that are hot today. Yet, in the roughly three years that elapsed between now and the last time we did this Forecast, the approach to building a stronger leadership pipeline has changed very little. This year’s findings look a lot like the last round. And that last round wasn’t so stellar either. Take a look:

- Only 34% of HR respondents and 37% of leaders rated the quality of their leadership development efforts highly. The numbers in the previous Forecast (in 2007/2008) showed 41% of leaders were satisfied with leadership development offerings, down from a high of 53% in 2003.

- 38% of leaders say leadership quality is very good or excellent, essentially the same as the 36% of leaders from the 2007/2008 data.

- Only 18% of HR respondents and 31% of leaders say their organization’s bench strength is strong or very strong.

When we look at the data across the years, we’re not seeing the kind of changes you’d expect, given all the lip service paid to (and considerable investment in) leadership development, development plans, building bench strength, etc. If anything, we’re seeing increasing dissatisfaction with these practices. Granted, we’ve weathered a horrible economy, but this trend was in motion before the recession. It’s this backslide that prompted us to sound the alarm in the current report’s title, calling for nothing short of a Leadership Revolution.

The findings from DDI’s new Global Leadership Forecast are alarming—and puzzling.

By Jazmine Boatman, Ph.D., and Richard S. Wellins, Ph.D.
THE DATA SAYS: THE IMPORTANCE OF QUALITY LEADERSHIP IS TIMELESS

We vehemently believe in the need for leadership development, and we saw that belief spelled out in the latest Forecast data. We compared the leaders who rated the quality of their organization’s leadership in the top third with those who had the weakest ratings for leadership, comprising the bottom third. Then, we looked at the disparity in their answers to questions about business success, retention, engagement, and passion. The difference is sizable, and as you can see, the payoff for leadership quality is sizable, too (Figure 1):

**Figure 1:** How Leaders Who Rated the Quality of Their Organizations’ Leaders High or Low Responded to Critical Business Questions

I have confidence in leaders’ ability to ensure the future success of my organization.

66% Top Third

The majority of leaders in my organization are passionate about their work.

53% Top Third

Will your business be outperforming the competition in four years?

52% Top Third

THE DATA SAYS: WE NEED TO INNOVATE AROUND INNOVATION

What works today will not—REPEAT: WILL NOT!—work tomorrow. This year, we asked respondents to identify the most important skills for today and the most important skills for the future. Take a look at how the list plays out (Figure 2):

**Figure 2:** Important Leadership Skills for Today and for the Future

<table>
<thead>
<tr>
<th>Skill</th>
<th>Past 3 Years</th>
<th>Next 3 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driving and managing change</td>
<td>38%</td>
<td>48%</td>
</tr>
<tr>
<td>Identifying and developing future talent</td>
<td>19%</td>
<td>36%</td>
</tr>
<tr>
<td>Fostering creativity and innovation</td>
<td>15%</td>
<td>35%</td>
</tr>
<tr>
<td>Coaching and developing others</td>
<td>28%</td>
<td>32%</td>
</tr>
<tr>
<td>Executing organizational strategy</td>
<td>29%</td>
<td>32%</td>
</tr>
</tbody>
</table>

There is still a need for managing change—a need that seems to be accelerating. And execution stays on the top-five list. Even with some recovery in sight, resources are limited and getting it right is critical. When we ask what’s needed for the future, two new skills not only move up the list, but also displace two of the top three: Identifying/developing future talent, and Fostering creativity and innovation.
Why? It’s our opinion that the war for talent, which took a hiatus during the recession, is back on. Retaining and engaging talent, especially in emerging economies, is critical to address projected shortages. Organizations need the ability to develop organizational talent by identifying and coaching it to be successful.

Fostering creativity and innovation is another acute need. And it’s a tall order that, the data suggest, leaders might not live up to. Most organizations expect more focus on innovation—it has become the new mantra of competitive differentiation among economies and countries. Leaders will play a bigger role in driving a culture in which innovation thrives.

And while we found that fostering innovation, driving change, and developing talent are the most critical future skills, leaders are sorely lacking when it comes to their effectiveness in using these skills.

We also looked at another set of Forecast data where we asked what personality traits most commonly derail leaders. Fifty-eight percent of HR respondents said leaders in their organization are most hindered by being risk-averse, and 44% said the same about their leaders’ dependence on the approval of others. These were the two highest-rated derailers on a list of 11 and the ones that correlate most negatively with innovation.

In the comments that accompanied this data, one respondent told us this: “My CEO would rather us be 8-2 than 2-0 in terms of willingness to try out something new.” We couldn’t agree more.

### THE DATA SAYS: MANAGE YOUR MANAGEMENT CULTURE

DDI partnered with influential business thinker, author, and professor Gary Hamel and his new Management Lab (www.managementlab.org) to identify eight key factors that either facilitate or hinder the way the work of management is carried out. To better understand how effective the management culture is in today’s organizations, leaders were asked to choose between two statements for each of the eight factors. Leaders were asked to choose which statement best described their organization. The less effective of the two statements is presented in Figure 3 below. The major pain points for organizations were opening up discussion, breaking down siloes, and moving away from bureaucracy.

#### Figure 3: How Leaders Describe Their Organizations Across Eight Key Management Factors

- Strategic and key business decisions are made mostly by those in positions of power with very little opportunities for open discussion.  
  - Percentage of Leaders Who Agree With Statement: 61%
- Organizational structure is siloed, rigid, hierarchical.  
  - Percentage of Leaders Who Agree With Statement: 54%
- Our management process (e.g., strategic planning) is highly bureaucratic and often a nuisance.  
  - Percentage of Leaders Who Agree With Statement: 44%
- Senior leaders are the primary visionaries and creators.  
  - Percentage of Leaders Who Agree With Statement: 43%
- We almost exclusively focus on top/bottom-line growth.  
  - Percentage of Leaders Who Agree With Statement: 41%
- Power and influence are held by those who value the status quo.  
  - Percentage of Leaders Who Agree With Statement: 38%
- Status and influence are based on a person’s formal position and accumulated power.  
  - Percentage of Leaders Who Agree With Statement: 37%
- Our company has a set of values and aspirations but they hold little meaning to most employees.  
  - Percentage of Leaders Who Agree With Statement: 32%

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### Global Leadership Forecast 2011 by the numbers

- **1,897** HR professionals
- **12,423** Leaders
- **74** Countries
- **2,679** Organizations represented
- **35** Industries
- **0** Other reports with this kind of global reach
It all adds up to bringing you proven development that builds skills, changes behavior and boosts confidence.

- **New courses** such as Networking for Enhanced Collaboration, Influencing for Organizational Impact, and Making Change Happen, covering virtually every critical leadership competency.
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Contact us today for our white paper, *Optimizing Your Leadership Pipeline*: 1-800-933-4463 or [www.ddiworld.com/developthebest](http://www.ddiworld.com/developthebest).

**REVELATION IMPLICATIONS**

So how can we get ahead of the curve? Develop leaders, evolve, and innovate? Here are just two high-level suggestions (see the report for more):

**Create a culture that, in turn, creates innovation.** We’ve uncovered behaviors we think are key for leaders to spark radical change including:

- Inspire curiosity, and drive direct reports to embrace curiosity.
- Challenge current perspectives, and drive direct reports to think differently.
- Create an environment of freedom, and allow direct reports to experiment.

**Innovate the way we manage.** We were inspired by Hamel’s book *The Future of Management*. In it he delves into aspects of culture that kill innovation and why management practices have to catch up with the speed of business. The revelation here is that to really move the needle on leadership quality we need to examine the very purpose and role of leadership in our organizations—a role that should prioritize principles over economy.

**READ UP ON THE REVOLUTION**

There’s much more in the full report, *The Global Leadership Forecast 2011: Time for a Revolution*, which will be available in June online at [ddiworld.com/GO](http://ddiworld.com/GO).

Also, check the events section of [www.ddiworld.com](http://www.ddiworld.com) for webinars and other events where the Forecast findings will be overviewed. Can’t make it? Connect with the discussion on [http://blogs.ddiworld.com/tmi/leadership-forecast-2011/](http://blogs.ddiworld.com/tmi/leadership-forecast-2011/).

Join the Global Leadership Forecast report authors for a live [TWITTER CHAT ON JUNE 16](http://twitter.com/hashtag/DDIWORLD). Sign up for Twitter and follow us at [www.twitter.com/DDIWORLD](http://www.twitter.com/DDIWORLD) for details.

Jazmine Boatman is manager of DDI’s Center for Applied Behavioral Research.

Richard S. Wellins is a senior vice president at DDL.
Here’s how you can help your organization simultaneously go green, promote sustainability, and promote employee engagement.

“Green” strategies that promote environmentalism have been all the rage in boardrooms worldwide as organizations have discovered that reducing, reusing, and recycling are as good for the bottom line as they are for their public image. But savvy companies have moved beyond “green-ability” to a business approach based on sustainability.

What’s sustainability? In the conversation about global good stewardship, it has a specific definition that’s explored by Adam Werbach in his book, *Strategy for Sustainability: A Business Manifesto*. Werbach is a former president of the Sierra Club, a consultant to global companies such as Wal-Mart and Procter & Gamble, and CEO of Saatchi & Saatchi S, which consults with companies on areas such as sustainability, citizenship, and social-good initiatives. He defines sustainability as a way that “your company will survive and thrive by following emerging trends in society, technology, and natural resources.”

It’s his view that “going green” isn’t going far enough. He remembers, for example, a time a record company asked for his help with a sustainable effort to design compact disc cases made out of bamboo. “That’s a little bit on the environmental side, but completely missed the issue, which is that all music is going digital. That’s a way to focus on one thing and ignore the others, and you can’t do that.”

They may not be charged with making greener packaging, but as the experts on “human resources,” organizational development professionals can play a huge part in a strategy for sustainability.

“So much of this is stuff HR already knows. People are not dual,” says Werbach. “They are the same person at home and work. In my experience a dialogue on sustainability allows HR leaders to bring that together. It takes the things that people really care about into the workplace,
which allows them to be much more engaged in the work.”

Engagement. For HR leaders, that’s one of the biggest pay-offs of sustainability. So how, we wondered, can the stewards of talent and cultivators of motivation act on sustainability? We asked Werbach to build on the content in his book. He shared, just for GO, actionable suggestions specifically for HR:

**Encourage Volunteerism.** “It’s a way to connect people to things they care about outside the workplace,” Werbach says, but he offers this caution: “It only goes so far. At some point volunteering that’s not connected to the core enterprise of the business is illusory because it says, ‘You’re not doing things you care about during your 9 to 5. So we’re going to allow a little more time to do things you care about at work.’”

As for a successful model, he cites a program he heads that’s part of his own company’s culture called “DOT,” which stands for Do One Thing. “There’s an expectation that you do one thing that’s good for yourself, good for the planet, and good for the community, and share it with us.” Saatchi’s employees have instituted programs that address the same things its clients are concerned about, including recycling, nature preservation, and fair trade.

“What actually got done is not the most important part. These were employee-led initiatives that introduced employees to each other, gave people a reason to stay and talk, and, as we see it, made our work better. It made them more excited about being at work.”

**Gather the Tribe.** Werbach advocates setting what he calls a “North Star goal.” These goals connect a higher purpose to your core business. One manufacturer he cites has a goal for zero waste. A food retailer, meanwhile, has one to bring organic food into the mainstream. A car seat manufacturer is most concerned about keeping babies safe. It’s not hard to imagine waste-reducing, organic-promoting, or baby-safekeeping social and cultural opportunities. Werbach thinks you’ll find many others with some focused brainstorming.

“Separate hierarchy and gather people who are interested in sustainability. Discuss what a North Star goal might be,” Werbach says. “Do an inventory of challenges and opportunities.”

He thinks your organization’s volunteer opportunities should be connected to your North Star goal, too. “It allows your employees to not just volunteer for something but in their everyday jobs do something they are passionate about alongside pushing forward a better company.”

**Hire “Natives.”** It’s no news to HR that many traits that define people are hardwired and cannot be changed through development—so selection decisions are crucial. Tech companies, for example, often hire “digital natives”—people (often younger) who have grown up with technology and are fluent in its application.

Werbach agrees, and offers an insight into what he thinks is a successful profile for sustainability. “I tend to look for people who have a sense of purpose alongside their business acumen,” he says. “If you want to have a company that can sense and react to change—which I would say is a basic requirement for the 21st century—you need people who can sense change and react to it, too.”

**Train for Engagement, not Compliance.** “We’ve got an aversion to training,” said one person quoted in Strategy for Sustainability. “Training is for dogs.” Ouch! So what’s an HR leader to do? “It’s not ‘check the box’ training, it’s ‘think different’ training,” says Werbach. “Set up situations where leaders can have higher-order conversations and see the effects of the business,” he offers. Another tip: Good places for training are off-site, inspirational, and connected to nature.

Werbach’s book, Strategy for Sustainability: A Business Manifesto, is available in bookstores and through major online booksellers. To learn more about sustainability, including a video testimonial of sustainability in action in HR, visit www.ddiworld.com/GO.
DDI Named a Top 20 Leadership Training Company

TrainingIndustry.com has once again named DDI to its “Top 20” list of leaders in the training industry that demonstrate experience and excellence in providing leadership training services.

Selection to this year’s list was based on many criteria, including thought leadership and influence on the leadership training industry, strength of clients, experience in serving the market, breadth of programs offered and audiences served, and geographic reach.

“We are very proud of this honor,” says Pete Weaver, senior vice president, leadership solutions, and chief learning officer. “It recognizes not only the quality of our solutions, but also the client facilitators who deliver them day in and day out.”

JOIN DDI’S NEW AND IMPROVED FACILITATORS’ NETWORK (FN)

Are you a DDI-certified facilitator, master trainer, or Targeted Selection® Administrator or Program Manager? Would you like to join your colleagues in an online community and share best practices, useful information, success stories, tips and hints, and have access to the latest updates to the solutions you deliver?

Then you need to join the Facilitators’ Network... IT’S FREE!

Just some of the many membership benefits include: access to discussion boards where you can network with other facilitators around the world; blogs just for facilitators; the latest thought leadership on selection best practices, and leadership and workforce development; and free webinars on timely and relevant training issues.

Here’s what users have to say about the new site:

“I love all the interactive tools.”

“Everything was nicely done and easily accessible.”

“I think it’s great that DDI is making this happen!”

If you are a certified facilitator and want to join the community, visit www.ddiworld.com/fn and register today!

IM: EX® Courses Adapted to Better Serve Leaders in China

Eight courses from the Interaction Management®: Exceptional Leaders…Extraordinary Results® (IM: EX®) leadership development system were recently adapted for use in China. Better reflecting Chinese business culture by using localized situations and content, and videos produced in China, these courses augment the 17 other courses already translated into Simplified Chinese.

Built on IM: EX’s research, system design, and proven impact on leadership behavior, these courses will accelerate the development of leaders in Chinese companies with culturally relevant videos and materials.

For more information on IM: EX® for China, visit www.ddiworld.com/GO

DDI Named a Top 20 Leadership Training Company

TrainingIndustry.com has once again named DDI to its “Top 20” list of leaders in the training industry that demonstrate experience and excellence in providing leadership training services.

Selection to this year’s list was based on many criteria, including thought leadership and influence on the leadership training industry, strength of clients, experience in serving the market, breadth of programs offered and audiences served, and geographic reach.

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Two New Courses Are Designed to Meet Today’s Business Challenges

**MAKING HIGH-QUALITY DECISIONS**

DDI’s brand-new IM: EX® course, Making High-Quality Decisions, teaches a logical decision-making process that addresses the critical elements of high-quality business decisions. Participants will develop the skills and confidence to select the best course of action and to generate options and compare them with important decision criteria. Using this process will also help individuals avoid the pitfalls that often undermine decision-making. The robust Resource Guide contains everything learners need to apply what they learn back in the workplace—best practices, tips, a Decision Making Planner, and numerous decision-making tools.

This course is a perfect fit for individual contributors and frontline leaders who have completed DDI’s Manager Ready® online assessment and need to develop their decision-making skills.

**DRIVING A CULTURE OF INNOVATION**

The need to innovate has always been important. However, as companies navigate through the new normal, it’s one of the top business drivers and mandates we’re hearing about from clients.

“The pressure on leaders to analyze, experiment, and implement innovative solutions is tremendous because we know that innovative organizations are more likely to succeed than those that stick to the tried-and-true,” says Ellie Hall, an executive consultant with DDI. “And leaders themselves don’t have to be highly creative to encourage innovation, but they do need to take the right steps to create an innovative culture.”

Part of our Business Impact Leadership® curriculum, Driving a Culture of Innovation is designed to provide mid- and senior-level leaders with deep self-insight, new knowledge, and a set of tools they can apply the very next day to drive innovation.

Driving a Culture of Innovation will help leaders:

> Demonstrate their role as a leader in creating and sustaining a culture of innovation.
> Identify and leverage Human-Centered Design tools and processes to drive innovation.
> Instill the discipline of innovation across all facets of their organization.

✪ The course will be available soon. Be sure to look for webinars and special events on this topic in September!

Visit [www.ddiworld.com/GO](http://www.ddiworld.com/GO) to learn more about these courses, and the entire IM: EX® and BIL® systems.

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**GIVE US YOUR FEEDBACK**

We want to know what you think of GO magazine. Please take a minute to visit [www.ddiworld.com/GO](http://www.ddiworld.com/GO) and give us your feedback. All respondents who include their names will be entered into a drawing to win a $50 amazon.com gift certificate or to receive a donation to the charity of their choice.

[WWW.DDIWORLD.COM/GO](http://WWW.DDIWORLD.COM/GO)
What I’m Reading . . .

by Marcus DeFelice, HR Generalist, Kia Motors America

In The Happiness Advantage: The Seven Principles of Positive Psychology That Fuel Success and Performance at Work, Shawn Achor scientifically proves how having a positive outlook will make you a better performer on the job and help you to lead a healthier life. His research found that the human brain is hardwired to perform at its optimal level when we think positively. Achor explains that carrying that positive attitude will lead to an increase in productivity and performance, but that we must retrain our brain to think that way as it is not natural for people to think positively. The struggle is finding ways to keep a positive attitude when dealing with work and personal life challenges.

Being a training and development professional, I see the value of having a positive mindset all of the time. Participants in my training courses who come in with the best attitudes typically get the most out of the training. Not only that, but they are also more likely to refer their peers to complete the same training. I have found that my enthusiasm and passion for what I do have a tremendous impact on my learners. When I believe in the training I deliver, it is so much more powerful to participants. My passion can be infectious. The hard part is maintaining that day in and day out. Achor’s research and book are not only beneficial for those in the OD and training field, but his research is also presented in a practical manner and can help individuals in their personal lives as much as it can professionally.

Tell Us Your Story.

Has DDI sparked a change for the better in your organization?

If you have an anecdote—large or small, in or out of the workplace—we’d love to hear it. Your story can take any form: Write it, put it into a poem, send a captioned photo, or create a video.

DDI plans to publish a book featuring these stories.

When you submit your story, your name will go into a random drawing for one of these:

• A full ASTD 2012 Conference pass
• An iPad2
• A $500 contribution to the charity of your choice

Deadline is June 30, 2011.

Visit www.ddiworld.com/Spark for more information or to download a story submission form.

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Mary Tuuk has a lot on her plate. As the chief risk officer for Fifth Third Bancorp, with its $111 billion in assets and 15 affiliates with more than 1,300 branches in 12 states, her days are jam-packed as she tends to all aspects of Fifth Third’s credit organization and risk framework. In 2009, U.S. Banker magazine named her to its list of 25 women to watch in banking, and quoted one of her executive-officer colleagues as saying that Tuuk is “always very well-prepared” and had “made more progress in a year than we have in the last seven, eight, 10 years.”

Yet, busy as she is, when Tuuk starts talking enthusiastically about the concepts and takeaways from an executive-level course on Emotional Intelligence that she recently went through as part of Fifth Third’s strategic leader development program, there’s little doubt that the course had her undivided attention. She viewed it as time well spent, even if it was time she could easily have spent elsewhere.

“It’s always challenging, but development is a huge priority right now for our organization,” she explains. “We believe so strongly in the power of it that we realign our priorities accordingly.”

Tuuk isn’t an anomaly within the organization. Development is a big deal at Cincinnati, Ohio-based Fifth Third, which is evident in the bank’s comprehensive approach to developing all of its 4,500 leaders.

AN INVESTMENT IN TALENT

When the economy went south in the second half of 2008, few industries were hit as hard as banking. The downturn forced hard choices in most financial institutions about where to commit dollars, but CEO Kevin Kabat takes considerable pride in the fact that Fifth Third continued funding its talent initiatives.

“We know and have known all along that the winners in our industry will be the companies with the best talent,” says Kabat. “That’s why Fifth Third Bank is committed to investing in our talent regardless of the
business environment. We understand our employees will be what differentiates us from the competition.”

Kabat’s perspective is echoed by Teresa Tanner, executive vice president and Fifth Third’s chief human resources officer. Tanner helped lead the effort to translate that executive commitment into an executable leadership development architecture.

“Back a couple of years ago, when we started thinking through our current approach to leadership development, we understood that talent was going to be even more critical in the future than it was in the past.”

To guide its leadership development efforts, Tanner and her team created the comprehensive, four-level leadership development architecture aimed at building the skills of all the organization’s leaders—an initiative that was fully aligned with Fifth Third’s larger strategic talent framework.

Launched in 2009, this architecture is made up of four development paths that mirror the career paths of the individual leaders: Emerging Leaders, Frontline Leaders, Operational Leaders, and Strategic Leaders (the top-level executives in the company). All of Fifth Third’s 4,500 leaders participate in the path that corresponds to their leadership level. The Emerging Leader path, for instance, is designed to help first-time managers make the challenging transition from individual contributor to leading a team, while the Operational and Strategic Leader paths focus on topics and skill areas required of executives to move the business forward. The paths include courses from DDI’s Interaction Management®: Exceptional Leaders . . . Extraordinary Results® and Business Impact Leadership® leadership development systems.

Each path is designed to reinforce the organization’s core values and leadership competencies, and incorporates introductory learning, and a core curriculum that develops skills needed for success at that leadership level. It also includes an on-the-job and experiential component that includes online coaching through access to DDI’s OPAL® online performance and learning tool, as well as job rotations, projects, and mentoring. All Fifth Third leaders also take foundational courses that build their knowledge in critical areas such as diversity.

Making the Most of 360° Feedback

As part of the diagnostic component of Fifth Third’s leadership development architecture, leaders use a 360°-feedback tool to gather data on their strengths and development opportunities from direct reports, peers, and their manager. Robert Shaffer, executive vice president and director of internal audit and credit review, found a compelling and effective way to begin taking action on his feedback: He shared it with his team.

“I started out by thanking them for taking the time to provide that feedback. But then, more importantly, I talked to them about some of the strengths that came out of the feedback as well as some of the opportunities. I really tried to make them aware of things I thought were good opportunities and what my action plans are to address them. Then I asked for their help in that process.

“I think that did a number of things. One, it strengthened the trust and sense of teamwork I have with my team. And two, it encouraged them to take their feedback seriously and apply what they learn in their training in order to get better.”

In addition to creating development tension for himself, Shaffer believes that sharing his feedback has resulted in greater buy-in for the 360° feedback process within his team. What’s more, he’s witnessing that buy-in firsthand.

“Now I see them using their 360° feedback, and sitting down and talking to me about it. I don’t even have to ask them. When they get back from training, the next one-on-one we have they bring it in and we go through it. They’re looking for help to formulate plans to get better.”
awareness, harassment prevention and nondiscrimination, and compliance.

In addition, leaders take supplemental courses that address their identified development needs. The required learning plus the ability to target the needs of each individual leader serves to promote a consistent leadership culture while also ensuring that each leader has the complete skill set needed to succeed in his or her role, as well as the base of skills leaders need as they advance in their careers and move to the next path.

“We’re trying to further optimize the leaders we have in place today,” says Robert Shaffer, executive vice president and director of Fifth Third’s internal audit and credit review functions. “But we’re also focused on maximizing the impact of the development of tomorrow’s leaders within our company.”

**NO PENICILLIN APPROACH**

Fifth Third has been in business for more than 150 years, and while the bank hasn’t been formally developing its leaders that long, it has had leadership development programs in place before the current leadership development architecture. But those development efforts were not always sufficiently robust, nor were they integrated to provide organization-wide consistency and alignment across levels.

Tanner says that each line of business tended to identify leadership gaps and address them independently of the other lines of business. There wasn’t a concerted effort to develop leaders across all of Fifth Third and no consistent focus on leadership competencies.

“We had a lot of penicillin type of approaches where we diagnosed that there was an illness and got a shot in the arm to help remedy it, but what we really needed was basic nutrition,” says Tanner. “We had no approach to proactively build leader skills. We were just solving for talent deficiencies in a one-off way, where we couldn’t realize any economies of scale.”

“When you have a matrix organization like we do with affiliates, we wanted to look at greater consistency,” says Lauris Woolford, executive vice president of organization development and planning. “We also wanted to get at common leadership competencies and values, and that’s when we started first doing the work with DDI around the strategic talent framework.”

Addressing the shortcomings of past efforts was a major priority for Tanner and her team as they built the current leadership development architecture. In implementing it they had to make sure that leaders at all levels—including those at the very top of the organization—would acknowledge the need to develop.

“We felt very strongly that we needed to build leadership capabilities top down and that we really needed to put a much greater investment on the operational and strategic leader offerings,” says Woolford. “One of the biggest cultural shifts we had to make was getting leaders to understand that, regardless of what level you attain in your career, there are still opportunities for continual learning. What’s good is that our senior-level leaders have been very open about embracing learning.”
PAYING DIVIDENDS

Since the four-level leadership development architecture was launched in 2009, Fifth Third’s investment in talent has paid dividends.

“We consistently hear, ‘Best course I’ve ever taken at the bank.’ Or, ‘Wow, I can’t believe we now have learning opportunities like this.’ Or, ‘This has direct implications to my job to make me more successful.’ And we have data like that on every single course we offer,” says Tanner.

Fifth Third engaged DDI’s Center for Applied Behavioral Research to measure the impact of the core program for the Emerging Leaders path. The study, for which data was collected from participants who had been through the training within the previous six months, revealed several favorable findings:

- More than 95 percent of the emerging leaders surveyed believed the training supported the organization’s culture and was very relevant to their jobs.
- After the training, 92 percent of leaders displayed effective leadership behaviors. Just 66 percent displayed the behaviors before the training.
- 99 percent of leaders said that the concepts covered in training are important for their jobs.
- 94 percent of leaders indicated that they were personally motivated to apply their learned skills and concepts back on the job.

Most important, the research showed real improvement in communication, coaching skills, and resolving conflict, and found that the leaders are more prepared to take on new roles because of the training program.

“I think we’ve taken managers and made them into leaders,” says Woolford. “I think we’ve given them some learning agility that is core to their success, regardless of whatever path they’re in.”

Tanner sees the transformational aspect of the training, not just on the leaders but on the entire Fifth Third organization.

“Increased talent will help us drive all of our business strategies,” she says. “We are going to continue to operate in an ever-changing business environment and industry environment. We’ve tried to build a leadership curriculum that helps prepare our leaders differently than we’ve prepared them in the past.”

Shaffer now sees development as “embedded” in the Fifth Third culture. He also believes it’s positioning the organization as a destination for highly coveted talent.

“We’re winning the war on talent more and more every day in terms of attracting high-quality people because not only are we saying we’re going to provide you with a competitive compensation package, we’re also going to develop you.”

To learn more about Interaction Management®, Exceptional Leaders . . . Extraordinary Results®, Business Impact Leadership®, and OPAL®, visit www.ddiworld.com/GO.

We’re One But We’re Not The Same (cont’d from page 25)

personal and practical needs, leaders can create higher levels of engagement, increasing not just their chances of being admired and remembered, but more important, of realizing meaningful results for their teams and the organization.

So what will it take for us to not just successfully navigate, but fully appreciate a diverse workforce? It will take us moving from the East to the West and back, within and outside of our own culture. It will also take us getting to a point where we can value our differences while also celebrating our similarities as we remember with pride where we are from and where we’ve been. Along the way, I hope we seek opportunities to engage in meaningful conversations that connect us in a truly authentic way.

Once we can do that, we’ll all be singing a similar tune.

All together now: We’re one but we’re not the same…
Research on Frontline Leaders Reveals Challenges, Contradictions

DDI’s recent study of more than 1,100 frontline leaders delves into the challenges associated with organizations’ abilities to identify and develop capable first-level leaders.

The full report, Finding the First Rung: A Study on the Challenges Facing Today’s Frontline Leader, can be downloaded at www.ddiworld.com/GO, where you can also access an article on the study that appeared in The Wall Street Journal, and learn more about Manager Ready®, DDI’s breakthrough new tool for assessing frontline leaders.

Trial and Error = Error

The two most common methods of learning to become a manager are at opposite ends of the organizational support continuum: On one end, acquiring leadership skills through trial and error (57 percent)—and on the other, support from managers (51 percent).

Percentage of Leaders Who Report Understanding Their Role

<table>
<thead>
<tr>
<th>TENURE AS LEADER</th>
<th>% AGREING</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;1 year</td>
<td>56%</td>
</tr>
<tr>
<td>1-2 years</td>
<td>70%</td>
</tr>
<tr>
<td>3-6 years</td>
<td>76%</td>
</tr>
<tr>
<td>&gt;6 years</td>
<td>80%</td>
</tr>
</tbody>
</table>

Respondents were asked to submit their top three choices.

The Most Influential in Achieving Current Leadership Skills

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trial and error on the job</td>
<td>57%</td>
</tr>
<tr>
<td>Support from my manager/supervisor</td>
<td>51%</td>
</tr>
<tr>
<td>Formal on-the-job training</td>
<td>40%</td>
</tr>
<tr>
<td>Support from a mentor other than my manager</td>
<td>26%</td>
</tr>
<tr>
<td>Formal educational experience</td>
<td>22%</td>
</tr>
<tr>
<td>Professional colleagues at other organizations</td>
<td>12%</td>
</tr>
<tr>
<td>Books or articles on leadership</td>
<td>10%</td>
</tr>
<tr>
<td>Professional organizations or associations</td>
<td>9%</td>
</tr>
</tbody>
</table>

Respondents were asked to submit their top three choices.

Wait, What Does It Take?

Overall, 74 percent of leaders said they have a good understanding of their role. But broken down by tenure, we found that only about half of new leaders feel confident. And even at six or more years on the job, 20 percent of managers say they don’t fully understand what it takes to succeed.

A Contradiction of Stats

On the one hand, 87 percent of leaders rate themselves as good or excellent. But in a separate survey, we found 89 percent of managers had at least one leadership skill on which they rated themselves above their actual skill level.

When does self-confidence become a blind spot?
A few months ago, I sat in a briefing for an upcoming Asia-Pacific conference. The organizers shared their plans for bringing in speakers from several countries to make sure there was a balance of perspectives on leadership practices from the East and the West. I shifted uneasily in my seat until I finally had to speak up. “Can we change it to ‘global best practices?’” I asked.

That view of East and West wasn’t one I could readily accept, as it struck me as both overly simplistic and misguided. While I recognize there are distinct characteristics that stereotype managers in Asia versus managers in Europe or in North America, it seems to me that, as the world continues to shrink and flatten through globalization, best practices are no longer necessarily from the “East” or from the “West.” I was happy that my voice was heard and that the discussion was redirected to one about global best practices.

While “global” has become an overused term, it’s close to my heart in a special way. I am an adult “Third Culture Kid,” a term coined in the 1950s by sociologist Ruth Hill Useem to describe those of us who have spent a significant part of our developmental years outside our parents’ culture. Before my 20th birthday, I had lived in four countries and attended international schools with students from all over (my best friend in high school was Swedish), where I discovered firsthand how truly small the world really is. These life experiences taught me early on to value differences, to celebrate our common human condition, and to always work toward collapsing barriers between and among worlds. If I were to write an anthem for us Third Culture Kids, I would have to ask Bono if I can use some of his words—we’re one but we’re not the same.

I realize, however, that it’s not just Third Culture Kids who are experiencing the world in a different way. For many of us, our work environment is far more diverse than ever before, with individuals defined by various ethnic groups, educational backgrounds, generations, life experiences, and personalities.

I am fortunate to work and live in Singapore, where one out of every three people in the workforce is from another country. This island state takes pride in its diversity and it provides a true melting pot for its citizens, residents, and visitors. I see how this diversity is equally reflected in the workplace, where it is not uncommon to have a meeting where three or four countries (and accents) are represented, or a client workshop with participants who either flew in from other continents the night before or are expatriates based here.
As I go through my workday, I understand that when it comes to people, we can create as many profiles as there are permutations of however many categories we choose. But while we will never really be exactly the same, are we really all that different?

One of DDI’s American senior consultants recently shared with me his experience working with our clients across the five major continents. Wherever he is, when he asks those in his training classes to recall the qualities that define their most admired leaders, the answers clearly transcend cultural differences. No matter where in the world or in which level in the organization he or she is from, each individual tends to remember a leader not by the tasks or assignments given, but by how the leader made him or her feel—valued, worthy, and respected.

People remember that others listen to them, or that they felt good being able to make meaningful contributions. While people may behave differently on the surface, we all want to be treated with dignity and respect. At the heart of it all, we just want to connect with each other as fellow human beings.

**MAKING CONNECTIONS**

Because there’s no turning back on how the world and the workplace are changing, and how we’re becoming more interconnected, we are faced with an important question: What does it take to work in and truly celebrate a diverse workforce? More important, what can we do to embrace the reality of our “Small World After All?”

Developing individuals to thrive in a diverse, global work environment is one part of the equation; the other part is management’s role in helping to support that development while continuing to enhance productivity in the workplace.

According to a recent study published in *McKinsey Quarterly*, the key to higher productivity is to identify and address the barriers knowledge workers face in their daily interactions. Setting performance metrics and rewards is important, but because knowledge workers spend half their time working with others, it’s the quality of their day-to-day interactions with their peers and managers that ultimately counts.

Late last year in Pittsburgh, I had the chance to hear Josh Bersin, CEO and president of Bersin & Associates, share his thoughts on upcoming talent management trends. One stood out that echoed the McKinsey study: All of talent management comes back down to the individual manager. While HR provides the necessary systems and tools, talent management is really about each manager taking the organization’s needs and the individual’s aspirations, and having an honest-to-goodness, one-on-one conversation—not an e-mail thread!—to ensure alignment, engagement, and success.

The way I see it, the pressure is on managers to have these meaningful conversations, whether they are about upcoming projects, progress on assignments, or even poor performance.

While there is no shortage of recommended tactics to manage diversity in the workplace, leaders cannot take a cookie-cutter approach to managing people simply based on their generation, their cultural background, or any other assumptions. By focusing on and addressing both an individual’s

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**TWO DDI COURSES HELP YOUR LEADERS AND TEAM MEMBERS SUCCEED IN A GLOBAL WORK ENVIRONMENT.**

Among DDI’s globally proven leadership development solutions are these two courses that develop a global perspective and impart the skills needed to manage diversity.

**Operating With a Global Perspective**

This course, from DDI’s Business Impact Leadership® series for operational and strategic leaders, introduces the Global Equation concept to help leaders strengthen factors that lead to success in global business environments, adapt their actions and behaviors to those environments, and guide their teams to a higher level of global acumen.

**Valuing Differences**

From the Interaction Management®: Exceptional Performers Series, Valuing Differences gives team members and frontline leaders effective tools for appreciating others’ unique perspectives, understanding people’s inherent differences, and collaborating in a mutually beneficial way.

To learn more about these courses, visit www.ddiworld.com/GO.
Time. It’s the one thing nobody seems to have in abundance. We lack the time to get it all done at the office. We don’t have the time we’d like for family and friends. We struggle to find time for ourselves.

But would you believe that our perceived paucity of time is just that—a perception—and that we really do have time for everyone and everything we find important? That’s the thesis of Laura Vanderkam’s book, *168 Hours: You Have More Time Than You Think*.

In *168 Hours*, Vanderkam, a busy journalist and mother, debunks the time-crunch myth and profiles multiple busy and fulfilled people who are successful at, and ruthless about, managing their time. Most important, she offers strategies and tools to help readers make better use of the 168 hours that make up each week.

GO: The research you highlight in your book seems to explode the myth that we have a lot less time than we would like.

Vanderkam: Yes. There’s a fascinating data set called the American Time Use Survey. It’s a time-diary study for which people are asked to track how they spend their hours in a given day. The results are averaged over thousands of Americans, some of whom have been asked about workdays and some of whom have been asked about weekends. What this survey has found is that we either don’t know how we spend our time, or we have certain perceptions that are not entirely accurate. This and other studies done by different universities using the same methodology have determined that the average American sleeps more than eight hours in a 24-hour period, and the average workweek is really not that taxing either.

GO: About that workweek, you cite research that shows those who claim to work 60 hours or more don’t work anywhere near that much.

Vanderkam: That finding comes from a fascinating study done by John Robinson, who’s now at the University of Maryland. Robinson compared estimated workweeks with time diaries and found that the average person claiming to work 70, 80, 90 hours a week is in fact working less than 60. And that kind of goes down the line until you get to people who are thinking that they’re working part-time, and actually some of those people are working a few more hours than they think they are. But generally, those of us working full-time jobs pretty much overestimate our tallies.
GO: Why is it that we tend to overestimate the amount of time we’re working?

Vanderkam: First, most people don’t know there are 168 hours in a week, so they haven’t really thought about the proportion of time we spend on work, sleep, household activities, family activities, and the like. We hear 80-hour workweek, which sounds like a lot, and we feel as if we’re working a lot, so we assume that we’re working 80-hour weeks as well. And we live in a competitive world. I was joking with someone the other day that if you’re in your boss’s office and somebody says, “I’m working 60 hours a week,” you’re not going to say you’re working less. That’s just not the way it is.

GO: You offer a curious piece of advice: Don’t mistake things that look like work with actual work. What do you mean by that?

Vanderkam: Probably the biggest white-collar work sin is that there are a lot of things we do that can be helpful to our jobs but that are not, in and of themselves, our jobs. Meetings and e-mail and writing reports may be important and enable you to do your job, but if you think about your year-end performance review, or think about what might be said at your retirement dinner, the fact that you answered all of your e-mails within three minutes probably isn’t going to come up.

GO: How can leaders help their people devote time to those tasks that matter?

Vanderkam: Leaders should focus on things that are moving the company forward, on things that are producing a good work environment, and on serving clients or otherwise advancing the organization’s goals. They also need to be setting a low tolerance for things that are not work. And there are many ways to do this, from having more effective meetings, or even just being seen leaving at a reasonable hour and saying, “Listen, I’ve done my work. I have some good ideas. I’ve set us up for a good place for tomorrow. We all need to take a break.”

GO: You recommend keeping a time diary for an entire 168-hour week, breaking it down half-hour by half-hour. What are some of the things that you hear from people when they do this exercise?

Vanderkam: People are amazed to find that they turn on the television at, say, 8:30 after their kids have gone to bed and it’s still on at 11. That’s 2½ hours every night that’s just gone. And that’s fine if it’s a show you want to be watching, but often people discover that it really wasn’t something that they wanted to do, and so they were losing vast hours in front of the television. That’s a big one.

People also notice that at work they get distracted all the time. I certainly found this when I was keeping time logs. I’d get started on a project and 20 minutes later I’d be like, oh, let me go check my e-mail because I’d have it on in the background and I’d see that the number in my inbox had gone up and I’d be curious about what was in there. And so I’d dive into my e-mail and then it would be another 30 minutes before I actually got back into the project I was doing. So, I wasn’t really spending a whole lot of time on long, focused stretches of work.

The other thing is that people forget about weekends. There’s a lot of time between 6 on Friday night and 8 on Monday morning, and we tend to not think about that time when we’re looking at our weeks.

GO: For the book you interviewed several super-busy people, like the woman with six kids who runs a seven-figure business and somehow finds time for everything she wants to do. What can we learn from those people?

Vanderkam: Many of the people I talked to for 168 Hours were very ruthless about getting rid of the things in their life that were not important to them. And largely they focused on what I call their three main core competencies, the things that they do best that others can’t do nearly as well. And for most people those core competencies are nurturing your career, nurturing your family, and nurturing yourself, meaning getting enough sleep, exercising, volunteering, and participating in a hobby that you particularly love. I also saw that the people I talked to really try to focus on the highest-value activities within those three core competencies. They seemed to understand that if you’re only choosing, say, the three most important work priorities for a day, you won’t have to be there for 12 hours.

Probably more than anything else, I learned that if you’re only focused on the things that matter most to you, you’ll actually find that you’re really not that busy.

To listen to a podcast with Vanderkam and to download a time-management worksheet for keeping your own time diary, visit www.ddiworld.com/GO.

Her book, 168 Hours: You Have More Time Than You Think, is available at bookstores and through major online booksellers.
Talent strategy doesn’t automatically support business goals.”

No CEO would disagree that his or her organization’s leadership needs are informed by its business strategy and execution plan, including measures of success. Yet, most companies’ strategic business plans don’t incorporate an aligned strategic talent plan. This amounts to not thinking through how the business strategy will be executed. You may have the positioning, the capital, and the processes to accomplish the business outcomes you desire, but without the needed quantity and quality of talent, execution simply won’t happen. This is especially
important as organizations have, in recent years, had to switch gears rapidly, abandoning one strategic path (e.g., aggressive growth, market expansion, acquisition) for another (e.g., long-term cost containment, innovation).

To ensure your business and talent strategy complement each other, start with the end in mind by answering some critical questions: Based on your business strategy, what future challenges will leaders likely need to address? What kind of leaders do you need and how many? What knowledge, experience, skills, and personal attributes will be critical to their success?

“Talent management isn’t (just) succession planning.”

Many CEOs can claim that their companies have a talent management strategy when, in fact, what they have is a contingency plan for replacing those occupying the top slots. Of course, succession planning is a critical component of any talent strategy, but the two are not synonymous.

Companies that are serious about talent management look across all levels and functions—they don’t just limit their time and finite resources to succession management.

Their approach is defined by three key distinctions:

1. They balance the focus on “critical” positions and key players with broader strategies to support leadership transitions at every level—from individual contributor to leader, to leader of leaders, and so on. In effect, they segment their talent base.

2. Their energy is directed at building a “pipeline” of a ready supply of leaders rather than matching individuals with a specific future role. Companies that do this well designate “talent pools” of those whose growth they want to accelerate and whose members are the subject of differential development focus.

3. They are careful not to treat all roles alike. They plan for the future security of “business critical” roles—those roles identified as adding unique value, which may be hard to fill, and where the variability of performance has the strongest consequences.

If there is one rule of thumb that should guide your talent management efforts, it’s this: Your talent pipeline is only as strong as its weakest link. While there’s no denying the importance of succession management, successful organizations need effective leaders at all levels and in all functional areas. Focusing exclusively on succession management at the top precludes this crucial whole-organization focus on talent management and amounts to choking off the upward flow of your talent pipeline.

“Potential isn’t everything.”

One of the biggest overarching mistakes we see CEOs and their organizations make is confusing performance, potential, and readiness. It’s important to understand that each has a distinct definition:

- Performance is how one is performing now in one’s current role.
- Potential is one’s likelihood of leadership growth.
- Readiness is one’s fit with a specific role, job, or job family.

Confusing these three concepts can lead to disastrous decisions about talent. Those who perform effectively in one job won’t necessarily succeed in a job at the next level. Those with potential need to be developed. And even those who have been identified as having potential and have benefited from development may still not be ready to take on a challenging role or job.

When looking to identify those with leadership potential, it’s not current performance that matters (though current performance must be the starting point for identifying potential) as much as what sort of leader an individual is capable of growing into in the future.

“Your eye for talent isn’t that good.”

We encounter many CEOs who are supremely confident in their ability to spot talent. Still, more are beginning to understand that their eye for talent isn’t necessarily as sharp as they once thought. Especially when it comes to making selection, development, and deployment decisions that have huge, long-term ramifications.
This isn’t about any CEO’s ability to “judge” people. It’s that as organizations grow more complex and more global, CEOs simply don’t get as many opportunities to work with and get to know people as they once did. And those fewer opportunities provide misleading evidence at best. For instance, see a mid-level leader make a dynamite presentation, and you might conclude that she should be tabbed for a senior job in one of your business units. The truth may be not that she’s a leader with exceptional potential, but that she’s a gifted presenter.

Through its systematic approach, talent management is all about preventing those mistakes. An integral part of that approach is relying upon assessment to gather the data required to make accurate talent decisions.

There is tremendous value in assessment, as it provides the objective data needed to understand current talent capability and gaps. This is why many highly effective organizations assess for both potential and readiness to inform promotion and placement decisions.

Plus, it’s far more effective than relying on being able to “spot” those who are ready for key jobs right now or those who can be developed to step into those jobs in the future.

“All leaders should be responsible for developing their people—and they need the skills to do so.”

Do you think that all of your leaders are “talent advocates”? After all, that’s what’s expected of them, right? Think again.

Our data on more than 1,000 senior leaders show that developing and championing talent are two of leaders’ weakest areas. In fact, the reality is that many mid-level and senior managers struggle with the idea of development as being anything but remedial. They may have bypassed key career transitions, which have left important leadership skill deficits, yet fail to prioritize—or even dismiss—training opportunities. Leaders like this tend to focus on correcting “weaknesses” rather than capitalizing on each person’s unique talents. It has been said that these leaders are successful despite, and not because of, their deficient skills.

But if every people leader has the skills to scout for “high potentials,” has meaningful performance discussions and coaches for success, builds creative development plans and makes effective hiring/promotion decisions, then talent management processes will have momentum of their own. For this, managers need enlightened role models—beginning at the top. Beginning, that is, with the CEO.

What else do CEOs need to know?

The straight talk and guidance offered here are just some of the advice provided in The CEO’s Guide to: Talent Management. In this booklet we offer a wealth of useful guidance to your organization’s chief “talent champion” as well as practical advice to benefit everyone involved in talent management. If you need to raise awareness about talent management in your organization, we encourage you to check it out.

Adapted from The CEO’s Guide to: Talent Management. To download the full booklet, visit www.ddiworld.com/GO.

Audrey B. Smith is senior vice president, executive solutions, DDI.
Richard S. Wellins is a senior vice president at DDI.
Matthew J. Paese is vice president of executive solutions at DDI.
Evan Sinar, Ph.D., on “With Tests, Measuring Better Beats Looking Better...But Why Choose?”

Evan addresses the great debate—does the advent of technology mean that you should give up the measurement benefits for the great functionality that technology adds to tests? “Better measurement can involve more established or time-consuming item types that don’t incorporate interactivity, graphics, or other technological advancements. On the other hand, exclusively focusing on ‘looks’ can pair, for example, a highly realistic video with a low-value radio button to indicate a response—neglecting measurement for the sake of appearances.”

Aviel Selkovits on “Learning 2.0: Beware the Power Law”

How has social media impacted learning? Aviel takes on the topic in the March issue of ASTD’s Learning Circuits; in particular, how you can overcome the passive nature of social media. “The Power Law, by definition, is a mathematical relationship between two quantities. In the case of social media, it has evolved into a 90-9-1 distribution. Essentially, 90 percent of people using these tools are passive observers; 9 percent are active contributors, and 1 percent are the leaders and creators. While this distribution is perfectly adequate in the world of social media, when it comes to leadership development, it can create some hurdles to effective implementation.”

Nikki Dy-Liacco on “Leadership Lessons From Dr. Seuss”

To celebrate the birthday of one of our most beloved authors, Nikki ponders what we all can learn from Theodor Seuss Geisel. “Quotable quotes from Dr. Seuss continue to remind me of important life lessons. As I am currently preparing for an upcoming Leadership Development Program, a little light bulb went off in my head: There is also a lot to learn from Dr. Seuss on leadership! After a quick Google search, I realize that others have had the same a-ha moment.”

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