Warning

Not all leadership development is created equal!

QUICK GUIDE: Leadership Development That Measures Up
Question
How effective is your organization’s leadership development?

If you know, you’re in select company. Fewer than 1 in 10 organizations measure the impact of their leadership development.
But while measurement is important, positive impact isn’t a given. Not all leadership development is created equal, and there’s a sizable difference between a system that delivers results and others that don’t.

That’s what sets DDI’s Interaction Management® (IM®) apart. Nothing can compare with IM® when it comes to a proven track record. DDI has been assessing and developing leaders for more than four decades, and we develop more than 250,000 leaders worldwide each year.

**See for yourself!**

We have conducted hundreds of studies that prove the impact of the IM® methodology, including results such as:

- **Measurable behavior change.**
- **Improved leader performance.**
- **Impact on business performance.**

In this quick guide, we’ll introduce DDI’s approach to measuring the critical aspects of a leadership development initiative. We’ll also show you the results of a recent impact analysis study involving 50 organizations across 14 industries that evaluated their leadership development programs.
DDI takes a strategic and systematic approach to measuring talent management initiatives.
We Organize Measurement Around Four Areas:

**FOCUS**—Is the program targeting the right skills? For example, is the competency model aligned with business objectives? Have development gaps been identified?

**PROCESS**—Is the program being implemented effectively? Have steps been taken to assure that it will endure in the organization?

**OUTCOMES**—Has behavior improved? Did the initiative enhance your leaders’ ability?

**IMPACT**—Is the program advancing the business? Are customers or other external stakeholders affected positively?

By applying this approach, we can get answers to the most critical questions surrounding a leadership development initiative’s impact.

And as we learned from our recent impact analysis study, IM® helps organizations realize measurable impact in all four areas.
Giving leaders what they want isn’t enough. Learning and Development professionals need to make sure they develop the skills leaders actually need. In this regard, the impact analysis study found that IM® hits the mark!

Before development, leaders gave only about half of their skills high ratings. Major areas for improvement were resolving conflict, delegating, and retaining talent—all of which are addressed by IM®. This data indicates there was a critical need for the leadership skills addressed in DDI’s IM® system.
When the right skills are targeted, the leadership development program has to hit the mark by addressing both the skill needs and the organizational culture.

The process measures that were included in the impact analysis study showed that among leaders who went through IM® training there was a high level of agreement with the statements “The skills and concepts addressed in the program are important for my job,” “The skills and concepts taught in the program fit or align with my organization’s culture,” and “I am personally motivated to apply the skills or concepts learned in the program.”
A major focus of this study was to examine the degree of behavior change participants achieved after completing their development program.

Overall, we found that before leaders attended their development programs, they and their observers agreed that only about half of leaders were effective. After attending the DDI training programs, these rose to 86 percent for self ratings and 75 percent for observer ratings. The big finding: IM® develops imperative leadership skills and significantly improves leadership behaviors.
It’s a fact: Leadership development affects more than just leaders. That’s why most leadership development programs are put in place—with the hope that their positive outcomes will help drive positive results for the organization.

As our impact analysis study showed, IM® led to post-training improvements in quality of work, customer satisfaction, productivity, and efficiency. Such improvements can have a positive impact on the business and the organization’s bottom line.
Results

Organizations have realized after developing their leaders using IM®:

- Human capital ROI of 685 percent, or a return of $6.85 for every dollar invested.
- During a three-year period, sales volume increased 105 percent and sales productivity increased by 68 percent per sales representative.
- Absenteeism dropped from 9 percent to 2.2 percent, and downtime dropped from 8.78 percent to 0.7 percent.
- Employee retention improved by more than 42.3 percent.
- A 26.7 percent improvement in cost savings and significant increases in employee satisfaction.
What’s the Total Impact?

We invite you to check out the full Better Leaders, Better Business Results Through IM: EX® impact analysis study. To download a copy, visit www.ddiworld.com/impact.

And What’s Next!

We also invite you to learn more about the new Interaction Management®: Exceptional Leaders series. It’s frontline leadership development re-imagined for the way leaders learn now, with engaging content, mobile support, integrated assessment tools, and extras to drive real behavior change and business results. Learn more at www.ddiworld.com/imexl.

ABOUT THE IMPACT ANALYSIS STUDY

- We looked at 50 organizations that evaluated their IM® leadership development programs between 2006 and 2012. The organizations spanned all sizes across 14 different industries. For this survey, 4,442 leaders evaluated their organization’s leadership development program. Also providing perspectives on the results of the leadership development efforts were 6,793 colleagues of the leaders, primarily their managers, coworkers, and direct reports who attended the programs.
The best just got better!

Explore DDI’s newest frontline leadership development innovation, Interaction Management®: Exceptional Leaders (IM: ExLSM), at www.ddiworld.com/imexl.