



RESEARCH RESULTS—CLIENT

LEADERSHIP DEVELOPMENT

RESEARCH RESULTS BY:

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REALIZATION RESULTS:

Trainees reported a 90 percent improvement in the number of leaders displaying positive leadership behaviors after attending the Emerging Leaders Transitional Leadership Program.

The number of leaders effectively coaching others for success has more than doubled since the training.

Almost 7 out of every 10 trainees have seen an improvement in the productivity of their direct reports.

INDUSTRY

Banking

ORGANIZATION

Business Development Bank of Canada

DDI PRODUCTS USED

Interaction Management®: Exceptional Leaders...Extraordinary Results®

BUSINESS NEED

The Business Development Bank of Canada (BDC) is a financial institution wholly owned by the government of Canada. BDC plays a leadership role in delivering financial, investment, and consulting services to small and medium-sized Canadian businesses.

Building on 60 years of success as Canada's small business bank, BDC provides solutions to today's business challenges to help small businesses develop into tomorrow's business leaders.

BDC's experienced, highly trained account managers and business consultants provide superior, customized service to meet the individual needs of entrepreneurs at every stage of their business development.

BDC needed a program for developing critical skills that would set up new and emerging leaders for success.

SOLUTION

In 2005 DDI worked with BDC to form their Emerging Leaders Transitional Leadership Program. This eight-month comprehensive program consisted of behavioral assessment, formal training, learning journals, and manager coaching. The program focused on providing emerging leaders with an opportunity to develop the skills that directly impact their performance and that of their direct reports.

The program was developed in part from DDI's Interaction Management®: Exceptional Leaders...Extraordinary Results® and included the following DDI courses in the core curriculum:

- > Achieving Your Leadership Potential
- > Essentials of Leadership
- > Retaining Talent
- > Leading Change
- > Motivating Others
- > Resolving Conflict
- > Setting Performance Expectations
- > Reviewing Performance Progress
- > Delegating for Results
- > Coaching for Success
- > Coaching for Improvement
- > Managing Performance Problems
- > Influential Leadership
- > Developing Others
- > Adaptive Leadership

The program included another course, Managing Generational Differences.

RESEARCH DESIGN

Fifty-six emerging leaders and 77 of their observers (managers, direct reports, and peers) participated in an online survey at least three months after trainees attended the Transitional Leadership Program. The survey focused on the changes in trainees’ behaviors after attending the training. Behaviors were tied specifically to the courses, and survey participants were asked to rate the extent to which the trained leaders displayed desired leadership behaviors before and after attending the program. The survey also gathered

perspectives on the work environment and the impact of the program on other organizational outcomes.

The majority of trainees and observers who participated in the survey had worked at BDC for at least six years. All trainees had worked in their current roles for less than five years, with the majority working for only one to two years. The majority of observers had worked in their roles for more than three years. **Figure 1** presents the relationships of the observers to the trainees, and **Table 1** presents the current level of management of all participants.

Figure 1. Relationships of Observers to Trainees

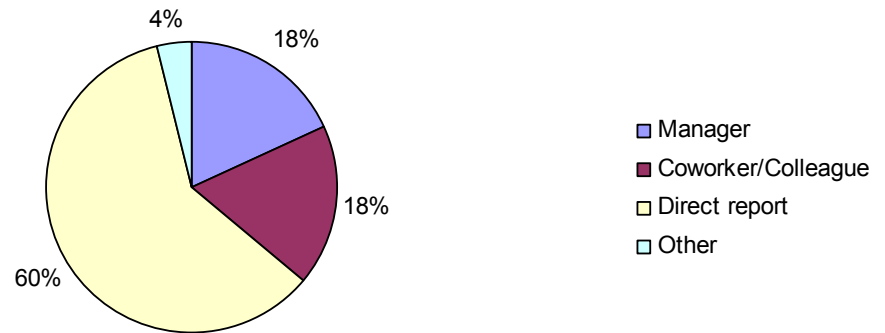


Table 1: Management Levels of Participants

| Trainee | Observer | |
|---------|----------|------------------------|
| 94% | 73% | First-level management |
| 6% | 27% | Middle management |
| 0% | 0% | Senior management |

RESULTS

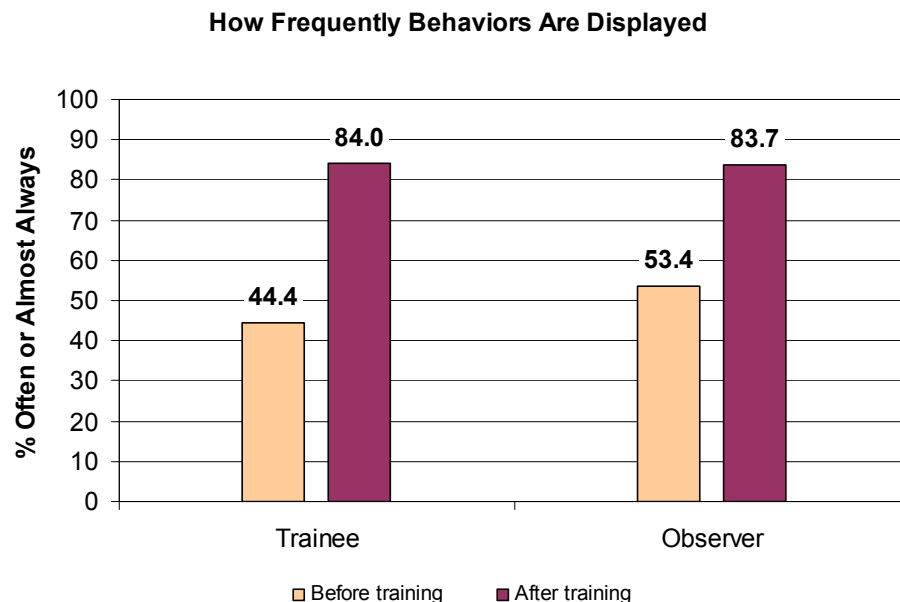
Changes in Behaviors

Behavior improvements are defined here as increases in the percent of participants who frequently display positive leadership behaviors currently, compared to the percent who displayed the behaviors before attending the leadership program. Because the behaviors tied to the courses are critical, we focused on the percentage who displayed each behavior often or almost always. For example, a 166 percent improvement in Achieving Your Leadership Potential, one of the courses, indicates that the number of trainees who effectively exhibited behaviors associated with achieving leadership potential in the organization has increased by 166 percent since the development program. More specifically, before training, 30 percent of participants were exhibiting behaviors related to achieving leadership potential, and this increased to 80 percent after training ($80-30=50$; $50/30 = 166$ percent).

Trainees reported a 90 percent improvement in the number of leaders displaying positive leadership behaviors after attending the Emerging Leaders Transitional Leadership Program.

Across all courses in the Transitional Leadership Program, results showed a 90 percent improvement in positive leadership behaviors after training. That is, 44 percent of participants reported displaying positive leadership behaviors often or almost always before attending; this increased to 84 percent after attending. Observers reported a 75 percent improvement after the training (see **Figure 2**). It is common to see higher ratings of improvement from trainees than from observers because observers have a limited number of opportunities to view trainees' behaviors and can only report on this limited perspective.

Figure 2: Overall Reports of Behavior Improvements

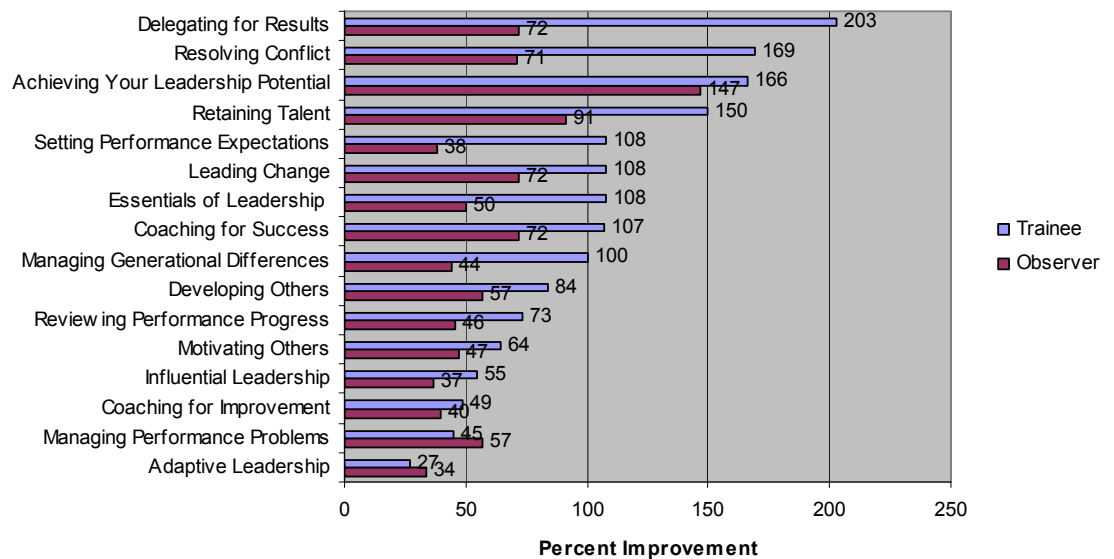


Results by Course

Figure 3 presents the reported behavior improvements for each of the courses in the program. The graph shows that trainees reported the highest behavior improvements in

delegating, resolving conflict, and achieving leadership potential, while observers reported the highest improvements in achieving leadership potential and retaining talent.

Figure 3: Average Percent Improvement by Course



Achieving Potential as a New Leader

After the training, emerging leaders at BDC showed significant behavior improvements in terms of reaching their own potential as leaders.

After attending Achieving Your Leadership Potential, trainees showed significant improvement in their ability to diagnose their personal strengths and development areas. Trainees reported a 200 percent improvement, and observers reported a 226 percent improvement compared to before training.

The foundation course, Essentials of Leadership, taught participants how to get results through people. During the course

trainees learned a set of essential skills to meet both practical business needs and people's personal needs. Overall, 44 percent of leaders were frequently exhibiting these behaviors before training, and this rose to 91 percent after training—a 108 percent improvement. More specifically, the percentage of trainees who provided others with support without removing their responsibility for action increased by 183 percent since the training, such that 87 percent of trainees are now reporting doing so often or almost always. With respect to leadership essentials, observers reported significant improvement in the frequency of leaders openly sharing feelings and concerns about important issues.

An important part of any leader’s job is to retain talent. After the transitional program, trainees reported a 180 percent improvement in the number of leaders who uncover factors important to retaining individuals and increasing their satisfaction. Observers echoed this, reporting a 137 percent improvement.

The Leading Change course taught leaders to help others overcome their resistance to change and minimize the negative effects of change on morale and productivity. Trainees and observers alike reported the largest percentage improvements in helping others analyze the advantages and disadvantages of changes. Specifically, only 24 percent of trainees reported helping others often before the training; this number increased to 80 percent after they attended the transitional program.

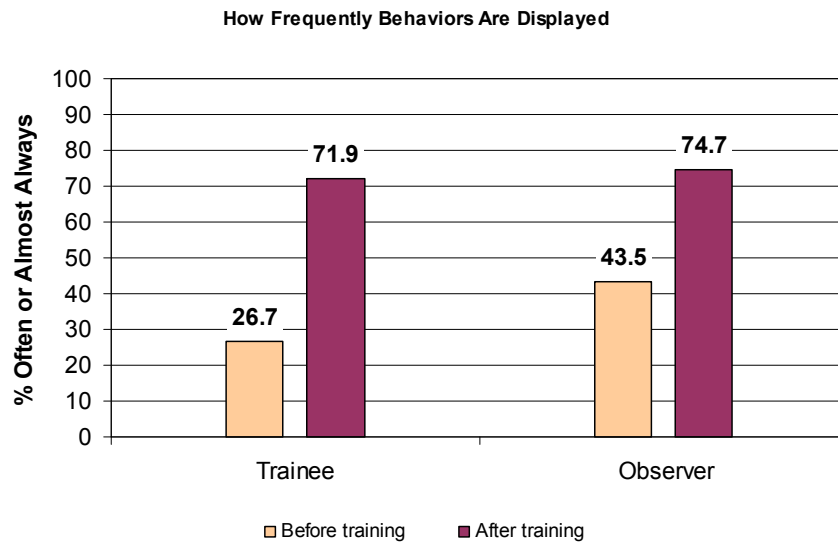
Managing Performance as a New Leader

With respect to managing performance, emerging leaders gained much from learning how to resolve conflict.

A critical part of a leader’s role is managing others’ performance. The Motivating Others course taught leaders the factors that affect motivation of employees and how to create a plan to build individuals’ motivation. Overall, trainees reported a 64 percent improvement in behaviors that motivate others, and observers reported a 47 percent improvement in these behaviors.

Resolving conflict often can be a source of worry and uncertainty for an emerging leader. Only 27 percent of trainees reported displaying behaviors that alleviated conflict before the training (for example, helping others explore the reasons for their conflicts or reach mutually acceptable decisions). This rating increased to 72 percent after the program (see **Figure 4**). More specifically, observers reported a 105 percent improvement in leaders helping others explore the reasons for their conflict.

Figure 4: Average Frequency for Resolving Conflict Behaviors



Through the Setting Performance Expectations course, trainees learned to drive performance by helping people understand what is expected of them and gaining their commitment to achieving it. Observers reported a 41 percent improvement in leaders working with others to determine how they should focus their efforts to reach their performance goals. The Reviewing Performance Progress course also elicited a positive response from trainees. After the training, they reported that more than two times more leaders were using progress reviews to guide others toward success.

Managing Work Effectively as a New Leader

The number of leaders effectively coaching others for success has more than doubled since the training.

In addition to managing performance, managing work effectively is crucial to a leader's productivity and success. The largest behavior improvements, reported by both trainees and observers, occurred in delegating and looking for ways to involve others in activities outside their typical job responsibilities.

The Coaching for Success and Coaching for Improvement courses helped trainees coach and develop others by providing feedback and reinforcing accountability. Results show that the number of trainees who helped others create a clear plan of action for accomplishing an assigned task increased by 180 percent, such that almost two-thirds of trainees are now often or almost always doing so. Moreover, observers reported a 96 percent improvement in the number of trainees helping others get back on track when they run into problems or lose focus.

Ongoing support has also improved since the Transitional Leadership Program. Nine out of every 10 trainees are now providing ongoing coaching and support to help others overcome performance problems, compared to the fewer than 6 of 10 trainees who were doing so before the training.

With respect to the Managing Performance Problems course, trainees reported a 74 percent increase in the number of leaders imposing formal consequences when an employee showed consistent performance problems (observers reported a 140 percent increase).

Adapting Leadership Style as a New Leader

Learning to adapt one's leadership style is critical in today's workplace, and emerging leaders at BDC saw many positive benefits from courses that focused on these skills.

The Influential Leadership course taught leaders influencing strategies and how to present ideas to gain others' commitment. Observers and leaders alike reported the most improvement in the frequency with which leaders won others' support for new ideas or strategies. Furthermore, the Developing Others course provided leaders with a practical process for developing talent. More than 90 percent of leaders now report providing support to others in reaching their development goals (a 78 percent improvement compared to before the training). Furthermore, observers reported a 73 percent improvement in leaders helping others create action plans.

Finally, having a leadership style that will work with different types of people is becoming increasingly important in today’s diverse and changing workplace. The Adaptive Leadership course raised leaders’ awareness of the differences among people and situations. After attending the development program, leaders reported a 36 percent improvement in the frequency with which they adapted their interaction style to fit the person, situation, or task (such that 98 percent of trainees report now doing this often or almost always).

The Managing Generational Differences course focused on the differences among people of different generations. After training, observers reported a 47 percent improvement in the number of leaders meeting the personal needs of all employees when managing performance. Below are the sentiments of one leader.

“The program has helped me to be more prepared to anticipate and deal with certain personnel situations. It has made me able to be more objective about how to direct, coach, and lead people. It has been especially beneficial when

dealing with individuals who have vastly different perceptions about themselves and their work than I do.”

—Trained Emerging Leader

Value of Training

Overall, participants found the training to be valuable and applicable to their jobs.

Ninety-eight percent of trainees felt that the skills and concepts addressed in the program were important for their jobs, and almost 90 percent of trainees felt that they aligned with the company’s culture. On average, trainees reported that the program covered 78 percent of their total job skill set.

Trainees also were asked to rate the value of a number of activities associated with the training. **Table 2** below shows the results. In addition to these results, comments from trainees indicate that trainees found networking with peers during evening activities and having leadership discussions with senior management the most valuable.

Table 2: Value of Activities

| Not valuable | Minimally valuable | Valuable | Highly valuable | |
|--------------|--------------------|----------|-----------------|--|
| 12.5 | 35.4 | 43.8 | 8.3 | Meeting with your manager for feedback after your assessment |
| 21.3 | 51.1 | 23.4 | 4.3 | Meeting with your manager to review your knowledge checks |
| 23.9 | 41.3 | 28.3 | 6.5 | Meeting with your manager to review and finalize your development plan |
| 0 | 10.4 | 45.8 | 43.8 | Networking with peers during evening activities |
| 0 | 12.5 | 60.4 | 27.1 | Having leadership discussions with senior management |

Confidence After Training

Trainees also were asked to rate their confidence in their abilities in various areas covered by the training. **Table 3** below shows

their ratings. Trainees reported the most confidence in their ability to achieve their own potential as a new leader and to adapt their leadership style as needed.

Table 3: Confidence in Trainees’ Abilities

| Strongly disagree | Disagree | Neither agree nor disagree | Agree | Strongly agree | |
|-------------------|----------|----------------------------|-------|----------------|---|
| 0 | 1.8 | 1.8 | 58.2 | 38.2 | I am confident in my ability to achieve my own potential as a new leader. |
| 0 | 1.8 | 9.1 | 61.8 | 27.3 | I am confident in my ability to manage performance effectively. |
| 0 | 1.8 | 5.4 | 51.8 | 41.1 | I am confident in my ability to coach and develop others. |
| 0 | 1.8 | 1.8 | 71.4 | 25.0 | I am confident in my ability to adapt my leadership style as needed. |

Other Organizational Outcomes of the Transitional Leadership Program

Almost 7 out of every 10 trainees have seen an improvement in the productivity of their direct reports.

Trainees reported a 19 percent improvement in their job performance after the training (rating themselves 71 on a 100-point scale before the training and 84 after the training). They attributed 67 percent of that improvement directly to the Transitional Leadership Program. In addition, 98 percent of trainees felt that the program helped them to become more effective leaders and 95 percent of observers agreed.

Furthermore, almost 70 percent of trainees have noticed an improvement in the productivity of their direct reports since the training. In fact, on average, trainees reported a 41 percent improvement in their direct reports’ productivity. Observers echoed this by reporting a 36 percent improvement in their own productivity since leaders attended the

training. They also reported that 38 percent of this improvement was directly influenced by changes in leaders’ behaviors. Furthermore, 41 percent of observers said that the recent changes in leaders’ behaviors have led to an increase in their loyalty or willingness to stay at BDC.

At least 7 out of every 10 trainees reported improvements in communication among managers and employees, employee productivity, and employee morale.

As **Figure 5** shows, the areas in which the most employees reported improvements are communication among managers and employees, employee productivity, employee morale, and efficiency of operations. One trainee commented:

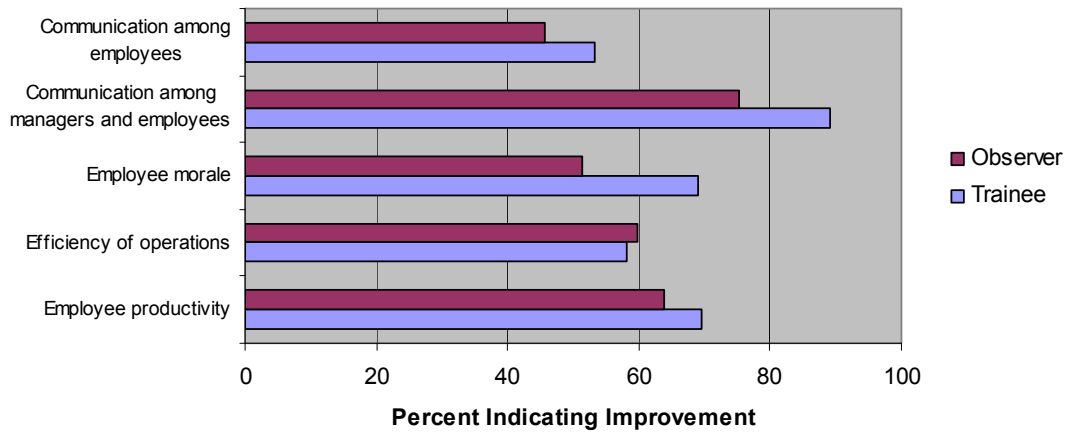
“I have seen a higher level of commitment and believe our ability to function as a team has increased.”

—Trained Emerging Leader

Specifically, when asked about changes in the work environment, at least 7 out of every 10 trainees reported improvements in communication among managers and employees, employee productivity, and

employee morale. Three-quarters (75 percent) of observers also reported improvements in communication among managers and employees.

Figure 5: Improvements Since the Training



BDC has an open, satisfying environment, conducive to training transfer.

When asked about the environment at BDC, close to 100 percent of trainees felt that they were learning and growing on the job, and a little more than 90 percent reported having a sense of accomplishment from their work. After training, 98 percent of trainees said they were motivated to apply their new skills, and just over 9 in every 10 trainees felt that the program increased their confidence in applying the skills they had just acquired. One trainee commented:

“I liked how each session built on the last session. It flowed well, made sense, and was easy to implement when we got back to the branch.”

—Trained Emerging Leader

To ensure that trainees apply what they learn in the training, the work environment should support and encourage them to implement their new skills. Otherwise, all efforts, including time and money, are wasted. Reinforcement of

the training from both managers and the organization is critical to ensuring the lasting effects of the program. Although almost three-quarters of trainees reported that their managers encouraged their direct reports to pursue development activities in general, only about half of trainees reported that their managers supported and reinforced the application of the learned skills on the job. Increasing manager reinforcement would help to maximize the positive effects the program has shown.

Other methods of reinforcement at BDC were rated high. For example, nearly all trainees have had opportunities to apply the training on their jobs, and approximately 85 percent of trainees felt that BDC provides opportunities that actively support their development. Furthermore, 8 in every 10 trainees felt that they were held accountable for applying their learning. This is evidence of a work environment that cultivates learning and growth in employees.

CONCLUSIONS

The results clearly show the extraordinary impact the Transitional Leadership Program has had on emerging leaders at BDC and on the organization as a whole. Trainees reported significant behavior improvements after the training. Observers supported trainees' reports of behavior improvements, and many observers noticed improvements in their own productivity

after the training as well as improvements in their work environment.

Overall, trainees found the most benefit from the courses Delegating for Results, Resolving Conflict, and Achieving your Leadership Potential. Their comments indicate they especially found the peer networking in the program valuable. Below are some trainee comments about attending the program.

Trainee Comments

- > *"From the program, I have learned effective communication skills, dealing with difficult employees, how to assess an employee's retention. I also learned from other managers across Canada and what they do at their branches."*
- > *"I feel that I am now more prepared for my meetings as I do more planning and have a better feel for the process that should be followed. The results of the meetings are therefore more effective."*
- > *"I'm better prepared before going into specific meetings with individuals. I tend to adjust on the fly and operate in an informal, almost ad hoc, manner in most instances. The course really taught me the importance of being prepared in dealing directly with staff. I adopted this approach last year in doing performance reviews, and for the most part all reviews went quite well, even in more challenging cases."*

Observers noticed the most behavioral improvements in the courses Achieving Your Leadership Potential and Retaining Talent.

Below are some of their comments about the observed impact this program has had on the emerging leaders.

Observer Comments

- > *"X took the TLP seriously and was fully engaged and open to learning. She enhanced her understanding of how to deal and act in particular management situations. On more than one occasion she was able to refer back to the curriculum or TLP tools and suggest to me (and other colleagues) ways to deal with management situation."*
- > *"Affirmative! Employee has acknowledged that the TLP was the best of any programs he had been involved in, which has enabled him to improve his managerial skills. I've also been able to observe improvement in this employee's managerial skills as result of this program."*
- > *"I find that X has much benefited from this training; he is more sure of himself when dealing with our little team; he seems to have found a comfort level. Though he has always been receptive and open, he is more at ease with giving us time when we need him. He is also much more involved in our work (I don't say this in a bad way); he is more aware of the jobs we do and open to keeping informed of our progress. He does NOT micro-manage but allows the freedom to accomplish our tasks."*

These results clearly show that BDC was able to realize its goals of developing an approach for training its emerging leaders. This program not only improved leaders' skills, but improvements in communication, trust, and the work environment were evident for other employees in the organization. The internal support system in place at BDC has helped to ensure

that participants and their coworkers experience sustainable benefits and improvements on the job. These results from the Transitional Leadership Program provide clear evidence of the program's impact as well as hope that emerging leaders at BDC will continue to improve their skills and become great practicing leaders in due time.

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