



## STOP PRESS

### **63% of leadership development may be a waste of time and money**

**63% of leadership development may be a waste of time and money, according to recent research conducted by consultants SQUARE PEG INTERNATIONAL. So how can organisations ensure their investment in leadership pays dividends?**

**Our research revealed a number of issues that are conspiring to put organisations' investment in leadership development on a wasteful downward spiral. Our work identifies the five steps required to reverse that spiral and challenges the paradigm of aligning leadership to strategy.**

We are not suggesting that everyone has, say, Nelson Mandela's innate capacity to lead, but as Phoebe Dunn, Senior Consultant at Square Peg, remarks: *"We do believe that leadership can be taught – it is a set of practices and behaviours that can be acquired over time. However, they take time to build and become authentic so a quick-hit course will never be enough. Developing leaders need to be given opportunities to practice without the protection of the classroom."*

#### **ACTIVE LEARNING**

Although the majority of respondents to our recent survey stated that their most valuable leadership development experiences had been gained from active learning, such as being 'thrown in the deep end' and being given 'authority and responsibility', 63% of leadership development still appears to be classroom-based. That's 63% of effort and resources that could be more effectively, and less wastefully applied.

#### **SENSIBLE TIMEFRAMES**

A similar anomaly arose in our findings on leadership development timescales. Executives themselves tend to regard leadership development as a long-term activity designed for succession planning and for helping to attract and retain talent. Suppliers and purchasers, on the other hand, regard it as a short-term activity aimed at meeting critical needs. 75% of respondents measured the success of their leadership development programmes within just 6 months of completion.

#### **STAYING ON COURSE**

If business strategy does not set the direction for leadership development it can easily be blown off course by entitlement demand from individuals (*"fund my MBA or I'll leave"*) or by supplier push.

#### **STRATEGY IN EXECUTION**

A short term, quick-hit approach to leadership development prevails, but why is this? Lack of budget may have something to do with it (this was an issue for half of respondents), but unclear, constantly changing or poorly communicated strategy is also key. With many organisations in a state of strategic flux because the business world doesn't stand still, we at Square Peg propose an emergent view of strategy. This approach involves a constant round of intelligence gathering, assessing and refining, so that strategy is developed in execution – strategy and execution are no longer separate activities. That emphasis will then inform the leadership capacity required to take the organisation into the future and the built-in flexibility required of any leadership development undertaking.

So organisations need to take more risks and allow their executives to learn through experience in the field (active learning). They also need to be more strategic about their leadership programmes in order to avoid them being hijacked by individuals and suppliers. Developing strategy in execution will help them do this in a world where strategy is always shifting.

There are no magic answers, but with a simple, common-sense approach organisations can stop throwing good money after bad and ensure leadership development not only maximises the use of organisational resources but also drives future growth and success. We challenge organisations immediately to stop the downward spiral and invest in steps to create an upward virtuous cycle.

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#### *About Square Peg*

Square Peg International is a business consultancy firm focused on the people side of change. We help leaders and their organisations through transitions, basing our services on the interrelationship between *strategy*, *leadership*, and *people practices*. Our solutions are holistic, innovative yet practical, using common sense and with an emphasis on real-world results. Our particular strengths lie in the support we give leaders to manage a variety of enterprise-wide business change events such as M&As, establishing new mandates, realigning and/or redesigning organisations, and meeting new performance expectations.



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