WILSON LEARNING®

Developing the hearts and minds of Leaders

Results of the Annual Leadership Development Survey by Wilson Learning and *Training* Magazine

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Introduction

For the fourth year, *Training* magazine and Wilson Learning Worldwide have teamed up to conduct a survey focused on what creates effective leaders and what is being done to prepare the next generation of leaders.

The results of this survey indicate there is a great need to strengthen leadership development efforts. In particular, we need to develop both leadership skills and leadership character (the heart and mind of the leader).

Leadership Character

Much is studied and written about leadership style and competencies but little addresses leadership character. Yet, character is a central element of leadership success. Research on failures of leadership frequently point to issues of character as a central theme (J. Gandz et. al., 2013).

For this reason, we added a set of questions to this year's survey to understand how organisations develop the character of their leaders. These questions helped illuminate the importance of leadership character to organisational performance and what organisations are doing to effectively develop the character of their leaders.

Who Participated in the Survey?

58% in Management Positions

- Other
- Director/Manager
- President/VP

0% 10% 20% 30% 40% 50%

45% Operate outside US

27%

55%

18%

■ U.S. Based Only   ■ Multinational   ■ Global
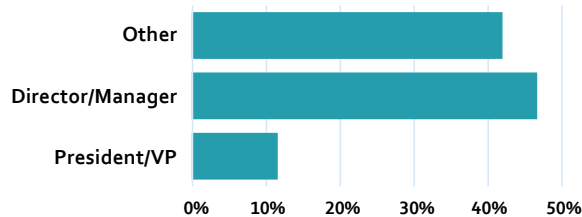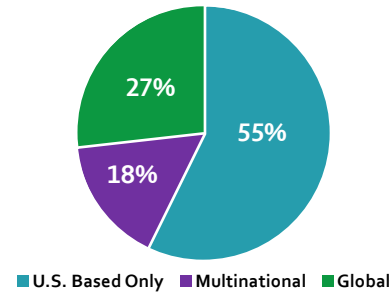
10,544 Average Number of Employees

$1.6M Spent on Training

KEY FINDINGS: Over 530 leadership development professionals responded to the 2020 survey, a sample size comparable to the previous years' surveys. Overall, in the past four years, we have collected data from nearly 2,500 professionals.

Participants were similar to the previous years in terms of position in the organisation and the type and size of the organisation.

Changes in Leadership Development

2017 to 2020

Total Spending on Leadership Development

	2017	2018	2019	2020
Total spending on training	$1.3 Million	$1.9 Million	$1.8 Million	$1.6 Million
Percent on leadership development	26%	30%	27%	23%
Total spending on leadership development	$338,000	$570,000	$486,000	$368,000

KEY FINDINGS: Investment in leadership development has seen a return to more modest levels over the past three years. Spending on all training has declined about 16% from its highest amount in 2018, and the percentage allocated to leadership development has declined from 30% to 23%. The result is a 35% decline in leadership development investment since 2018.

Percent of Training Budget Invested in Leadership

More organisations investing 10% or less

Fewer organisations investing over 40% in leadership

2017 2018 2019 2020
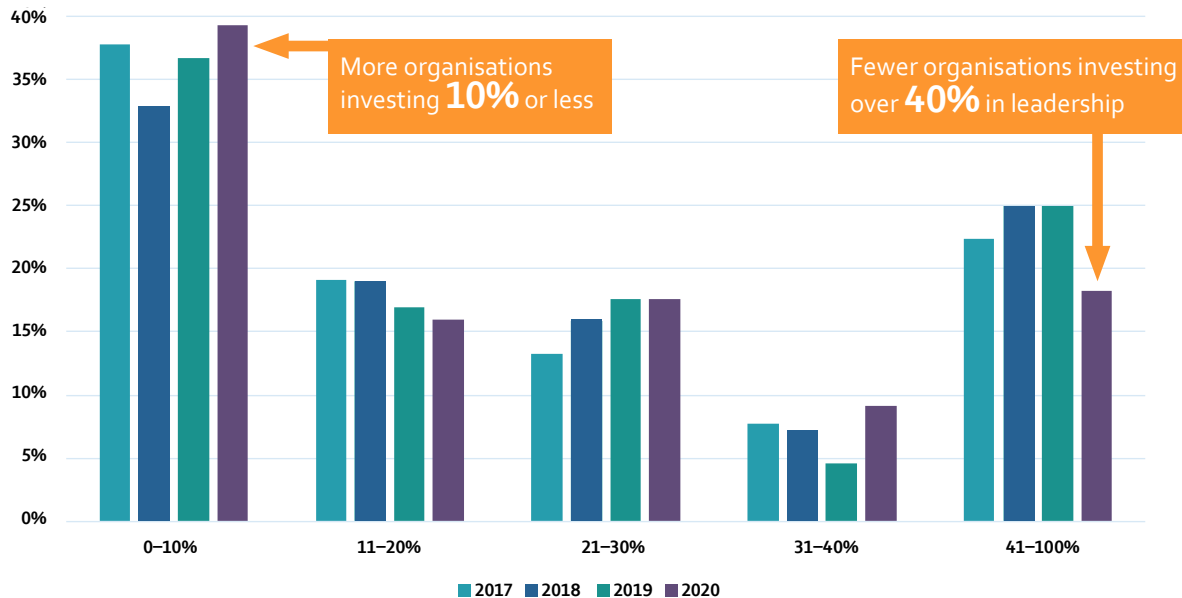
KEY FINDINGS: Changes in spending are mostly at the high and low ends of the scale. More organisations are spending 10% or less and fewer are spending more than 40%. The percentage of organisations spending between 11% and 40% are relatively unchanged.

Key Leadership Skills and Development Approaches

Priority Leadership Skills
Arrows show rank order change from 2019 to 2020

2020 RESULTS	2019 RANK	2020 RANK	
1. Coaching others	1	1	
2. Communication skills	2	2	
3. Performance management	4	3	▲ 1
4. Emotional intelligence skills	3	4	▼ 1
5. Team leadership	7	5	▲ 2
6. Change leadership	5	6	▼ 1
7. Strategy development & alignment	6	7	▼ 1
8. Decision-making and problem-solving	10	8	▲ 2

2020 RESULTS	2019 RANK	2020 RANK	
9. Creating engagement	8	9	▼ 1
10. Providing feedback	9	10	▼ 1
11. Self-development	11	11	
12. Diversity and inclusion	N/A	12	
13. Interpersonal relationship skills	13	13	
14. Motivating others	15	14	▲ 1
15. Influencing others	14	15	▼ 1
16. Taking accountability	12	16	▼ 4

KEY FINDINGS: There have been few changes in the priority skills needed by leaders. In fact, Coaching and Communication skills have been the top two priorities in every year of the survey. And, interestingly, Influencing Others and Taking Accountability have been the lowest priorities in almost every year of the survey.

Which Learning Methods Are Used?

Three methods showed the greatest increase in usage: micro-learning, learning libraries, and simulations/role-plays. Simulations showed the greatest increase; only 71% of organisations used simulations in 2017 and over 85% do now.

Greatest Increases

Greatest Decreases

Legend: ■ 2020 ■ 2019 ■ 2018 ■ 2017

Categories (top to bottom): Simulations and role-plays, Learning libraries, Micro-learning, University/college programs (including executive education), 360-degree feedback tools, On-the-job training (structured), Job rotations

KEY FINDINGS: While most of the 24 learning methods used for leadership development did not change meaningfully from 2017 to 2020, there are seven interesting exceptions. Four learning methods showed a significant decrease in use: job rotation assignments, structured on-the-job training, 360-degree feedback tools, and use of college programs. All four have shown a steady decline throughout the four years of the survey.

Measuring the Impact of
Leadership Development

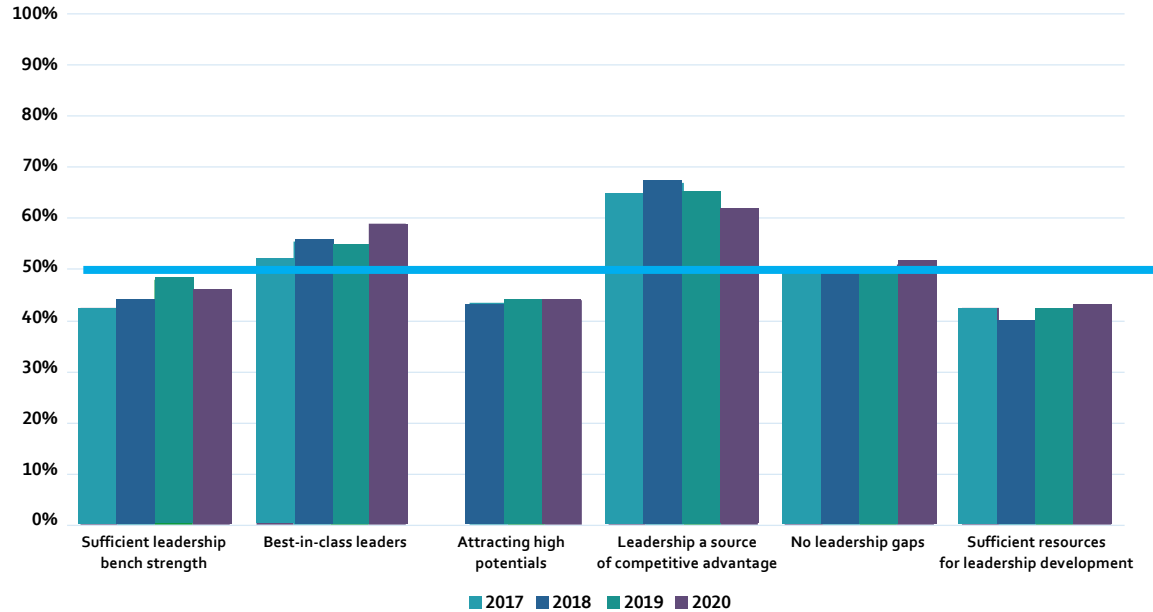## How Do You Measure the Impact of Leadership Development?

We measured Five Critical Outcomes of effective leadership development:

1. Leadership as a source of competitive advantage

2. Best-in-class leaders

3. No leadership gaps

4. Sufficient resources

5. Sufficient leadership bench strength

We used these outcomes to identify high-, moderate-, and low-performing organisations to examine important differences in how they approached leadership development.

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Are We Having an Impact?

Sufficient leadership bench strength — 2017: 42%, 2018: 44%, 2019: 48%, 2020: 46%
Best-in-class leaders — 2017: 52%, 2018: 56%, 2019: 55%, 2020: 59%
Attracting high potentials — 2017: 43%, 2018: 44%, 2019: —, 2020: 44%
Leadership a source of competitive advantage — 2017: 65%, 2018: 67%, 2019: 65%, 2020: 62%
No leadership gaps — 2017: 49%, 2018: 49%, 2019: 49%, 2020: 51%
Sufficient resources for leadership development — 2017: 42%, 2018: 40%, 2019: 42%, 2020: 43%
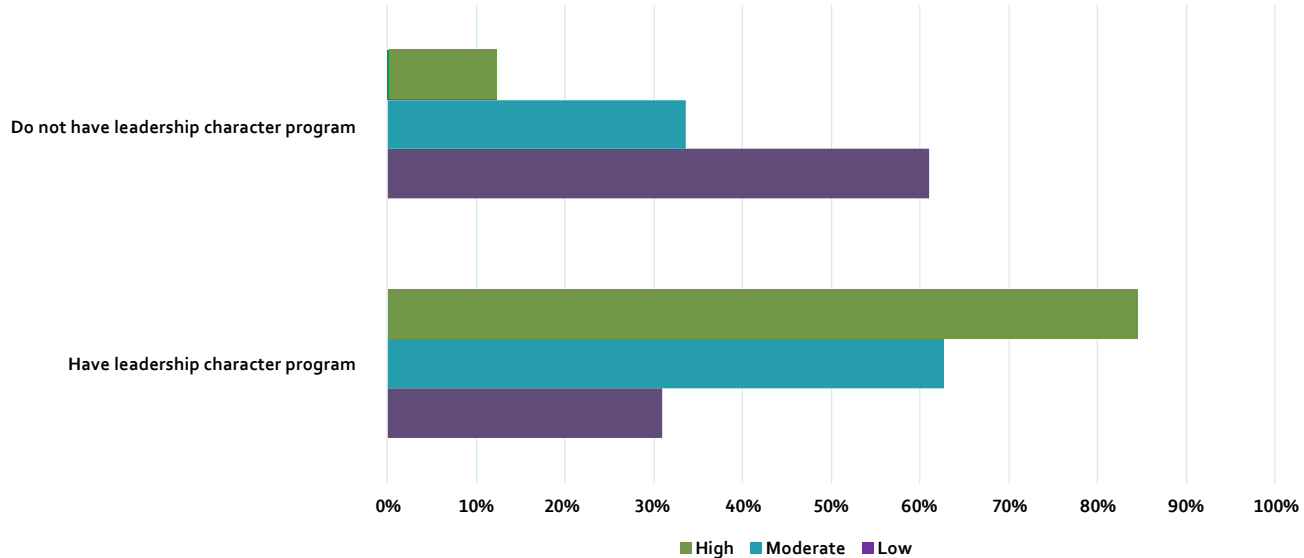
■ 2017 ■ 2018 ■ 2019 ■ 2020

KEY FINDINGS: Impact results have been remarkably stable over the years, with slight increases in bench strength and having best-in-class leaders, and slight decreases in leadership as a source of competitive advantage.

The Heart of Leadership:
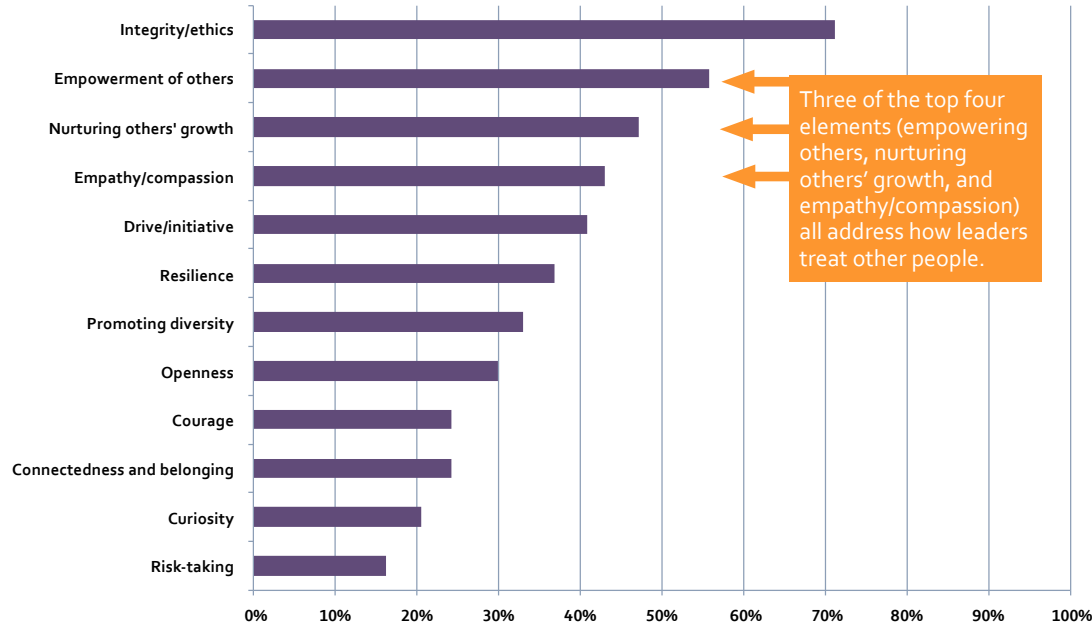# Developing Leadership Character

Providing Leadership Character Development

KEY FINDINGS: One of the most significant differences between high- and low-performing organisations is in the emphasis they placed on leadership character.

84% of high-performing organisations provide leadership character development, compared to only 31% of low-performing organisations.

Top Five Leadership Character Elements

Three of the top four elements (empowering others, nurturing others' growth, and empathy/compassion) all address how leaders treat other people.
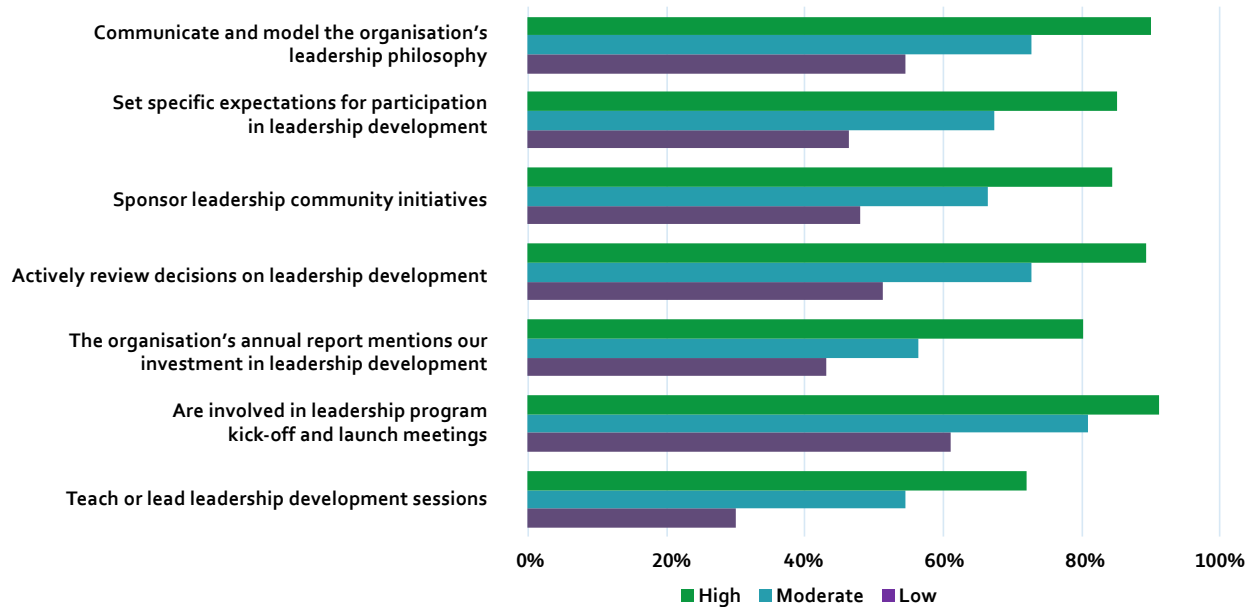
KEY FINDINGS: When asked to indicate the top five character elements important to their organisation, over 50% indicated that integrity/ethics and empowerment of others were the two most critical character elements.

Differences Between High- and Low-Performing Organizations

Executive Involvement in Leadership Development

KEY FINDINGS: There is a clear difference in executive involvement between high- and low-performing organisations. This is true across all types of executive involvement. Getting executives involved is one clear way to increase the impact of leadership development.
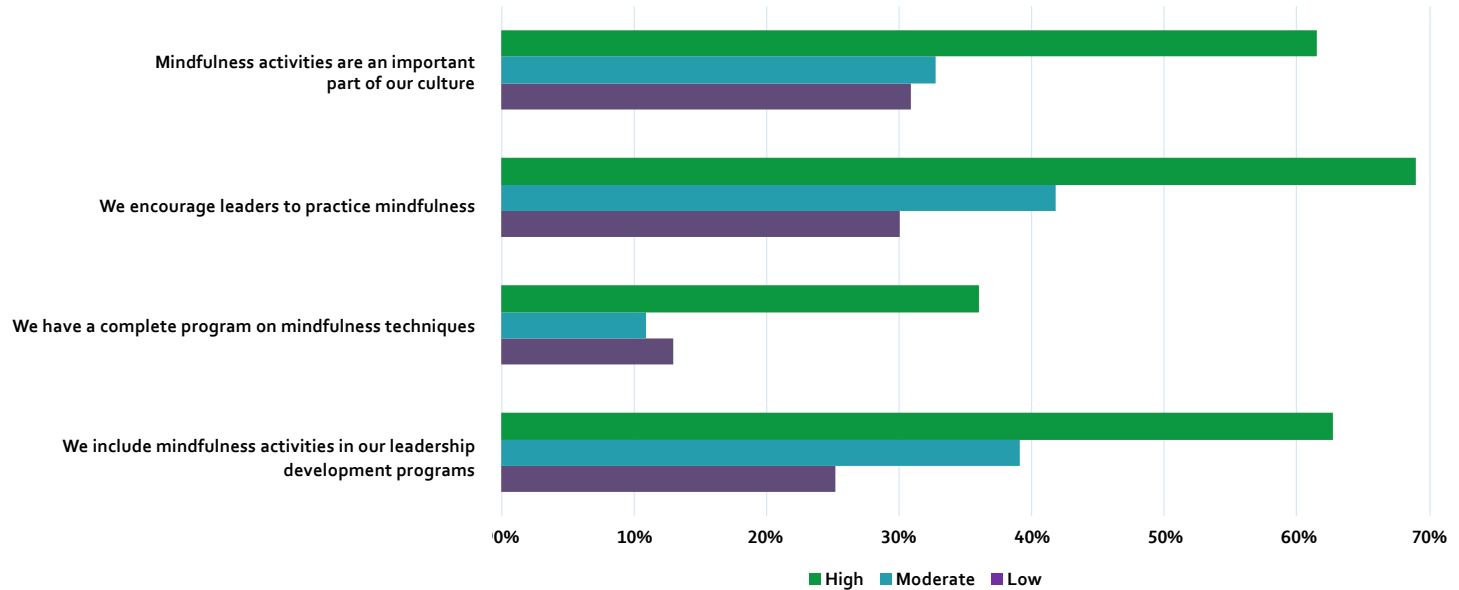
Leveraging Cross-Generational Support
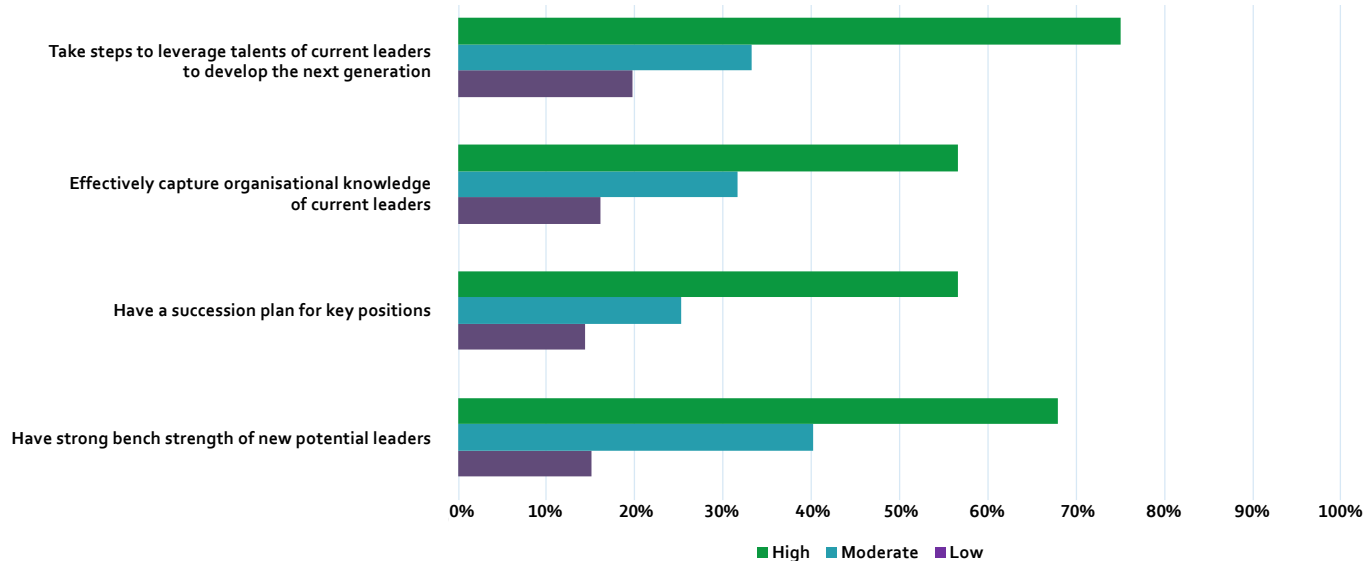
KEY FINDINGS: Leveraging the talents and knowledge of existing leaders to develop new leaders is a hallmark of high-performing organisations.

To be high performing requires organisations to engage all generations in supporting the next generation of leaders.

Mindfulness in Leadership Development

KEY FINDINGS: An increasing number of organisations are beginning to include mindfulness training. The value of this is supported by our results; there is a close connection between high performance and mindfulness practices in leadership development.

Support for Transitioning Next Generation
Percent Agree and Strongly Agree
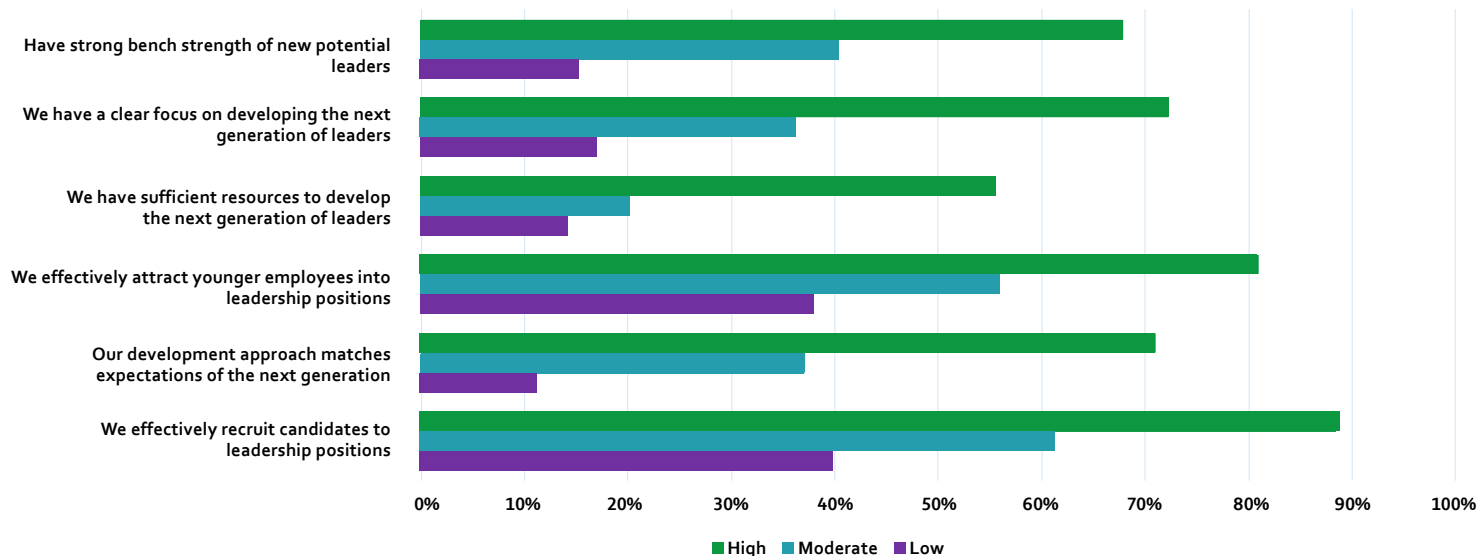
KEY FINDINGS: High-performing organisations ensure the successful transition to the next generation of leaders by recruiting a strong bench strength of potential leaders and then developing them in the ways they want to be developed.

Summary: Strengthening Leader Development

- Develop leadership character.

- Focus on people skills.

- Get executives and the current generation of leaders engaged.

- Support next-generation transitions.

- Incorporate mindfulness into leadership development.

About the Author

Michael Leimbach, PhD

Michael Leimbach, PhD, is Vice President of Global Research and Development for Wilson Learning Worldwide Inc. With more than 35 years in the field, Dr. Leimbach provides leadership for researching and designing Wilson Learning's diagnostic, learning, and performance improvement capabilities. He has managed major research studies in sales, leadership, and organisational effectiveness, and has developed Wilson Learning's impact evaluation capability and ROI models. He has served as a research consultant for global clients, was Editor-in-Chief of the ADHR journal, and serves on the ISO Technical Committee on Quality Standards for Learning Service Providers. Dr. Leimbach is a published author and frequent speaker at global conferences.

About Wilson Learning

Our work with thousands of organisations has taught us that every one is uniquely shaped by its history, culture, mission, values, lore, leadership, and, ultimately, its people. Every organisation has a pulse.

For more than 50 years, Wilson Learning has been equipping organisations around the globe to drive productivity, solve problems, and increase revenue. We do this by developing leaders, the workforce, and sales and service organisations. Our unique blend of content, combined with state-of-the-art delivery technology and implementation expertise, ensures sustainable results. The result is high-impact, performance-driven solutions for your organisation.

For more information, contact us at info@wilsonlearning.co.uk

About *Training* Magazine

Training magazine is a 55-year-old professional development magazine written for training, human resources, and business management professionals in all industries that advocate training and workforce development as a business tool. *Training* also produces world-class conferences, expositions, and digital products that focus on job-related, employer-sponsored training and education in the working world. *Training* is published by Lakewood Media Group.