



IBM Develops Transformational Leaders with Transformational Processes

Being able to identify potential leaders and develop them into transformational leaders is a necessity for any business that wants to achieve sustainability. IBM has developed a unique manager system that focuses on processes and results rather than control.

Businesses are struggling to adapt to the new order in which change is constant and the traditional Human Resources processes and talent management systems are not a good fit any longer. This is especially true as the younger generations enter and mature in the workforce. They are not functioning well in systems that rely on top down control and power-oriented approaches in which leadership development is reserved for a select few. IBM decided to develop a new system that would identify and develop transformational leaders who are collaborative and outcomes-oriented, holding executives accountable to deliver results. The new system is based in technology, design thinking and continuous learning, focusing on the alignment of leadership development with strategic goals and results. The company also puts the focus on developing leaders who have the skills and behaviors the company needs to succeed.

Aligning Leadership Development with Strategic Goals

Technology and globalization have forever changed the business environment, but companies are discovering their leadership development processes have not kept up with the times. The result is executives and managers who are relying on the traditional command-and-control system to manage employees who want job autonomy, an understanding of how their work helps the company remain sustainable, and opportunities for relevant development. A Forbes study found that 77 percent of employees report experiencing stress because of the management styles of the people they answer to.

IBM decided to tackle the issue, realizing that simply investing in leadership development is not adequate. It must be the right kind of leadership development in which employees with a high leadership potential are discovered early in their careers, all leaders are developed to create alignment with strategic goals, and development is ongoing. The focus of leadership development changed from developing and managing products to customizing the leadership development process so that each leader developed the skills and behaviors IBM identified as the ones exceptional leaders possessed and needed to succeed.

Leading into the Future

To identify the skills and behaviors, IBM turned to data and data analytics. Rigorous research led to the development of a set of 11 key skills and behaviors, based on IBM's processes and needs, that are used as benchmarks to keep leadership development on track. The IBM Transformational Leadership Framework (TLF) customizes the leadership development process for potential and existing leaders. The dynamic and fluid process develops managers and executives who are agile and collaborative, and ready to lead into the future.



The TLF is a unique leadership development program that delivers employee training designed to develop the 11 skills and behaviors of exceptional leaders. The company developed an open, single-point-of-access portal that all employees can access. Program content includes activities that train employees to manage in dynamic situations that include rapid project turnarounds, increasing cultural diversity in the workplace, cross border partnerships, and of course, near constant competitive changes. The system delivers feedback so participants can measure results against the desired skills and behaviors, helping people evolve as leaders. The two exceptional characteristics of this system is that it customizes training based on what each employee needs, recognizing people have strengths and weaknesses, and the skills and behaviors can be changed in response to business environment changes.

Achieving Results with Design Thinking

The critical change in focus was from managing products to managing towards outcomes. This required a change in the metrics used to measure progress. Instead of measuring activities, the metrics measure results. Quantitative and qualitative metrics are used. For example, a metric may measure whether a manager was able to beat competitors in taking advantage of new opportunities. IBM's metrics focus on successfully meeting customer needs and quickly recognizing new opportunities. The metrics are an element of experiential leadership development.

IBM employs what it calls Design Thinking to help project team leaders align the teams' work with user needs. Design thinking has three keys: Hills, Playbacks, and Sponsor Users. The process moves the team from idea to outcomes, no matter how it is organized. Hills are statements of intent which are outcomes or goals. The team is purposely not told how to achieve outcomes so that team members are free to use new perspectives and develop innovative ideas. There is no single path to reaching goals.

Playbacks in the Design thinking process is a process in which stakeholders are brought into the team process at various points in order to exchange feedback, point out misalignments, and measure progress. It is periodic input from non-team members to help keep the process on track. Sponsor Users are real-world users who contribute their particular expertise as needed. This key in the Design Thinking process helps the team keep the project in touch with the real world of users. This approach links project work to the real world and also develops the skills and behaviors that IBM needs to remain competitive.

Executive Accountability

Executives were trained first in the new leadership development process so they could lead by example. Executives are also held accountable for their participation in the leadership development process. For example, leadership development and high potential employees are discussed at executive quarterly meetings. Top leaders understand they must take ownership of the leadership development process and participate in keeping the process aligned with strategic goals.

Though the IBM leadership development process seems complex, it reflects the need for businesses to always be ready to adapt to change. The company wants to engage employees and create a workforce where everyone is focused and mindful of their effort and goals. IBM considers every



employee to be a leader which is why the portal is open to the entire workforce. This encourages people who might get overlooked otherwise to join the leadership development process. All businesses that expect to succeed well into the future should adopt the IBM perspective that leadership development needs to be customized to the person and aligned with the business strategic goals.