Developing Leadership to Improve Business Performance

Yi-Ke YU

Henan College of Finance and Taxation, Zhengzhou 451464

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Abstract. It starts from the concept of leadership development combining the three kinds of leadership learning styles. The main part will show the analysis about various executive development programs which can offer optional approaches to different case of companies such as Zendal. In the last part, by analysis the special and practice situation in Zendal, we will stand on the status of Barton to measure the investment of executive development and to evaluate its benefits in terms of business performance in organization. In the end, we will stand on the status of Barton to measure the investment of executive development and to evaluate its benefits in terms of business performance in organization.

Introduction

Today, more and more leaders recognize that organizations must focus on building a competitive advantages through their people. Especially, competent and motivated executives who are expected by today’s organization are key elements. And the core of organizations’ requirements is the quality and maturity of leadership that can achieve organization’s growth and flourish in the future. So leadership development has become very important for creating ideal leaders in organizations. According to this idea, this report will explain that the process of leadership learning is a key challenge and the promotion of learning and development of executives is an integral part of organizations’ successful performance. Meanwhile, the report covers case analysis of Zendal and discusses the solution to its current problem about the limited educational budget through the sight of Barton, the senior vice president of human resource.

It starts from the concept of leadership development combining the three kinds of leadership learning styles which are the important elements to determine different approached of development. The next part will show the analysis about various executive development programs which can offer optional approaches to different case of companies such as Zendal. In the last part, by analysis the special and practice situation in Zendal, we will stand on the status of Barton to measure the investment of executive development and to evaluate its benefits in terms of business performance in organization.

There is also a list of reference at the end of this report.

Case Background

There is an unprecedented depression in Zendal Pharmaceuticals, the 26% of the sales-down and $300 million debt due to acquiring Premier Pharmaceuticals. Karen Barton, Zendal’s senior vice-president of human resource, was in a state of great agitation because the COO, Dave Palmer, slashed her executive education budget by 75%. This might mean that she could not
launch the leadership development programs that her team had designed with efforts and Zendal University would be a bubble. However, Palmer emphasized that executive education budget wasn’t the only one being cut and he will consider it again if there are some benefits of investment on these programs, which must be proved and presented by Barton. Consequently, the challengeable task to Barton is to find the linking between the investments on executive development programs and the business performance in company to analyze the contribution then persuade her bosses in order to achieve her final plan.

Case Study

Task 1: Evaluate the Proposal Approach to Leadership Development in Relation to Meeting Different Learning Styles of Leaders.

Case Analysis. To develop leadership, successful and efficient learning is essential, which requires an understanding of the role that learning styles play in the learning process. In an organization, leaders use their own strategies towards the learning object and here personal tendencies to use certain way of learning. Therefore, each leader’s learning style is directly related with the strategies that are used to learn. Furthermore, learning styles are very distinctive due to not only what is being learned but also leader’s evolution and the changes they experience (Pipoli, G. and Flores, A., 2005).

In our case, there are two core education approached, in-house development programs that were designed by Barton’s team with her high expectation and outsourcing executive education that was performed currently in company. In terms of different learning styles, as our discussion above, the appropriate courses of executive education should fit executives’ preferred learning styles which may be more active and concrete needs of different executives. At the same time, executives should identify their best learning styles to avoid pitfall in learning in order to reduce the waste of action steps. In Barton’s plan of in-house development programs, learning objectives can be designed according to executives’ various demands through analyzing their gaps and strengths, ideal visual and reality of their behaviors. And their learning plan can be set into a practical course to strength them. It can be recognized that in-house development programs have competitive advantages. For example, some traditional classes are suitable for some executives who are visual or auditory learners and they can learn best through absorbing information on books in classroom or discussing on workshop while tactile learners can get more benefits from practical process by applying knowledge (Boyatzis, 2002).

Leadership and Leadership Development. Following Bowers and Seashore’s (1996) argument that leadership is “behavior that result in a different in the behavior or others”. They reasoned that since leaders get psychological rewards successfully when a lot of people follow them to do something and followers’ behaviors encourage leaders to behave in a certain way to obtain this reward. Leadership development is an effort that enhances the leader’s capacity to lead people. As the group of people who are expected to attribute themselves to some extraordinary competency in organization are the most likely to sign up and participate in executive development programs. Because to be leaders, they must be interpersonally competent, be able to develop the trust and respect of others and improve their understanding of others and building their skills to mobilize people’s energies toward higher purpose (Kouzes, J., and Posner, B., 2002).
Learning Styles. (1) Definition: Gregorc (1979) defines learning styles as consisting of “distinctive behaviors which serve as indicators of how a person learns from and adapts to the environment. It also gives clues as to how a person’s mind operates”. From this definition, it is clear that learning styles are based on how a person perceives and processes information to facilitate learning and they are stable and pervasive characteristics of an individual’s behavior. (2) Types of Learning: Learning styles are simply different approaches or ways of learning. (LdPride 2008)

- Visual Learner: 
  *Learn through seeing...*
  There learners need to see visual displays such as body language and facial expression to fully understand the content of a lesion avoiding visual obstructions like people’s heads. They may think in pictures and learn best from diagrams, illustrated text books, overhead transparencies, videos, flipcharts and hand-outs and often prefer to take detailed notes to absorb the information.

- Auditory Learners: 
  *Learning through listening...*
  They learn best through verbal lectures, discussion, talking things through listening to what others say and interpret the underlying meaning of speech through listening to tone of voice, pitch, speed and other nuances. They often benefit from reading text and using a tape recorder.

- Tactile/Kinesthetic Learners 
  *Learning through moving, doing and touching...*
  They think through action and learn through a hard-on approach, actively exploring the physical world around them. They may find it hard to sit still for long period and may become distracted by their need for activity and exploration. So they often benefit from actively exploring and applying knowledge.

Task 2: In View if the Cut in Budget on Executive Development, Consider and Justify Alternative Approached to Developing Leaders in Zendal Pharmaceuticals.

Case Analysis. In Zendal, the question may be asked about which method can benefit this company and worth investing. As leaders of Zendal, Barton should know there is a tendency to develop a alternative learning approach due to the transforming environment in organization. Zendal is facing a recession currently and limited budget would provide fewer executive development programs so that it would lose much power of leadership in a certain extent. Why don’t think a viable method for its leaders? Combining to several new approached that we will discuss in next part and balancing the condition and status of Zendal, Barton might have a good choice to design her new proposal of executive development program with a negotiation with her bosses.

Effective Learning and Development Methods.

(1) Action-based Methods. It is based on learning in work and the principles of surfacing, sharing and collective dialogue and reflection of the executives’ own and others’ understanding with the impact of these understandings which are related with subsequent action of executives or whole organization. Action learning, such as simulation or games, may be looked as
replacing “reality with fantasy” and hence leaders can perceive the risk as “unreal” and may be used to promote reflection about teamwork. (Mumford 1993)

In a turbulent, fast-moving and uncertain business environment, the rate of action learning must exceed the rate of change when organization is to stay ahead and remain competitive. (Sadler-Smith, 2006)

And it relies on facilitating inquiring that enable leaders to ask insightful question and also to develop the ability or skill to be able to identify and ask those insightful questions. Being more advantage to be compared with normal educational programs, actions-learning is the center of development for practicing managers but used to supplement and facilitate properly managed and effective learning through experience. (McCall 2004:129)

(2) Development Coaching. Development coaching is kind of experienced work teaching and can help learners to define their needs and values through instruction in tasks within a process based upon trust, mutual respect, honesty and openness (Sadler-Smith 2006). And it is motivating and fulfilling to be made highly personalized and individually focused. The benefits if development coaching can give the one-to-one assistance including designing personal and career goals, making work schedules, improving individuals’ self-efficacy, continuing motivation and committing to the process, and so on. It can be used flexibly in a wide range of training situations at any time during performance on an on-going basis.

(3) Mentoring. Mentoring is identified as the help of an expert or an experienced senior employee to provide guidance and advice in a one-to-one relationship in order to help a less experienced colleague who can cope and grow with relevant aspects of their job roles. In the process of mentoring, a mentor can be recognized as a key person who already walked the path that their protégé is about to tread – they have been there, done that, and have the “business experiences” to prove it, and may have power within the organization to win more opportunities for organizations. This role may be taken on as a part of a formal system (Jayne 2003). Through this experiences and advantage, mentors can bring benefits to their organizations including rewards, promotions, satisfaction and commitment. At the same time, mentors may benefit from enhanced professional and psychosocial development, increased visibility, more respect and power and enhanced professional identification and networking opportunities. The success of any mentoring program depends on its active supports by senior managers, the setting of clearing objectives, monitoring and evaluation of the program.

(4) E-learning. E-learning refers to computer-enhanced approach generally and it is often used in a variety of ways interchangeably with terms such as opening, networked learning, virtual learning, online learning and so on. Its programs are generally designed to help managers’ performance in their related workplace by offering specific information and establishing stages of communication which cover the content of work skills or the facts related to productivity, leadership, or organization development. It means that learners are able to use networked computers to interact with other learners and instructors in an open-system environment and have access to a huge resource of a global web of computers (Naish 2004). E-learning program can provide a computer-based training system to benefit organization by a lower cost development method and increase connectivity between people and the integration of the various technologies.
Task 3: How Could Barton More Effectively Demonstrated the Contribution to Business Performance from Leadership Development?

**Case Analysis.** In an organization, the reach of learning into it is that individual development is supposed to become organizational development. In Zendal, Palmer couldn’t realized that executive development is not as same as the business investment and the only one he paid attention to is how to cut the budget to solve the problem in recession immediately. However, he didn’t recognize that his company can get high performance from its executives who will attend education programs. In his opinion, the bottom line is whether it is worth the tuition and other costs. So, the questions are like what Barton said, “First, we’re talking about people, in my case. That’s different from calculating the payback from a machine. Second, don’t you spend money on equipment maintenance, modification, and improvement? Why shouldn’t do the same for people?” Other directors, like CEO Stockton, wants to clarify the impaction of the executives’ attendance in the programs has both individual and organizational success.

At this time, Barton should balance the main contradiction that is between the two sides – one of them is the budget cut for cost reduction and another one is the need of continuous executive education in Zendal, to strive for her aims. So an critical approach of ROI can help her proposal in order to persuade and convince her bosses as the following discussion:

**Evaluation of Executive Development Resource**

1. **What is Executive Development?**
   After discussing the various approached of executive development in last part, then we are going back to its definition before we begin to evaluate its contribution to organizations’ development. Executive development refers to the activities which are involved in enhancing people’s ability to carry out top-level and leading roles. It concentrates on developing the skills and competencies of those. Some key training programs include understanding the external environment of organizations, leadership, strategic planning, financial forecasting and analysis, organizing, program planning, human resource management and so on (McNamara, C 1999).

   An appropriate executive development program should grow rapidly and play a role in an organization, but the return on it will not get effect instantly as a machine in this organization.

2. **ROI (Phillips 1997) on Development Program**
   There are various methods of calculating return on investment (ROI) but very many problems with calculating return on educational programs that are kinds of “soft” investment which are primarily focused towards a primary objective: increasing executives’ leadership effectiveness that results in improved business performance. In most cases, this calculation, nevertheless, is likely to be based on some information about the impact of previous programs. However, we must really collect date to evaluate them not only all levels but also from different methods to form a full assessment.

   - Feedback
     The feedback on the training is typically measured through a survey and the reaction of same executives who are the trainees on past programs about the training and what they plan to do, or can now do, as a results. Through receiving a valuable program, executives can bring their work experiences and new knowledge to their daily workplace activities and they would be a better manager or exercise good leadership.
Frame work of Capacity Building

For every employer, desired outcomes of executive development are likely to be building capacity which includes not only individual but also organizational ones by improving process, systems and strategies in the context of business performance. A conceptual framework can be derived from the literature to help to make sense of learning and capacity building at the various levels (See Figure 1) which represents the operational space occupied by everyday interactions between the learners and the organizations (Storey 2004).

![Figure 1. Capacity building: a framework](image)

Multi-level Evaluation

Before an executive development program is carried out, its evaluation might have the potential to be capacity building. It is likely to involve the education providers, the learner cohort, line managers and senior management. Especially, evaluations are frequently used by HR managers and directors to justify training and development budgets. These plans of actions in different areas can be taken to maximize the benefits of a program before it has begun, which needs a communicational process to understand a situation and coordinate efforts. Of course, HR and finance directors who are at different level work together closely for the first time. Once executive development becomes embedded in policy, the use of evaluation to continuously justify expenditure becomes less compelling with the support of the board.

Time and Cost

An executive development program is likely over the longer term to achieve its benefits. So the time should be considered in whole development process. We must admit that return on executive development program might not get effect immediately as a machine. Economically speaking the costs of development programs include pay and benefits costs of the trainers, materials, room and equipment hire, refreshments, pay and benefits costs of the trainees and training department administration.

Conclusion

After reading this case, we know that Zendal took over Premier and the Stockton wanted to “build a loser ties between Zendal’s business unit and create a more unified global strategy”. Executive development program is growing rapidly and now plays a strategic role that it never had before. It takes many forms and there are all kinds of options to choose from to help leaders further their knowledge, learn how skills and generally do their job better. This Process starts in
the individual, develops into workplace, and then becomes parts of the knowledge of the organizations, until finally reaching the point of internationalization. Definitely, we should recognize that such program can give participates not only diverse development approaches but also insights into their own personalities and learning styles.

In today’s highly competitive world, executive development is a key to present leadership and future. Success now hinge on having a professional, proactive management and the knowledge and skills to strength business in organizations. Hence, it is becoming all the more important to invest in leadership development in a way that can build a strong business performance improvement platform.

References