

TALEO RESEARCH **WHITE PAPER**

Seven Steps for Effective Leadership Development

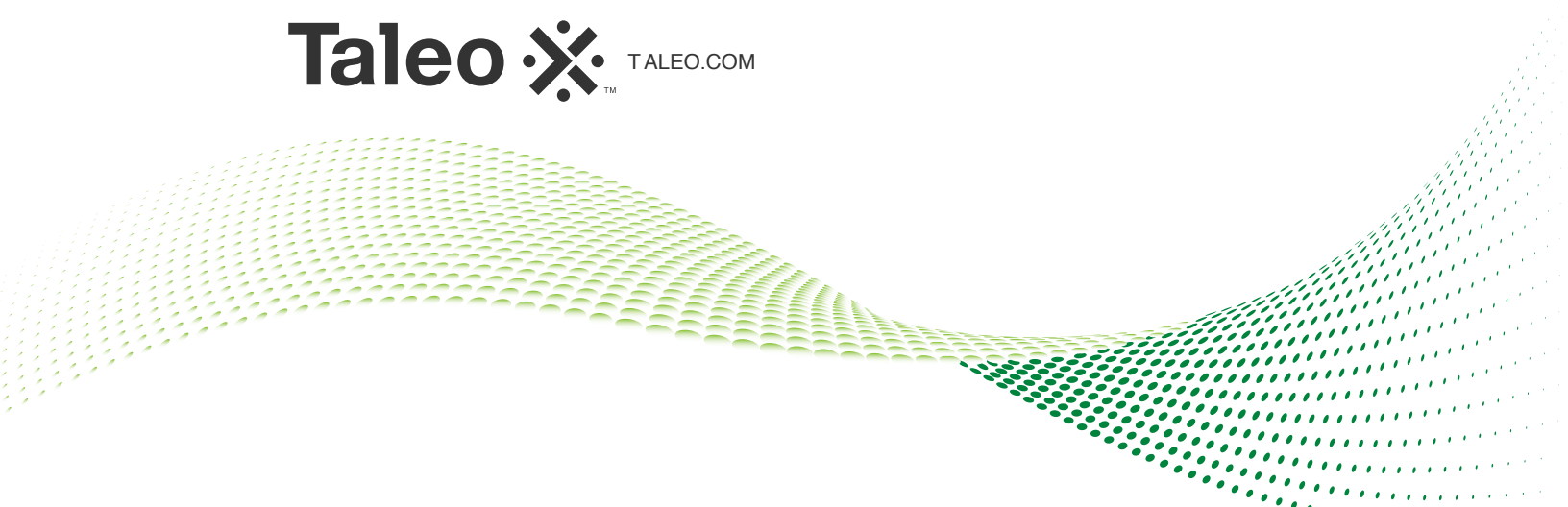


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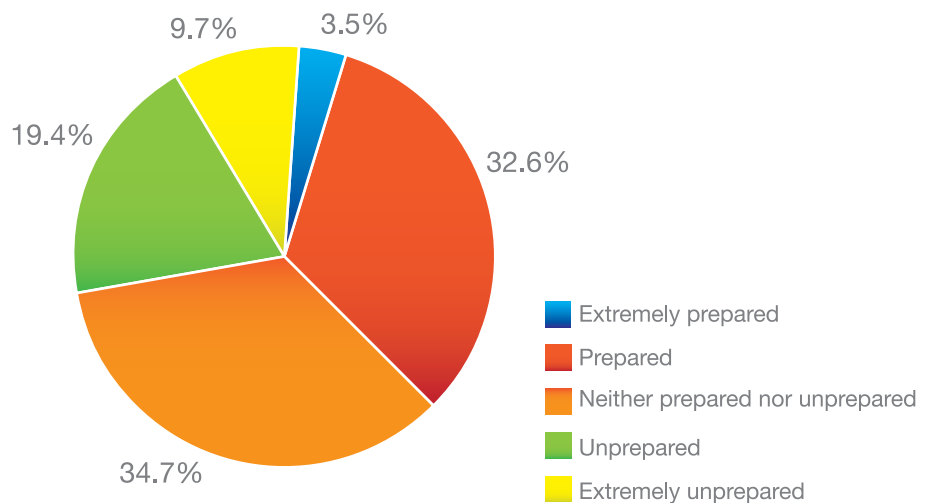
Seven Steps for Effective Leadership Development

The importance of business leadership is well articulated with the observation, “a good leader can make a success of a weak business plan, but a poor leader can ruin even the best plan.” That’s why developing effective leadership using a consistent talent management program at all levels across the organization can return significant business value.

To identify, attract, fill, and retain corporate leadership talent, companies need leadership development programs focused on hiring strategies, employee development, and career and succession planning.

Currently, companies are not well prepared to fill vacancies in their leadership roles. A 2008 study found only 36 percent of companies felt prepared to immediately fill leadership positions as shown in the graphic below.

COMPANIES NOT PREPARED TO FILL LEADERSHIP ROLES



Source: Institute for Corporate Productivity, i4cp

The impending retirement of the baby boom generation and the crisis in leadership during the economic recession has further elevated the importance of leadership development to the board room and with shareholders.

Companies face two major challenges in finding and developing leaders:

- 1) Identifying qualified candidates to fill current and future leadership roles.
- 2) Having the tools and techniques to develop a comprehensive leadership program to cultivate and develop the leaders of tomorrow.

In the past, leadership development was only focused on a few individuals in the organization. First generation systems to assist with leadership development were siloed or existed in silos, hard to use, and lacked adoption. Companies needed a system-enabled way to unify methods to:

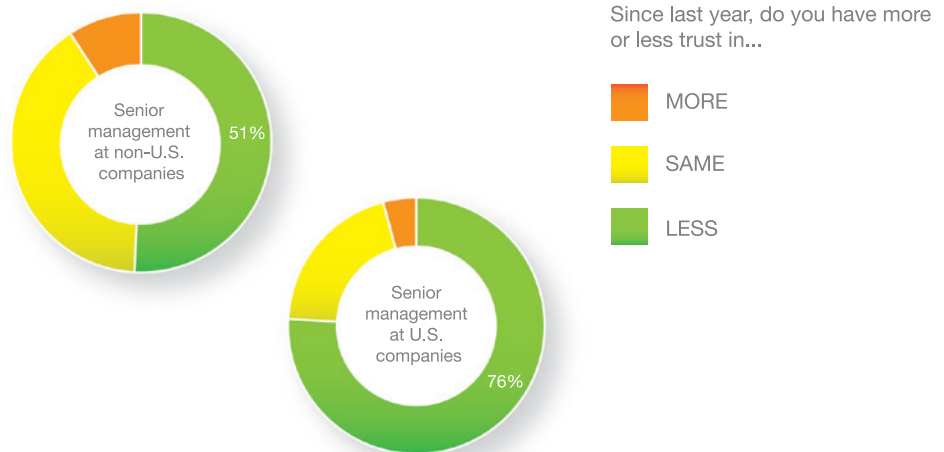
- › Assess and select leaders.
- › Execute programs to develop skills.
- › Measure the success of these programs.

Now technology can be deployed to extend these practices across the enterprise and down into all levels of the workforce. This paper explores leadership challenges and highlights the elements of a successful leadership development program that uses technology to support the processes and practices.

Leadership Challenges in Business

From Enron to the prime loan mortgage crisis to AIG, leadership scandals in recent years have caused an erosion of confidence and A Tremendous Loss of Faith in leadership of companies around the globe. According to a Harvard Business Review poll, 51 percent of those surveyed said they had diminished confidence in business leaders at non US companies; 76 percent have less confidence in US business leaders.

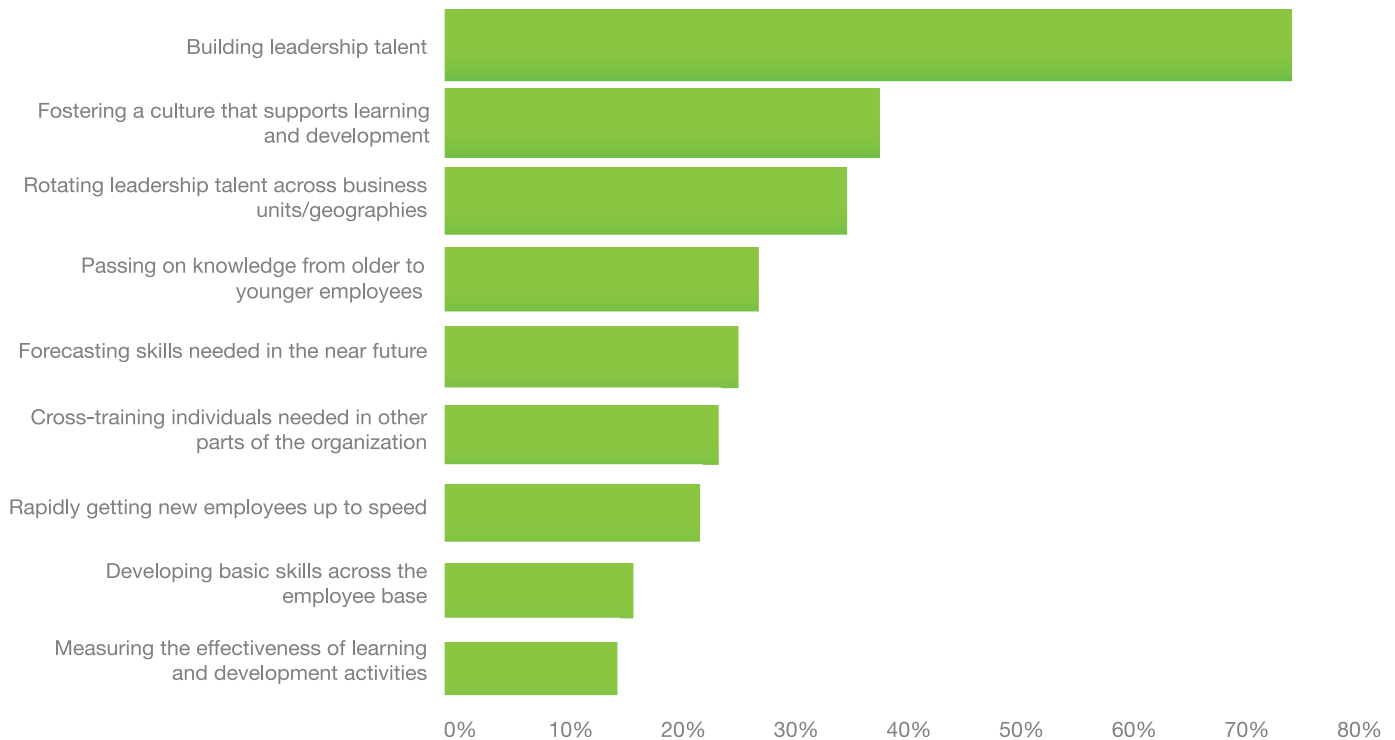
A TREMENDOUS LOSS OF FAITH



Source: Harvard Business Review, June 2009

In addition, building and retaining good leadership has been cited as a major area of concern. According to the 2008 IBM Global Human Capital Study, over 75 percent of the respondents identified *Building leadership talent* as their current and most significant capabilities challenge.

WHICH ARE THE MOST SIGNIFICANT CAPABILITY-BUILDING CHALLENGES FACING YOUR ORGANIZATION TODAY?



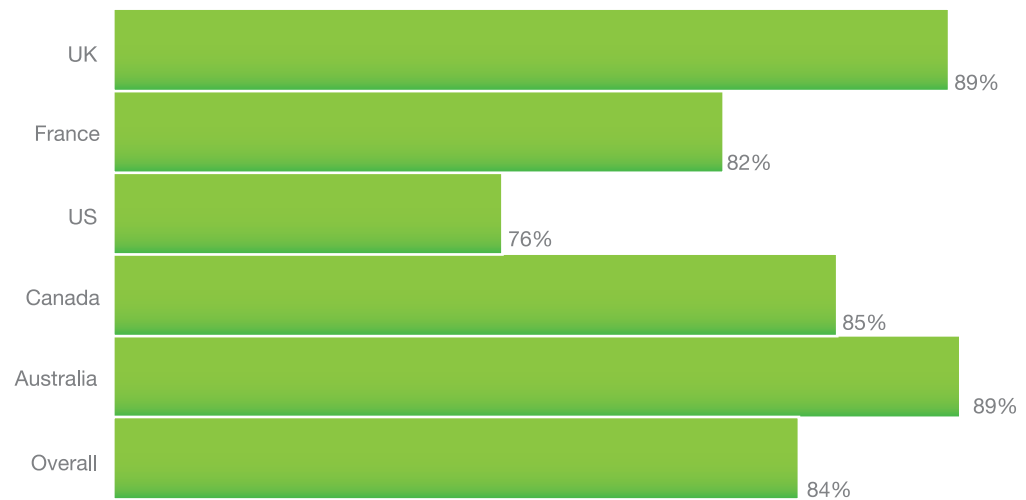
Source: 2008 IBM Global Human Capital Study

Even with the economic downturn, management and executive roles remain one of the top five positions employers are having most trouble filling around the globe. This is consistent with last year's findings.¹

The overall talent shortage has also led to challenges in leadership development according to a global Taleo Research survey, which found over 80 percent of the 930 companies surveyed identified talent shortages were impacting their leadership development efforts.

¹ Manpower's 2009 Talent Shortage Survey. Note: The 2009 survey of nearly 39,000 employers across 33 countries and territories gauged employers' ability to find the talent they need.

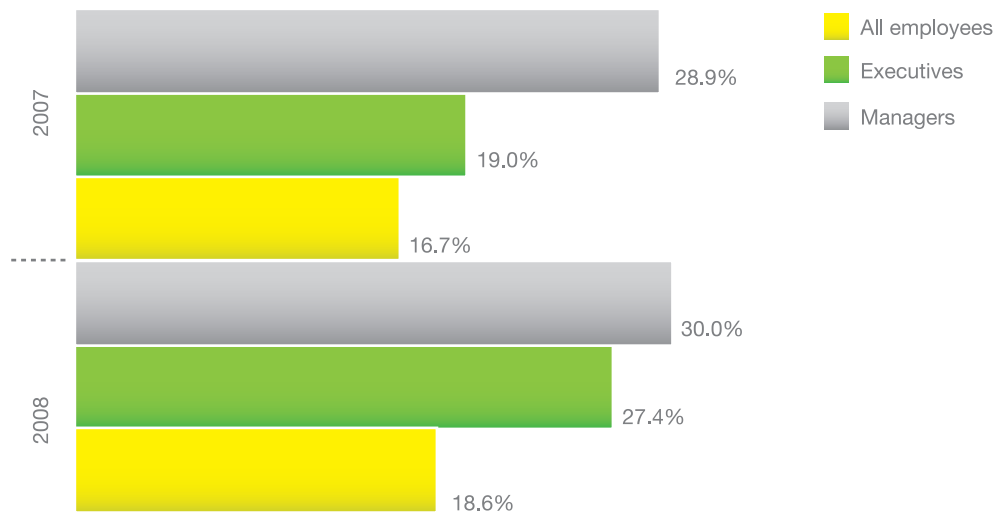
GLOBAL TALENT SHORTAGES EFFECT LEADERSHIP DEVELOPMENT



Source: Global Unified Talent Management Survey, 2008 by Taleo Research with Human Capital Institute (HCI), Business Intelligence, Markess International, Quantum Market Research.

Filling the ranks of leadership positions will increasingly be a challenge as the baby boomers retire. According to PricewaterhouseCoopers (PwC) Saratoga's 2008/2009 Human Capital Effectiveness Report, 19 percent of managers and 29 percent of executives will be eligible for retirement within five years. This anticipated "baby-boomer drain" should raise a "big red flag", and propel succession planning to the front lines in the quest for future success.²

FIVE YEAR RETIREMENT ELIGIBILITY



Source: PWC Saratoga's 2009/2010 US Human Capital Effectiveness Report

² Human Capital Effectiveness Report 2008-2009, PWC Saratoga

Leadership is about influencing people such that they come to share common goals, values and attitudes, and work more effectively towards the achievement of the organization's vision.³

The recession may have postponed retirement for many baby boomers, but this is just a temporary stop gap. While these delays have bought companies time to create succession plans for their leaders, delivering on leadership development programs to fill these ranks will be a critical challenge in the next one to five years. So, how do we recognize leadership potential and distinguish a good leader from a good manager?

Successful organizations need both leaders and managers, but there are fundamental differences between a manager and a leader. While leaders influence, inspire, and drive people to a common goal, the role of a manager is to keep the day to day operations of an organization running smoothly. Employee development must reflect these differences and provide development of both sets of skills.

Managerial Functions	Leadership Skills
Plan and budget	Create vision and excitement
Coordinate, control and execute activities	Set a direction, motivate and inspire people to follow
Organize and staff	Align people
Work within existing structure	Build new relationships and structure

Elements of Leadership Development Programs

Major talent management functions all play a part in a comprehensive leadership development program, and can be well supported by a unified talent management technology platform, specifically:

- › **Recruitment** to source leadership talent.
- › **Assessments** to evaluate leadership capabilities both internally and externally.
- › **Performance Management** to monitor and make course corrections in developing leaders.
- › **Succession Planning** to avoid leadership gaps in the future.
- › **Career Planning** to allow employees to understand their leadership options and set development goals.
- › **Development** to create a roadmap to fill skills gaps.

A successful leadership development program begins with the alignment of leadership development to company strategy and an understanding of the type of leadership style/styles needed to execute that strategy. A continuum of steps positions an organization for current and future leadership needs.

³ David Bartram, SHL 2002

LEADERSHIP DEVELOPMENT CHECKLIST

Steps	Checklist for leadership development
1	Determine the best leadership style for your organization
2	Identify current and potential leaders within the company
3	Identify leadership gaps
4	Develop succession plans for critical roles
5	Develop career planning goals for potential leaders
6	Develop skills roadmap for future leaders
7	Develop retention programs for current and future leaders

Source: Taleo Research

1. Determine the Best Leadership Style for Your Organization

There are many theories and techniques for determining the right leadership styles for an organization. The Situational Leadership® theory, for example, argues that the best type of leadership is determined by situational variables and no one style of leadership pertains to all given workplace situations.⁴ Identifying the leadership style for an organization using this approach includes identification of the type of work, complexity of the organization, and qualifications of the followers.

The leadership style, for instance, that is required by a head of corporate security would obviously be vastly different from the leadership style of an art museum director: authoritative versus creative or charismatic.

Additional leadership styles include pluralistic leadership that revolves around group decision making; a style which values the opinions of others. Whatever style is best suited for the CEO of an organization, a variety of leadership styles may be required to lead different groups such as manufacturing operations, marketing, finance, creative services and more within a company.

⁴ Leadership and the One Minute Manager, Hersey, P. and Blanchard, K. H William Morrow, 1999

One of the main reasons for the high failure rate of new CEOs — over half never make it past the four-year mark — is poor organizational fit. Ability can only take leaders so far if they are not compatible with the company culture. Here are two ways to assess a leader's fit:

- › **Get to know them better.** Psychological and behavioral assessments that are typically offered via Assessment Center exercises have been statistically linked to current and future success in leadership roles.
- › **Better understand the culture.** Ask your board, employees, vendors, consultants, and others with connections to the organization for insight into what makes an effective leader in the company.

Use both sets of information to find alignments or disparities. If there is a glaring cultural conflict, be ready to find a better place for your unique skills.

Source: Harvard Business Review, July 14, 2009.

2. Identify Current and Potential Leaders Within the Company

“Leaders are not born, they are grown.”

Peter Drucker⁵

In order to evaluate potential leaders in the organization, a leadership program needs to identify the expected leadership skills and competencies.

Competency Models

Competency models can be used to identify leadership potential during performance review and career counseling sessions. One model, developed by SHL, a leading consultancy on assessment testing, uses the Great Eight Leadership Competencies:

- | | |
|-------------------------------|------------------------------|
| 1. Creating & Conceptualizing | 5. Adapting & Coping |
| 2. Analyzing & Interpreting | 6. Supporting & Cooperating |
| 3. Leading & Deciding | 7. Enterprising & Performing |
| 4. Interacting & Presenting | 8. Organizing & Executing |

Whether companies develop a competency model of their own or use a model such as SHL's, they need to define the success measurements and build them into their performance management system. This will assist in setting the evaluation criteria and the competence standards from a must-know and must-demonstrate perspective.

⁵ Peter Drucker widely considered the “father of modern management”

Leaders can be found both internally or externally. Companies must weigh the cost and timing to develop internal leadership against the cost and availability of hiring from the outside.

Identifying Internal Leaders Through Performance Management

Based on key leadership competencies, capabilities are tested and evaluated during the performance management review process. During the performance appraisal process, managers can assess goals and development plans, solicit 360 degree feedback, and rate the individual's progress to date.

The graphic below is an example of a way for managers to rate the potential and performance of a leader. On the Y axis, potential is measured by the length of time it will take for a leader to be ready to assume a position. Across the X axis is the measurement of how well the employee is performing in the role. The nine box model in the middle tracks performance to potential. When an employee reaches a high level in both potential and performance, they are ready for promotion. Career planning and succession planning also are a key part of the performance review cycle.⁶

IDENTIFYING KEY TALENT

Potential/Performance Matrix

Potential	Significant (move 1 or more levels in the next 2-5 yrs)	Counsel	Develop	Promote
	Good (move 1 level in the next 5 yrs)	Counsel	Develop	Move Sideways
	Limited (reached promotional potential)	Counsel	Develop	Hold
		0% - 50% Threshold	50% - 100% Target	100% - 150% Stretch
		Performance		

Source: SHL Corporate Leadership Model

Advantages of Developing Internal Leaders

One of the key advantages of developing leaders internally is that they achieve productivity almost 50 percent faster than external candidates.⁷ This is particularly true for organizations in which knowledge of the internal politics and structures are required to get the job done.

Aberdeen reported that two thirds of Best in Class companies measure the percentage of key vacancies filled by internal candidates as a way to measure the success of their succession planning function. Additionally, promoting leadership development to lower levels of the organization also has a positive impact on morale and therefore assists in employee retention.⁸

⁶ See Steps 4 and 5

⁷ Mellon Financial Corporate Learning Curve Research Study

⁸ Best in Class Talent Management Metrics, Aberdeen Group, 2008

Developing leadership capabilities can be delivered in several different ways, but on the job training is becoming increasingly popular with company boards. BoozAllen reported among new CEOs, those who are “outsiders” — those brought in from the outside to lead the company — comprised about 24 percent of the incoming class, compared to 76 percent who were “insiders” and promoted from within.

Furthermore, boards now appear to be “road-testing” potential leaders as chief operating officers or chief financial officers before giving them the wheel; 15 percent of new insider CEOs were auditioned, meaning they joined the company they now lead within the past three years.⁹

When leadership positions cannot be filled from within the company and the company employs a strategy of creating a pipeline of future leaders, then recruitment should use the same measurements to test the existing competencies or future potential of candidates used to assess internal candidates.

Identifying Leaders Through the Recruitment Process

One way to ensure a consistent flow of leadership talent into a company is to recruit the right people in the first place. Online pre-assessments and full assessment testing can help ensure the right candidates are on the short list.

Online pre-assessment tools can also be used to accelerate the filtering process by eliminating from consideration those candidates who do not pass a minimum threshold score in the pre-assessment screen. Unqualified candidates are automatically filtered out not on the basis of their resumes but on the basis of a self-administered online test or questionnaire. The short-list creation activities in the recruiting process are streamlined. Significant amounts of time can be saved on each job requisition, allowing the recruiter to focus time and attention on the more promising candidates.

The advantage of using assessment is to eliminate wasted time during the filtering process, since typically 80 percent of time is spent getting to a short list. That leaves only 20 percent of time to invest with quality candidates. Automated pre-screening provides up to a 42 percent increase in recruiter efficiency.¹⁰

⁹ CEO survey, BoozAllen, 2009

¹⁰ Hidden ROI of Talent Acquisition, Taleo Research 2006

WHIRLPOOL: CREATING DEMAND FOR POSITIONS THROUGH INNOVATION

With the use of technology and innovation, Whirlpool Corporation is able to attract the top talent it needs to meet the challenge of staying ahead of the demand curve. The company's success can be measured in how fast it attracts and engages talent, an increased presence on college campuses to get that demographic excited about an appliance company, and increased interest in their leadership development program.

Results? Applications to the career website for Leadership Development Programs have tripled over the past two years.

In addition, through innovation on the career website, a century old company is perceived by Millennials as innovative, transparent, and fun. Whirlpool gives Millennials what they want by stressing creative solutions and thinking outside the box.

Additionally, through Project Postings, Whirlpool is able to provide flexibility in their career development. This is one reason Whirlpool continues to win industry awards and recognition. BusinessWeek listed Whirlpool in 2008 as one of the best places to start a career and Fortune voted the company in the Top 20 Global Companies for Leaders.

Longer assessment tests can qualify candidates for existing positions or identify potential talent to build bench strength for future leaders. Traditional formal assessment testing is not generally used for senior level executives but can be useful for future rising stars during campus recruitment, management training, or leadership development programs.

3. Identify Leadership Gaps

The identification of leadership gaps is both an assessment of the individuals and the readiness of the organization. To help fully determine leadership gaps, companies should:

1. Determine current and future leadership requirements.
2. Compare those requirements to the current leadership team.
3. Identify current leaders who may be at risk.
4. Identify succession plans for those at risk or planning to leave.
5. Look at the leadership development pipeline.
6. Identify gaps in skills and time required to fill those gaps.

The screenshot shows the Taleo 'Compare People' interface. On the left, a 'Performance Card' for Jonathan Coleman (Sr. Director, Planning & Process) is visible. The main area displays three performance cards for Debra Powell (Sr. Auditor), Michelle Campbell (Director, Contracts), and Keisha Cooper (Counsel). Below these is a 'List View' table comparing performance across various competencies.

	Debra Powell Sr. Auditor	Michelle Campbell Director, Contracts	Keisha Cooper Counsel
Attention to detail			
Research and investigation			
Problem solving	Solid Performance	Excellent Performance	Excellent Performance
Leadership	Solid Performance		
Plan and control budget and expenditures	Solid Performance	Mixed Performance	Mixed Performance
Developing others			
Prioritization	Solid Performance	Solid Performance	Solid Performance
Planning and organizing work	Solid Performance	Solid Performance	Solid Performance

EXAMPLE OF LEADERSHIP GAP ANALYSIS

Role	Risk*	Successor	Status	Development Plan
CEO	Low	John Jones	Status	J.J. needs additional business planning work. In year one of three year expat assignment as EMEA President
CFO	High	2 outside candidates	Status	
VP Operation	Low	Jane Smith	J.S. ready in 1 year	Leadership training in process Complete Q3
Director Products	Med	Allen Crow	A.C. ready today	On file

*Risk of leaving

4. Develop Succession Plans for Critical Roles

Why is succession so important? “A good succession plan is good for productivity,” according to former General Electric CEO Jack Welch and former Harvard Business Review editor Suzy Welch (2008). Succession planning avoids disruption and employee trauma when the CEO leaves, whether the departure is anticipated or not. Succession planning should be company policy, dealt with openly and deliberately by corporate boards.¹¹

Creating a succession plan for critical roles should not be confined to executives. As part of the leadership program, companies should evaluate critical leadership roles throughout the organization. Yet, an i4cp pulse survey found that more than 70 percent of large companies have succession plans at the director level, while only 41 percent do so at the manager level.

A Bersin & Associates study found a majority of companies implement succession management practices at only the most senior executive levels. Fewer than 40 percent of respondents said their companies included mid-level managers and skilled professionals in succession planning initiatives and just 11 percent included first-line supervisors.

Bersin’s research findings concluded that “enduring organizations”—those which survive and prosper over long periods of time—execute succession management practices across all levels of the organization. This disparity highlights “key vulnerabilities in most organizations—a lack of bench strength at the supervisory and mid-level management levels and the neglect of high-potential talent in mission-critical roles.”¹²

When analyzed by company size, companies with more than 10,000 employees have a broader view of developing leadership talent across the organization.¹³

¹¹ TrendWatch article, *Don't Be Like Brett Favre*, Issue 463 | June 12, 2009 by Kevin Oakes, i4cp

¹² *High-Impact Succession Management: Best Practices, Models and Case Studies in Organizational Talent Mobility*, Bersin & Associates

¹³ *Taking the Pulse – Succession Planning*, i4cp, July 2008

BY SIZE OF WORKFORCE

Answer	Fewer than 1,000	1,000–4,999	5,000–9,999	More than 10,000
CEO	36.5%	27.3%	47.6%	59.5%
CFO	27.0	31.8	52.4	64.3
COO	18.9	27.3	47.6	50.0
CIO	13.5	31.8	47.6	54.8
Vice president level	18.9	50.0	57.1	76.2
Executive level	31.1	45.6	57.1	81.0
President level	16.2	40.9	33.3	61.9
Director level	31.1	68.2	52.4	71.4
Manager level	23.0	54.6	33.3	40.5
Other	13.5	22.7	23.8	11.9

Source: Institute for Corporate Productivity, *i4cp*

“Internal coaches often provide lower cost of services, exhibit more consistency in methods and understand the organizational culture,” said the AMA study. “However, they may also be perceived as less credible. Leaders may consider internal coaches to be less confidential.”

“External coaches can bring greater objectivity, fresher perspectives, higher levels of confidentiality and experience in many different organizations, industries and business environments.”

Coaching and Mentoring

There has been a resurgence of the apprentice model in grooming leadership. Coaching and mentoring has been gaining favor as an element of succession planning programs.

A 2008 AMA study, *Coaching: A Global Study of Successful Practices*, surveyed more than 1,000 business leaders around the world and found nearly 60 percent of North American companies use coaching for high potentials frequently or a great deal, and about 42 percent use coaching of executives to the same extent. These percentages were higher in the international sample AMA study.

The use of social media in mentoring programs is beginning to be a popular way to support external mentoring programs.

Technology to Support Succession Planning

For greatest efficacy, succession planning should be supported by technology systems that provide the ability to:

- › Create backfill strategies using data captured in the recruiting and performance review processes coupled with individual career plans.
- › Add multiple candidates to a succession short list and view all the best options—without necessarily adding them to the plan.
- › Display multiple talent profiles side-by-side—from C-level executives to individual contributors—to quickly identify the best fit.
- › Track candidate readiness based on skills, competencies and performance. Promote top candidates based on relative ranking and composite feedback scores.

5. Develop Career Planning Goals for Potential Leaders

Career planning had been considered the responsibility of an individual. However, research shows companies that support career planning for their employees gain in retention, engagement and protecting the leadership pipeline. A 2008 Taleo Research study asked employed college graduates why they left their first employer; 61 percent left because there was no career advancement or organizational opportunities.

According to Taleo's Engaging Times research in the UK, workers need more than a job. Even in a recession, they require a higher level of engagement that employers are not currently providing. Findings from the study include these glass half empty/half full observations. Only:

- › 45 percent have visibility of internal job opportunities.
- › 42 percent can see their next step up the career ladder.
- › 57 percent have career communications with their employer.
- › 40 percent have access to online career tools.

Even if employees are not actively looking for a job, one survey found that one in three employees had recently been approached by another organization hoping to lure them away, and 77 percent of workers aged 36 to 40—right in the pipeline for leadership—last in new jobs less than five years.¹⁴

If companies do not provide employees with career planning and advancement opportunities, their competitors will. Self-service career planning will help motivate and retain talent by empowering them to view and generate a career plan within the company.

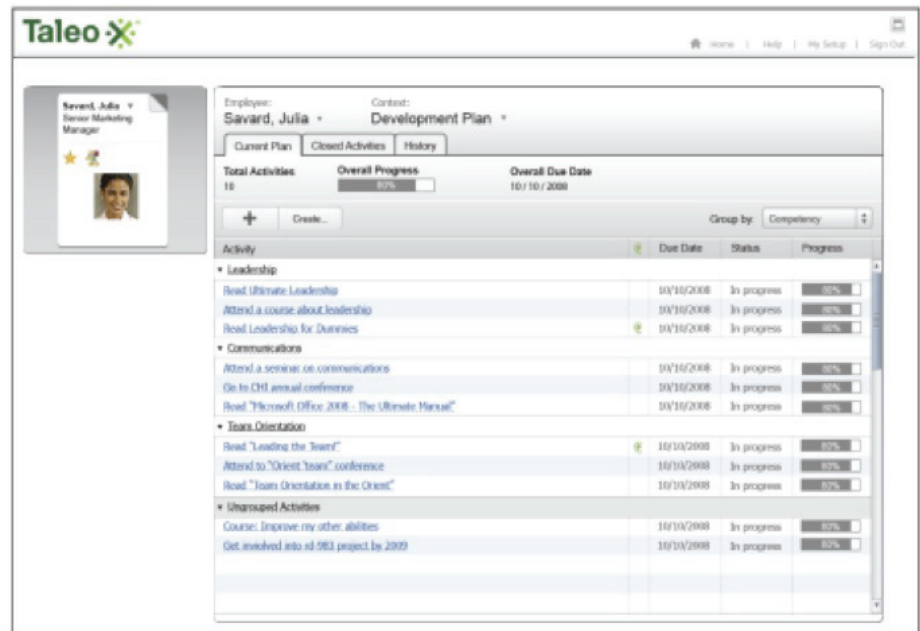
By combining employee development with career planning employees can not only explore potential career paths, but also monitor and progress through the development activities necessary to attain them. Competencies can then be tied to relevant development activities thereby incorporating development planning right into the performance review process, which supports career development and succession planning.

¹⁴ The Economist, "The battle for brainpower," within *The Search for Talent: Why It's Getting Harder to Find* (Economist Special Report, October 7, 2006)

6. Develop Skills Roadmap for Future Leaders

Once the high potential employees have been identified, a skills roadmap should be developed for the future leaders. Because people learn and develop new skills both inside and outside the classroom, a development program needs to support both traditional and non-traditional learning.

To support less formal learning, activities such as coaching, rotational assignments, job shadowing, mentor relationships, and project leadership should also be part of an employee's development plan. At the core, the very definition of learning should reflect today's non-traditional learning and incorporate social networking tools into the development process.



A Tomorrow's Leaders study undertaken by Henley Management College highlighted particular skills gaps around communication and team bonding, as well as appropriate use of emerging technologies.

PROGAM EFFECTIVENESS IN DEVELOPING LEADERS

Program	Rating
Undergraduate programs	
MBA programs	
Non-degree, online courses	
Non-degree, Exec Education courses	
Work Experiences in your organization	
Your organization's training & development program	Higher Performers Lower Performers
Your organization's performance evaluation program	Higher Performers Lower Performers
Your organization's mentoring program	Higher Performers Lower Performers
Your organization's external executive coaching service	Higher Performers Lower Performers



Fair (3.0-3.5)



Good (4.0-4.5)



Very Good (5.0-5.5)



Fair-Good (3.5-4.0)



Good-Very Good (4.5-5.0)



Excellent (5.5-6.0)

Responses were on the following scale: 1=Poor, 2=Marginal, 3=Fair, 4=Good, 5=Very Good, 6=Exceptional. Respondents also had the option to indicate Not Applicable / Could Not Evaluate.

Source: Workforce Management Magazine, February 24, 2009. In Challenging Times, Leadership Skills and Leader Development Matter.

7. Develop Retention Programs for Current and Future Leaders

Both monetary and non-monetary rewards can be used to improve retention for any employee but particular attention needs to be paid to high performers and future leaders. A Taleo Research survey polled working adults over the age of 18 to test some monetary versus non-monetary reward systems. Clearly, salary and bonuses ranked as the top rewards for doing a good job but promotions and work life balance were also important.¹⁵

Linking pay to performance can be a motivator for an employee but goal alignment helps potential leaders stay focused on what is important to the company. Recognize excellent performance and base the upside of bonus potential on the success of both the employee and the company.

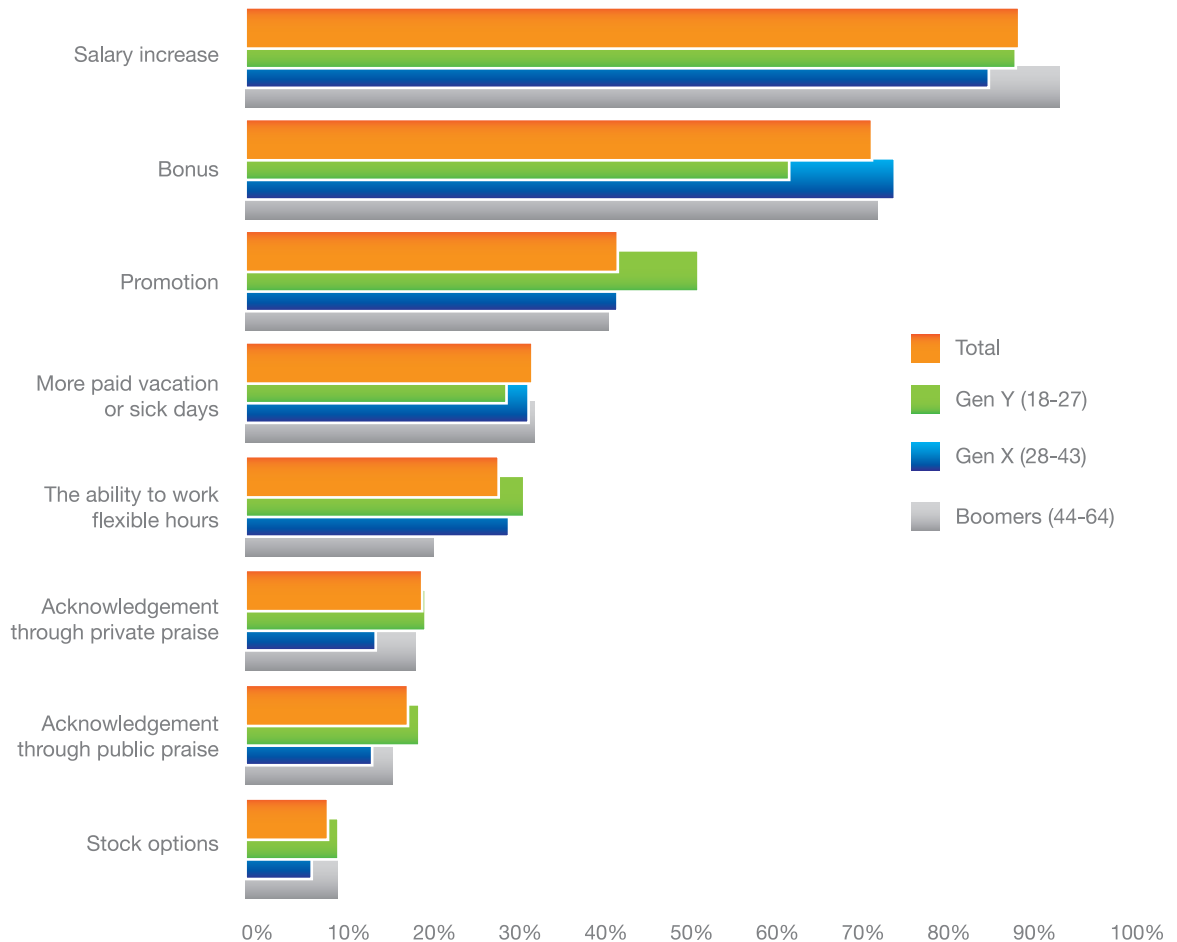
Other ways to retain and motivate future leaders are to involve them in the decision making process. This teaches them the stated mission, values, and goals of the organization, as well as how they contribute to the success of the business. As the Taleo Research study shows, acknowledgement of a job well done is more important than stock options.

Leadership retention is critically important for all organizations for two main reasons:

1. Turnover is expensive.
2. Top performers drive optimum business performance.

¹⁵ Source: Taleo Research and Harris Interactive Poll, August 2008

BEST REWARD FOR A GOOD JOB



Source: Taleo Research and Harris Interactive Poll, August 2008.

CASE STUDY OF THE COST ASSOCIATED WITH HEALTH CARE EXECUTIVE TURNOVER

According to a 2006 report from the American College of Health Care Executives, the median tenure of a hospital CEO is only 43 months or about three and a half years.

The direct and indirect costs of executive churn can be staggering. Consider a CEO who makes \$200,000 a year. The direct costs of losing that person include everything from severance pay to recruitment fees and expenses, not to mention the probable increased salary for the next CEO. According to one estimate, the final tally can be as high as two to three times a CEO's salary. Using the hypothetical CEO, that adds up to a median of \$500,000.

The costs do not end there. In many cases, members of the senior leadership team follow the CEO out the door—VPs, COOs, CFOs, and so forth. The 2005 Study on Executive Turnover in Healthcare from the University of Oklahoma estimated that many on the existing leadership team will leave within a year of a new CEO coming on board.

If a leadership team has eight members and four leave within the first year, the estimated direct cost of this turnover is \$1 million (4 positions x 2.5 salary cost x \$100,000 leadership salary = \$1 million). Combine this with the direct cost of the CEO turnover and the total bill is approximately \$1.5 million dollars.¹

¹ Leadership Turnover: The Health Care Crisis Nobody Talks About By Daniel J. Sinnott July 2008 issue of Trustee Magazine.

Summary

A well designed leadership development program is the key to identifying, attracting, filling and retaining corporate leadership. The elements of the program include a strategy and execution of the seven step process outlined in the Leadership Development checklist.

Leadership development is a critical aspect of attaining optimum output from organizational talent management and requires the effective execution of many talent management practices. Technology applications can provide the enabling platform from recruitment through assessments, performance management, succession and career planning, to development programs.

The benefits of an optimized leadership program include:

1. A pipeline of leadership talent.
2. Talent aligned to corporate goals.
3. Improved morale.
4. Increased retention.
5. Improved leadership skills.
6. Consistent measurement through development and performance management.

All organizations need strong leaders to be successful. Talent management practices implemented with robust technology applications can effectively identify and develop—from all levels of the workforce—the leaders who will best drive business performance.

COCA-COLA — LEADERSHIP DEVELOPMENT DELIVERS THE GOODS

Stevens J. Sainte-Rose, Group HR Director for Coca-Cola said: “The uniqueness of Coca-Cola is in engaging consumers with the brand, so marketing talent is key. Without the right people we can’t deliver the winning formula.”

Coca-Cola therefore embarked on a pioneering bespoke program to not only identify its rising marketing stars but also to plan their development ensuring the Company had a strong pipeline of highly creative and innovative thinkers that could be the marketing leaders of tomorrow filling senior vacancies across the world.

In developing a bespoke program, Coca-Cola chose to partner with international assessment consultancy, SHL who worked with Coca-Cola’s talent professionals and senior marketing leaders to create a two day development centre for high potential marketers aspiring to be future senior marketing leaders.

Looking to its strongest performing marketers, Coca-Cola developed a set of competencies to define the ‘ideal’ skills and behaviors of a senior marketing leader. This was undertaken with the global backdrop in mind to ensure that competencies were calibrated internationally allowing for a level playing field that did not disadvantage any participants.

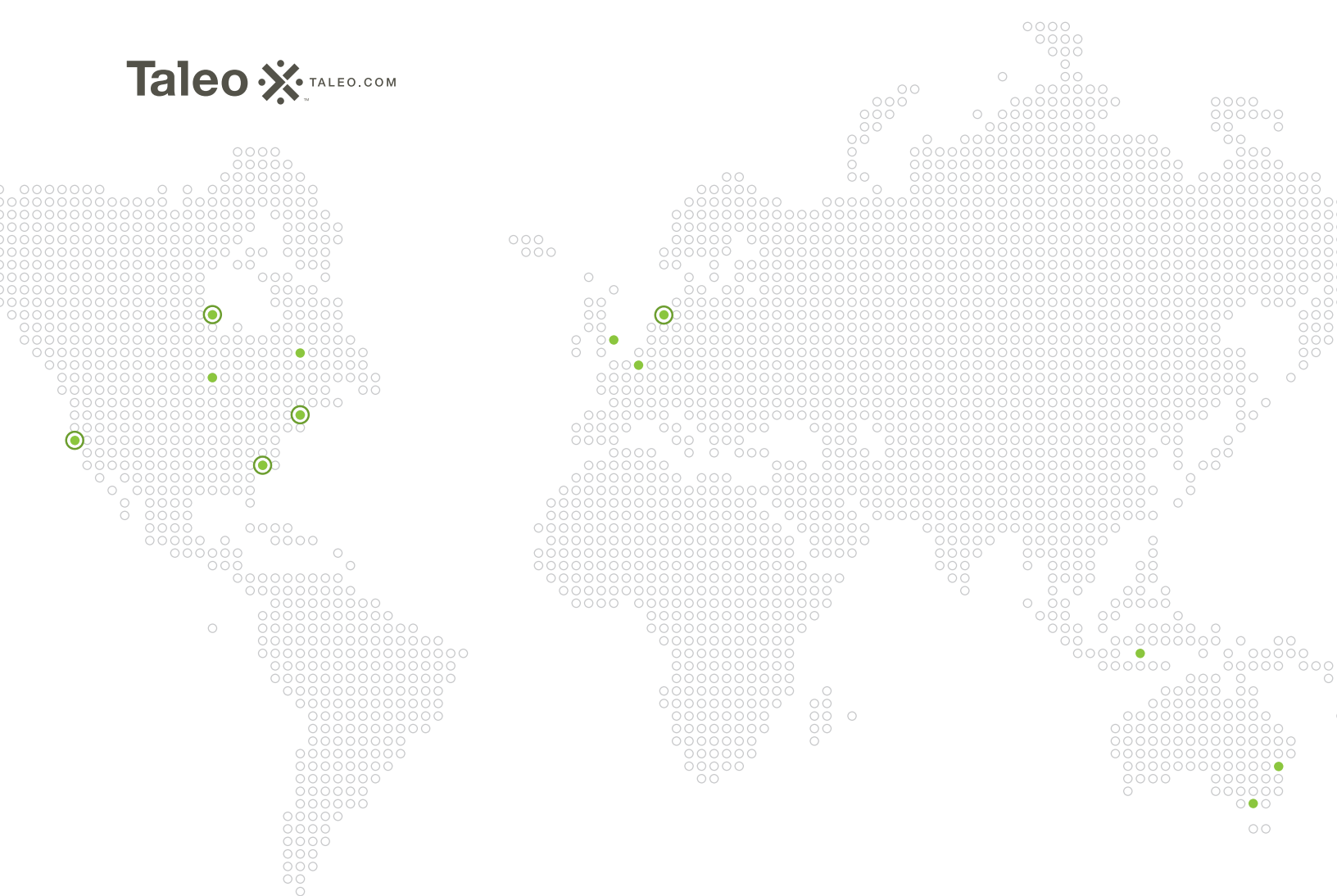
Eight handpicked marketers were then chosen to undertake a two-day pilot in Europe. Although the pilot ran in Paris, Coca-Cola participants came from all over the world. The aim was for existing marketing leaders of the business to see and develop potential from as many geographies as possible making selection of the best as equitable and as representative as possible.

The program was also designed for participants to bond and establish a global alumni network of supportive colleagues that would continue beyond the event. The fact that extremely senior Coca-Cola marketers made up an observer panel alongside highly experienced occupational psychologists from SHL, proved the Company’s commitment and dedication to the program.

The Results

So successful has the development centre been that Coca-Cola and SHL now run the program every three to six months in locations around the world in a bid to ensure that Coca-Cola will never have to look outside its own talent pool to fill key strategic marketing positions that are vital to maintaining the iconic Coca-Cola brand image.

Whilst the company’s mission is ‘To Refresh the World...in body, mind and spirit’ it accepts that to do this, its vision needs to include ‘being a great place to work where people are inspired to be the best they can’.



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