

Leadership Development Benchmarking Study: Identifying & Preparing Leaders



Internet Benchmarking Survey

About Best Practices, LLC

Best Practices, LLC is a research and consulting firm that conducts work based on the simple yet profound principle that organizations can chart a course to superior economic performance by studying the best business practices, operating tactics and winning strategies of world-class companies.

This sample is an excerpt drawn from a benchmarking survey designed to uncover directional indicators of Leadership Development trends.

Global Benchmarking Council Members can sponsor two customized surveys a year as a benefit of membership. To learn more about Global Council Membership, contact:

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Leadership Development Benchmarking Study: Overview

Best Practices, LLC administered this survey and compiled the results on behalf of the Global Benchmarking Council.

Study Objective

The goal of this survey was to determine how companies identify lower-level employees with leadership potential and develop them into future leaders.



Key Topic Areas

- Leadership Identification Processes
- Leadership Identification Criteria
- Leadership Development Activities

Benchmark Class

The benchmark class included the following five companies.

- **AstraZeneca**
- **Bank of America**
- **Korry Electronics**
- **Raytheon**
- **Wachovia**

Key Findings

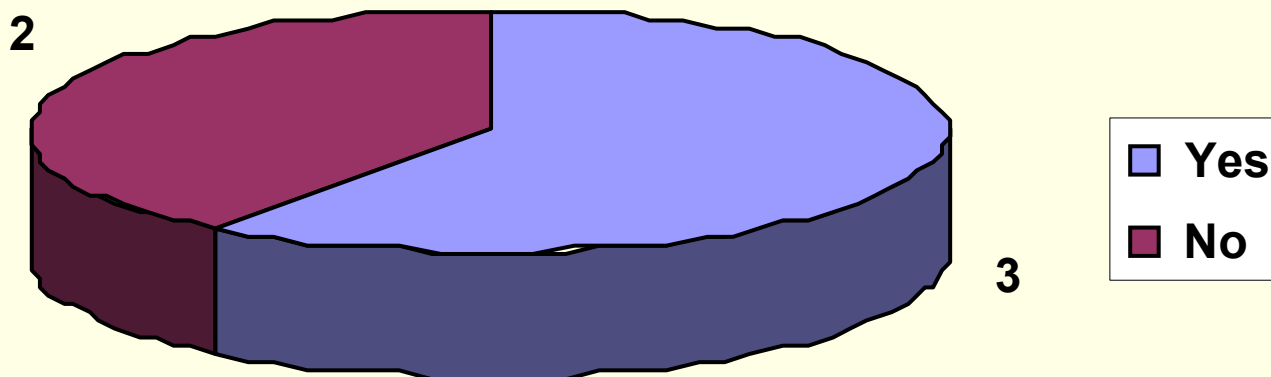
The following key findings emerged from the survey data.

- 1. Most companies do not have a formal set of criteria for identifying leadership potential in employees that are below director level.*
- 2. Among the benchmark class, performance reviews and executive selection are the most common ways to identify potential leaders.*
- 3. Strategic thinking is the most important quality that members of the benchmark class look for in identifying future leaders.*

Formal Identification Processes

Benchmark partners are split 3-2 on having a formal process for identifying leaders.

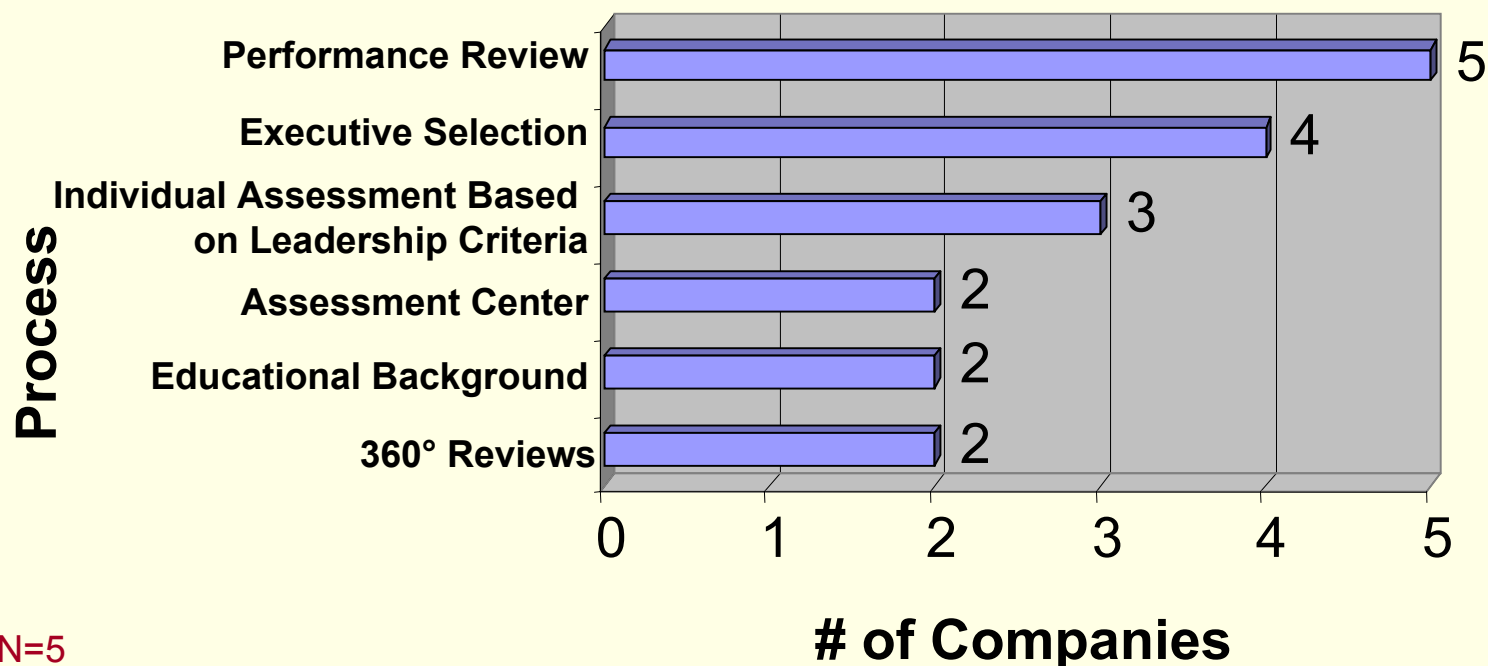
Does your company have a formal process for identifying leadership potential in employees that are below director level?



Leader Identification Processes

Performance reviews and executive selection are the most common ways to identify potential leaders.

Which of the following processes are involved in identifying potential leaders below director level?

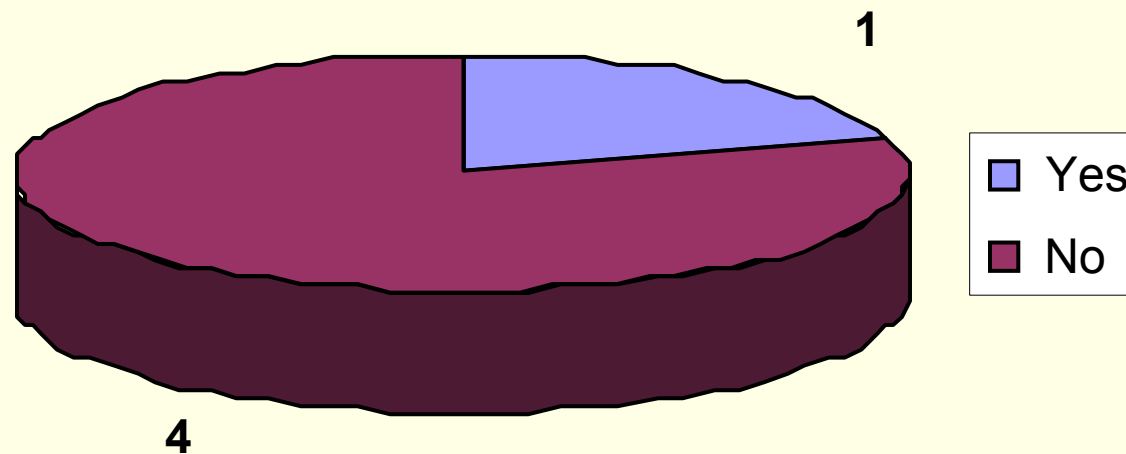


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Formal Identification Criteria

The majority of benchmark partners do not have an established set of criteria they use to spot leadership potential in lower-level employees. The benchmark company that does have a formal set of criteria looks at academic background and demonstrated leadership skills.

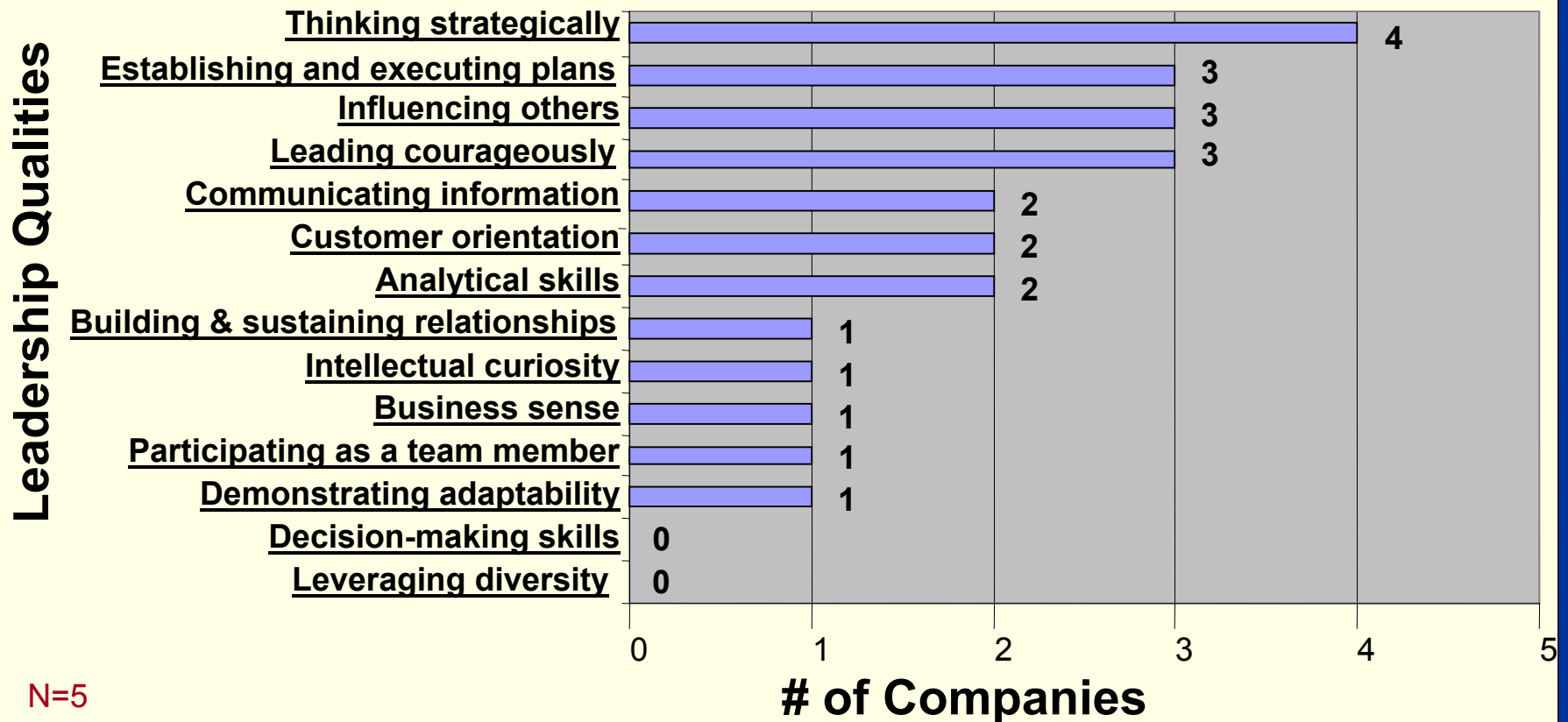
Does your company have a formal set of criteria for identifying leadership potential in employees that are below director level?



Leader Identification Criteria

Strategic thinking emerged as the most important quality in future leaders. Establishing and executing plans is also an important leadership quality among the benchmark class.

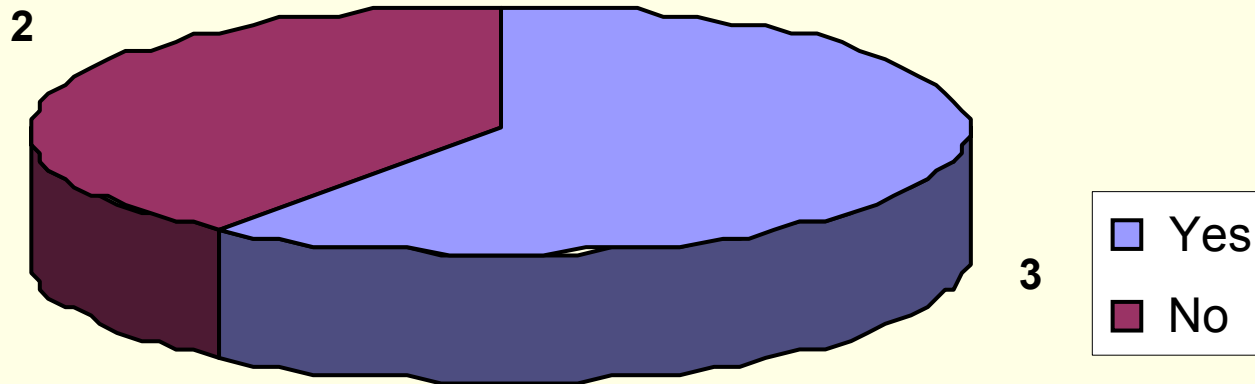
What are the most important qualities used in identifying these potential leaders?



Formal Development Process

More than half of the benchmark class has a formal process for developing lower-level employees into company leaders.

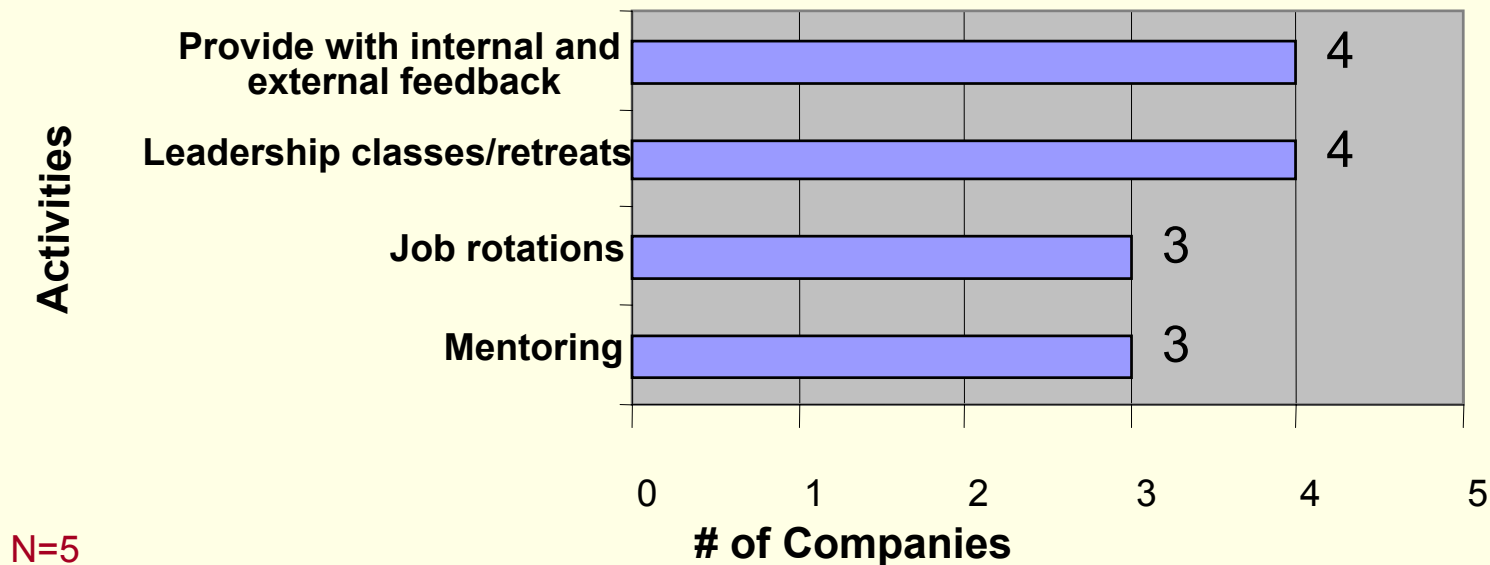
**Once potential leaders are identified,
does your company have a formal process for
developing these employees?**



Developing Leaders

Benchmarked companies indicated they have multiple activities for developing leaders. Two companies use all four activities to develop leaders, and the other three companies use a combination of two leader development activities. Of all companies, internal and external feedback is the most popular development activity.

What activities does your company undertake to develop these future leaders?



Leadership Development Comments

Benchmark companies that have established processes for identifying and developing leaders proactively search for leadership potential in employees.

“There is full analysis of performance/potential of all managers by senior staff in group meetings. Feedback is then provided to individuals by a cognizant director.”

- Company C

“We actively identify High Potentials and try to do a good job to see they get exposed to mentoring, job rotation and career counseling.”

- Company D

Capability Summary

This presentation was drawn from primary research conducted on the behalf of a Global Benchmarking Council member.

Executives at top companies turn to Best Practices, LLC for actionable and insightful solutions based on the world-class operations of other leading organizations.

Let our researchers uncover the next great insights for your operation through our Internet surveys.

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