



Executing Leadership Development and Succession Management- The Best Practices Profile

-A Study of the Leaders-

You've set the standard...

Your company is perceived as one of the best in the world executing leadership development and succession management. The Indiana University Kelley School of Business, in a consortium with A.T. Kearney and Talent Intelligence, Inc is undertaking a pro-bona study to document best practices of a group of leading companies which have a demonstrated record of high performance in leadership development and succession management practices.

The Research Study

Issue

In recent years many of us have witnessed a growing turnover rate in C-level executives and an alarming decline in tenure. Recent reports confirm tenure of CEO's to be under four years and CFO's under five and this continues to shorten over time. Independent surveys by executive search and other expert HR organizations continue to confirm the majority of corporate directors in the U.S. do not believe the companies they serve have adequate succession management processes, let alone qualified internal candidates for the CEO position. Furthermore research also shows there is less than a 50% chance of external CEO recruits succeeding and 2/3 of those are gone within 3 years. With the growing criticism leveled at corporate boards on CEO pay and executive behavior, the increasing pressure from regulatory authorities, politicians, and the President-Elect, Boards of Directors will be challenged about the quality of their oversight and diligence in dealing with succession management at a time when the economic issues of the day are pulling their attention away from strategic succession management towards short-term tactical risk management..



Objective

Given this environment, we are undertaking a targeted survey of best practice companies to confirm and document their practices in developing leaders and successfully managing succession management.

We want to demonstrate the existence of a robust body of best practices (in leadership development and succession management) among leading businesses who have achieved a high standard of competitiveness and superior long term performance.

The Project

We will conduct confidential interviews and surveys with executives in 20-25 leading corporations who in the consortium team's estimation have demonstrated high levels of competency in leadership development and succession management over a long period.

The project would expect to interview a representative sample of mission critical positions (line and staff). These would include the CEO, President/ COO, selected business unit leaders, the head of Human Resources and 1-2 non executive directors. The project team is prepared to travel to the most convenient locations and meet at the most convenient times for the interviewees.

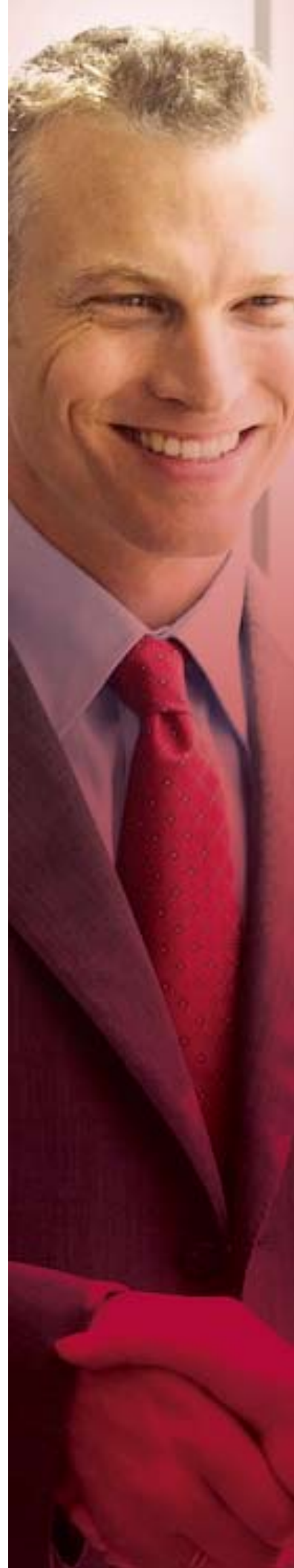
Upon confirmation of participation, a guideline of the key questions to be discussed will be submitted to the interviewees in advance. The general subjects which will be addressed will focus on the key building blocks of leadership development and succession management and include the following:

- Talent ownership (Board, CEO, Leadership Team, SBU heads, and Human Resources)
- Business strategy and HR alignment
- Leadership development, including assessment
- Leadership risk management
- Leadership system tracking and performance management

Results

The results of the project study will be compiled and shared with participants in the following manner:

- A Stages of Excellence Framework identifying the competencies/processes associated with best practices at different stages of excellence.
- A customized confidential company summary of key findings and what improvements, if any, could be made to advance the company to the next stage of excellence.
- An invitation to an Executive Briefing to exchange views on common experiences of participants in dealing with particularly challenging aspects of leadership development and succession management.





Project Team

A.T. Kearney is a global strategic management consulting firm known for helping clients gain superior results through a unique combination of strategic insight, operational excellence, and a collaborative working style. For 80 years the firm has been providing strategic advice concerning the CEO's agenda. Today, A.T. Kearney serves the largest global clients in all major industries and has offices located in major business centers in 35 countries. The team will be led by Fred G. Steingraber, Chairman Emeritus of A.T. Kearney (former Chairman and CEO for 18 years) and David Hanfland, a senior partner of A.T. Kearney with 20 years of relevant consulting experience.

Talent Intelligence is a global consulting firm that advises the Board, CEO and senior HR executives of leading global companies on how to achieve market leadership through the deployment and application of integrated talent intelligence solutions, methodologies and best-in-class data on executives in mission critical positions. The firm employs innovative research on succession management and leadership risk analysis with actionable insights regarding the organizational structures and talent inventories of company and competitors and lateral companies that help our clients shape strategic alignment, improve operational performance and sustain competitive advantage. Craig Speed, President, The Americas and Steven Meredith, Global Knowledge & Innovation Director, will be representing Talent.

Indiana University Kelley School of Business is regularly ranked as one of the top 15 business schools for both undergraduate and graduate education. Dr. Richard Magjuka and Dr. John Cady, both professors of management, will represent Kelley. Dr. Cady is Director of Kelley Executive Partners, an internationally recognized provider of executive education programs. Prior to joining Kelley, Dr. Cady was managing director of Duke Corporate Education at Duke University. Dr. Magjuka is the director of the Kelley School's corporate-sponsored MBA programs and has designed corporate education programs for more than a decade for senior executives.