

# NATIONAL POST

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## Offer new leaders swimming lessons

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Whether a new leader sinks or swims will depend on the support network a company has in place. Replacing senior talent is typically done by a plug-and-play strategy: Recruit a top executive from another organization, wow employees and stakeholders with media hype and sit back and enjoy the results.

But what happens once the courtship is over? Too often the executive doesn't live up to the hype and the organization sees little benefit. A transplanted executive often faces a steep learning curve and finds what worked in the old organization or job doesn't necessarily cut it in the new one. The actions the new executive and the organization take in the first 90 days will largely determine whether or not that person will be successful in the coming years.

The evidence for failure for newly appointed and promoted executives in both the corporate and non-profit sectors is alarming:

► McKinsey & Co. found that 40% of corporate officers in 77 companies said they can't pursue business opportunities because they lack the right leadership.

► Harvard Business School reported a 40% to 60% failure rate of U.S. executives in 2003.

► In a U.S. Conference Board report this year, only 36% of employees rated their companies' leadership as good or excellent, down 50% from five years ago.

► A 2005 Corporate Executive Board Recruiting Roundtable survey found 89% of new U.S. executive hires indicated they did not have the optimum level of knowledge and skills to do their job.

The bottom line is, while the cost of leadership recruitment is likely to increase drastically in the next few years due to a bulge in leadership vacancies, the cost of no organizations exceeds the cost of

replacement. The effects of losing a leadership vacuum, but also because it triggers other turnovers and disrupts and weakens client, stakeholder and partner relationships.

Dr. Michael Watkins, a professor at Harvard, writes in *The First 90 Days: Critical Strategies for new Leaders at All Levels* that when leaders derail, the problems can be traced to vicious cycles in the first few months. And for every leader that fails outright, there are many others who survive but never realize their potential.

Fault does not lie entirely with the executive. Companies must take responsibility for not providing the right "on boarding" or assimilation initiatives.

Most companies view on-boarding and orientation as one; they are not.

Orientation programs focus on providing basic information to a newly hired or promoted leader to introduce the person to the business, its history, structure and who's who. These are short-term programs and are mainly geared to middle-level and junior staff, not senior executives. The reality is senior executives need assimilation even more than lower level employees.

On-boarding, or assimilation, is a process meant to ensure leaders adapt and become full contributors in the organization-faster, better and with fewer problems.

It can take up to three years for a new leader to acquire and translate an in-depth understanding of the company. Best practice organizations such as Johnson and Johnson provide a long-term program with multiple sources for support. An evaluation of that company's program showed it had a 1,400% ROI.

A good on-boarding plan should run anywhere from 18 months to

three years and begin during recruitment. A mentor or coach should be assigned to assist and support the new hire and have structured expensive networking opportunities both internal and external. As well, an individual plan for growth and performance must be put in place and deliverables are jointly defined for the first 120 days. The new executives should be immediately immersed in a cross-functional project team and be given frequent milestone feedback.

Given today's hiring climate, the most successful organizations are those that use on-boarding strategies to build a competitive advantage by increasing leadership retention. They do not approach the entry of a new leader with a "sink or swim" mentality, but with an understanding that champion swimmers need supportive coaches and team members.



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