Future Leaders – Developing Leaders Through Behaviour Feedback

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Introduction and Overview
Feedback in your Organisation

- Feedback is never given
- We only give feedback on obligatory formal occasions (e.g., Annual Performance Reviews)
- 360° feedback
- An informal feedback culture exists; we openly share both positive & ‘developmental’ feedback
What is 360° feedback?

- The scientific community refers to 360° instruments as *multirater* or *multisource* feedback.
- Feedback that goes beyond self-appraisal to include:
  - The Higher-Level Manager
  - Direct Reports
  - Peers
  - Internal Customers, etc.
- That is, feedback from all parties *around* the person, encompassing a 360° circle, hence the name.
- 360° feedback addresses one of the most common and fundamentally justified criticisms of the one-sided evaluation by a single person.
Why measure leadership behaviour?

- Research shows self awareness is critical to change and improvement.
- Structured and accurate feedback via 360° survey tools can enable awareness, inform development strategies, and improve leadership effectiveness.
Research Support for 360° Feedback

- People are **poor self-raters** when it comes to their performance as leaders (Hogan et al., 1994).
- Employees and close colleagues are **best to observe and assess** leadership behaviour (Morgeson et al., 2005).
- A 360° yields the best information about the performance of a leader, and the **subordinates are the best source** of information (Halverson et al., 2002; Hogan, 2006).
- The fact that a 360° exercise is organised sends out an important message, namely that the organisation considers **leadership to be important** (Smither et al., 1995).
Research Support for 360° Feedback

- Repeating the 360° feedback exercise and meticulous supervision leads to improvement (Siefert & Yukl, 2010).
- A 360° exercise is perceived as more objective and is more accepted as a process (McEvoy & Buller, 1987).
- Meta-analytic findings suggest significant change in behavior but the effect sizes are typically modest and when done poorly may lead to both disengagement and a decline in performance (Nowack & Mashihi, 2012; Atwater et al., 1995; Hazucha et al., 1993; Reilly et al., 1996; Smither et al., 1995).
Research Support for 360° Feedback

- 360° feedback combined with a follow-up discussion and coaching yields the best results (Hazucha et al., 1993; Walker & Smither, 1999; Finn et al., 2007).

- 360° instrument works best for those who overestimate themselves (Hegarty, 1974; Atwater, 1995; Fleenor et al., 1996; Johnson & Ferstl, 1999; Reilly et al., 1996; Smither et al., 2004).

- The more specifically the behaviour was described; the greater the tendency was to do something about it (Smither et al., 1995).
Research Support for 360° Feedback

- **Unfavourable feedback (but not too much) is more likely to motivate improvement than positive feedback**, if the feedback process is well administered (Reilly et al., 1996; Walker & Smither, 1999).

- **A 360° exercise can be a useful means of stimulating an open search for feedback**, a part of a **stimulating feedback environment** (Anseel & Lievens, 2007).
The deployment of various rating sources, including a 360° instrument, is a good means of stopping (previously) successful psychopaths from attaining important leadership positions (Babiak & Hare, 2006).

Source: Patrick Vermeren (2014), *Around Leadership*
Context & Personal Experience of Feedback

Strategic role of leadership development i.e., why Avant is investing in developing leaders

Rationale for the program (Mike will elaborate the structure and detail of Avant’s leadership development program next)

Personal story of how multiple 360 feedback changed my leadership style. Heart felt journey of self discovery and why you are committed to the idea of straight feedback to prompt transformation.
Who are we?

- MEMBER OWNED
- COMMUNITY ROLE
- AUSTRALIA ONLY
- OTHER CUSTOMER TOO
Where are we today?

Market Leader
- Australia’s largest Medical Defence Organisation
- Good, growing niche health insurance business
- Respected brand with Doctors
- Loyal members

Financially Strong
- Strong capital position, with net assets $800m+
- Good capital & financial management disciplines

High engagement culture
- Engaged team
- High expertise
- A good place to work
Why do we exist?

- To protect doctors’ registrations
- To pool risks & health costs
- To help doctors practice
- “Add value” where we can
- To protect its reputation
- Fair & appropriate boundaries
- To facilitate health care
- By informing debate to make it better
Avant’s Future Leaders Program

- Avant’s leadership development framework
- Description of Future Leader Program
- Current status
- Participant feedback
- Outcomes

*both internal and external*
Dare to Dream

• Develop leadership capability

• Grow our talent pool of future leaders

• Empower, challenge and transform our people leaders
Avant’s Leadership Framework

**Talent & Succession** - selection by:
- Completion of foundation programs
- Nomination by GMs – endorsed by E-Team
- Strong performance

**New employees**
Avant’s Corporate Induction program - welcomes new employees to the business; provides an overview of Avant’s history, business strategy, values and organisational structure.

**Leadership Essentials**
Transformation into leadership

**Manager Essentials**
Core skills - ‘how we do things at Avant’

**Two year program for all Managers & People Leaders**

**Future Leaders**
Emerging Leaders

**Corporate Induction**

Avant's Corporate Induction program - welcomes new employees to the business; provides an overview of Avant’s history, business strategy, values and organisational structure.
Future Leaders Program: Components

GOAL:
Build leadership capability
Empower, challenge & transform people leaders

YEAR 1
Experience
Organisational change & agility
Strategic management

YEAR 2
Experience
Overseas study tour

Development
Secondments (Internal or External)
Process Improvement & Strategic Alliances
## Future Leaders Program

### Future Leaders - Hi-Potential Program

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<th>YEAR</th>
<th>Jan-14</th>
<th>Feb-14</th>
<th>Mar-14</th>
<th>Apr-14</th>
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<td>Admin &amp; Logistics</td>
<td>Prog Launch</td>
<td>Module 1 Strategic Frameworks 5 Days</td>
<td>Module 2 *Organisational Change/Agility *Study Tour Research 3 Days</td>
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<td>Wrap up &amp; EOY Function</td>
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<td><strong>Date:</strong> 6-7 Feb 2014 <strong>Venue:</strong> Crown Plaza Terrigal</td>
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<td><strong>Date:</strong> 27-29 May 14 <strong>Venue:</strong> MGSM CBD Campus</td>
<td><strong>Date:</strong> 11 June 14 (TBC)</td>
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<td><strong>Future Leaders - Hi Potential Program</strong></td>
<td><strong>Admin &amp; Logistics</strong></td>
<td><strong>Module 3 Business Improvement/Innovation 2 Days</strong></td>
<td><strong>Secondments - Internal or External Assignment based on specific development needs of each individual</strong></td>
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<td><strong>Key Focus:</strong> Implementing business process change across the organisation</td>
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Future Leaders – Group Data

Ideal

Self

Total Raters
Motivation
Commitment
Feedback
Support
Dare to Dream

Future Leaders
Measuring Leadership
Interpersonal Behaviour Using
the CLS360
What is leadership?

- At the core of recent leadership thinking is the idea of influence.
- A leader’s unique role is to influence others.
- And to influence others is to interact with others, and this is expressed uniquely in a leader’s interpersonal behaviour.
- Arguably, leadership is interpersonal behaviour; how leaders behave towards others and how others react in turn will determine their influence in any given situation and ultimately be the measure of them as leaders.
What is the CLS360?

- CLS360 stands for *Circumplex Leadership Scan 360°*.
- The CLS360 is an evidence-based, scientifically rigorous assessment.
- Designed specially for leaders, it measures leadership interpersonal behaviours.
- A leader’s behaviour along eight different leadership styles is plotted onto an interpersonal circumplex.
The CLS360 – 4 Quadrants, 8 Styles

- **Quadrants:**
  1. Charismatic
  2. Democratic
  3. Avoiding
  4. Autocratic

- **Styles**
  1. Inspirational
  2. Coaching
  3. Participative
  4. Yielding
  5. Withdrawn
  6. Distrustful
  7. Authoritarian
  8. Directive
Sample CLS360 Results Plotted on the Leadership Circumplex
Predictive Validity: Effectiveness as Rated by Others
Conclusion