



## The Leadership Impact Model

### Fundamental Concept

More and more organisations have to consider which competences their managers and employees require in the future in order to secure the long-term organisational success. As the following figure illustrates, a Leadership Impact Model should be the basis for all areas in employee-management.

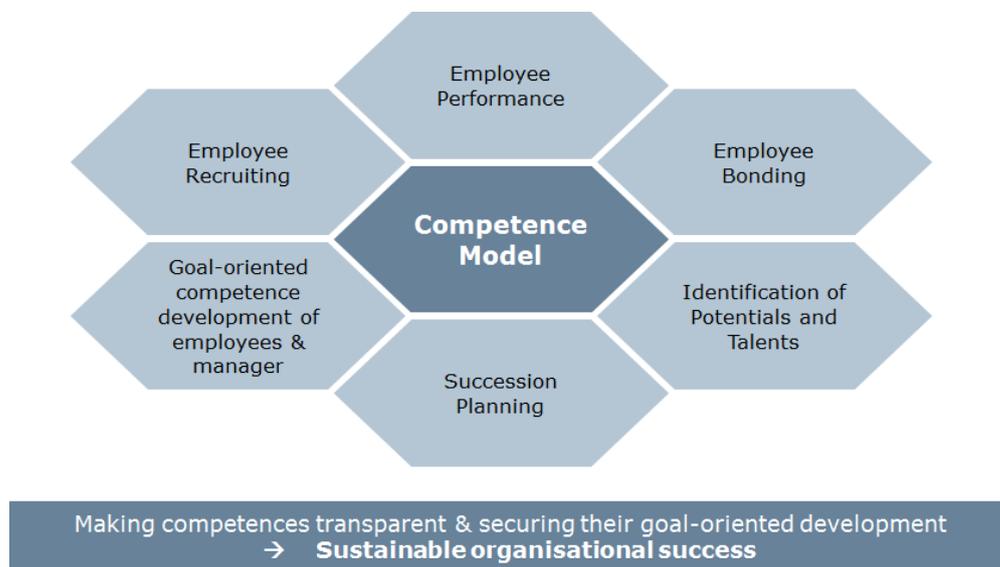


Figure: classification Leadership Impact Model

During our observations in the field we nevertheless often have to experience that this topic is managed very conservatively in many organisations.

We recognise the weaknesses in the following:

- There are often several models, one for managers, one for pay-scaled and non-pay-scaled employees.
- Most competence models are rarely aligned to the challenges of the organisation and therefore replaceable.
- The models often include too many competences of standard categories, like social, personal, methodological, leadership and/or expert competences and at the same time only allow the evaluation of a person along a standardised scale, which is exhausted by "achieved", "not-achieved" and "overachieved".



The consequence: it is hard to find one's way and you don't really know where you stand. One is stuck in an expectation snare, so to speak ... one has to meet the expectations which the manager has set for the respective position holder; when this person is replaced, the expectations will also change and the personal competence development is left behind.

Thus, a different approach is needed. We believe that this approach which describes – based on the required strategic importance competence of key positions – their sustainable development, their effects and their measurability comprehensibly.

It is simply not enough when the scale of the competence evaluation of a person is only described in the achievement (or non-achievement) of a task in the respective function.

Therefore competences need to be described with observable behavioural patterns, which illustrate the level of competence (we are talking about „maturity levels“ here) and thus the experience development of a person, which occurs in the exercise of tasks/activities.

Normally an intensive competence development occurs when these tasks are based on problem, challenges and uncertainties faced by the person. When reflecting upon these experiences, thus consciously thinking about the situation, recognising relevant correlations and estimating the possible consequences, new behavioural pattern can be developed. Thereby this person then achieves a higher degree in a competence.

Thus, it is valid:

### **Competence = experience + goal-oriented reflective learning**

With the help of competences, one can recognise with which consciousness and with which attitude people behave.

Two central challenges need to be considered when designing a Leadership Impact Model:

- Firstly: The competences ought to be described with observable behaviours.
- Secondly: The progress in competence development needs to be transparently defined in degrees/levels.

The following figure illustrates the fundamental structure of a Leadership Impact Model and the appropriate scale along the 4 levels of competences.



Competencies	Definition	Maturity Level									
		I improvising ad hoc self-orientation		II experienced standardising stabilising		III optimizing constructing integrating		IV reflecting perspective developing others			
		1 Points	2 Points	3 Points	4 Points	5 Points	6 Points	7 Points	8 Points		
<b>Competencies</b>	<b>A Ensure</b>	<ul style="list-style-type: none"> <li>to set strategic guidelines for one's own area of responsibility based on group-/division strategy coordinated with others and to derive concrete goals</li> <li>to plan radically; to initiate and execute required measures on time</li> <li>to set decisions on time and to stick to them</li> </ul>		<ul style="list-style-type: none"> <li>sets goals - only partly derived from group-/division strategy</li> </ul> <p><b>Level I</b> improvise ad hoc finding orientation</p>		<ul style="list-style-type: none"> <li>communicates strategy and derives goals and measures accordingly</li> </ul> <p><b>Level II</b> with routine standardising stabilising</p>		<ul style="list-style-type: none"> <li>aligns one's own unit to group-/division strategy; coordinates goals and</li> </ul> <p><b>Level III</b> managing optimising integrating</p>		<ul style="list-style-type: none"> <li>creates a deep understanding of group-/division strategy; requests building of goals derived from strategy</li> </ul> <p><b>Level IV</b> reflecting oriented strategically developing others</p>	
	<b>B Enable</b>	<ul style="list-style-type: none"> <li>to bear responsibility for one's own unit, to take responsibility for mistakes and to learn from them</li> <li>to develop one's own unit consequently, to show evidence for change and to implement required measures</li> <li>to delegate tasks and responsibility in accordance to capabilities of colleagues/employees and to use it for their competence development</li> </ul>		<ul style="list-style-type: none"> <li>only bears responsibility if things go well; makes excuses, when things go wrong</li> <li>recognises optimization in daily business and makes appropriate adjustments</li> <li>works with one's own team and delegates tasks based on urgency</li> </ul>		<ul style="list-style-type: none"> <li>bears one's own responsibility and sticks to mistakes</li> <li>takes care of improvements continuously</li> <li>delegates activities according to importance</li> </ul>		<ul style="list-style-type: none"> <li>recognizes market trends and executes joint optimization with colleagues / employees concerned</li> <li>delegates tasks in accordance to the performance potential of employees / colleagues</li> </ul>		<ul style="list-style-type: none"> <li>anchors self-responsibility: market trends are recognized proactively and suitable optimization will be set by employees / colleagues</li> <li>creates an appropriate scope of action; supports likely measures to develop competence specifically</li> </ul>	
	<b>C Encourage</b>	<ul style="list-style-type: none"> <li>to lead-by-example the performance self-understanding, to request and honour it by one's own employees / colleagues</li> <li>to communicate cross-functional and specific for target groups (persons concerned and involved)</li> <li>to encourage one's own staff and to awake enthusiasm</li> </ul>		<ul style="list-style-type: none"> <li>delivers and requests/demands/claims performance according to the situation</li> <li>informs people about necessary measures for implementation</li> <li>generally only informs colleagues/employees</li> </ul>		<ul style="list-style-type: none"> <li>delivers and demands performance constantly, honours high performance</li> <li>conveys colleagues/employees the purpose and impact of measures planned on time</li> <li>requests commitment and enthusiasm of employees and colleagues</li> </ul>		<ul style="list-style-type: none"> <li>increases team performance by consideration of individual competencies; appreciates good performance permanently</li> <li>enters discussion prematurely about planned measures with those employees concerned and considers feedback to be given</li> <li>is enthusiastic about topics and excites others</li> </ul>		<ul style="list-style-type: none"> <li>based on constant feedback, colleagues/employees recognise their own performance potential and want to increase it</li> <li>ensures the liberation of experiences of employees/colleagues concerned in the development and implementation of measures</li> <li>recognises which topics liberate energies in employees /colleagues ; creates areas for creativity, commitment and enthusiasm</li> </ul>	

Figure: fundamental structure of a Leadership Impact Model

### Benefit of a Leadership Impact Model

Leadership Impact Models play a central part in strategic Succession- and Talent Management. This is proven in our international study with now about 270 organisations from the German speaking countries of Europe. In all Top-Companies the direct superiors and managers nominate their talents and potential successors for their business-strategic key positions. At this they evaluate their employee's performance along a Leadership Impact Model. But only few organisations of our study have set the focus on future-oriented and strategic capabilities. This is a major mistake as it is not essential to find employees who excel at what they currently do and at what is necessary today, rather one should focus on what is inevitable for the future success of the organisation.



Many organisations find it hard to develop and design the necessary Leadership Impact Model and to then to implement it successfully. As we have experienced, it can succeed when the following three things are considered:

- Competences must always be aligned with the future organisational challenges and have to describe behaviours which are necessary for the successful accomplishment.
- Competence development will always take place in the same way. One makes experiences and reflects upon them and this mirrors the level of a person's competence, independent of his/her position or hierarchy level. Therefore, multiple competence models make no sense, rather one is necessary for the entire organisation.
- A close collaboration between HR, which is managing the process, and the respective managers, who offer the necessary reference based on their experience and expertise, is required.