

# Do your managers have what it takes to succeed—and succeed you?

A structured capability-building program and dedicated academy helped one public-sector agency develop the leadership it needed to support and sustain its transformation.

by Steffen Fuchs and Rafat Shehadeh

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It's a truism that "an organization is only as good as its people"—especially the people who lead it. Over time, that means finding people who can lead the organization into the future, after the current generation of leaders has moved on.

## A series on operations transformation in a public-sector organization

With demand for services rising faster than tax revenues, public entities around the world face unprecedented pressure to do more with less. Many think they must make a stark choice: cut service quality, cut availability—or cut both. This series of articles follows a large US public agency that chose another option: find radically better ways to deliver services by completely transforming its operations. Within 36 months, the agency booked nearly \$2 billion in cost efficiencies, while also building the capabilities of more than 10,000 people to make those changes sustainable.

[Too few organizations do that well](#): for example, a 2014 survey found that fully two-thirds of US companies had no explicit CEO succession plan.<sup>1</sup> The agency found that it was no exception. A [comprehensive organizational assessment](#) it undertook revealed that it lacked effective systems to develop staff for future leadership roles.

To protect the agency's future, the current leaders realized that they needed a better way to identify high-potential staff, build their leadership capabilities, and move them into challenging positions that would reinforce those new skills. The agency therefore made personnel and talent development a central pillar in its wider health transformation efforts.

## The capability-building challenge

With thousands of employees dispersed across dozens of operating locations, support for effective training, coaching and mentoring was a perennial challenge for the agency's central HR function. Moreover, the agency's different operating units had no formal oversight over the composition and delivery of training, leaving HR managers in the dark about the capabilities those units actually needed.

As a result, training often focused on essential, but narrow, technical skills, with little attention to the development of leadership and change-management capabilities. Existing programs tended not to be tailored to specific roles, allowing people few opportunities to apply what they had

<sup>1</sup> See also Joseph L. Bower, "Solve the succession crisis by growing inside-outside leaders," Harvard Business Review, November 2007, Volume 85, Number 11, pp. 90–6, hbr.org.

learned while it was still fresh in their minds. And on-the-job support that would help the new skills stick was in short supply.

## **A new development structure**

After pilot projects in two operating units showed encouraging results, the agency decided to build a new organization-wide capability-building program. At the heart of that program was a dedicated “academy” organization, which took responsibility for the design and delivery of all training and personnel-development activities.

The academy had four overlapping missions. First, it would act as a business partner to the agency’s operating units, helping them achieve their performance goals by equipping employees with the skills they needed to be effective. It would do this through the development of training programs with clear objectives, aimed at specific groups of employees at specific points in their careers. Second, it would be a service provider, delivering those programs with training, coaching and mentoring in a variety of ways. Third, it would play a leading role in the fostering of external relationships, establishing an advisory board staffed by external business leaders, along with representatives from colleges, universities, and trade schools.

Finally, the academy would be the custodian of a new institutional system designed to help shape the organization’s wider culture. That goal brings its own set of responsibilities, such as creating networks of employees to increase collaboration; embedding leadership, continuous-improvement, and problem-solving skills; codifying and sharing skills and market knowledge; and developing a pipeline of future leaders.

## **Custom curricula**

The academy developed interlocking learning programs covering four areas. The “Lead Self” program’s topics include goal setting, time management, and problem solving. “Lead Others” covers performance management, facilitation, and using feedback. “Lead Function” centers on advanced function-specific skills, such as sophisticated procurement techniques. Finally, the “Lead Organization” program helps participants learn how to facilitate and sustain change in a large, complex organization.

The academy created the detailed curricula for those programs in close collaboration with the leaders of other functions and business units. The curricula were designed to complement each other as employees developed year-by-year over the course of their careers.

## **Staffing, delivery, and evaluation**

Training was delivered using adult learning principles, balancing classroom sessions (delivered in-person, through live webcasts, or via self-paced on-line courses) with practical reinforcement. Academy participants were required to immediately apply what they learned by completing field-work tasks that were specific to their jobs—supported by one-on-one coaching and mentoring.

To ensure the organization had enough skilled coaches and mentors to support staff once they left the classroom, the academy applied the exponential train-the-trainer model. New coaches first developed their

own skills by working with experienced colleagues. Once they were confident in their abilities, they provided the same support to other colleagues who were new to coaching.

Finally, to measure its own performance, the academy defined clear, measurable competency requirements in a structured review process. Its rigorous assessment approach evaluated impact across four dimensions: the participants' self-reported satisfaction, the degree to which they acquired the intended knowledge and skills, the degree to which their behavior changed as a result of what they learned, and the degree to which the agency as a whole achieved its targeted outcomes.

## Impact

The academy had a rapid and significant impact on skills and capabilities in the organization. Evaluations showed that over the course of the program, participants improved their competencies in critical areas by an average of 30 percent. The finding was further verified by clear improvements in role performance, reflected in staff reviews.

And it wasn't just program participants who benefited. For staff who took part in the Lead Others program, feedback from colleagues about their leadership skills improved by an average of 20 percent. Finally, the program achieved its goal of creating a strong pipeline of future leaders. Early participants have seen an acceleration in their career progression, and many now hold senior positions across the organization■

***Steffen Fuchs*** is a partner in McKinsey's Dallas office and ***Rafat Shehadeh*** is an associate partner in the Washington, D.C. office.

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