

Capability- driven leadership



1. Why capability-driven leadership?



'Putting the right talent in place' is critical for organisations that wish to ensure they will thrive in today's dynamically changing landscape. Disruptive technologies, changing customer expectations and regulatory scrutiny are transforming the landscape at a very rapid pace. To compete and win in such an environment, organisations need to identify and cultivate talent that can recognise and seize strategic opportunities in constantly shifting conditions.

Companies that consistently outperform their competition often do so because they have a pipeline of solid, high-performing leaders who build on the success of their predecessors. In these companies, directors, CEOs, and senior executives establish and sustain leadership development as a priority.

What makes a leader successful?

Through our work with leading organisations across India and globally, we have identified four key factors that make leadership development successful.

1. **Focussed on capabilities:** Organisations must focus on developing capabilities in leaders contextually. These capabilities support their strategies and differentiate them.
2. **Embedded in specific experiences:** We build experiences such as (a) cross-functional experience across the organisation, (b) working across geographies, and (c) change initiatives at an organisation level positively influence leadership behaviours.
3. **Solving for business priorities:** Leaders have to carefully sense and weave development opportunities by balancing the threads of operational needs today and strategic priorities of the future.
4. **Ensuring personality awareness:** It is critical for leaders to be aware of their own personality attributes and how these block or aid their development journey.

58% of the CEOs in India have confirmed the importance of focussing on the leadership pipeline for tomorrow.

PwC's 19th Annual Global CEO Survey, 2016

2. What is capability-driven leadership?



Winning companies align their strategic direction to the capabilities that make them unique, (**capabilities-driven strategy**).

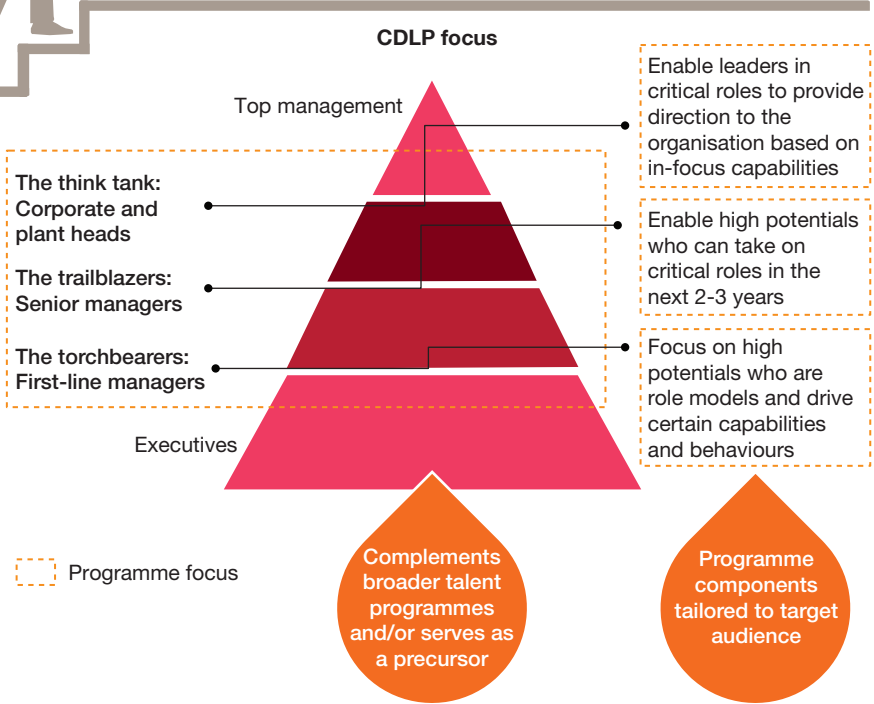
These organisations make difficult choices about differentiation through these capabilities and thus create an essential advantage and right to win.

It is thus critical for leaders to understand 'what' capabilities create an essential advantage for their organisation and 'how' they as leaders use these capabilities to define and execute strategy.

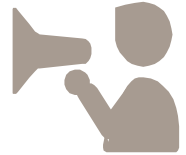
Given the above background, PwC's Leadership Academy has designed a 'Capability-Driven Leadership Programme' (CDLP). CDLP is a highly differentiated and contextual intervention around leadership that takes into account the 'focus capabilities' that an organisation needs in order to win in the market (e.g. in digitisation, mergers and acquisitions [M&A]). These capabilities are linked with certain key leadership behaviours and action learning projects called Bold Improvement Projects (BIPs). BIPs fundamentally reside in the strategic priority of the organisation and are structured to allow high-potential participants not only to develop relevant capabilities and behaviours but also to deliver a **tangible return on investment (ROI)** at the end of the programme.

3. Whom is CDLP targeted at?

While leadership capability building is becoming a strategic priority for organisations across levels, CDLP focusses on managers and above as leaders.

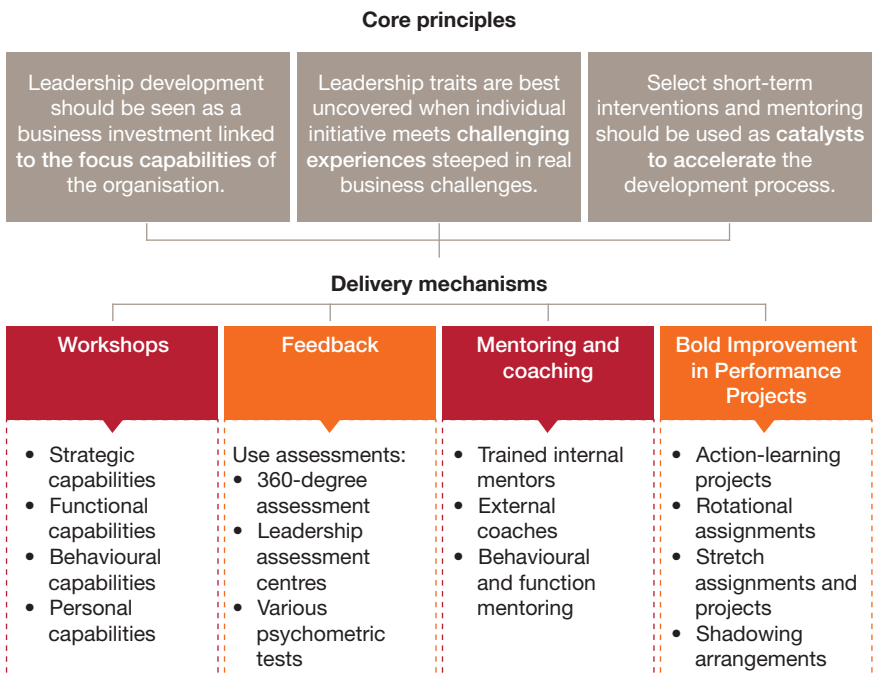


4. What is the CDLP approach?



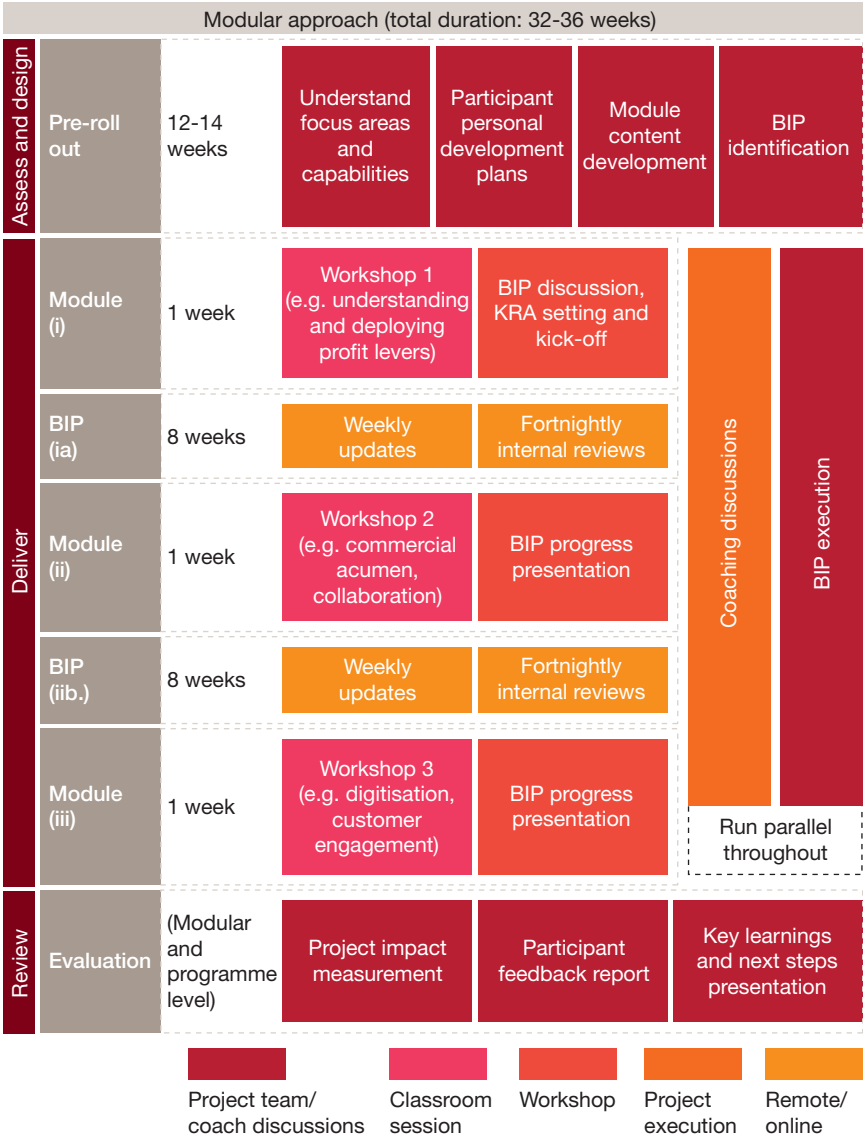
The strength of the CDLP lies in the fact that it is driven through a combination of four key delivery mechanisms that are based on three core principles.

CDLP: Core principles and delivery mechanisms



Broadly, CDLP follows a *modular* approach that can be combined or segregated depending on the need of the organisation. The programme can have **face-to-face or online elements** such as **virtual gamification**, depending on the need and context of the organisation.

Illustrative modular approach of CDLP



5. Key value proposition

- The programme ensures that organisations **develop leaders who are focussed on capabilities that will help the organisations create a right to win.**
- BIPs can be designed to **ensure a tangible ROI at the end of a minimum time period**, thus making CDLP an almost self-funded model for leadership development.
- Workshops can be used to cultivate a focus on ‘strategic priorities’ in participants, along with the ability to apply these on projects and in their everyday work.
- The programme **enables and motivates individuals to take charge of their own development.**
- CDLP helps in **building a great organisation**—after all, developing leaders is one of the most important things senior executives can do to advance the success of their organisation.



6. CDLP has been well tested across multiple sectors, in India and globally

A few case studies are presented below:

Client/industry: An Indian multinational information technology (IT) service, consulting and business solutions company

Business context and challenge	<ul style="list-style-type: none">India's largest IT player was looking to build the consulting skills of its senior managers and groom them into 'trusted advisors'.
Approach	<ul style="list-style-type: none">We helped the client develop their managers' consulting capabilities and facilitated their transition from technical experts to business advisors.The engagement involved four tracks: a) detailing consulting capabilities and designing content for eight capabilities, b) facilitating classroom workshops, c) conducting personalised coaching, and d) action learning and programme management.
Benefit	<ul style="list-style-type: none">The programme helped the client create a leadership pipeline that was ready to take on transformation consulting roles and build that business vertical.

Client/industry: A leading healthcare company

Business context and challenge	<ul style="list-style-type: none">A pharma major wanted to develop senior leaders in its sales team in order to help drive the next wave of business growth.
Approach	<ul style="list-style-type: none">We started by identifying and detailing the capabilities relevant to driving business for its sales positions.We conducted development centres for their senior leaders to evaluate where they stand today across seven capabilities.Among the seven, problem solving was identified as the most crucial. We designed and delivered workshops to help build this capability through business simulations.The intervention helped senior leaders identify problem solving as a development area and created a safe environment for them to learn, unlearn, and practice some of the related concepts.



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