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Jim Kouzes is the co-author with Barry Posner of the award-winning and best-selling book, “The Leadership Challenge,” with more than million copies sold and available in 22 languages. Kouzes serves as the Dean’s Executive Fellow of Leadership, Leavey School of Business, Santa Clara University. His previous experiences include serving as president, then CEO and chairman of the Tom Peters Company from 1988 until 2000. Prior to his tenure at TPC, he directed the Executive Development Center at Santa Clara University from 1981 through 1987. He also founded the Joint Center for Human Services Development at San Jose State University, which he directed from 1972 until 1980. Kouzes’ lifelong career in education began in 1967 when he served for two years in the Peace Corps. Not only is Kouzes a highly regarded leadership scholar, The Wall Street Journal cited Kouzes as one of the 12 best executive educators in the United States. He can be reached at jim@kouzes.com or on the web at www.leadershipchallenge.com.

Steve Steckler: What is your honest assessment of the actual impact we have made as practitioners, consultants, academics, strategists and authors throughout the last 20–30 years? Where have we been successful and where have we failed?

Jim Kouzes: Let’s start with the positive. The successes are numerous and are largely unacknowledged. The impact of HR on the workplace and on individual workers’ lives has been profound — profound in ways that are unappreciated, or at least under appreciated. If we were to look back to shortly after World War II when the shift began in industrial relations and in personnel management and the terms that were used at the time — in comparison to today — there have been many significant contributions. Back then, university academics and those in the military labs, who were studying human behavior, brought their findings into corporations. They had willing partners in HR folks who were eager to apply the behavioral sciences to individual performance, team dynamics and to organization development. People were using the research and innovation of folks like Doug McGregor, Kurt Lewin, Dick Bechardt, Bob Blake and Jane Mouton, Ed Schein, Chris Argyris, Warren Bennis and many others. The HR tsunami really hit in the 1980s as students of those early pioneers started producing their own works — people including Tom Peters and Bob Waterman and Ken Blanchard.

Steve: So this body of work and research has helped us put the word “science” next to HR. Has this actually affected organizational life, including how people are managed and on how HR is viewed?

Jim: Let’s focus on just one area. Today the popular term is engagement. We are seeking to have more engaged employees. We know from the research that the more people are engaged in their work, the more productive they are, the higher performing they are and the more profitable their organizations are. We know that from research that’s been done by Gallup, Aon Hewitt, Hay, Towers-Watson and others. Barry Posner and I have done our own research that indicates that higher performing leaders have more engaged employees. All this is a direct contribution, a direct outcome of the work of these pioneers and their HR partners. It’s the HR folks that have been the major internal champions of this work. Finally, there is intellectual heft and the research evidence to support what HR has been trying to do in the workplace. Take a look at companies that are on the best companies list to work for. What these companies are doing in human resources today is a result of what began more than 50 ago.

Steve: Do you think HR people are using the research and are effectively making the case?

Jim: In the work that we have been doing over the last few years, we’ve realized that we have not been as forceful as we could have been about the analytics. For example, if you perform at this level, you have engagement scores that are higher than if you perform at a lower level. I think that the same thing is probably true of HR folks internally. It’s a matter of not just telling stories of success but also putting the numbers to those stories. We know from the research we have done that leaders who are clear about their values and who have a clear philosophy of leadership, are 25–40 percent more effective than leaders who don’t have a clear idea of their leadership philosophy. In the past we might have just said, “leaders need to have a philosophy of leadership” without putting the numbers to them. Now when we go into the C-suite and sit down, we can say “You want people to be 40 percent more effective, let me tell you that one of the ways they can do that is by paying attention to their leadership philosophy — and that’s just one behavior.”

Steve: How is HR doing on this?

Jim: Let’s start by asking ourselves, “What is the job of HR anyway?” I believe the role fundamentally is to be the guardians and custodians of exemplary human performance. It is our solemn responsibility to make sure that the conditions exist under which each person is able to perform at his or her best at all times. We are there to help the organization improve human performance. More effective to me includes being more engaged, because being more engaged leads to higher levels of effectiveness and performance. If I take that perspective and I bring that into the meeting with me, then every conversation I have is directly related to improving the performance of an individual, a group, a business unit or a company. And like all people in the workplace, day-in and day-out, HR people are consumed by what’s happening right now. We don’t often take the opportunity to step back and reflect. Sure, we do have to recruit, we have to orient, we have to train, we have to compensate, we have to prepare our next level of executives and we have to do all of these important things. But for what purpose? We often don’t go the next step and say why am I doing these things in the first place? If we, as HR folks, would remind ourselves of the noble purpose we have on a daily basis, we would have a different perspective on why we are doing these things.

Steve: Helping people achieve exemplary performance is a lot of work and involves a lot of different things. How well is HR delivering on that?

Jim: I would say that we have a long way to go. We have contributed a great deal. If we really step back and reflect on what the work place is like today compared to 30 or 40 years ago, we see that we have made
major contributions, as I said earlier. But we have a long way to go. Not only on the dimension of human performance, but on other dimensions. We have to believe that we have greater capability than we have already demonstrated.

**Steve:** What, for example, do we need to focus on or emphasize more?

**Jim:** While we should focus on all of our successes, one of my major concerns — and I think one of our collective concerns within HR — is what has happened over the last few years with regard to the credibility of and trust in business. It is shameful and it’s very concerning. We know that from the research we have done that credibility is the foundation of leadership. If people do not believe in the messenger, they won’t believe the message. In 2008, the house of cards came crashing down, along with the economy, and credibility of business hit an all-time low. It has continued to decline since that time. While these numbers do co-vary with the economy, there are other troubling signs that cynicism is becoming more entrenched, and it is going to take some visible and committed efforts on the part of executives and their HR partners to change this perception. I often tell my clients that I don’t think we have an economic problem; we have a trust problem.

**Steve:** What is HR’s role in restoring trust, credibility and confidence in senior management?

**Jim:** I would go back to what is my purpose, what is our purpose. It is to be the custodians of exemplary human performance. If I believe that, then I have a responsibility to sit down with CEOs and C-suite executives and say to them: “If credibility is the foundation of leadership, and if people are perceiving business executives as having low credibility — whether that’s an accurate or inaccurate perception — we need to be doing something about this.” Our job is to raise these issues. People often look at them as ethical or moral issues and feel that is not HR’s responsibility. But I think it is absolutely our responsibility, because it is about human performance.

**Steve:** Does anything else come to mind in terms of the impact that HR has had on leadership, on organizations and on the management of people? Are you disappointed that we are not further along than we should be?

**Jim:** Let me first talk about a positive and then answer the question about any disappointments. In a recent study by Deloitte titled “The Leadership Premium,” there’s data to support the impact that we have had. According to the analysts that Deloitte surveyed, senior leadership team effectiveness is more important than both earnings forecasts and ratio analysis as a measure of success. And while financial results are still the most important factor in determining success by analysts, the quality of senior leadership — they say in their findings — has a tangible and measurable impact on an analyst’s opinion of whether a company has been successful. As an HR person, I have the data to go in and sit down and talk about “You know, we are getting some feedback from our annual engagement survey that this leadership team is not working well together.” If we have a failing, it is our failing not to raise these issues. Now I think many, if not most, of the HR executives I deal with do that kind of thing, but we should be doing it often and more vigorously.

**Steve:** Anything else about successes and disappointments?

**Jim:** In the research we have done, we looked at the impact of the individual leader behavior on engagement and the impact of demographics on engagement. We asked 10 questions that had to do with demographics including age, gender, race, nationality, function and tenure in the organization. Then, we measured the impact that these factors had on a person’s engagement on the job — using a 10-item scale. Do people from a particular function, length of service, educational background, etc., have higher or moderate or lower levels of engagement? We found that demographic variables — those 10 items, some of which I mentioned — explain only 0.2 percent of why people are engaged at work. Less than 1 percent combined. So we spend a lot of our time and energy making sure we select the right people, with the right degrees, putting them in the right jobs, making sure that they are taken care of and paid well. But focusing a lot on demographics has very little impact on why people are engaged. But if you look at leader behavior, it accounts for nearly 30 percent of engagement. I can tell you that there is no other factor that accounts for that much. Pay counts for about 2 percent, for example. So those organizations that focus on leader behavior as a major ingredient in improving engagement are going to get a lot more mileage out of what they are doing than those who focus on making sure we get the right people with the right degrees. I am not saying that those things don’t matter at all, but I am saying that when we’re talking about engagement they matter significantly less than the behavior of leaders.

**Steve:** With this clear preponderance of research and multiple data points, it seems like this follows common sense logic. Do C-level leaders get this and act on this?

**Jim:** They get it, but there is always a knowing and doing gap. I think intellectually people understand it, and they would agree with it. The biggest challenge that we face is bridging that knowing and doing gap. Getting this knowledge into practice. If there is a significant failing, or at least a challenge for HR, it is bridging that gap. It is putting into practice what we know to be true.

**Steve:** Is there anything that you haven’t talked about regarding key challenges in front of us as a profession or field and what we should be doing about them?

**Jim:** In addition to business credibility and winning back the trust of the general public...
What we need in organizations are more loving critics, and I think that HR folks have the responsibility to be the loving critics.

had to delay by a number of years — due to the recession — the start of their careers. When these folks come to work and finally get a job in the field that they studied for, they are not going to have much patience for sitting around and waiting for the normal length of time to get ahead. They are already behind. I think that this is going to be a huge challenge to prepare people for taking over the roles of the boomers. And it is not just at the C-suite level; it’s the middle manager levels in particular that are also going to be hard hit. A third item on the list is the need for increased collaboration across an organization’s units. This is a very significant issue. We are learning that collaboration is essential for innovation, for example. And yet, organizational structures and systems don’t always promote that. A fourth issue is the globalization of the workforce. Integrating cultures and working across time zones only multiply the complexity of the HR executive’s job. All of these items have huge implications on performance.

Steve: You have talked about trust and credibility. What about courage? What is your notion about that in terms of what is needed to effectively lead the HR function? To what degree is that important?

Jim: To be the conscience of the organization takes courage. It takes courage, and in this sense courage may be defined simply as a willingness to accept the consequences of one’s actions. It’s not foolhardy behavior that’s going to risk the organization, but it is taking personal responsibility for raising an issue, bringing up a question that might get us criticized or even put our job in jeopardy.