THE LEADING EDGE

Leadership potential from the classroom to the boardroom

RESEARCH REPORT JANUARY 2005





It is an intriguing thought that we can identify tomorrow's great business leaders from among the school prefects and team captains of today. Yet this is the astonishing suggestion raised by our research. Virtually all the business leaders we spoke to had leadership roles while they were still at school.

DDI undertook this research to explore how early individuals with leadership potential begin to make their mark – to take responsibility, to offer direction, to take on the challenges that others eschew. Specifically, we wanted to understand:

- · Do leaders start acting the part as far back as school?
- Are leaders more likely to be single-minded and narrow-focused or multi-faceted and versatile?
- Is ambition a prerequisite of successful leadership?
- Do leaders share key characteristics?
- · Can anyone do it?

The results caught us by surprise. We were stunned to learn that all but five of the business leaders that MORI interviewed on our behalf had had leadership roles at school. Many had multiple leadership roles early on. As school teacher David Hill suggested in his supporting interview: "You can identify those who are going to be leaders within a day of starting the new academic year with a new class of primary school children."

It seems that some have the latent talent and start on the leadership track from an early age. They knew who they were and what they wanted quite young, so that their aspirations became a self-fulfilling prophesy – not least because those around them were less sure of these things.

As they entered the workforce, they perceived leadership as a discrete skill and set out their stall with that expertise. Having always thrived in groups, organisations are their natural habitat. Only one in 10 of the business leaders interviewed expressed surprise at the speed of their rise through the ranks, which tells us that confidence is a significant factor. It is, therefore, up to employers to identify and nurture that potential in those who see it in themselves and guide them towards a model of leadership that suits the business's purpose.

But if we are to crack the code of the leadership shortage, it's also vital that others, who may have their eyes less firmly on the prize of leadership, are developed. They need to be shown what leadership means so they can decide whether, as adults, they have the gift of leadership to give. Once the will and belief are there, it seems, the skills are the easy part.

Steve Newhall, Managing Director, DDI UK

This report is based on 105 face-to-face interviews with chief executives, managing directors, chairmen, finance directors and other board level directors from a mixture of FTSE 500 firms and the country's largest 500 by turnover. Six of the respondents were women. The interviews were conducted by MORI in late 2004.

The headlines

We can all remember the 'stars' at school – heads of school who also excelled as captains on the sports field, won the academic plaudits and were admired and liked by their peers. Our research suggests that today's heads of school, prefects and sports captains are set to be our business leaders of tomorrow and that potential for leadership is manifest early in life, to be nurtured and developed through experience.

Among the 105 business leaders interviewed by MORI, 70% had been school prefects; 50% had captained their sports teams; 30% had been heads or deputy heads of school and a similar number had been leaders of youth groups outside school such as the Scouts or Brownies. Over all, nearly 90% of leaders had taken on at least two leadership roles at school, and just over 40% had held more than three.

The research also reveals that most captains of industry have always seen themselves rising to the top. A significant majority (65%) say they always wanted to lead rather than be led and almost 60% say they have always been ambitious. For nearly 40%, the top has yet to be reached as they still aspire to a bigger role.

The research also uncovers business leaders' naturally inquisitive bent in their continued range of talents and passions, indicating that many are well-rounded individuals who excel in unrelated areas beyond the boardroom. Despite their apparent single-minded focus on career success, almost half are involved in voluntary work, almost 40% are learning a new skill and almost 60% still manage to find time for vigorous exercise such as running.

"I demonstrated I had a vision that people could agree to and I had stick-to-it-ness to execute the plan we had agreed."

"Even at her nursery school, Anna's teachers told her parents she had leadership potential."

YOU CAN PICK THEM OUT IN THE PLAYGROUND

The most astonishing finding of our research is the discovery that 95% of the business leaders MORI interviewed had a leadership role while at school. Indeed nearly 90% took on two leadership roles and as many as two in five took on more than three – showing early enthusiasm for a wide range of pursuits. Five out of the six women MORI spoke to held at least three positions.

As schoolchildren, our leaders were the heads and prefects who helped run their schools; led their teams on the sports field; supported community initiatives; and held the crowd's attention as lead players in plays and musicals or as speakers at the debating society. They were also likely to be leader of the pack when it came to friendships, demonstrating that leadership is not a one way process: leaders must want to lead but followers must also be happy to follow.

- A surprising 30% were head or deputy head of their school and 70% were school prefects. From the small sample available, women are as likely as men to have been head or deputy head.
- Over a third led school clubs or associations and almost as many led youth groups outside school as scouts or brownies or in the local Sunday School, suggesting that early leaders tend to be 'joiners', rather than selfcontained. This hints at some of the critical differences in bent between corporate leadership and entrepreneurs.
- · One in five organised fundraising events.
- Our leaders showed an early interest in the arts too, with almost three in 10 taking the lead in school plays, concerts or musicals and almost two fifths speaking for their debating society. A few (6%) even found time to edit the school magazine.
- Over one in five were the leader of their gang or group of friends, so these are evidently people to whom others are consciously or unconsciously drawn.

"I was competitive and sporting and a natural leader and also quite clever and hard working." "I was considered responsible and reasonably mature."

"I was a very proactive child, I liked to get involved. It was more naturally than consciously."

"My peer group felt I had leadership qualities, elements of maturity and leadership skills at that early age."

PERSONALITY PLAYS ITS PART

We asked respondents to comment on why they felt they had been singled out for leadership roles at school. As they considered the question and offered their answers, five clusters of leader emerged – with many of our respondents sharing characteristics from more than one:

- The technical expert: almost 45% said they had been chosen because they excelled in the area in which they were now to lead. One respondent commented that he was chosen, simply, "because I was good at these things."
- The first among equals: almost 55% suggest that they were good at motivating and communicating. Leaders in this group tend to describe themselves as 'fair', 'personable', getting on happily with others.
- The ambitious enthusiast: nearly 40% put their success down to tenacity and perseverance, and 7% put their success down to naked ambition. As one expresses it: "I was very ambitious and liked to have my say listened to...I was the best there was."

- The reluctant hero: A substantial minority, almost a third, were dismissive of what they had achieved at school, simply putting it down to being in the right place at the right time. "Perhaps, no-one else would do it," suggests one respondent.
- The late starters: for the few that did not hold leadership roles at school but do now, confidence seems to have been the main barrier: "I spent more time wanting to fit in rather than to excel." So a note of caution to employers: the best may not be in the front line or seek the limelight yet.

What is clear is that all these leaders remained true to themselves and succeeded in their roles because of their aptitude, attitude and ability – in short, by being who they are. Bad news, then, for the leadership gurus who would have us believe that transformation into a textbook leader is a desirable or realistic option. Like schoolchildren, business leaders will succeed when they find and nurture their own style, because authenticity breeds trust.

"I was regarded as a fair sort of person and if I said I would do something I did it."

"I've always been precocious and strong willed."

EARLY AMBITION

We were also surprised to discover that, just as leadership potential is in evidence early, so is ambition. A significant majority of leaders say that they have always wanted to lead and have always been ambitious. Even now, when our respondents can justifiably be said to have risen to the top, many still want to achieve more. Passion – the intensity of their enthusiasm - is key to their drive.

At the same time, for about a third of leaders, success as a leader was a bi-product rather than a primary objective – the result of making the most of life's opportunities.

- As many as 65% say they had always wanted to lead rather than be led; nearly 60% explain that they have always been ambitious – most wanted to rise to a senior leadership role.
- Those who have made it are not complacent: almost 40% still aspire to a bigger role.
- Meanwhile, a third of respondents say that success has come to them rather than them actively seeking it; taking opportunities as they arose has led them to their senior role today.

It is reassuring to observe that in some organisations, at least, merely doing one's current job extremely well is both noticed and rewarded with promotion.

"I was brash, outgoing and good at certain things. I grabbed them - they were things I wanted to do so I just took over." "Because I was a pushy little brat and had a certain amount of energy, capacity and enthusiasm."

RENAISSANCE MEN (AND WOMEN)

The research also confirmed what DDI has always claimed: our leaders are far from the pale, stale male caricatures that many envisage sitting round the boardroom table. While it is still disappointingly true that chairmen and directors of leading companies are much more likely to be the first two, they are also multi-faceted, diverse, keen to learn all the time, and multi-talented.

This is in line with academic research which suggests that learning orientation and diversity of interests are key predictors of leadership success. It is as if these individuals have a compulsion to get involved, to be constantly in the thick of whatever activities are available.

At Premier Farnell, CEO John Hirst's real passion is drumming with jazz and rock bands. Martin Broughton, chairman of British Airways, is a horse racing enthusiast and chairman of the British Horseracing Board. Peter Bakker, CEO of Dutch logistics company TPG, devotes his energies away from work to fast cars and supporting the United Nations World Food Programme. Martin Read, head of IT company LogicaCMG, has taught himself French and German. Crispin Davis, CEO of Reed Elsevier is a brilliant skier.

The leaders of UK plc are ambitious and their ambition has fed their determination to succeed in a whole range of areas well into adulthood, in the same way as it did when they were at school. It is perhaps not surprising that most leaders are keen readers, enjoy the arts and travel.

But more revealingly, many are still learning new skills outside work. One in five are involved in creative activities from painting to acting, a significant minority have built an interest in alternative therapies and almost half are actively involved in charitable or voluntary work. These findings illustrate the flexibility, adaptability and appetite for the new among the corporate world's best.

- Almost 40% say they are still working to develop a new skill or gain new knowledge outside work.
- Almost 60% of business leaders enjoy vigorous exercise like running and over 70% also enjoy lighter exercise such as walking and sailing. A few also go for adrenalin sports from sky- to scuba-diving. Perhaps not for much longer in all cases, almost a quarter of our leaders also enjoy game sports from fishing and shooting to hunting.
- Business leaders have an artistic temperament, with 70% claiming to enjoy activities such as seeing a play or visiting an art gallery at least once a month, while over 20% do it themselves, being creative in a range of fields from painting to acting.
- Putting something back also takes up leaders' spare time with almost half carrying out charitable or voluntary work every month; 16% are involved in church activities.

It's interesting to observe, particularly considering the negative press that business often receives, that these versatile and gifted people have found in commercial environments the range and depth of stimuli and rewards that they so obviously crave. Clearly, business is a broad church and does provide for all kinds of energies to flourish.

"I am a trier."

"I was very active, in fencing I was the best there was anyway."

"I took a keen interest in everything that was going on - I was an all rounder and wanted to prove I could do new and different things."

Leaders of today

CLARE CHAPMAN, HUMAN RESOURCE DIRECTOR, TESCO

In her early school days, Clare Chapman was a prefect and a games captain. Later she was head girl at Carshalton High School for girls. She remains very proud of that early responsibility and still has the badge.

She adds: 'We're also pretty sure that insecure high achievers tend to go on to do well. It is the grain of grit in the oyster that goes on to create the pear!'

NEALE BELSON, SALES DIRECTOR, ASTRAZENECA SALES AND MARKETING COMPANY

Neale is pleased to say that he had no leadership roles at school. He did get involved in plays and was part of the football team but not the captain.

Neale's motivation is to win. A tough upbringing instilled in him the desire to earn enough to be able to have choice, better himself and to prove to others that he could do it. Outside work, his hobbies include all sports and an interest in wildlife and cars.

ANDY WEST, FINANCE DIRECTOR, SOUTH WEST TRAINS

Andy West captained football teams both in and outside school as well as the cross country and athletics teams in school. He left school after his A'levels to start a long and successful career on the railways. But he has never lost his love of sport and runs three miles every evening after work. He has completed the London Marathon twice, and has run marathons in Gloucester and Thanet.

DOMINIC KNIGHT, MANAGING DIRECTOR, PALGRAVE MACMILLAN

Dominic Knight, managing director of academic publisher Palgrave Macmillan, remembers with particular pleasure being leader of the orchestra during his time at Chatham House Grammar School. His interest in music continues: he plays the violin, piano and mandolin. Recently he has turned to collecting mandolins, which adorn his beautiful home near Oxford.

RICHARD WHITE, MANAGING DIRECTOR, HOUSE OF DORCHESTER

Richard White, once a head of house and school prefect, is managing director of House of Dorchester which manufactures and supplies fine handmade chocolates. Today, much of his spare time is committed to his active involvement in the church – when he is not sailing or playing cricket.

Leaders of tomorrow

LOUISA MALKIN, 17

Now in her final year at Alleyn's in South London, Louisa Malkin has had a variety of leadership roles throughout her school career. At Alleyn's, she is senior prefect, captain of senior girls' football, coach of junior girls' football and vice house captain. At prep school she held such positions as head girl, house captain, head chorister, captain of rounders and form captain.

Her mother describes her as confident and self-assured, intelligent and capable, with a will to get on.

ANNA WEGUELIN, 12 1/2

Even at her nursery school, Anna's teachers told her parents she had leadership potential. At prep school, Thomas's in South West London, Anna had a whole variety of roles from librarian, form captain, hockey captain and a leading role in Godspell to this year's head girl and head chorister.

Her mother describes her as determined, mature beyond her years, impatient to learn new skills, an achiever who has caught her parents by surprise with her talent and her intellect.

MARCUS MCGEE, 10

When spats break out in the playground at Marcus's school, Hamilton Primary in High Wycombe, teachers come to him to find out exactly what happened and who provoked whom. He's trusted by pupils and teachers as a mediator, an opinion leader and for honest feedback, which he'll give unprompted.

His mother describes him as emotionally intelligent, quick to learn and unusually capable of empathy for one so young. He is also impossible to move on matters on which he has made up his mind.

The school teacher's view

DAVID HILL, MATHS TEACHER, SOUTH LONDON

"You can identify those who are going to be leaders within a day of starting the new academic year with a new class of primary school children. Your assessment is almost certain to chime with the experience of the class's teacher the year before. Children with leadership skills are ambitious, whether overtly or quietly.

"Parents play a crucial role in helping their children to build a sense of their own status, showing them the opportunities to shine, having an optimistic view the world and the possibilities it offers. So, in effect, the child's potential as a leader is there – or not – before they even get to school."

DDI would like to acknowledge the contribution of CHA, the workplace communications consultancy, in compiling this report.

EUROPE/AFRICA

Keystone Place (Building B) Sefton Park, Stoke Poges **Buckinghamshire SL2 4JS United Kingdom**

Phone: 44.1753.616000 Fax: 44.1753.616099 Email: info@ddi-europe.com

DÜSSELDORF Phone: 49.2159.91680

PARIS

Phone: 33.1.41.9686.86

Other major offices in Johannesburg, Utrecht, and Warsaw

THE AMERICAS

WORLD HEADQUARTERS PITTSBURGH Phone: 412.257.0600

MONTERREY (MEXICO) Phone: 52.81.8152.3200

TORONTO

Phone: 416.601.5500

Other major offices in Atlanta, Chicago, Dallas, Detroit, Los Angeles, Mexico City, Montreal, New York, Ottawa, San Francisco, Santiago, São Paulo, and Vancouver

ASIA-PACIFIC

HONG KONG Phone: 852.2526.1188

SINGAPORE

Phone: 65.6226.5335

SYDNEY

Phone: 61.2.9466.0300

Other major offices in Auckland, Bangkok, Jakarta, Kuala Lumpur, Manila, Melbourne, Seoul, Taipei, and Tokyo



© Development Dimensions International, Inc. XXMIV. UK. All rights reserved. Printed in the UK. Reproduction in whole or part without written permission from DDI is prohibited.

POWERING SELECTION SUCCESS |



DEVELOPING EXTRAORDINARY LEADERS | 🥋

UNLEASHING EXECUTIVE TALENT | ##

ABOUT DDI. Since 1970, Development Dimensions International has worked with some of the world's most successful organisations to achieve superior business results by building engaged, high-performing workforces.

We excel in two major areas. Designing and implementing selection systems that enable you to hire better people faster. And identifying and developing exceptional leadership talent crucial to creating a workforce that drives sustained success.

What sets DDI apart is realisation. We focus on the needs of our clients and have a passion for their success.

The outcome? You bring the best people onboard, who get up to speed faster, contribute more and stay longer-giving you the ultimate competitive advantage. "I was very active, in fencing I was the best there was anyway."

"Performance academically, in sports and getting on with people."

I was very active, in fencing
I was the best there was anyway.

Performance academically, in sports and getting on with people.