The LEADx Leadership Development Report 2023

Engage & Foster Talent at Every Level

Leadership development professionals (LDPs) seek to scale high quality training.

LEADx®

2023 demands deep engagement of talent at every level. Leadership development has to pave the way.

As we forge ahead in an uncertain economic climate, engaging and fostering talent will be more important than ever.

Leadership development professionals (LDPs) can and should lead the way by scaling high quality, high value training.

Read on for insights and ideas to bring to your company and your career.

The 3 Themes of 2023

How Leadership Development Pros (LDPs) can deepen their impact in 2023

#1

Find opportunity where others see limitations.

Economic uncertainty can be an opportunity to reflect, reconsider, and carve out a new, more effective path forward. Those who find a way to maximize their impact this year, will set themselves apart in years to come.

#2

Development is about behavior change.

As more and more companies look to expand, improve, and scale their leadership development programs, remember that scaling is useless if it doesn't achieve behavior change.

#3

Embrace five key priorities.

- Coaching skills for leaders
- Incorporating data
- Scaling leadership development
- Strategic alignment (esp with C-level)
- Leveraging tech

Most organizations have about 1 LDP for every

89 people managers.

Is your team overstaffed or understaffed?

How many people leaders are there at your company

Divide that number by

? ÷ **89** =

That's the average number of leadership development professionals a company has.

The 2023 budget forecast holds steady (mostly)

> **Average Leadership** Dev Budget per Manager — **$1,247**

> **Median Leadership** Dev Budget per Manager — **$1,059**

In past economic dips, leadership development has been one of the first places for budgets to dip.

In 2023, budgets are forecasted to stay strong. 33% of LDPs report an increase and 43% report no change.

Leadership Development has proven its impact, especially in times of change.

That said, 24% did report a decrease. And, with the current rate of inflation, a "steady" budget is technically a shrinking one.

43%
No Change

24%
Decreasing

33%
Increasing
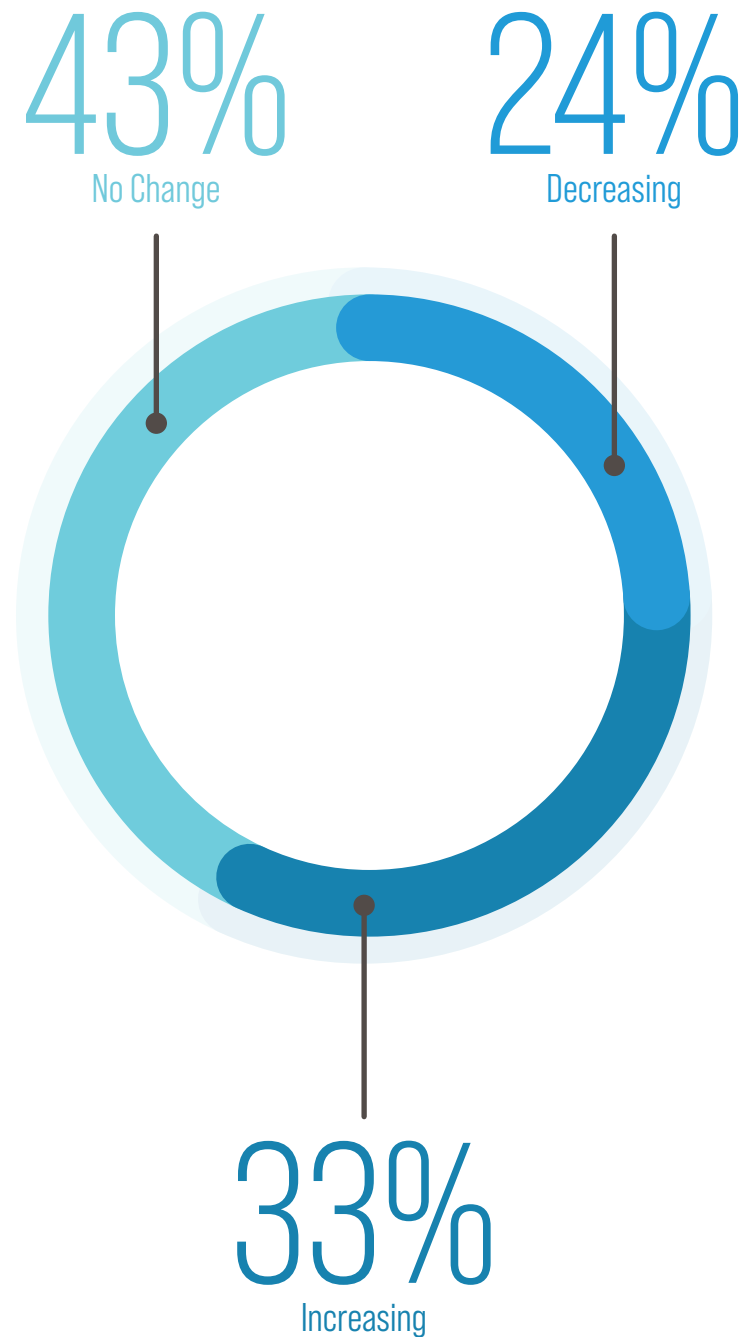
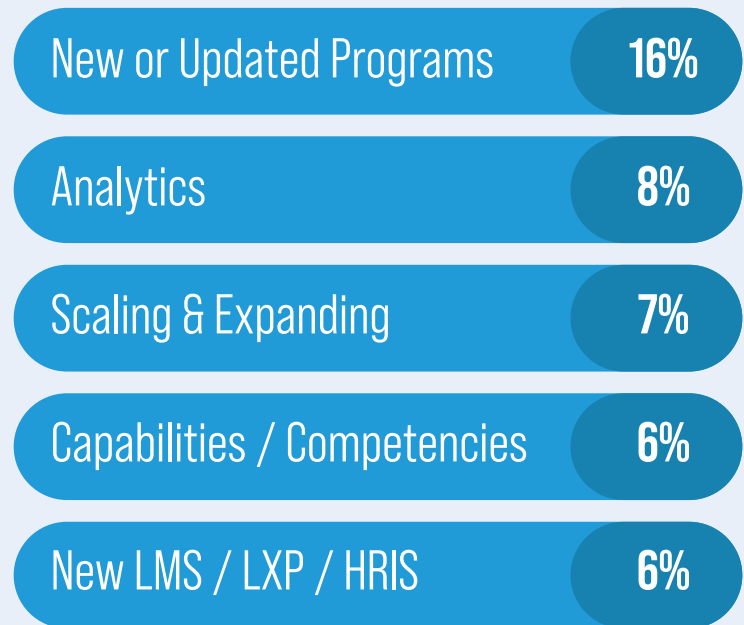# Leadership Development Aims to Reach More Leaders.

New and updated programs topped the list this year for priorities.

And, the top 20 list of priorities includes: New Hire programs, Emerging Leaders Programs, New Manager Programs, Frontline Manager programs, Manager of Managers programs, High-potential programs, and C-Suite programs.
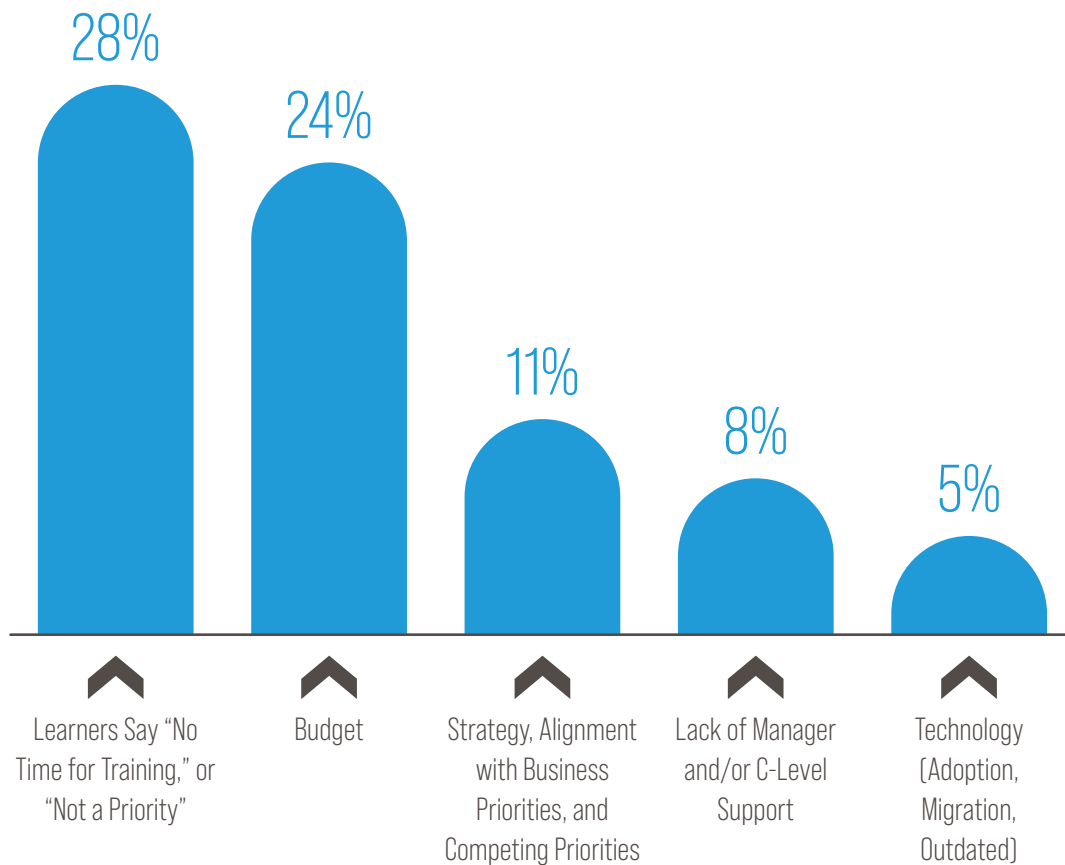
Point being: As leadership development continues to prove its business impact, leadership development teams are building out new programs to support new audiences. They're also revamping their existing programs to maximize impact.

It makes sense then that Analytics and Scaling are a close second and third priorities. Analytics to track progress, understand what's working, and prove measurable impact. And, Scaling being the driver for many new program initiatives.

What is your #1 leadership development priority for 2023?

New or Updated Programs	**16%**
Analytics	**8%**
Scaling & Expanding	**7%**
Capabilities / Competencies	**6%**
New LMS / LXP / HRIS	**6%**

What is your #1 problem/challenge related to your priorities for 2023?

28% — Learners Say "No Time for Training," or "Not a Priority"

24% — Budget

11% — Strategy, Alignment with Business Priorities, and Competing Priorities

8% — Lack of Manager and/or C-Level Support

5% — Technology (Adoption, Migration, Outdated)

"Learning can't be something that's carved off to the side. If your learning program is not integrated with business processes, you're really missing the mark. You're never going to be able to sustain it."

Christopher Shryock SVP,
CPO at Sam's Club

Top Challenges in 2023
No Buy-In, No Budget, And No C-Level Support

"No time for training."

The "no time for training" problem continues to linger as the number one problem for LDPs. In many ways, it's the result of each of the problems beneath it.

Budget

With the unknown (and likely negative) trajectory of the economy, budget came in a close second. A few considerations:

- 24% of LDPs said their budget decreased in 2023
- 43% stayed "steady," which technically means shrinking w/ inflation
- Many leadership development teams are underfunded regardless of the economy

Lack of Manager and C-Level Support

Without support from senior leadership, it's an uphill battle to prove the value of training or win budget.

Strategy and Alignment to Business Goals

Without a clear, aligned strategy, each of the preceding challenges feels inevitable. How can you win C-Level support and budget without strategic alignment? And why should participants carve out time if your training isn't clearly tied to performance?

Technology

The same tech that touts "equitability" and "scale," becomes a nightmare during adoption and integration. Worse yet, it sucks valuable time and resources in exchange for weak usage and completion rates (and essentially zero behavior change). Turn to pg. 17 for a deep dive into the types of tech that leadership dev pros report work best.

Case-Based Strategy: A Strategic Plan Template from UAB Medicine

Win C-Level support and budget, show alignment, and prove the value of your training

"I constructed four key pillars:
- · What is our stakeholder engagement?
- · What is the organizational impact?
- · Are our programs effective?
- · Are our operations efficient?

This became the impetus for our model, where we added questions, goals, and tactics."

Matthew Painter,
Director of Leadership Development at UAB Medicine

Identifying and Addressing Leadership Needs of UAB Medicine
Equipping leaders to be strategic, engaging, and efficient.

		Stakeholder **ENGAGEMENT**	Organizational **IMPACT**	Effective **PROGRAMS**	Efficient **OPERATIONS**
		MACROSYSTEM ⇨		⇦ MICROSYSTEM	
Goals		• Garnering buy-in to what we do, how best to do it. • Brand ourselves as Organization Development experts. • Helping leaders think more strategically, engage their teams, and build better cultures. • Trusted advisors	• Influence the success of UAB Medicine through investing in the leadership skills of senior executives that translate into a leader-like culture throughout UAB • Identity, communicate, and build leadership skills based on competency model	• Right program, right time, focused on the right skills for the right audience, and delivered in the right way (define 'right") • Strong brand of competence and value-add	• Operational efficiency & effectiveness • Client-centric • No detail left to chance
Strategic Questions		• Who is our audience? • What does our audience value?	• Are we meeting the needs of our audience? • What is our evidence?	• What data do we have/ need? • How might our programs be better? • What programs might be needed?	• Are we using our resources wisely? • How might we realize efficiencies without compromising effectiveness?
Tactics		• Ongoing multi-channel approach to assess and understand needs (i.e. focus groups, surveys, advisory councils)	• Provide leadership skill building to senior stakeholders in a systemic way that results in leader-like cultures, positively transforming the way we operate and achieve our mission and vision • Determine organizational metric and ensure access to data (i.e. HR / Engagement data when available)	• Programs designed that are audience-centric, based on adult learning principles, and focused on leadership skill development and learning retention	• Role clarity • Clear file management system • Teamwork • Accuracy • Attention to details

You can read Painter's full interview here for a breakdown of his six-step strategic planning process:

CLICK HERE

The Top 10 Most In-Demand Topics and Competencies.

What topics / competencies will you focus on in 2023?

#1	**Coaching Skills for Managers**
#2	Leading Change
#3	**DEIB**
#4	Resilience / Wellness
#5	Accountability
#6	Emotional Intelligence
#7	Feedback
#8	Performance Management
#9	Psychological Safety
#10	Employee Engagement

Coaching Skills for Managers

With retention and internal mobility so heavily linked to each employee's relationship with their manager, training managers to hold effective coaching conversations is the top focus for many leadership development professionals in 2023.

DEIB

It's worth emphasizing that after DEIB surged in 2020, it remains a stalwart priority for leadership development three years later. This shows that DEIB continues to solidify as a strategic priority and a competitive advantage; not a reactive hot topic.

"We see D&I purely as a strategy, not a program. There are programmatic pieces to it, but a program indicates a beginning and an end. D&I strategy work is very much iterative. There's always something new and interesting on the horizon that we need to be prepared to tackle and to take hold of. When we look at it from a strategy perspective, we're looking at it from hiring, we're looking at it from what we call accountability at all levels."

Janessa Cox-Irvin, Global Head of diversity & inclusion at AllianceBernstein

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Case-Based Strategy for "Coaching:" Build a Career Conversations Program

"Our managers told us they didn't feel like they knew how to offer career guidance to their employees. So, we began to build a toolkit, a way for managers to help guide their employees to think about and evaluate the career they really want to have."

— Allison Pearson, AVP, Learning and Development Manager at AllianceBernstein (AB)

You can read Allison Pearson and Robert Avinger's full Forbes interview here for a breakdown of their Careeer Conversations program and toolkit:

CLICK HERE

The key to a successful career conversations program is to involve employees and their managers in equal parts.

At AB, employees learn how to reflect on and plan their careers. They get:

- a Career Planner to help establish a formal plan.

- a Networking Guide to help show questions they can ask as they network and skills and areas they may want to learn about.

- a set of additional resources that employees can follow to learn more about careers, career conversations, and networking.

Meanwhile, managers go through a train-the-trainer to learn how to better coach their employees.

Then, managers and employees work together to go through a series of employee conversations.

LDPs Revisit and Revise Competencies

Forty percent of LDPs are revising their capabilities and competency models in 2023. This shows how rapidly the world has changed over the last three years (competencies have shifted).

And, it shows the value in keeping competencies updated. LDPs build programs and strategy around competencies, not the other way around.

"We collaborated with the executive team for two days to curate and align on these words, our values. We had to make sure the values had meaning and reflected the heart and soul of the company. Since then, we've made them the foundation for everything we do and how we want to do it."

— **Bria Martin,** Vice President, Culture & Organizational Strategy at Ultragenyx

Are you revising your competency model in 2023?

15%

40%

45%
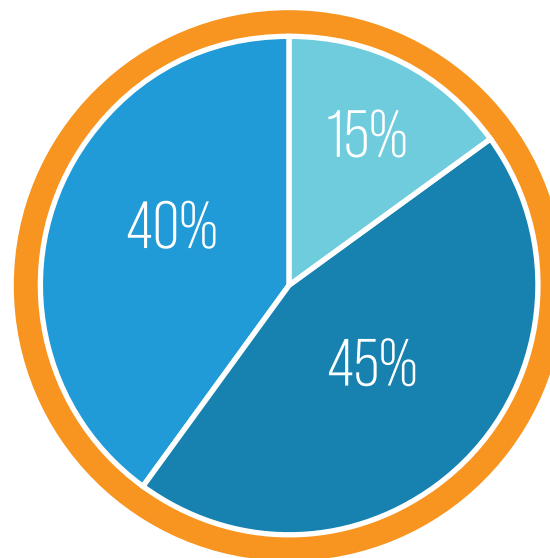
Don't Know

No

Yes

Case-Based Strategy: Associa Built A Behavior-Based Training Program Around their Competencies

4 Key Steps

1 Map out behaviors for each competency.

2 Build training around those behaviors.

3 Build a self-assessment for those behaviors.

4 Measure (Before and after).

"With a great model, I know exactly where to start and where to go with leadership development. Ask the CEO and senior leadership questions like, 'Is there a metric you want to see affected? Are we having an issue with employee turnover, and if that's the case, why? Let's identify the behaviors that you want to be different at the end of the program.'

These kinds of questions will help you build a model or system that you can return to as you make decisions around leadership development.

Then, a year from now, you can show senior leadership and the CEO how behaviors and other metrics have changed as a result of the leadership development that you've done. "

Greg Smith,
Director of Leadership Development at Associa

Case-Based Strategy (continued): How Associa Put Together Their Self-Assessment

LEADERSHIP VALUE PROPOSITION
Competencies for Every Leader of People

WELCOME HOME
A Work Family. A Thriving Career. A Place To Contribute.

Creating a Work Family	Building Thriving Careers	Making Contributions
WORK TOGETHER	**PROMOTE GROWTH**	**KNOW THE BUSINESS**
– Team player – Leverages resources and builds relationships across the organization – Supports, recognizes and celebrates team members for outstanding work	– Empowers team members by discussing future opportunities – Listens well and communicates effectively to the team – Assesses talent to build strong teams	– Sees the big picture, thinks strategically, defines clear objectives, and explains the 'why' behind decisions that are made – Understands and uses financial information to make decisions
BE AUTHENTIC	**ACT AS A COACH**	**MAKE IT HAPPEN**
– Gains trust by being honest, genuine and respectful – Creates an open environment and builds connections with team members by being available and approachable	– Provides stretch assignments to develop and improve talent – Shares open and constructive feedback with team members – Holds self and others accountable to meet commitments	– Displays grit and does what it takes to get the job done – Self-confident to take initiative and make decisions – Works hard and can quickly adapt to changing circumstances

LEADERSHIP VALUE PROPOSITION
ASSESSMENT

Instructions: For each behavior, mark the box to the right that most accurately describes you. How often do you demonstrate the behavior?

Competency		Behavior	Rating
Creating a Work Family	WORK TOGETHER	I model collaboration and empower the team through thoughtful delegation.	
		I partner with key individuals and leverage my knowledge of available resources.	
		I celebrate accomplishments in ways that are meaningful to each team member and encourage regular peer recognition.	
	BE AUTHENTIC	I positively promote the importance of fairness and honesty to others.	
		I foster an environment of humility and generosity within the team.	
		I encourage and inspire the team to be open and approachable with each other.	
Building Thriving Careers	PROMOTE GROWTH	I encourage team members to accept and seek out developmental opportunities.	
		I listen actively and attentively to fully understand the question or need of others.	
		I communicate effectively to a wide variety of audiences.	
		I establish standards to ensure team members are assessed on skills and abilities needed to perform effectively.	
	ACT AS A COACH	I challenge team members with stretch assignments outside of their comfort zone.	
		I encourage open, honest and constructive feedback within the team.	
		I cultivate a sense of ownership in others that drives them to achieve objectives.	
Making Contributions	KNOW THE BUSINESS	I define a clear and compelling vision of the future that inspires the team.	
		I set objectives and cultivate high standards of performance to achieve results.	
		I apply financial analyses and leverage resources to evaluate business opportunities and make quality decisions.	
	MAKE IT HAPPEN	I ensure work is successfully completed and work alongside employees.	
		I initiate work independently and complete tasks beyond my own responsibility.	
		I adapt actions to ensure success despite ambiguous or challenging circumstances.	

Should Leadership Development Be Mandatory?

63% > No

37% > Yes

Despite the growing buy-in to leadership development, there's still a disconnect between its VALUE and its TREATMENT at the organizational level.

Should Leadership Development Be Mandatory?

Kevin Kruse - LEADx

This is one that I've been doing

this

CLICK HERE TO WATCH THE VIDEO

Featured in this clip:
1. Kevin Kruse, CEO LEADx
2. Dwayne Bess, Global Commercial Excellence Leader - Abbott
3. Joe Ballou, Sr. Manager of Leadership Development at Box

Leadership Development Training Is 98% Hybrid & Remote

The advantage will go to orgs that don't just take in-person training and make it remote/hybrid, but to those that continue to build with hybrid and remote in mind.

How will your core training be delivered in 2023?

77% ◄ Hybrid / Blended (in-person with support for remote)

21% ◄ Remote Only

2% ◄ In-Person Only
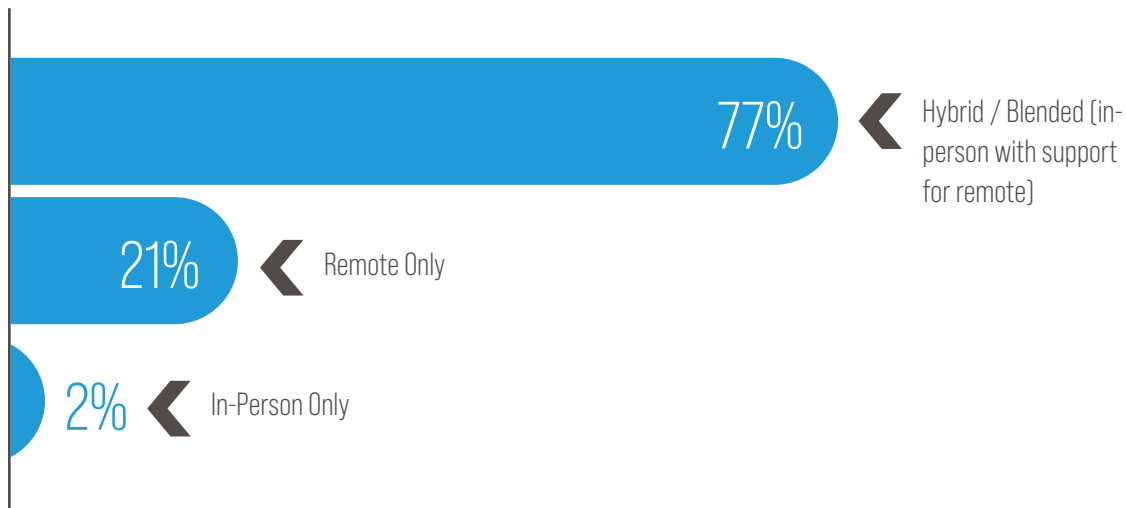
Top 6 Types of Tech Being Leveraged in 2023

Across all six types of technologies, a common theme emerges: **LDPs want to use technology to change behavior.**
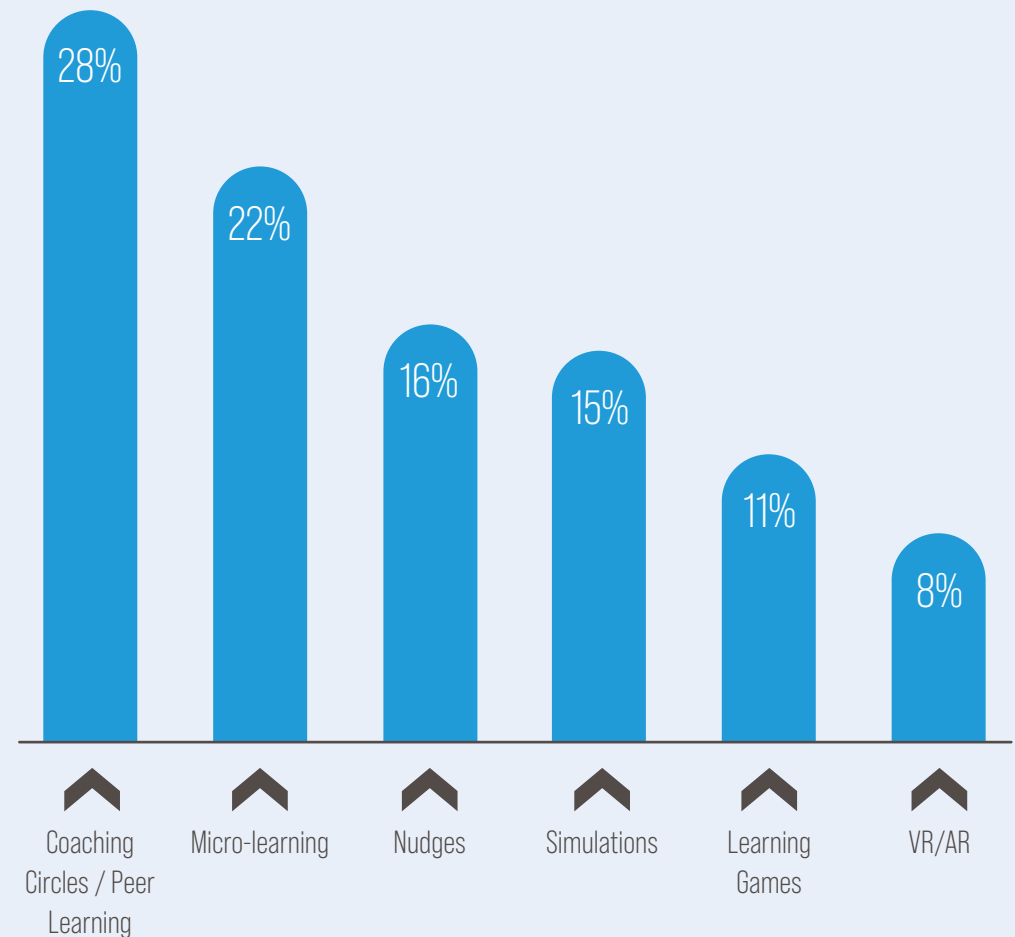
They don't want to simply show learners videos or replace previous ways of learning with virtual formats.

They want technology that elevates their training in a way they can't on their own.

Peer learning networks, micro-learning, nudges, simulations, games, and VR. All of these technologies help turn knowledge into habits. They emphasize taking learning and putting it to practice.

And, they enable LDPs to do so at scale.

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What New Technologies Will You Use In 2023?

Technology	Percentage
Coaching Circles / Peer Learning	28%
Micro-learning	22%
Nudges	16%
Simulations	15%
Learning Games	11%
VR/AR	8%

Case-Based Strategy: Build a Peer Learning Network

One of the best ways to create a high-performing learning system is to create one that's self-organizing. In a successful peer learning network, people from the front lines up know the direction, know the mission, take initiative, and self-organize toward the goal of applying their learnings.

When a discovery has been made that is relevant, you have a peer network in place where a discovery, insight, or question can spread between people across locations. That way ideas spread faster, are shared with more people, and can be challenged, tested, and refined more quickly. These kinds of systems of peer learning already thrive at places like IBM and Verizon, which shows how well this idea can work at scale.

— Tom Bigda-Peyton, CLO Catholic Health

CLICK HERE FOR THE FULL ARTICLE

Case-Based Strategy: Delivering Micro-Learning in the Flow of Work at Sam's Club

I've devoted a significant amount of my focus and attention to moving learning out of the classroom and into the flow of work on handheld devices.

Learning on devices accomplishes three things for our frontline: One, associates can access learning while they're on the floor in front of members. Two, associates can apply those learnings in real time. Third, associates can recall learning as they need it. I believe that our associates' work should be "open book tests." We want our associates to have the information they need at the moment they need it.

— **Christopher Shryock,** CPO of Sam's Club

CLICK HERE FOR THE FULL ARTICLE

Case-Based Strategy: Scaling Leadership Development Simulations Online at Nestle

We created a first-time people leader development center. It's a simulation where emerging leaders go through different role plays and simulations around being a first-time people leader. The simulation helps show these emerging leaders how different this new leadership position is from their work as an individual contributor.

The people role playing as new team members are also observers who will later offer feedback. Role players aren't just from HR. They're also business leaders who want to see their young leaders succeed. The business leaders get trained on how to role play and be observers. Later on, they will also mentor and coach these young leaders.

We believe a lot in double-loop learning, so at the end of the day, they watch back a recording of themselves in action and reflect based on prompts. In reflection, they highlight what they did well and how they could have improved. They watch their own body language, the words they said, and the impact they had. They also have the opportunity to buddy up and exchange recordings with another leader. This helps move the conversation away from feeling like an evaluation or a judgment and toward helping one another grow.

CLICK HERE FOR THE FULL ARTICLE

— **Adeline Looi,** Global Head of Integrated Leadership at Nestlé

Scale and Sustain Leadership Habits with LEADx

> Drive behavior change with nudges

> World-Class live cohort-based training

> Deliver micro-learning in the flow of work

Changing behavior at companies big and small

accenture

Northwestern Mutual®

Syneos Health

"The LEADx app is nothing short of revolutionary. Its AI-driven, on-demand coaching and micro-learning make new leadership behaviors stick."

— Dr. Travis Bradberry

Book A Strategy Call

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Survey Notes

> **117** Participating Companies

> Average number of employees = **28,674**
> - with range from **50** to **330,000** employees

> Average number of managers in each participating company = **2,490**
> - with range from **10** to **55,000**

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