

How to Help Leaders Reverse the Great Resignation

Trends and Best Practices from the Annual Wilson Learning and *Training Magazine* Leadership Survey

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Introduction

“People don’t leave jobs—they leave managers.”

Fueled in part by the COVID-19 pandemic, droves of employees have voluntarily left their jobs.

Most experts agree that this “Great Resignation” will continue and that organizations need to get ahead of this trend to retain their talent.

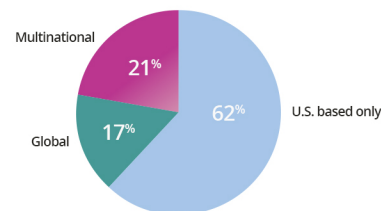
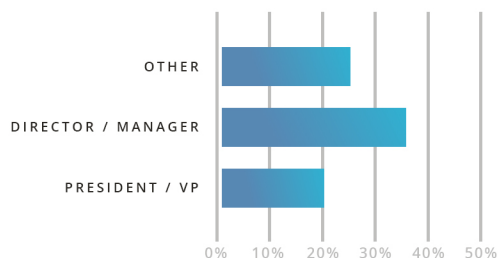
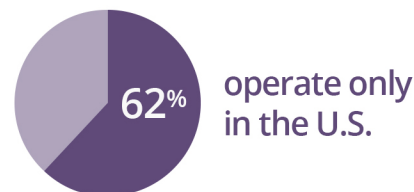
Leadership is a critical factor in this talent-retention battle. “People don’t leave jobs—they leave managers.” The effectiveness and quality of leadership is an essential component in dealing with the Great Resignation.

For the sixth consecutive year, *Training* magazine and Wilson Learning Worldwide have teamed up to conduct a survey focused on what creates effective leaders. This year we focused on results that help organizations navigate a period of excessive voluntary resignations and retain their valuable talent.



Introduction

Who Participated in the Survey?



Average Number of Employees

11,849

KEY FINDINGS: Over 820 leadership development professionals responded to the survey this year, bringing the six year total to nearly 4,000 participants. Participant demographics remain similar to previous years although we have seen a steady increase in the number who have a Director or above management position.

Investment in Leadership Development

Investment in leadership development has varied greatly over the past five years. The overall trend has suggested that organizations have continued to under fund and under resource leadership development requirements.



Concerning Trend?

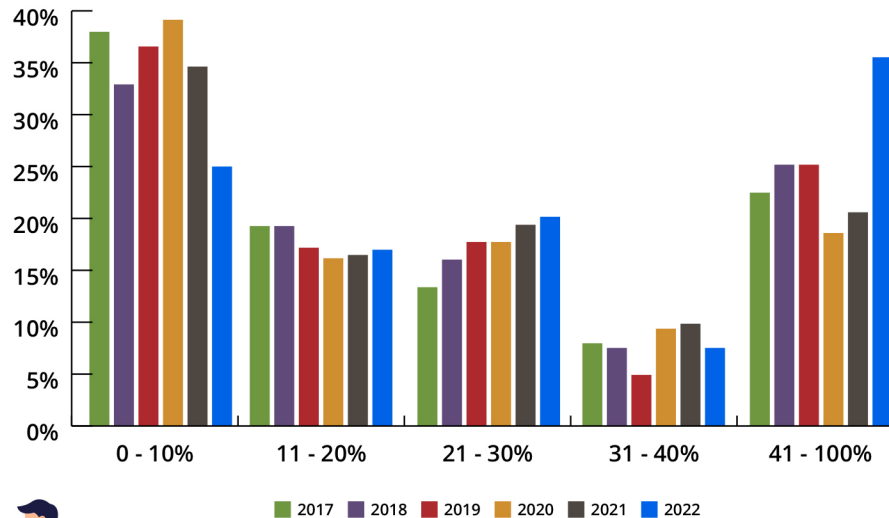
18% ▼ Total Spending on Training

8% ▲ Spending on Leadership Development



KEY FINDINGS: Total spending on training showed an 18% decrease (following the 19% increase of last year). While spending on leadership development went up 8%, with the reduction in overall training spending, this was a net decrease in dollar amounts. We also saw that fewer participants are predicting a spending increase in the future and an increasing number of participants predicting a decrease.

Percent of Budget for Leadership Development

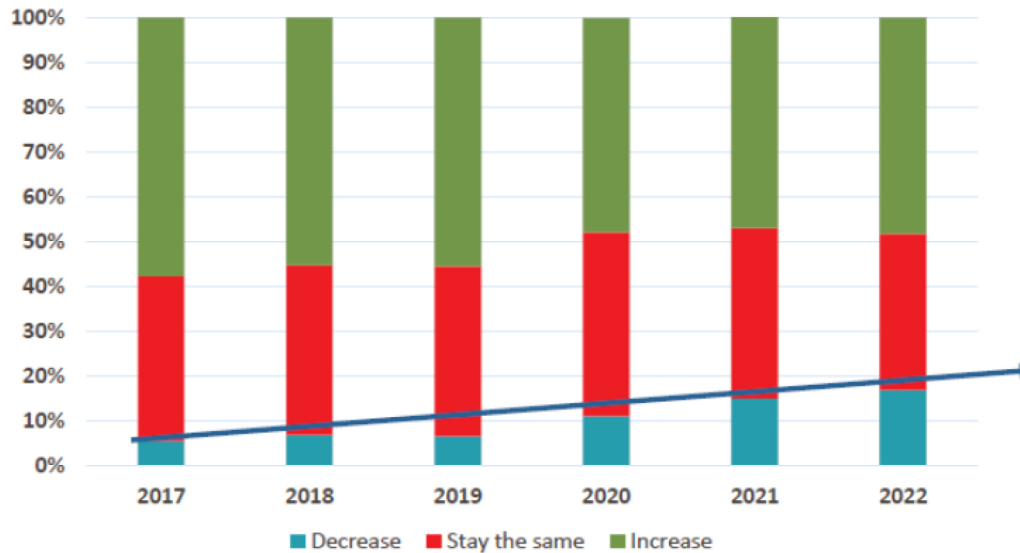


KEY FINDINGS: Despite the drop in overall training spending, the number of organizations allocating 40% or more of total training budgets to leadership increased significantly, with a comparable decrease in the number spending less than 10%. The number spending between 11% and 40% continues to remain steady and represents the majority of organizations.



Future Investments

Anticipated Change in Budget over 12 Months



KEY FINDINGS: One concerning trend is the increase in the percent of participants anticipating a decrease in leadership development spending. While a small percentage overall, in 2017 less than 5% of participants anticipated a decrease. This year that has more than tripled to 17% of the participants. As can be seen by the trend line, if this continues more than a quarter of organizations will anticipate a decrease by 2026.

Leadership Skill and Character Priorities

The top 10 priority skills has shown almost no change over the six years of the study, with the exception of diversity and inclusion skills.



Priority Leadership Skills

	2018	2019	2020	2021	2022
COACHING / DEVELOPING OTHER	2	1	1	1	1
COMMUNICATION SKILLS	1	2	2	2	2
TEAM LEADERSHIP	3	7	5	5	3 
EMOTIONAL INTELLIGENCE SKILLS	7	3	4	4	4
STRATEGY DEVELOPMENT ALIGNMENT	4	6	7	7	5 
DIVERSITY & INCLUSION			12	3	6 
PERFORMANCE MANAGEMENT	9	4	3	8	7 
INTERPERSONAL RELATIONSHIP SKILLS	6	13	13	12	8 
CHANGE LEADERSHIP	5	5	5	6	9 
ADAPTIVE THINKING & PROBLEM SOLVING	10	10	8	10	10



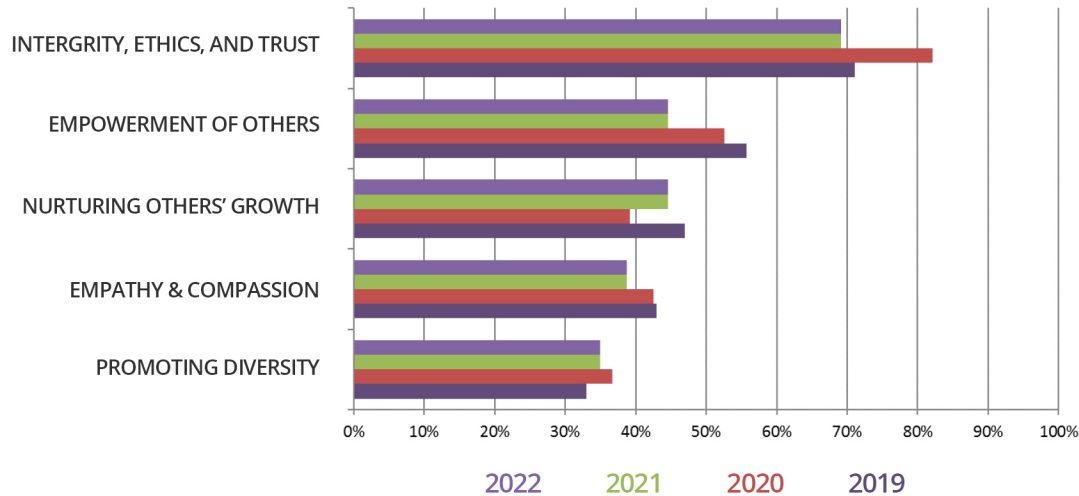
Leaders do need to find increased ways to share, open up with their teams, and relate to team members, especially in a virtual environment.

PARTICIPANT COMMENT

KEY FINDINGS: In 2021 diversity and inclusion skills vaulted from a rank of 13th to 3rd. This year it dropped to sixth, but still remained one of the top ten most important leadership skills. Interpersonal relationship skills showed the greatest increase from 2021, moving from 12th to 8th most important. When asked about new, emerging leadership skills, participants pointed to the need to develop remote/hybrid leadership skills as critical new skills.

Leadership Character Priorities

Top 5 Leadership Character Elements



KEY FINDINGS: Integrity has remained the priority in developing leadership character in all six years of the survey. The next four priority character elements all focus on how leaders treat others.



Pandemic Impact

The pandemic has shed a bright light on leadership effectiveness.
Good leaders excelled during this period of rapid change.
Poor leaders were brutally exposed for their shortcomings.



Hybrid Work Environments

36%



100% REMOTELY

28%



PARTLY REMOTE
PARTLY WORKSITE

36%

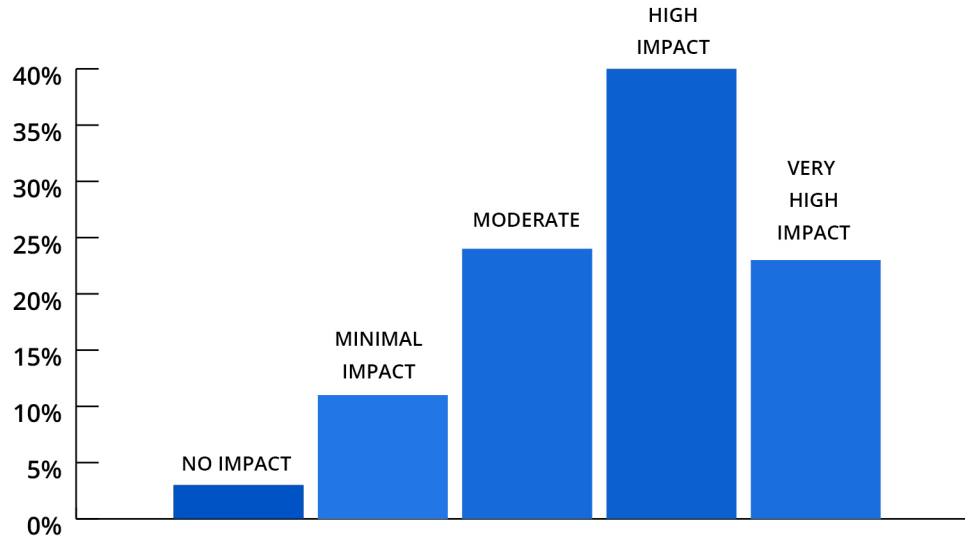


100% WORKSITE

KEY FINDINGS: We saw the rapid expansion of remote and hybrid work environments during the pandemic. This year, these changes have persisted and even expanded. Most participants indicated that they are dealing with all three types of work environments at the same time and, on average, workers are evenly spread across being 100% remote, 100% at the worksite, and in a hybrid environment.

Impact on Leadership Effectiveness

Impact of Remote / Hybrid Work on Leadership Effectiveness



KEY FINDINGS: This blending of multiple work environments is having a significant impact on leadership effectiveness. When asked to rate the impact of remote and hybrid environments on effectiveness, the majority (63%) indicated that there was a high or very high impact.



Key Takeaway

Adapt to a new work environment.

Leadership training and development needs to create new learning methods, skills, and processes, to adapt to the multiple work environments we now face.

As the quote from a survey participant illustrates, continuous adjustment to the needs and expectations of leaders is essential for effective leadership development.

“Know the audience you’re serving and reevaluate your understanding of their needs on a regular basis. People and teams change; L&D needs to change with them.”

SURVEY RESPONDENT, BEST PRACTICE

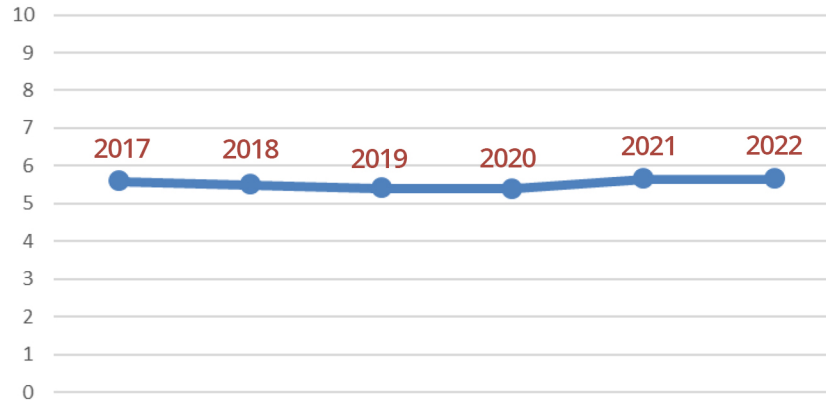


Leadership Development Performance Impact

We have not been very effective at “moving the needle” on
organizational performance through leadership development.

Overall Impact of Leadership Development

Impact on Performance



KEY FINDINGS: While a rather uninteresting graph, it is a very telling graph. In the six years of this survey, the impact of leadership development on organizational performance has not changed. Despite all of the investment, average impact hovers around 5.5 on a 10 point scale of how much leadership development has improved organizational performance.



Measuring the Outcomes of Leadership Development

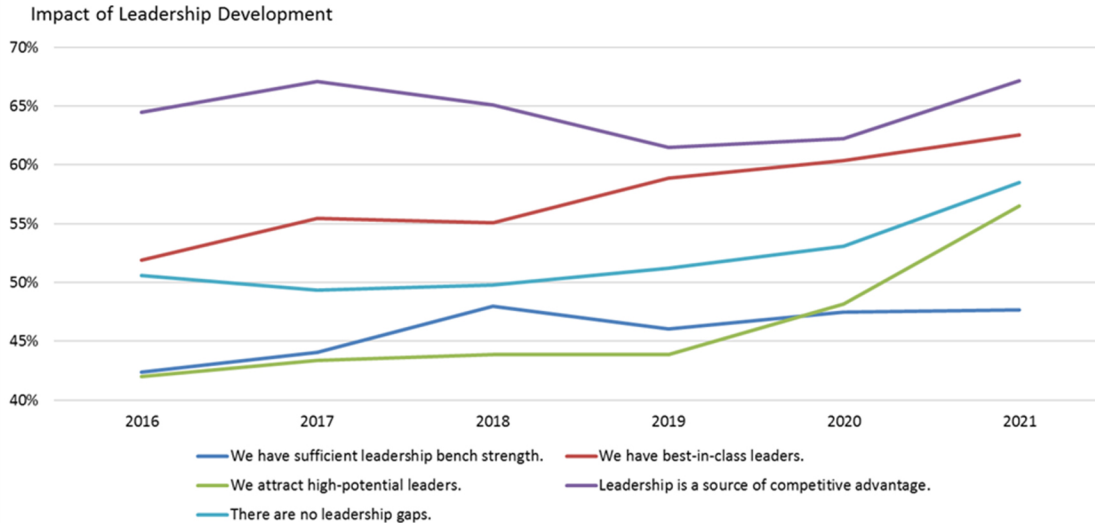
Benchmarks for performance are useful guides for making improvements. Through our research, we identified outcomes that define leadership effectiveness. These five indicators are measures of leadership development impact that experts agree provide a good indication of leadership development performance.

1. Leadership is a source of competitive advantage
2. Having the best-in-class leaders in their industry
3. No gaps in our leadership capabilities
4. Having sufficient bench strength to fill leadership positions
5. Ability to attract high-potential leaders

We use these results to classify organizations into three categories of performance and analyze what actions improve leadership performance:

- High-performing
- Moderate-performing
- Low-performing

Outcomes of Leadership Development?



KEY FINDINGS: This shows the changes in the percent of participants agreeing that they have achieved the impact measure over the six years of the study. There has been minimal improvement on the impact measures with two notable exceptions:

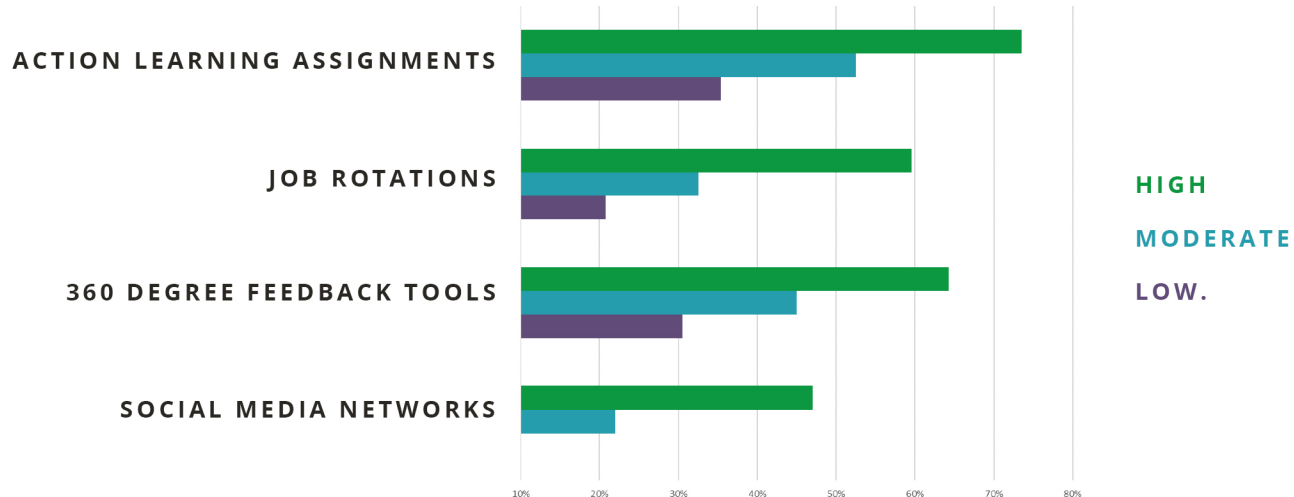
Organizations' ability to attract high potential leaders has increased by about 15%.
The gaps in leadership capability have closed somewhat.



Best Practices of Highly Effective Organizations

There are many important lessons we can learn from contrasting the actions of high-performing organizations to those of lower-performing organizations. These lessons can help you build more effective leadership development efforts, retain talent for your organization, and improve organizational performance.

Effectiveness of Learning Methods



KEY FINDINGS: Several learning methods were used much more frequently by high-performing organizations:

- Action learning or Challenge assignments
- Job rotations
- Use of 360-degree feedback assessments
- Use of social media networks to engage learner cohorts

What is common among all of these learning methods is that they employ **collaborate learning** as a key design element.

Key Takeaway

Focus on collaborative learning.

High-performing organizations were much more likely to use learning methods that leverage the collaborative or cooperative learning model. Leadership is inherently a collaborative activity, and some of the best ways to teach leadership skills and character are through team and group efforts.

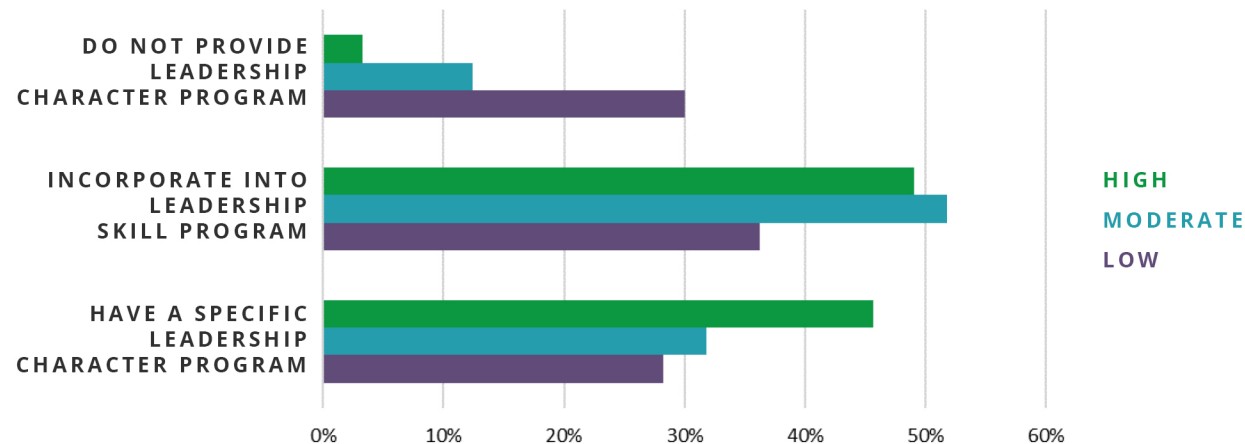
“Leaders need to connect with one another and wrestle with real-world problems in the context of their businesses and one another. Establish a community of practice to lean into peers for advice and best practices.”

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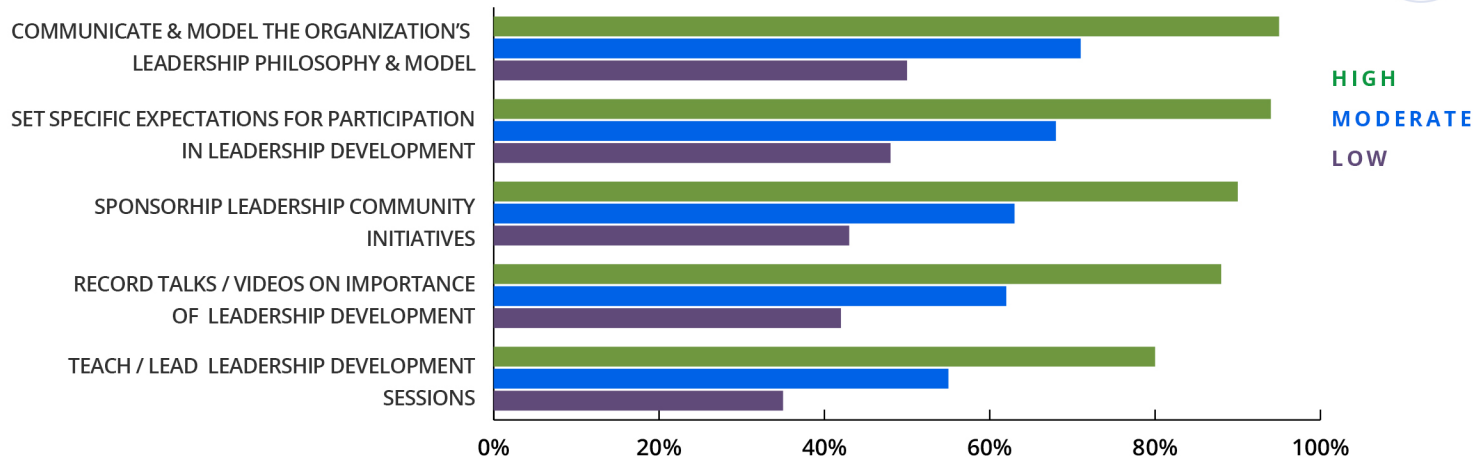
Developing Character

Approach to Character Development



KEY FINDINGS: High- and moderate-performing organizations were much more likely than low-performing organizations to have programs or program elements focused on developing leadership character. But only high-performing organizations tended to have programs specifically designed to develop leadership character.

Executive Involvement



KEY FINDINGS: A striking difference between high- and lower-performing organizations is the extent to which executives are involved in leadership development. More than just a cameo appearance at a kickoff meeting or mere talk about the importance of leadership development, high-performing organizations' leaders "walk the talk" about leadership development, getting involved in setting expectations, sponsoring communities of practice, and even teaching sections of the program.

Key Takeaway

Get executives engaged.

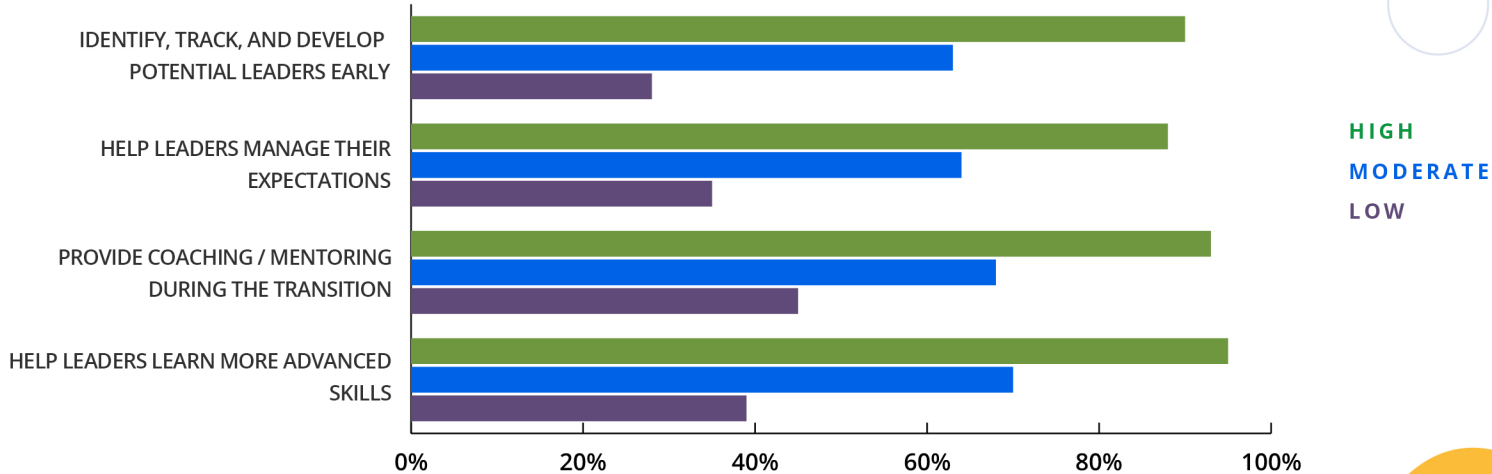
Help your senior executives see leadership development as a priority and find multiple ways for them to get directly engaged. Involve them in communicating specific expectations, modeling desired leadership behavior, and creating leadership succession plans.

“Executives can’t just tell people to participate. If executives aren’t involved, it isn’t viewed as important enough and the skills that are needed never become solidly ingrained.”

SURVEY RESPONDENT, BEST PRACTICE



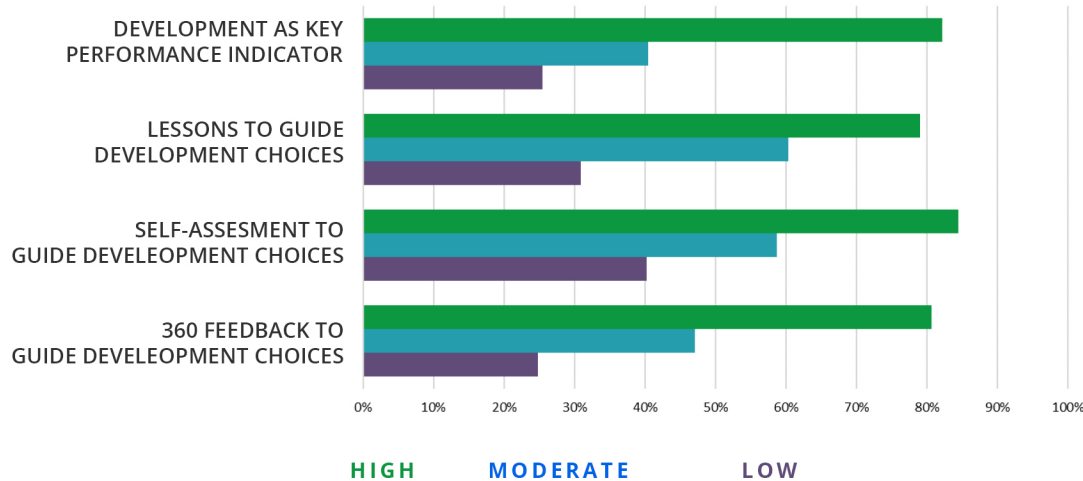
Transitioning New Leaders



KEY FINDINGS: High-performing organizations were also much more likely to support new leaders as they transition into their new role. Over 90% of high-performing organizations, but less than 45% of low-performing organizations, identify potential leaders early, help them manage their expectations for leadership, provide mentoring, and help them continuously obtain new skills.

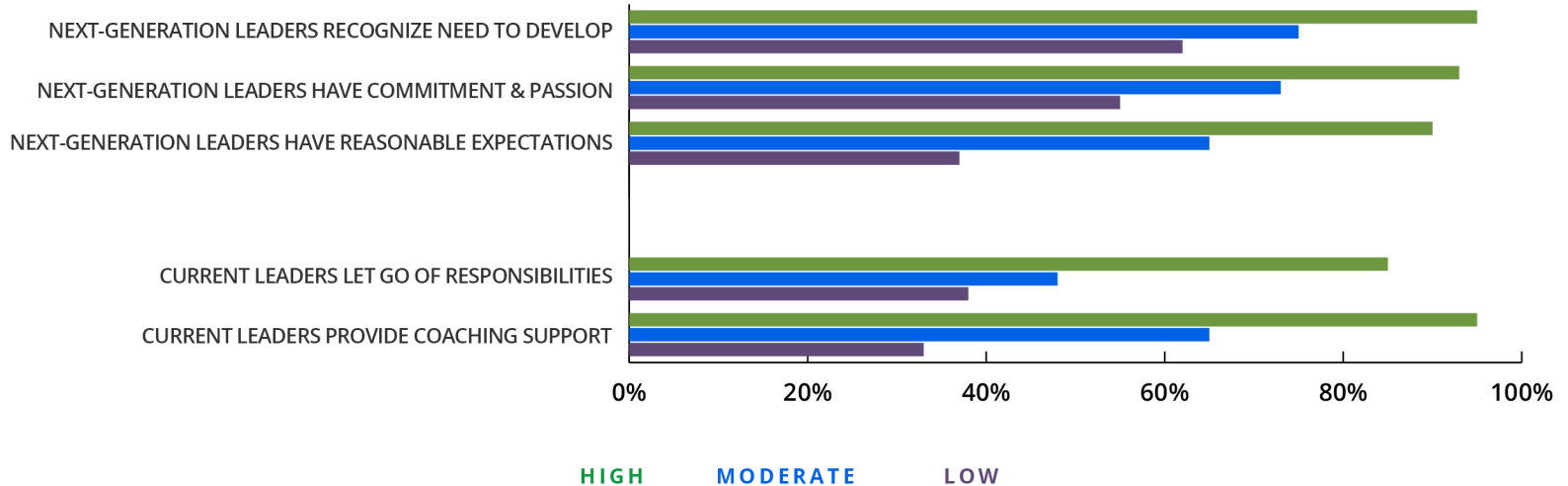


Taking Responsibility for Development



KEY FINDINGS: While most organizations expect leaders to take responsibility for own development, what differentiated high-performing organizations is that they provide help and support for taking this responsibility. From providing assessments, to creating stretch assignments, to making leadership development actions part of their performance goals, high-performing organizations support leaders' own initiatives to grow and improve.

Cross-Generational Support



KEY FINDINGS: One of the largest differences between high- and low-performing organizations is the support current leaders provide to new leaders. 85% of current leaders in high-performing organizations let go of key responsibilities to give new leaders better experience, and 95% provide coaching. This contrasts to less than 40% in low-performing organizations.



Key Takeaway

Support the next generation of leaders.

The next generation of leaders shows a passion and willingness to learn how to be better leaders. But they need support from the current leader to fulfill that vision of success. Teach current leaders to coach and mentor new leaders, and provide support and advice on how to turn control over to new leaders, giving them the experiences they need to be successful.

“Internally, a mentoring and coaching program lends more integrity to an organization that says its managers are academic tutors, life mentors, and coaches.

SURVEY RESPONDENT, BEST PRACTICE



Summary: Strengthening Leader Development

The results of this research, and best practices shared by participants, point to five core actions that organizations can take to strengthen leadership development and overcome the problems of the Great Resignation.

- 1. Adapt to a new work environment:** Hybrid work environments are likely here to stay.
- 2. Focus on collaborative learning:** Leadership is largely a social and emotional activity. Leadership development should mirror that.
- 3. Get executives engaged:** If it doesn't matter to executives, it won't matter to new leaders.
- 4. Support the next generation of leaders:** Tailor learning methods for new leaders, help manage the transition, and leverage the knowledge of current leaders.
- 5. Expand your definition of learning methods:** Effective leadership development draws from our entire L&D tool kits. Leveraging as many methods as possible will strengthen leadership development.



“Leadership development is not a one-time training or activity; it is woven throughout the organization. Develop leaders with continued follow-up and attention to the process. Leverage emerging technologies, agnostic of traditional methods. Realign metrics to account for non-traditional progression. Predict the future by inventing it.

SURVEY RESPONDENT, BEST PRACTICE



About the Author

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Dr. Michael Leimbach is a globally recognized expert in instructional design and leadership development.

As Vice President of Global Research and Development for Wilson Learning Worldwide, Michael has worked with numerous organizations around the world. He has developed Wilson Learning's leadership diagnostic processes, learning design principles, and performance improvement capabilities.

Michael has also served as Editor-in-Chief for the ADHR research journal and on ISO quality standards technical committees. Dr. Leimbach is the author of over 100 published articles, has co-authored six books, and is a frequent speaker at national and global conferences.

About Wilson Learning

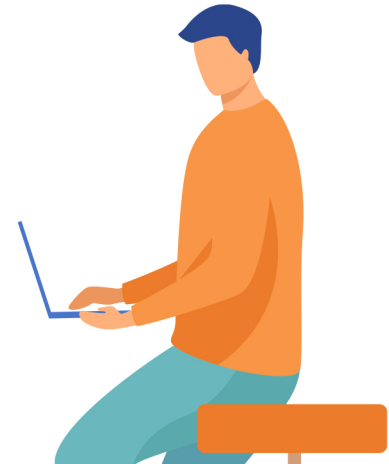
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