

## CASE STUDY: SUCCESSION PLANNING

# Accelerating the right leadership candidates

**Growing rapidly in Asia, Leighton International needed to build a strong pool of talent to underpin future growth. HFL helped design and execute a development and succession program across the region.**

**T**he challenges of growing rapidly are well known to many large enterprises across the Asia-Pacific region.

Leighton International has become an outstanding success story of an Australian company taking on the world.

Leighton's Asian business, a subsidiary of Leighton Holdings, an Australian-based project development and contracting group, has grown nearly five-fold over the last few years winning major construction and mining projects in Indonesia, Malaysia, India and the Middle East.

### Acute shortage

Consequently, the entire business has expanded rapidly and the need for highly skilled and entrepreneurial leaders has become acute.

Leighton International recognised the need to build a strong talent pool of current and future leaders to underpin continued growth. The business required existing senior leaders to accelerate their career development to enable them to 'step up' to the next level of management.

Leighton needed to know what capabilities would be required of future leaders in the business, what capability existed in the leadership team currently and what capability gaps needed to be

developed and what development processes would enable people to accelerate their careers.

This is easier said than done.

Most of the senior leaders in the business had progressed up through the management ranks by virtue of their expertise in engineering and project management. They are technical experts and careful planners who produce large projects on time, and on budget.

However, to sustain high levels of growth, the business now needs leaders with broad commercial acumen who are entrepreneurial risk takers.

These capabilities are not automatically developed in good technicians and project managers.

**“This program has been invaluable as a tool to gain insight into the current and potential leadership capability of our senior staff, and has enabled us to target development efforts as appropriate to meet our long-term growth strategies.**

**Michele Johnson, HR Director,  
Leighton International.**



### Critical competencies

In reviewing the business plan and the anticipated growth, Leighton International's chief executive officer (CEO) and human resources director (HRD) identified six critical non-technical competencies required by business leaders in the future.

These were;

1. Entrepreneurial skills
2. Self awareness
3. Strategic decision-making
4. Executive disposition (style and impact)
5. Mental agility
6. Leadership

Using the critical competencies as a benchmark, HFL developed 'stretch' Development Centres, based on a 'Day-in-the-life' of a CEO.

The 'stretch' Development Centres were designed to place the participants in an observable situation where they were asked to 'step up' into and perform in a CEO's role.

**“I would highly recommend this program to any organisation wishing to embark on a solid program to support succession planning and talent management.”**

The Development Centres involved the following exercises:

- A media interview
- A performance review with an underperforming general manager
- A business analysis exercise for entry into a new foreign market
- A board presentation with recommendations
- Detailed psychometric appraisals
- One-on-one interview

HFL carried out the Development Centres in Dubai, Singapore, Shanghai, Kuala Lumpur, Delhi and Mumbai between March and June 2007.

The Development Centres were used to assess the participants current levels of competence against international standards required for a CEO. Exercises, reports and interactions were video-taped and recorded and assessed by a highly experienced team of professional assessors who have assessed hundreds of international leaders over the years.

Following the development centre, each participant received

a detailed report and personal feedback that included:

- A rating of their current competency against international standards
- An indication of their competency ‘gaps’
- A prioritisation of their individual development needs to close the gaps
- A personalised development plan to ensure that their development needs are met
- The Leighton HR team received a summary report which highlighted consistent issues across the team along with individual development priorities

### Outcomes

“This program has been invaluable as a tool to gain insight into the current and potential leadership capability of our senior staff,” commented Michele Johnson, the human resources director at Leighton International.

“It has enabled us to target development efforts as appropriate to meet our long-term growth strategies. It has also raised awareness in the business

around the importance of leadership, and stimulated an atmosphere of candour and helpful discussions around these critical skills areas.

“We have extended the program into recruitment of key senior staff which has provided us with a tool to benchmark potential candidates against our current incumbents, and enabled us to ultimately make better hiring decisions. I would highly recommend this program to any organisation wishing to embark on a solid program to support succession planning and talent management.” ■

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## References:

- (1) *The Leadership Pipeline: How to build the leadership powered company*, Ram Charan, Stephen Drotter and James Noel (Jossey-Bass Inc. 2001)
- (2) Assessment and Development Centres, <http://www.harbourfutureleaders.com/AssessmentCentres>

## About HFL

Harbour Future Leaders is an HR consultancy that specialises in assisting enterprises to identify and grow their leadership capability. We uniquely combine world-class assessment methods with effective blended leadership development programs. We have designed and executed over 100 programs for over 30 clients across the region in the last six years. We are privileged to work with some of the regions’ most admired companies across the Asia-Pacific region, who entrust us with the planning, measurement and development of their most valuable asset – their future leaders. The company has offices in Sydney, Melbourne, and Singapore.