

Four Steps to Developing Your Future Leaders

Leadership is learned primarily by doing, with reinforcement from informal coaching and formal training. This article, adapted from [Chapter 3 of *Plan A: How Successful Nonprofits Develop Their Future Leaders*](#), distills this concept into the 70-20-10 model that a growing number of corporations and nonprofits are using to develop the potential leaders identified in their Plan As – their road maps to developing future leaders in their organizations. As its name suggests, the model calls for 70 percent on-the-job training, supplemented with 20 percent coaching and mentoring, and 10 percent formal training. (Find a more detailed discussion of the model in “[The 70-20-10 Model](#).”)

Many nonprofits recognize the impact of on-the-job learning and offer their employees challenging assignments. In fact, 65 percent of respondents to [Bridgespan’s diagnostic survey on leadership development](#) agree or strongly agree that their organizations “have sufficient quality opportunities for employees to gain new leadership skills via on-the-job opportunities.” But it’s not clear that organizations and their employees are making the most of those opportunities. Only about 30 percent of respondents agree or strongly agree that “employees with the potential to move into leadership roles have development plans in place that identify areas for development and sources of development support.” These responses suggest that many nonprofits need a more systematic approach to leadership development, one tied to existing HR and performance management processes.

Related Tools

- [Are You Effectively Developing Future Leaders? An Excerpt from Our Diagnostic Survey](#)
- [The Presence \(or lack of\) Talent Champions](#)
- [Y Sample Development Plan](#)

Follow the steps outlined below to weave leadership development into your organization’s everyday activities using the 70-20-10 model. Doing this requires a team effort that includes the CEO and other senior leaders and line managers, who contribute to the organization’s Plan A, as well as staff members, who play an active part in crafting their individual development plans. (See “[Are You Effectively Developing Future Leaders?](#)” to gauge where your organization stands in its efforts around leadership development.)

Related Content

- [The 70-20-10 Model](#)
- [Chapter 3: Developing Future Leaders](#)
- [Plan A: How Successful Nonprofits Develop Their Future Leaders](#)

- **Step 1:** Cultivate Talent Champions
- **Step 2:** Identify Organizational Needs and Craft Development Opportunities

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- **Step 3:** Co-create Individualized Development Plans
- **Step 4:** Follow Through on Development Plans

Step 1: Cultivate Talent Champions

Line managers are key players in the leadership development process. They work with high-potential leadership candidates every day and, assuming they follow the 70-20-10 model, oversee 90 percent of their development through on-the-job learning and individual coaching and mentoring. So the first task of senior leaders is to develop line managers into “talent champions” – a term we borrowed from the Corporate Leadership Council that denotes managers who recognize the vital importance of developing a cadre of potential leaders and take responsibility for preparing them to lead. The Corporate Leadership Council has found that in the corporate world, talent champions outperform their peers in meeting business goals, delivering an average of 6 percent higher revenue and 7 percent higher profits.¹ It’s reasonable to think that talent champions can help nonprofits perform better, too.

But the Corporate Leadership Council also has found that only 19 percent of managers in the corporate world might be characterized as talent champions. (See [“How many talent champions does your organization have?”](#) for more details.) And in our interviews with senior nonprofit leaders, many noted a wide variation in their own managers’ ability to effectively develop others. But there are ways that your organization’s CEO and senior leaders can promote a wider commitment to talent championship in their organizations. One of the most powerful ways is to visibly recognize talent champions for their success. This type of soft accountability or peer pressure can have an even greater impact than formal job requirements, particularly when recognition is coupled with coaching and training in areas where managers are struggling.

Support is especially important when working with first-time managers or managers making the transition from managing individuals to managing groups. Their prior experiences may not have prepared them to think of themselves as talent developers, and they may require help in changing their work habits and time allocations to make room for their new responsibilities. Focusing support and development efforts on individuals transitioning into managerial work can pay big dividends in the future, as first-timers acquire leadership development skills – and the leadership development mindset – at the same time that they’re learning the other skills they need in their new jobs.

Step 2: Identify Organizational Needs and Craft Development Opportunities

The work of identifying the competencies that your future leaders need to develop flows naturally from planning process discussed in [“Three Steps to Understanding Your Nonprofit’s Future Leadership Needs”](#), where we discussed how your organization can zero in on the competency gaps it faces by conducting a talent review and preparing a Plan A. Once you have identified the gaps, you and your senior leadership team can study the organizational calendar and pinpoint the special projects, cross-cutting initiatives, board presentations, and other opportunities for future leaders to gain practical experience.

The key is to identify activities that your organization already performs. The day-to-day work of your organization offers ample opportunity to put your rising stars in leadership situations, at little cost and with minimal disruption to your operations. You could assign a leadership

¹ Corporate Leadership Council Human Resources, *Corporate Leadership Council Talent Management Effectiveness Survey*.

candidate to make a presentation to your board or to important stakeholders, for example, or place several candidates on a cross-functional task force. Whatever the assignment, the Corporate Leadership Council recommends that, for maximum effectiveness, the opportunities involve four elements:

- **Discomfort** – Assignments should take candidates out of their comfort zones and call on skills other than those they have already mastered.
- **Accountability** – Candidates must take ownership of their assignments and be held responsible for the results of their work.
- **Clarity** – The lesson the assignment is intended to teach should be clear to the candidate.
- **Relevance** – Each assignment should teach a skill or competency that a leadership candidate needs in his or her current role, as well as in roles s/he may play in the future.

Step 3: Co-create Individualized Development Plans

When senior leadership has assessed the organization's talent and identified the activities where future leaders can build their competencies, it's time for line managers to sit down with staff members and collaborate on plans to build the competencies they need to develop. These development discussions can be integrated into the performance-evaluation process, which is a natural setting for discussing the skills that staff members need to advance in the organization. Effective development conversations include a candid discussion of the staff member's aspirations, career trajectory, and goals for the future, as well as an honest assessment of the skills and competencies s/he needs to develop to get there. (See "[Y sample development plan](#)" for a template the Y-USA has created to help managers and staffers formulate development plans and fit them within the 70-20-10 framework.)

When managers and individual staffers have agreed on development needs and singled out two or three priorities to focus on during the upcoming review cycle, they can turn their attention to a plan to address these needs. In our discussions with nonprofits, we hear repeatedly that the most effective plans are the product of a true collaboration. Staffers who participate actively in crafting their development plans feel a sense of ownership they can't get from a plan that has been imposed on them.

Step 4: Follow Through on Development Plans

The senior leadership of your organization has a vital role to play in tracking the implementation of development plans and sharing their findings with the managers and staffers responsible for them. In organizations where development is ingrained in the culture, it's often enough for senior leaders to monitor progress informally, checking in with the people responsible and offering feedback and guidance on an ad-hoc basis. The check-ins help ensure that there are no surprises during annual performance evaluations, when managers review each staffer's progress in meeting development goals.

It's a good idea to conduct check-ins at least semiannually and possibly more frequently at certain types of organizations. Project-based nonprofits, for example, might want to schedule reviews to coincide with major milestones in the project cycle. And it may be necessary to check in regularly with individuals who are struggling to fulfill their plans or who have just taken on significant new leadership responsibilities. To minimize disruption, many organizations integrate these progress reviews into the organization's preexisting management processes and review

cycles. The more closely they integrate into the existing workflow, the easier they'll be to implement and track.