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The Hard Truth About Soft Skills

By Saundra Schrock, Levelhead

O rganizations worldwide are experiencing business-morphing challenges at an unprecedented rate. Entire industries are being disrupted, with many becoming obsolete. As organizations attempt to adjust to this hypercompetitive, technology-driven environment, they recognize that leadership is not just a competitive edge; it may be the difference between success and failure.

U.S. companies spend about $14 billion a year on leadership development, which is about 35% of their entire learning and development budget, according to a 2015 article in *Industrial and Organizational Psychology*. However, a 2016 survey of HR professionals found that only 15% were satisfied with their leadership bench, according to research by the Academy of Human Resource Development (AHRD).

Many leadership development experts speculate that the dissatisfaction with an organization's leadership bench results from a mismatch between the existing skills of leaders and the skills needed today. This lack of alignment is thought to be the result of an environment often described as volatile, uncertain, complex and ambiguous, or simply known as VUCA.

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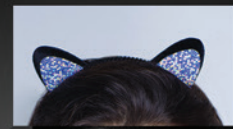
To navigate these rough waters, leaders are required to maintain a level of acuity and calmness, as they adjust quickly to the shifting tides of this highly competitive economic environment. Many leaders find that these types of skills are quite different from the technical or hard skills that brought them success in the past. As a matter of fact, an over-reliance on traditional skills can even harm the organization. For example, a leader needs to be able to make decisions with little information and adopt multiple complementary and often contradictory roles. They need to be directive yet collaborative; be both competitor and partner; act with agility and still be thoughtful.

Many leaders feel that the rulebook has not just changed, it no longer exists. It is no wonder that organizations are concerned about their leadership bench. The residual effects of a VUCA environment result in organizations having to adjust to major people-related changes. Here are just a few of these trends:

- **Shift from a centralized to a decentralized leadership model.** Because of the complexity of issues and specialized skills, organizations are finding that knowledge is distributed, and leadership is often situational and shared. *Implication:* Need to focus on developing both individual leadership capacity and the leadership capacity of the entire organization.
- **Expectation of employees to oversee their own development.** Employees at all levels have an expectation that they should be able to choose the type of development they receive and when, where and how they receive this training. *Implication:* Because development is expected to be on demand and available as needed, organizations need to explore innovative, cost-effective, technology solutions to deliver programs and information with anytime, anywhere access.
- **Emerging generational differences**. By 2020, nearly half of U.S. workers will be Millennials who will likely have a much different approach to work and career, compared to either Baby Boomers or Generation X. *Implication:* With a blend of generations in the workplace, organizations need to shift the collective mindset from the traditional way of doing things – including policies, hiring, training, communications, and even recognition and reward programs – to be inclusive to a new level of diversity.
- **Virtual workplaces.** To tap into a global talent pool, a growing number of employees may never be in the same physical location as their boss or colleagues and may include team members from many different cultures. *Implication:* Building virtual teams requires a leadership focus on developing trust in both formal and informal relationships to engage employees.
- **Restoration of confidence, hope and optimism.** The challenges of a volatile, uncertain, complex and ambiguous environment results in high levels of stress, burnout and employee turnover. When people are under stress, they fall back on reacting automatically and from old habits and routines. This leads to suboptimal performance, lack of engagement and increased turnover. *Implication:* To build a culture of confidence, hope and optimism requires deliberate and purposeful actions. The challenge that organizations face is leaders often lack the skills to build and sustain this type of environment.

Traditional Leadership Development Programs

Most organizations' leadership development programs include job rotation, skills practice and coaching. This type of approach is based on the philosophy that leadership development is like learning math or any other type of skill. According to the American Society of Training and Development, 85% of companies surveyed indicated that most of their leadership development program takes place in the classroom.

Typical programs begin with self-assessment questionnaires, 360 feedback assessments, review of theories of leadership, case analysis and practicing skills through presentations, simulations and role playing. The philosophy behind these programs is that leadership is rational, analytical and predictable, and occurs in situations where most of the facts are known and there is only one right answer. While there are many benefits to classroom instruction, the skills and knowledge gained from these sessions are not easily applied in multiple contexts and situations.

Often, traditional development programs do not provide the necessary support and structure for practicing the concepts learned in the classroom.

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The reality is that when employees come back to work, despite their best intentions, they get caught up in doing their job and put materials and what they learned in the program on the proverbial back shelf. And even those who do attempt to put into practice what they learned, do not have the necessary support to adapt the concepts to the multiple contexts and situations they encounter. While many leadership development professionals acknowledge that these "chalk-and-talk" models have limited impact, they struggle with how to make them more meaningful and effective.

What Change Is Needed

Keeping today's challenges and tensions in balance requires a leader to have a broad range of skills with an ability to switch between them, depending on the situation. However, most contemporary leadership models assume a linear relationship between specific leadership behavior and performance. AHRD research suggests that leaders who thrive in a fluid environment possess and demonstrate personal and social qualities related to creativity, risk taking, and managing stress and anxiety. These often-called "soft skills" are not easily learned in a classroom environment. If you accept that leaders develop through a continuous and iterative process, organizations need to figure out how they can turn real-world situations into development opportunities. Only by practicing and testing concepts learned in classroom settings can employees build their leadership muscle. Real leadership development takes place in daily experience. Everyday environments provide a rich context to explore and develop fundamental leadership capabilities. However, this type of learning requires thinking of leadership development as a series of "experiments" that allow the leader to learn and grow. By practicing what works and doesn't work, leaders can figure out how to apply some of the principles they have learned. Some of the essential ingredients to a continuous leadership development program include:

Learning Outside Classroom
- Requires engaged employees with a commitment to improve their skills.
- Utilizes real problems and situations, not simulated or invented ones for learning.

- Provides continuous support and coaching for development.
- Creates a safe and supportive environment where some attempts at learning will be unsuccessful. In other words, an environment that doesn't penalize the developing leader for experimenting and learning.

Benefits of Continuous Learning for Organizations and Employees
- Utilizing real problems or issues as learning opportunities allows the organization to benefit in two ways: developing leaders and improving business performance.
- Innovative solutions to problems and situations often results.
- It's a flexible and scalable way to build organizational leadership skills at all levels.
- It puts the employee in charge of his or her own development.

Building Skills for Today
When leaders adopt a mindset of continuous learning, they need to be able to observe, reflect and think before choosing the appropriate action. Leadership competencies needed in the 21st century include self-awareness, social awareness, self-management and relationship building. Although knowledge and expertise are important, they are becoming less important than behaviors that focus on agility, learning, adaptability, responsiveness and creativity. Today, soft skills such as creativity, resilience, emotional balance and tolerance for ambiguity improve organizational and subordinate outcomes more than hard skills, such as analytical and rational content, according to 2017 research in the *Journal of Applied Psychology*. While hard skills may be easier to learn and transfer to others, soft skills are more important to organizational success. Organizations who recognize this need are looking for innovative solutions to help leaders perform in this VUCA world.

Mindfulness: An Antidote to Today's Challenging Environment
Well-known leadership theorists have recognized the shortcomings of traditional approaches in preparing leaders for the messy leadership

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challenges of the 21st century. In response to this gap, researchers and practitioners alike have begun to explore the practice of mindfulness as a means to prepare leaders to navigate today's challenging environment. Mindfulness, defined as being intentionally present with an orientation that is characterized by curiosity, openness and acceptance, has been linked to an improvement in many of the capabilities essential for a successful leader in the 21st century. For example, mindfulness has been linked to many of the soft skills that are necessary for success, such as leadership flexibility, resiliency, collaboration and adaptability. Leading researchers think that a "mindful relationship with complexity" may help leaders respond more thoughtfully to the challenges of a VUCA world because mindfulness allows leaders to be more aware of their thoughts and emotions and how they might be affecting their decisions and actions.

Emerging research on the benefits of mindfulness has prompted many organizations to consider mindfulness training as part of their leadership development programs. When leadership programs integrate mindfulness into their training curriculum, they help leaders learn how to expand awareness to develop real-time insights, and how to reflect on these insights to inform future actions and behavior. Many leading organizations such as General Electric, Google, Apple, IBM, Starbucks, Pfizer, Goldman Sachs and even the U.S. military understand that being a leader in the 21st century requires a different set of skills. They understand that the increasing complexity and speed of our society places a high demand on the resiliency and adaptability of organizations and leaders. Whether an organizational leadership development program is based on situational, transformational, authentic leadership or some other leadership style, mindfulness holds significant promise in helping leaders prepare for today's business environment.

Evaluating Your Leadership Development Program

Evaluating your leadership development program in light of today's VUCA environment may be the difference between success and failure for your organization. For example, a review of 335 leadership development programs found that a properly designed program can lead to a 28% increase in leadership behaviors; 20% increase in overall job performance; 8% increase in followers' outcomes, and even a 25% increase in organization outcomes. However, organizations need to recognize that to achieve these results requires a carefully developed plan that considers emerging trends discussed earlier, exploring innovative solutions such as mindfulness and considering how the programs provide opportunities for continuous learning. In addition, organizations need to identify outcomes before developing a program because design characteristics affect outcomes differently. In the early stages of planning, organizations may want to consider:

• Who are my stakeholders and what outcomes do they expect to achieve?
• Do I have a clear vision and objective that is shared with all stakeholders?
• Have I leveraged multiple delivery methods (that include in-person classroom, e-learning or mobile learning, coaching and mentoring, and action learning opportunities)?
• Does my content have the appropriate mix of hard and soft skills components to help future leaders navigate the rough waters of today's environment?
• What can we do to support the overall well-being of our leaders?

Organizations need to act urgently in critically evaluating their programs and implementing the necessary change to prepare leaders for today's VUCA environment. That means that organizations need to ensure that their leadership development programs have the capability of helping leaders develop the essential soft skills of self-awareness, social awareness, self-management and building relationships, along with a well-supported process for leaders to build these skills in real-life situations. As organizations develop their leadership programs for the 21st-century leader, they may find that these so-called soft skills are not soft at all, but lead to tangible success for the organization. **WS**

Saundra Schrock is CEO and founder at Levelhead. Contact her at saundra@getlevelhead.com.