

Innovation in Leadership

Leadership development has to reflect modern contexts

By

Susan Francis

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Bayer AG is a life science company with more than 150 years of history and core competencies in healthcare and agriculture. The company operates in pharmaceuticals, consumer health, crop science and animal health. It has recently acquired Monsanto and thereby become the market leader in agriculture.

Bayer faces a number of concurrent challenges. It has to modernise the company and build a flatter, more linked structure that is leaner, faster and more customer oriented. It needs to integrate Monsanto. And it has to digitally transform as an organisation.

Bayer's leaders are being challenged to expand their capacities and methods to manage the intense complexity of the world today as well as cope within the new Bayer structure. As a reaction to this, Bayer decided to focus on leadership as a critical element of a new people strategy. The aim was to redefine the expectations for leadership within Bayer and to ensure the learning framework supports development to the new requirements.

A project team was established with the key task of generating a new model of leadership, with clearly articulated expectations. The output was a list of the necessary qualities and capabilities for a successful future-oriented leader within Bayer.

150yr

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The project team tapped into Bayer's innovation resources, including a coaching resource, to support idea development that would move the project forward speedily. The team used agile principles to structure the project and build it around a number of "sprints". The first solid iteration that emerged from the sprint model was presented back to the HR leadership team for review and guidance for next steps.

The major themes highlighted in this model were:

- transformational leadership through strong purpose
- empowering employees
- driving innovation
- agility
- strong customer connections
- building external collaborations
- positive impact on people's lives (both employees and customers)
- continuous learning
- creating an inclusive culture where people can thrive.

Each theme had identified behavioural anchors. The goal was to hone in on the critical elements that drive success and to word them in a way that resonates, shift mindsets and inspires leaders to expand their leadership capability.

As a next step the model was tested with leaders in the organisation. There was also some consideration as to how the model could be integrated into existing company frameworks to avoid "re-inventing the wheel". Additionally, the company had to ensure that the model would be easily taken up by the organisation and applied, and not marginalised as an adjunct framework.

When reviewing the existing framework, it was also clear that many of the elements were still relevant as the foundations for effective leaders and that relatively few additional focus areas needed to be added to upgrade the expectations to fit the company for the 21st century.

This is in line with recent research from McKinsey and is reflected in the IMD model



developed by Michael Wade on Agile leadership. (See *Agile Leadership in an Age of Digital Disruption*, Global Center for Digital Business Transformation, June 2017).

The goal of the feedback rounds was to gather the business perspectives on leadership expectations related to the major business challenges that were being faced by divisions and corporate functions. This step was also helpful to stress test the framework to see that it is useful to provide business leaders with orientation that can support them to manage effectively into the future.

Leaders were widely canvassed about their reaction to the model and consulted about how to handle the explicit behaviours that emerged. This entailed re-examining the company values to clarify whether the new leadership behaviours impacted upon those values and necessitated updating them. The outcomes of that exploration were fed in to the third iteration of the new leadership plan and enabled finalisation of the model.

While this was going on, personal networks with other multinational companies explored the leadership models they were using and the way





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in which they were turning those models into insights that could be actioned. The aim was to explore good practice outside the organisation to see if lessons and practices could be shared.

This was one of the main drivers for joining the EFMD Special Interest Group “Innovation in Leadership Development”.

This proved to be a great source of inspiration and benchmarking and many of the outputs were utilised. Many organisations in this group are grappling with many of the same challenges involved in rapidly increase the capability of their leaders. Through their insights, the eight “beliefs” for effective leadership development were identified.

In parallel, Bayer’s Learning team started the process of refreshing the leadership development curriculum in line with new expectations, drawing upon the eight beliefs as a basis for moving forward. The new direction for Bayer’s leadership development approach is very much in line with the belief statements.

The next generation of programs under development are being co-created closely with business stakeholders and a cross-section of HR colleagues from around the world. It is important to set the new leadership expectations globally to drive the change in paradigm yet incorporate local cultural elements to ensure acceptance and relevancy of the learning approaches.

Bayer is proud of its systematic approach to leadership development, together with a curriculum that covers the whole gamut of leadership in the company from first-line managers to top executives. The resulting programmes also maintain the existing range of performance and development structures that already exist.

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Further enhancements will include extending the role of leaders as teachers and sustained and continuous learning through self-directed alumni groups. Increasingly data will be gathered and used to measure outcomes and also promote the impact of the programmes to the whole organisation but particularly the senior executives who act as sponsors.

The aim, ultimately, is to go beyond programmes into extended learning journeys that are constantly revised in the light of internal and external changes in the working environment. This will enable a more agile approach to updating content and provide flexibility to the curriculum to be tailored to individual needs and to meet the goals of the various divisions within the company. In that way, the programmes will mirror the organisational changes as the company attempts to create a flatter structure, with fewer silos.

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A recent example of how Bayer has synthesised the integrated learning journey approach and is applying the eight beliefs into programme development is demonstrated by the digital curriculum for executive leaders. Bayer has identified that it needs to speed up its digital transformation. Senior leaders have been asked to update their strategic business skills and leadership capabilities in order to better drive the digital agenda in the company.

The challenge is that each division is at a different starting point in their digital strategy, and individual leaders have a large range of capabilities in their digital fluency. To address these developmental challenges, we have developed an integrated learning journey, partnering with IMD business school to deliver this.

The programme starts with leaders benchmarking their digital fluency to inform their learning plan. Those with basic knowledge will be recommended a virtual online module on digital disruption and digital basics so that there is a common base of foundational knowledge before those leaders enter the residential deep-dive programme.

This residential programme is tailored to the divisional strategic directions and will draw upon leaders in digitally advanced parts of the business to share their knowledge. The programme will also address the leadership capabilities needed to be effective in the digital age, emphasising aspects from the new leadership expectations such as agility and collaboration, in addition to understanding the personal transformational aspects required to navigate people through these revolutionary changes. The application of learning will be reinforced through projects, individual coaching, and regular Webinars.

In addition, existing Bayer programs such as reverse mentoring and digital immersion market dives will be used. A range of electives will be offered to meet leaders evolving learning needs in the digital space. This was part of the initial

benchmark and will allow leaders to continue their development. This programme, to be launched in July, will last approximately 18 months.

There is still a fundamental issue and a tension between standardisation across the whole company on the one hand, and the need to adapt to local conditions and individual needs on the other. This next phase of the programme will attempt to get this balance right.

There is also a plan to introduce new capabilities and mindsets to help leaders cope better as the organisation moves forward. These will include humbleness, leaders' roles as facilitators and drawing on the strength of reflection for both individuals and teams.

Bayer is trying to shift away from the heroic leadership paradigm to become much more inclusive and ready to acknowledge the contribution of many different individuals drawn from across the organisation. One emerging aim is to celebrate the organisation's diversity by engaging more people in the process of remaking Bayer.

Rather like the organisation as a whole, future leaders at Bayer will be able to listen more, draw upon techniques such as mindfulness, and be more resilient in these complex and challenging times. The organisation is going through a radical makeover and it would be absurd to imagine that the makeover would not profoundly affect who is selected as a leader, what their role is, and what expectations are put on their shoulders.



About the Author

Susan Francis is the Senior Learning and Training Manager responsible for Executive leadership development programmes