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**Using Leadership Development to Build a Coaching Culture for
Competitive Advantage**

Grant Thornton LLP

Presenters

- IBM Consultants Presenting on Behalf of Julian Malnak
 - Kevin Impelman, PhD
 - Heather Bolen, PhD

Agenda

- Grant Thornton and the Senior Manager Academy
- Defining Success
- Assessments & Measurement
- Year 1 Summary
- Year 2 Plans
- Lessons Learned

Grant Thornton Overview

- One of the world's leading audit, tax and advisory firms
 - Revenue in excess of \$1.3 billion
 - Operates 58 offices across the United States
 - Focuses on serving dynamic organizations that pursue growth holistically — whether through revenue improvement, leadership, mission fulfillment, or innovation.
- Consistently recognized as an employer of choice
 - “Best Places to Work” (Crain’s Chicago Business, 2013)
 - “Best Accounting Firms to Work For” and “Accounting 50” (Vault.com, 2011–14)
 - “Best Companies” (Working Mother, 2006–14)



Grant Thornton's Senior Manager Academy

SMA Purpose



Provide a clear path to partner while identifying and accelerating the growth of high-potential senior managers

SMA Goals

- **Business Goals:**

- A shift from “time in chair” and performance-based assessment (rear-view mirror) – to “evidence and experience-based assessment”
- 80-90% Senior Managers enter Partner / Managing Director pool within four years
- Increase Retention Rate of Top Talent

- **Financial Goals:**

- Increase talent leverage while decreasing acquisition costs (return on talent) through improved workforce planning and mobility practices

“ Having the best people and a unique, values-based culture is a core part of our growth strategy” – Mike McGuire, CEO

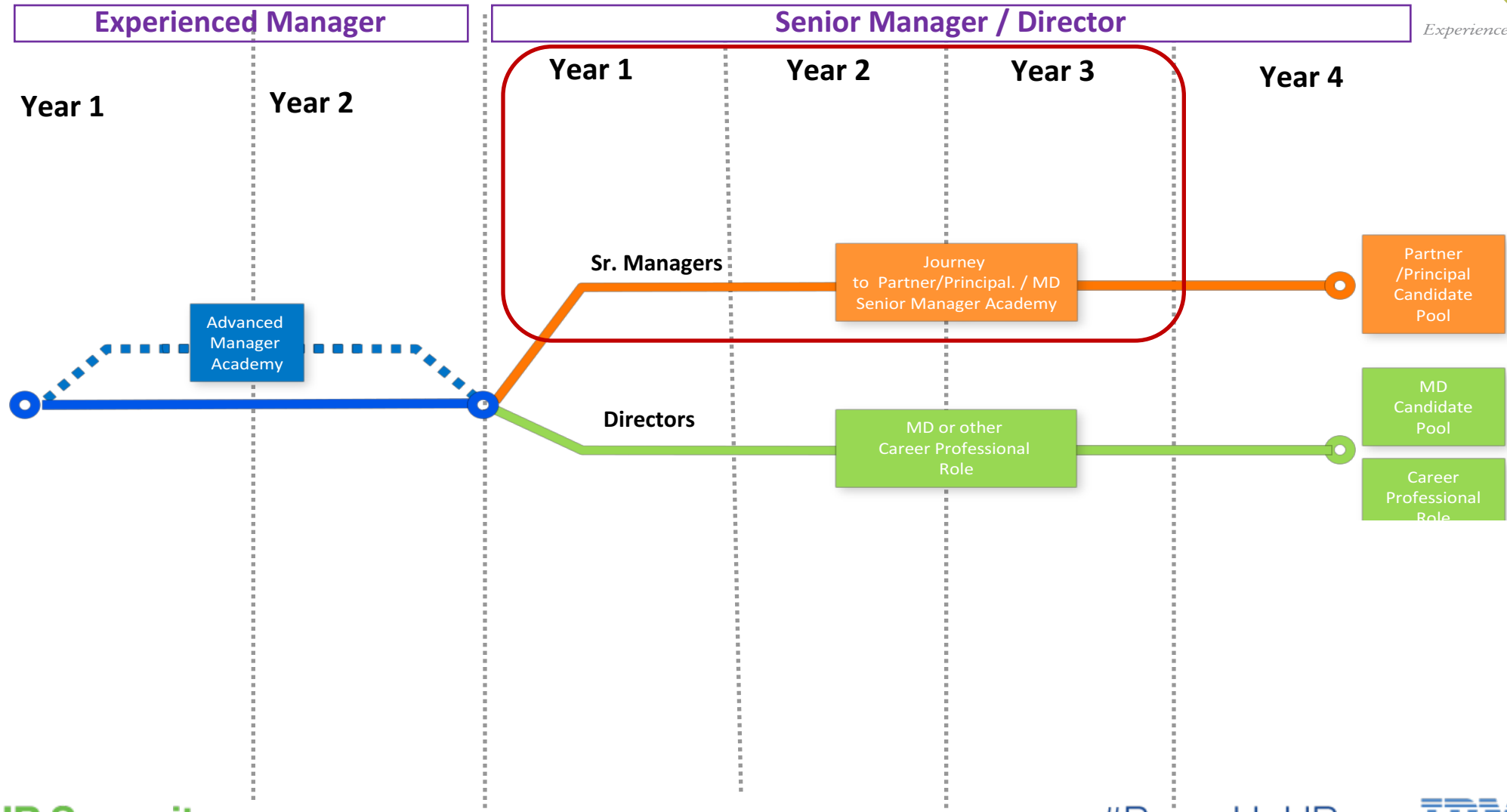
SMA Overview

The Senior Manager role will be a transitional role considered to be Partner “clerkship”

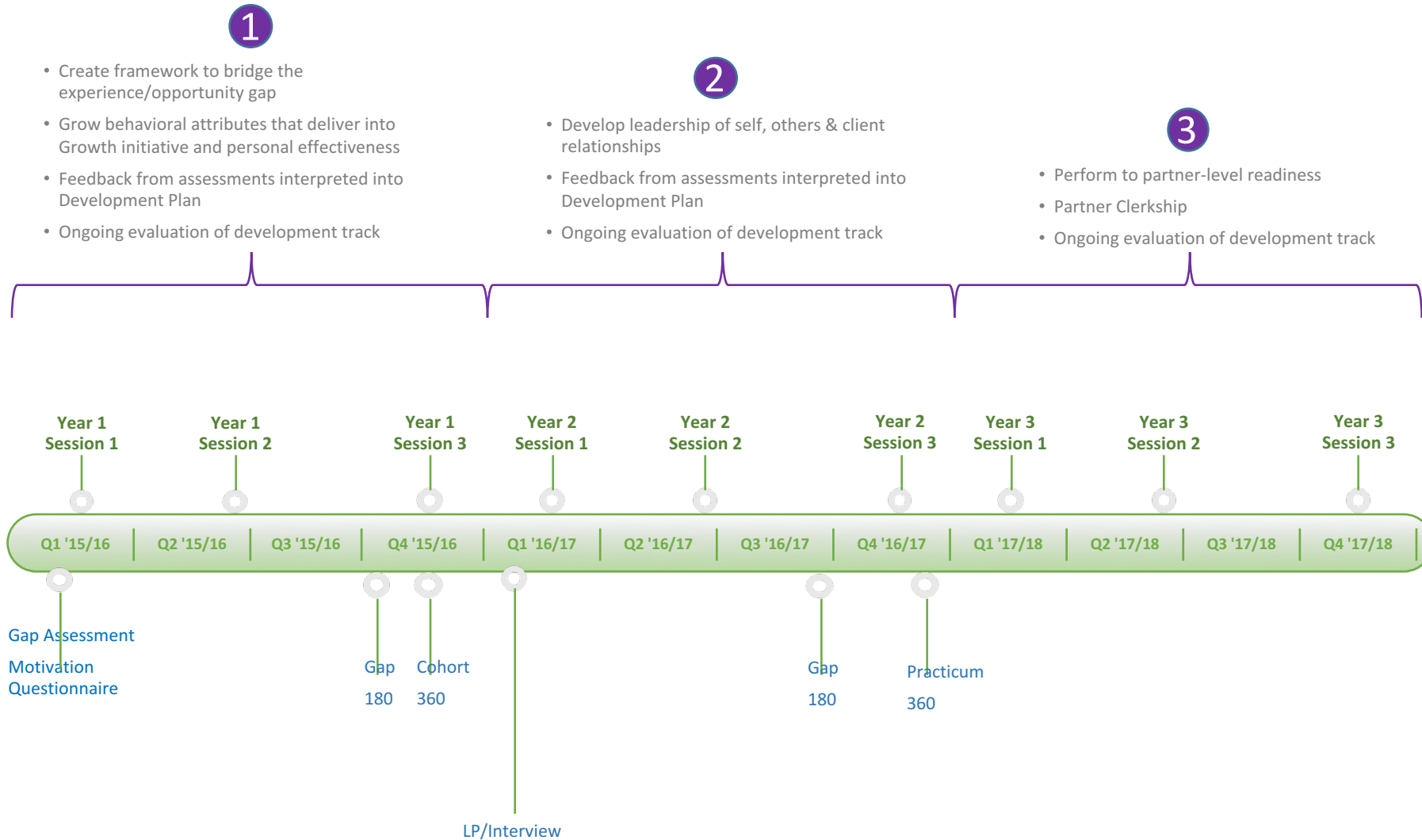
- **Year 1** – Do You Have The "Instinct For Growth" To Be Among Our Next Generation Of Leaders?
 - Living Our Brand
 - Serving Our Clients
 - Focused On the Future
- **Year 2** – What Kind Of A Leader Are You?
 - Inspiring Leadership
 - Leading In The Marketplace
 - Leading With Your Peers
- **Year 3** – How Are You Helping The Firm Grow?
 - Execution Excellence
 - Driving Change
 - Leading Through Adversity

Our Future State Story – Initial Draft Design

The CAREER CONTINUUM 2.0 "Narrative" for Experienced Managers & Sr. Managers



Year by year expectations and goals



SMA Participant Expectations Survey

Expectation from the Academy

- A clearer path to partner
- Help to make the right choices for my career
- Ability to network
- Frank conversation on what it is like to be a partner

"I expect to have a better understanding of the journey required to reach partner as well as the expectations the firm has for senior managers as they progress. Additionally, it would be helpful to understand key decision points to determine whether the partner path is appropriate for me versus managing director."

Sample size of 57 participants

SMA Participant Expectations Survey

Self- Identified Development Areas for Participants

- Speaking in public
- Networking
- Getting involved/imbedded in the community
- Growing a book of business
- Negotiation
- Delegation
- Confidence
- Work-Life balance

"My expectations are to have a better understanding... of what it takes to grow the firm as a successful partner. I also expect to build a networking group of individuals along the same path which I can rely upon during this journey as well as be an individual each of them can rely upon as well."



Senior Manager Academy Participants

SMA Participants



- **Senior Managers**
- **Deans**
- **Advisors**
- **Performance Coaches**
- **GT Leadership Development Team**
- **Guest Speakers**

SMA Advisors



Participant Oversight

- Ensure adherence to the 5 drivers and VBO
- Serve as a voice of the business
- Attend face-to-face sessions



Participator

- Serve as sounding board, provide advice for participants and share experiences
- Coach cohorts during break-out sessions
- Interaction with Deans and Speakers



Coach Leadership Project

- Ensure cohort work adheres to project objectives and stays on track to deliver consolidated final presentation
- Participate in self-reflection of group performance
- Establish a routine with the cohorts to inspect progress, critique deliverables, and challenge them



Coach on Assessments Feedback and Development Planning

- Coach participants on how to interpret assessment reports into development actions
- Challenge participants to translate SMA learning into development plans
- Bring incisive insight – not acting as advocates



Provide Evaluation Insight on Progress

- Take note of cohort/participant behavior and decisions for later 1:1 feedback or feedback to the program
- Add evaluation input to process and connect with performance coach where appropriate
- Coach participant on addressing road blocks

Success Profile

Senior Manager & Partner Needs Analysis: Key Themes

Critical skills required by SM's to achieve partner-level readiness

Market-facing develop presence in the market, networking, community interaction

Executive presence develop confidence, brand, authenticity, expression, courage

Relationship building develop trust, authenticity, empathy, curiosity, credibility

Revenue generation develop business opportunities, stewardship of the firm, risk

Technical expertise develop knowledge, economic/industry/GT awareness, rotation

Team development develop loyalty, grow capability, coach others, decision-making

Work ethos balance now & future, delivery, discipline, extra-curricula

Senior Manager & Partner Needs Analysis: Key Themes

Highest impact development for SM's to achieve partner-level readiness

Partner mentors guide, challenge, develop network

Personal drive proactive, "think like a partner", aspirational attitude, reading

Practice on-the-job, develop skills – presenting, proposals, business projects

Participation industry groups, community/office activities, mentoring others

Plan knowing how to develop, identify the gaps, understand the partner role

Program intentional development

What is a Partner Success Profile?

Profile has two purposes to ...

- 1. Paint a clear picture of the partner role**
 - explains *what is expected* in the role
 - the *personal attributes* that can drive success
 - provides *narrative accounts* drawn from work experiences
- 2. Provide a clear and consistent framework for development**
 - organized by the firm's five drivers and risk and quality

Success Profile Research Process

- Review Existing Documents
 - Values and competency frameworks
 - Partner panel review forms
- 30 Partner Interviews
- 26 Partner Job Analysis Questionnaires
- Partner Review Workshops

How is the Success Profile Organized?

Role Overview and the Five Drivers

A Partner/Principal is an owner and a steward of the firm. Each individual takes full responsibility for the execution of our strategy, driving profitability and providing a stronger firm for the future. A Partner/Principal must demonstrate capabilities to execute on all dimensions of our strategy. A Partner/Principal is a leader with unquestionable values who makes a difference to our clients, our people (including colleagues), our profession, and our communities. In addition to quality and risk, a partner's responsibilities are aligned to these five drivers of firm performance.



REVENUE
GROWTH

Significantly increase our market share.



OPERATIONAL
EXCELLENCE

Deliver the highest quality while improving our margins and price competitiveness.



DISTINCTIVE
CLIENT SERVICE

Consistently deliver a client experience that is exceptional and distinctive.



TALENT

Attract, develop and engage intellectually curious, talented individuals who make a difference.



BRAND

Build a global reputation as an influential and responsible firm, the firm of choice for dynamic organizations.

Drivers

- The success profile is **divided into sections** by each of the firm's five drivers
- A **clear explanation** of the drivers is provided at the beginning of each section
- Additional information on quality and risk is provided at the end of the document

For each driver there are:

Revenue Growth

KEY EXPECTATIONS	NARRATIVES
<p>Meet business growth goals by building profitable business from the existing client base</p> <ul style="list-style-type: none">Identify potential opportunities by staying current on the state of the client's business and the drivers impacting the client's market/industry (Examples: Competitive, regulatory, technological, and global drivers)Expand client relationships with the firm and awareness of the firm's capabilities by introducing client to other partners with capabilities suited to the client's businessNegotiate agreements resulting in an overall profitable client arrangement for the firmContinue client contact through calls and visits, actively exploring opportunities and directly asking for referrals or opportunities to expand workConvert existing relationships into new opportunities by staying in-touch with individuals who change organizations or jobs	<p>Debbie has steadily expanded Grant Thornton's revenue with her primary client over the past few years. She and the CFO are long-time friends, having first met at a conference when they were both still managers. Their strong relationship and Debbie's deep understanding of the issues facing her client allowed her to introduce the CFO to other Grant Thornton partners with specialized capabilities highly relevant to the client's business. Over time as the client experienced changes and growth, the CFO has asked Debbie to propose on a wide variety of new opportunities and has also referred other businesses in the industry to Grant Thornton.</p>
<p>Meet business growth goals by winning new business from prospects</p> <ul style="list-style-type: none">Collaborate on new pursuits, finding the best people in the firm to meet the need, regardless of geographyBuild a book of prospective business by visibly and actively participating in the market (Examples: technical associations, industry groups, community programs, boards, networking with affiliated professionals in legal, banking, and other professionals in the market)Adhere to independence rules and standards when pursuing new opportunities, conduct relationship and conflict checks in a timely mannerLead key pursuits, orchestrate the right resources to build winning proposals and deliver compelling pitchesUnderstand and be sensitive to different communication styles and cultural norms when engaging in proposals for prospective multi-national clients	<p>Since her promotion to manager, Abigail has consciously worked towards becoming a leader in her area of practice. She has served on technical committees developing new standards, contributed to white papers, spoken at public policy forums and has been published by her professional association. Now a partner at Grant Thornton, the many years of effort have paid off. Abigail is now regularly invited to speak on her specialty and her reputation is well established in the industry. This often brings in new clients and also results in referrals from current clients to new clients.</p>
	<p>Bernadette began her current role as a partner by taking a role outside of her current firm. Bernadette began growing her network in her new market by asking other Grant Thornton partners to introduce her to some of the area's bankers, lawyers, commercial realtors and other affiliated professionals in their networks. From this base, she worked to build relationships and has steadily expand her network of contacts; over time this has helped Bernadette gain introductions to new prospects and become aware of opportunities.</p>
	<p>Victor lives in an area that has steadily grown into a technology hub. Over coffee, some of Victor's long-time friends mentioned new acquaintances in the local technology firms. Victor asked his friends if they would be willing to invite their new contacts to a cocktail hour sponsored by Grant Thornton; Victor would bring some of the contacts he had made as well. The event was well attended and has turned into a monthly gathering for local technology professionals to network and exchange ideas. As a result Victor has connected with many executives from a variety of companies and built a strong network in the technology industry.</p>

Expectations

Expectations are usually stated as SMART goals. Because the success profile is a developmental document, these expectations are broken down into key responsibilities for each driver

Narrative

Narratives are examples provided by partners in the firm to illustrate how some partners fulfill this aspect of the role

Narrative



Victor lives in an area that has steadily grown into a technology hub. Over coffee, some of Victor's long-time friends mentioned new acquaintances in the local technology firms. Victor asked his friends if they would be willing to invite their new contacts to a cocktail hour sponsored by Grant Thornton; Victor would bring some of the contacts he had made as well. The event was well attended and has turned into a monthly gathering for local technology professionals to network and exchange ideas. As a result Victor has connected with many executives from a variety of companies and built a strong network in the technology industry.

For each driver there are:

Success Attributes

Attributes are traits demonstrated by those who are most successful in a given driver. These attributes are sometimes called “strengths”. No single attribute predicts success in a driver

Derailers

Behaviors that detract from meeting expectations and performance in a driver

Current Issues / Opportunities

Think of this as providing “current events” – establishing context for issues and opportunities partners currently face

Revenue Growth

REVENUE GROWTH SUCCESS ATTRIBUTES

Vision	Initiative	Social Confidence	Innovation	Team Orientation	Influence
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REVENUE GROWTH DERAILERS

Overly focuses on managing and retaining current business resulting in insufficient focus on account development	Continues to use the same internal colleagues to propose on new opportunities which impacts prospects' view of the firm's strength and capabilities	Does not demonstrate sufficient executive presence which might turn off new prospects. Some examples to be aware of: excessive use of technical jargon, fast speaking pace, failure to make clear connections to customer's business needs
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• Clearly differentiate Grant Thornton from regional and Big 4 firms

CURRENT CHALLENGES/OPPORTUNITIES

“I've heard it mentioned that there are *four silent questions* all clients and prospects ask themselves when considering a business partner:

- Do I like you?
- Can I trust you?
- Can you help me?
- Do you understand my business and priority issues?

”

- Wally Gruenes

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For each driver there are:

Revenue Growth - Developmental Experiences

DIMENSIONS	KEY EXPERIENCES
Business Development	<ul style="list-style-type: none">• Acquire new business in a competitive situation thanks to an effective sales presentation and pursuit• Present multiple times to executives as a business developer, clearly articulating the value proposition of Grant Thornton's services
Cross-Functional Work	<ul style="list-style-type: none">• Develop a wide network of relationships within other firm practice groups or business lines across national and global geographies• Introduce clients to other practice groups or business lines within GT, resulting in expanded opportunities with clients
Client Executive Exposure	<ul style="list-style-type: none">• Entertain executive client contacts in social settings• Build personal rapport with executives at industry forums or technical conferences• Effectively influence client executives on a strategic topic or technical matter
Market-Facing Exposure	<ul style="list-style-type: none">• Play a key role on a technical committee in a topical-area with high marketplace "pull"• Build professional reputation and source of external referrals by presenting at industry/technical meetings or other events• Contribute thought leadership on "leading-edge" points of view through Grant Thornton channels to build professional credibility*• Serve as a board member for a non-profit organization to build personal and GT brand visibility in the community*

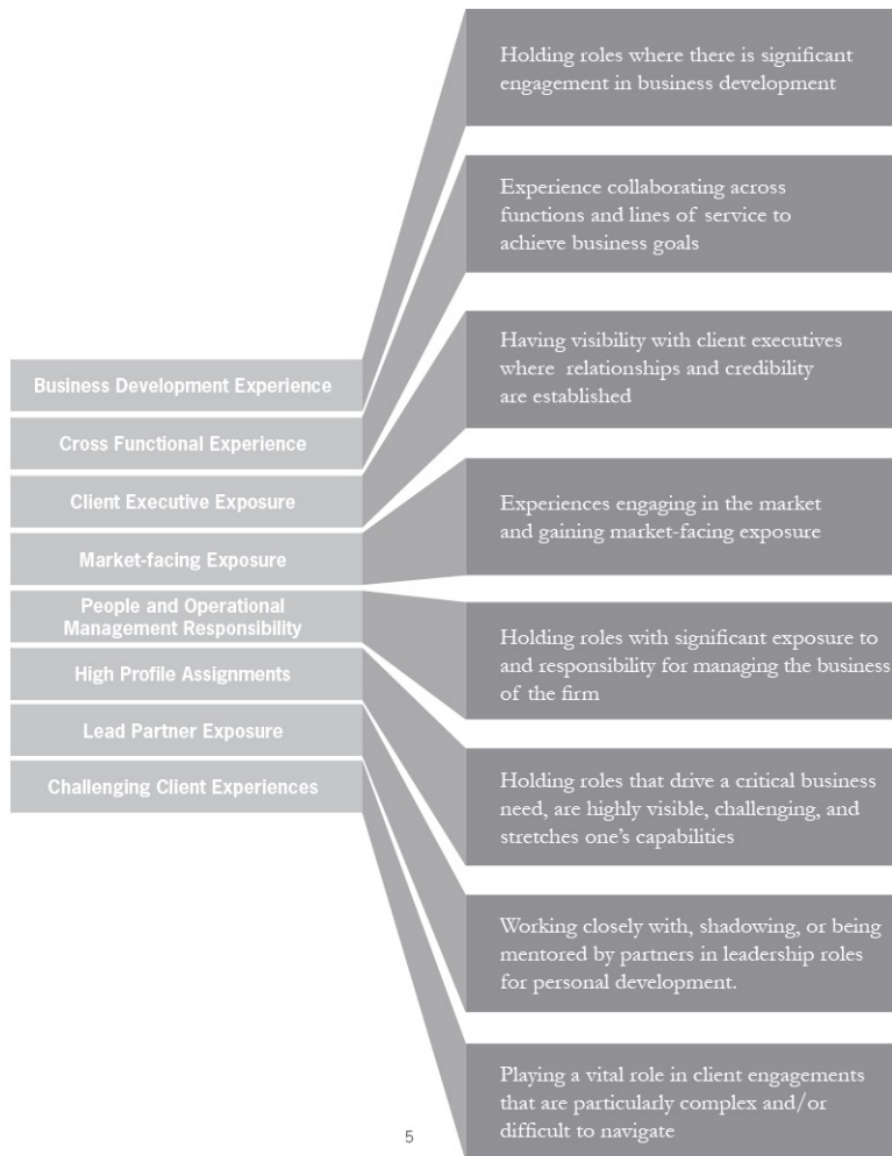
* A similar experience exists under another driver.

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Developmental Experiences

Examples of the kinds of things you should be striving to do to build your capability in a given driver

Experiences and Dimensions



- **Repeated experiences** or exposures are the main way to build capability and demonstrate your ability to handle partner responsibilities
- **Key experiences** for each driver are grouped into categories. These categories or “dimensions” clarify the intended objective of the experiences in that category
- When building a development plan, review these experiences, tailoring them to your needs and situation into a set of clear development goals

Success Attributes Map

	REVENUE GROWTH	OPERATIONAL EXCELLENCE	DISTINCTIVE CLIENT SERVICE	TALENT	BRAND
ACHIEVEMENT ORIENTATION Motivated by accomplishment of goals, constantly searching for challenges and driven to meet these challenges.	●				
AGILITY Able to tailor approach, either relational or solution-based to the situation. Embraces change and adapts.		●			
COMPLEXITY Able to look at situations and problems at a deeper level to understand relationships and high level concepts.		●			
CONCERN FOR OTHERS Cares deeply and listens intently to others. Remains open and approachable.			●	●	
DECISIVENESS Willing to make decisions quickly even in the absence of complete information.		●			
DEPENDABILITY Is reliable and responsible. While managing multiple responsibilities, can be counted on to deliver.			●		
DEVELOPMENT OF OTHERS Motivated and focused on coaching and developing others.				●	
ENERGY Internally driven to be active and get things done, thriving in a fast paced environment.		●	●		
INFLUENCE Inspires and motivates others. Communicates in a compelling manner.				●	●
INITIATIVE Action oriented, seeking ambitious challenges.	●	●			
INNOVATIVE Creative and alternative thinking to develop new perspectives and reframe client issues and possible solutions.	●		●		
LEARNING ORIENTATION Motivated by opportunities to develop expertise and seek knowledge and industry trends.					●
SELF CONTROL Able to maintain composure, keep emotions under control in difficult situations, and avoid displaying negative behavior.			●	●	
SOCIABILITY Driven to build relationships. Establishes a network in the community and marketplace.					●
SOCIAL CONFIDENCE Comfortable and confident dealing with new people and presenting to an audience.	●				●
TEAM ORIENTATION Thinks team, not self. Encourages collaboration and inclusion. Values differences.	●			●	
VISION Has a long term perspective, envisioning possibilities, focusing on future progress, and understanding the broader competitive landscape.	●				●

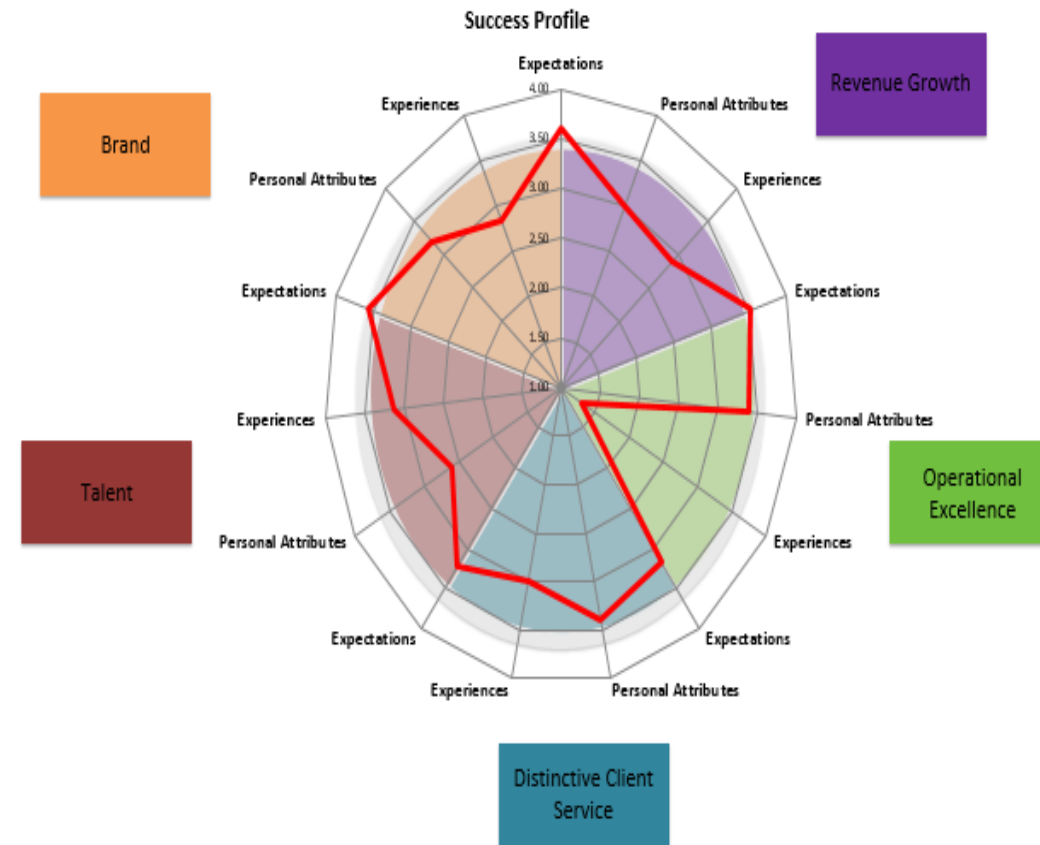
- Success **attributes** map to different drivers
- Often, a combination of attributes determine one's strengths in a given driver



Assessments & Measurement

Self Assessment – Personal Gap Report

- **Senior Managers are assessing against the Partner Success Profile**
 - There should be several gaps
 - Interpret based on what is high/low *for you*
- **Review your Assessment Insights**
 - What immediately resonated with you?
- **Identify Trends by Driver**
 - Top and Bottom Drivers
- **Identify what is influencing the Driver**
 - Expectations, Experiences, Success Attributes
- **Identify which gaps are most critical for your developmental path**
 - What can we influence?
 - What is aligned with your career goals?
 - What is challenging, yet attainable?



Self Assessment – Motivation Questionnaire

Environmental Needs

Those which relate to material aspects of work such as work conditions, work-life balance, money, equipment, and sense of safety and security.

Activity

Comfort & Security

Financial Reward

Structure (Flexibility)

Interpersonal Needs

Those which emphasize the need for interaction with others, and how we relate to others.

Competition

Power & Progression

Recognition & Status

Relationships

Intrapersonal Needs

Those which relate to how individuals see themselves and their work in terms of personal achievement, growth, inherent interest, opportunities for creativity and personal development.

Achievement

Autonomy

Creativity & Interest

Growth

Motivations Associated with Partner Role

What did partners say they are motivated by?

Growth

- Developing the next generation of leadership
- Self development in a continuous learning environment

Relationships

- Building strong relationships with clients
- Feeling like they're part of something; working with great people

Creativity & Interest

- Coming up with innovative solutions to clients' needs and implementing them
- Interesting work and never being bored

Achievement

- Enjoyment of chasing opportunities
- Winning new and bigger clients

Other Assessment

- Success Profile
 - Performance Coaches
- Cohort 360
 - SMA Cohort
 - Advisor
- Business Case Evaluation



Experience. Inspire. Excel.

SMA Year 1 Evaluation

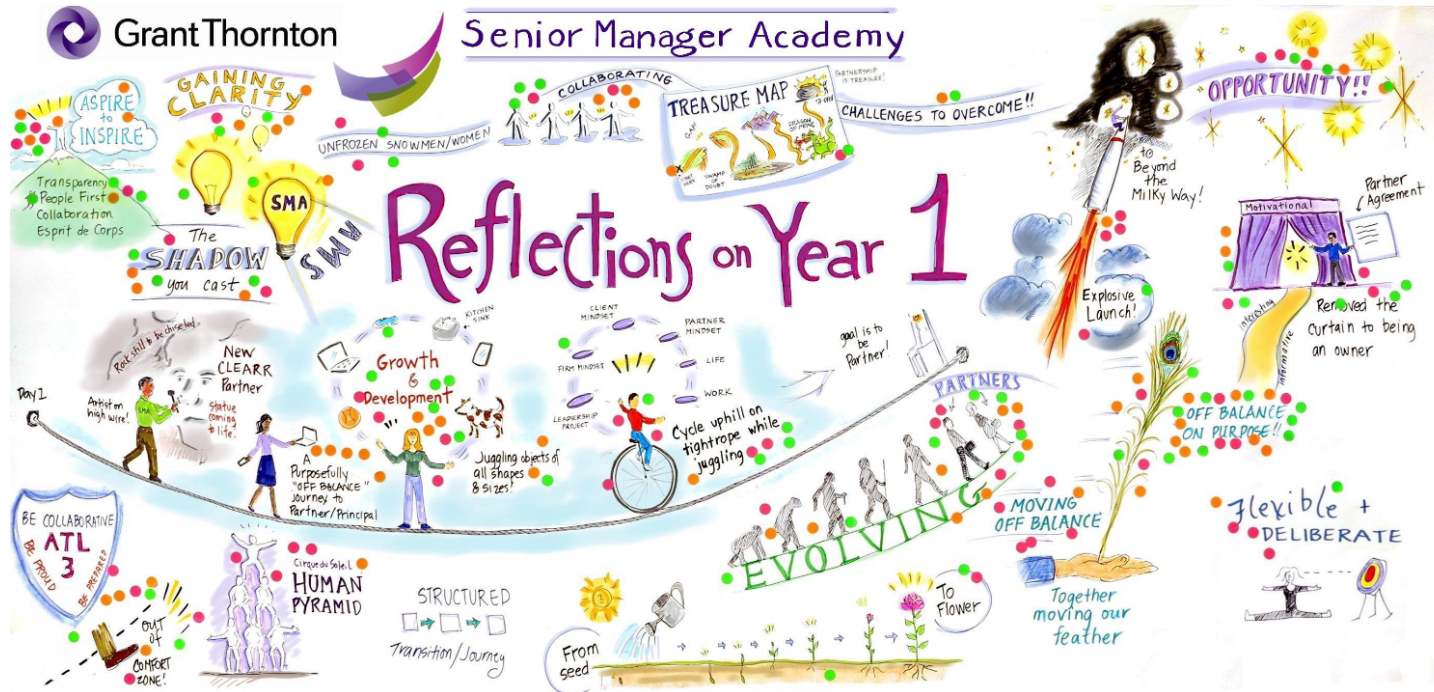
Senior Manager Academy – Evaluation



Final Evaluation: Scoring Grid

	Theme	Business Case	Coach Success Profile Ratings	Other's 360 Ratings	Self 360 Ratings	Overall
Strategic Drivers	Revenue Growth					
	Operational Excellence					
	Distinctive Client Service					
	Talent					
	Brand					
VBO	Collaboration					Match
	Leadership					Disconnect
	Excellence					Match
	Agility					Disconnect
	Respect					Match
	Responsibility					Match
						Overall Progress = Recommend

SMA Year-End Evaluation



Class: 2015
Year: 1
Region: East
Service Line: Advisory

Evaluation Summary

- The Evaluation Summary provides an evaluation of your progress in year one.
- **Progress** is a combination of the assessments you took, stakeholder input taken throughout year one of the SMA, and yearly performance data. Your progress is marked as **strong, moderate, or limited**.
- **Quartile Ranking** measures your results versus your peers. Each quartile makes up 25% of the SMA population. The senior managers most ready to continue on with the program will be in the **1st quartile** and the while the least ready will be in the **4th quartile**.

Your Progress to Partner and SMA Year 2 Recommendation

	Year 1	Year 2	Year 3
Your Progress		N/A	N/A

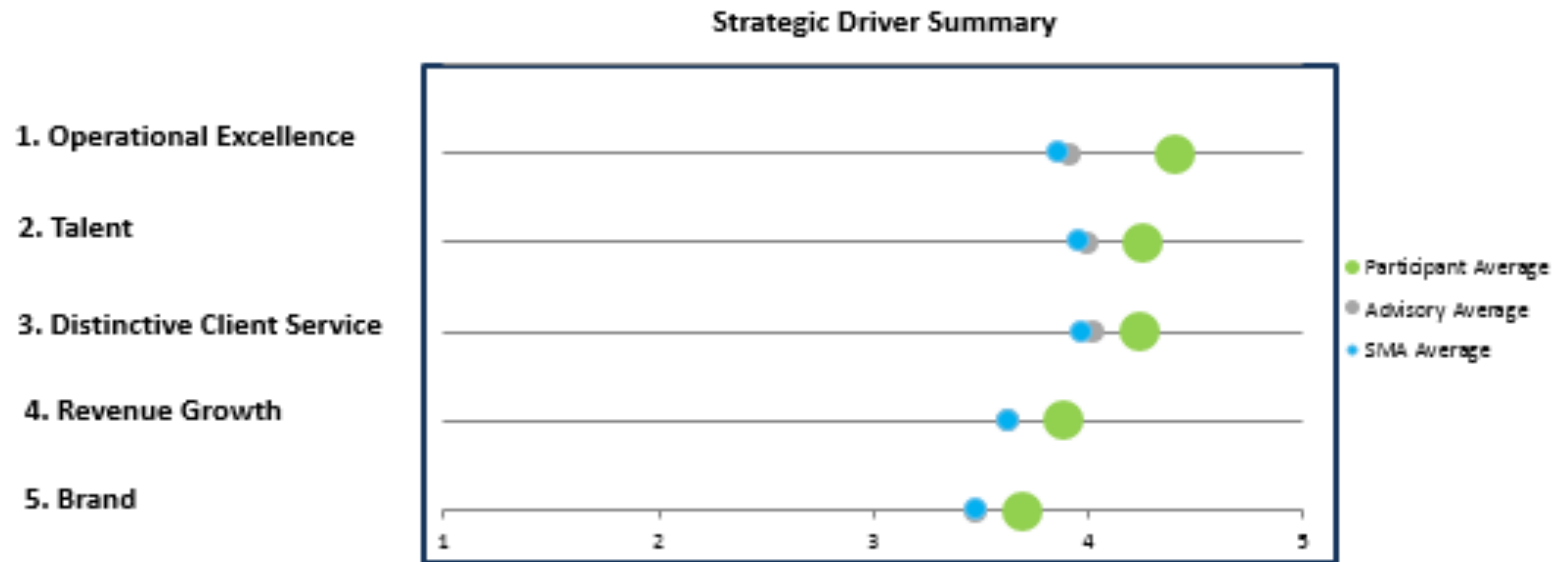
Your Ranking vs Peer Group	
Advisory	2 nd
SMA Overall	1 st

Your FY17 SMA Y2 Recommendation	
Continue to SMA Year 2	Recommended

Strong	<p>You were ranked in the 1st quartile in your service line for SMA metrics collected during year 1.</p> <p>Senior managers with strong performance are ahead of their peers and should continue on to year 2.</p>
Moderate	<p>You were ranked in the 2nd or 3rd quartile in your service line for SMA metrics collected during year 1.</p> <p>Senior managers with moderate performance are on par and should continue on to year 2.</p>
Limited	<p>You were ranked in the 4th quartile in service line your service line for SMA metrics collected during year 1.</p>

Strategic Driver Summary

The **Strategic Driver Summary** shows how you scored in each of the 5 Strategic Drivers in comparison with the average of your SMA peers and your service line



How to Interpret:

The drivers are ranked from your highest to your lowest.

Comparing the bubbles will show you where your score ranks vs. people in your service line participating in SMA and vs. SMA overall.

If your bubble is to the right of the other bubbles you are performing above the average. If your bubble is to the left you are performing below those averages.

Large distances between bubbles indicate areas of strengths or development opportunities for you.

Your Strategic Driver Development Tracker

Your Strategic Driver Development Tracker shows the score on each strategic driver. The tracker shows your driver average (scale 1-5)

Your Progress to Partner and SMA Year 2 Recommendation

Driver	Your Driver Average	Service Line Quartile Rank	SMA Overall Quartile Rank	Business Case Evaluation Quartile	
Operational Excellence	4.40	1st	1st	1st	Strong 1 st quartile – your driver average was in the top 25% and is a strength for you.
Talent	4.25	2 nd	1st	1st	
Distinctive Client Service	4.24	2 nd	1st	1st	Moderate 2 nd or 3 rd quartile – your driver average was in the top 25-75% range, and is considered to be on-track.
Revenue Growth	3.88	2 nd	2 nd	1st	
Brand	3.69	2 nd	2 nd	1st	Limited 4 th quartile – your driver average was in the bottom 25%. You have development opportunities in this area

Self-rated scoring is not included in driver calculations

Two or more of the same color for any driver should be considered a clear indicator of how you stand

Shadow You Cast – CLEARR Values

The shadow you cast is a reflection of how you ranked yourself and how others saw you demonstrate CLEARR values. These results came by surveying your cohort members, advisors and coach. The following table shows how you view your top and bottom values with how your peers and advisor see you.

		Most often demonstrated behaviors reported	
Rank		By You	By Your Peers/Advisor*
1 st		Collaboration	Agility
2 nd		Leadership	Leadership
3 rd		Agility	Responsibility

		Least demonstrated behaviors reported	
Rank		By You	By Your Peers/Advisor*
7 th		Respect	Respect
6 th		Excellence	Collaboration
5 th		Responsibility	Excellence

*Advisor ratings of top and bottom CLEARR Behaviors combined with Peer measurements

How to Interpret:

Match
Disconnect

The tables represent the values of the behaviors you and your peers selected as the ones you most demonstrate.

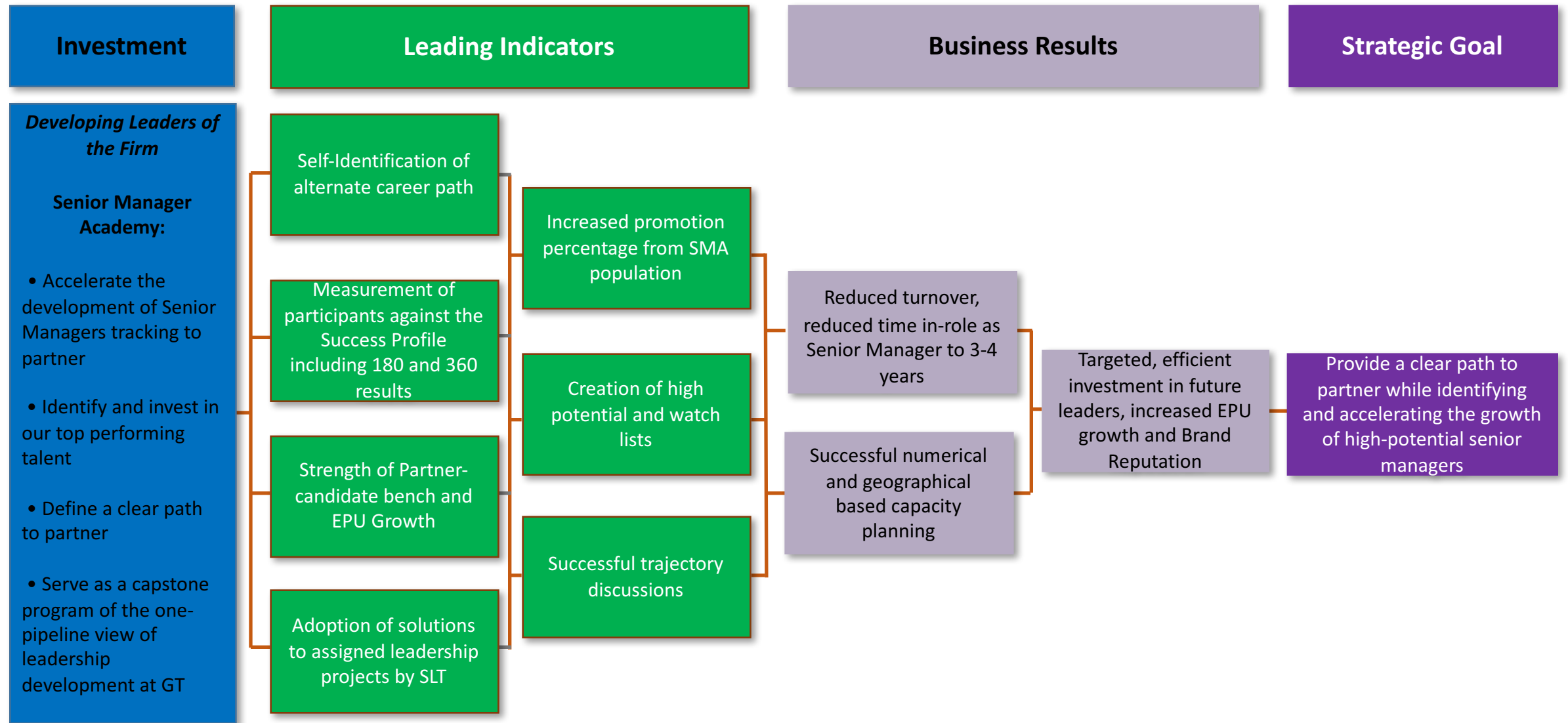
When the behaviors you picked **match** the ones that others have picked, it shows that you have a good view into the shadow you cast.

If your behaviors are not the same then there is a **disconnect** between how you and your peers view your CLEARR Behaviors. You want to reflect on that behavior and understand better the shadow you cast.

SMA Year 1 Feedback

SMA Year 2 Plans

Tracking Year 1 Outcomes



Year 2 – What Kind Of A Leader Are You?

- Leadership Practicums
- Leadership Assessments
 - Leadership Preferences
 - Leadership Behavioral Interview

Lessons Learned

- “Agile” Design
- Use meaningful metrics
 - Opportunity to observe
 - Rating scale adjustments
- Differentiating potential, performance, and readiness
- All SMA participants have day jobs too
 - Not overwhelming participants with tasks/assessments
- Value of Advisor/Dean mentoring, feedback, and networks