

2016 Learning and Development Research

Talent Pulse

Identifying and Developing
First-Time People Leaders



Human Capital Institute

The Global Association
for Strategic Talent Management



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Talent Pulse from the Human Capital Institute (HCI) explores the latest trends and challenges in talent management. Each quarter, a new report is released in conjunction with one of the four HCI Communities.

Talent Pulse is designed to provide practitioners and decision makers with prescriptive methods to rehabilitate the health and wellness of human capital, and empower employees and leaders to effectively address future challenges.

Executive Summary

There is no dispute that managers matter for people and business outcomes. We know that [70% of the variance](#) in employee engagement is driven by the manager-employee dynamic. However, leadership development initiatives often focus on mid- and executive-level leaders while ignoring the developmental needs of first-time, front-line managers. The [average age](#) of a supervisor is 33 years old, but most leaders don't participate in leadership training until they are 42. Thus, these managers may spend a decade practicing incorrect or subpar leadership behaviors. Or they focus on the hard skills part of their jobs rather than refining the soft skills that matter. In a highly-publicized (yet common sense) study, [researchers at Google](#) found that technical expertise was the least important quality in a manager; coaching and empowerment of team members were essential.

HCI believes that managers have the ultimate responsibility for developing and engaging talent and building organizational success through people. HR and L&D professionals need to support the relationship between managers and their teams EARLY ON by formalizing the development of first-time, front-line leaders.

In July of 2016, we surveyed HR leaders and practitioners to understand how they were identifying and developing front-line, first-time managers. In a study of 252 organizations, we found:

- **The “sink-or-swim” mindset towards new managers is ubiquitous.** HR respondents report that managers are vital to driving business success (96% agree), but only 48% agree they adequately invest in front-line manager development.
- **They are identified for these roles through a combination of subjective assessment methods.** And first-time managers are most often individual contributors promoted from within the organization.
- **There is a missed opportunity to learn from others.** Almost 20% of training budgets are dedicated to front-line managers and it emphasizes classroom and technology-based learning over peer and experiential learning.
- **HR/L&D professionals need to formalize new manager development;** our [New Manager Lifeline](#) model is a process for how to do this. Investing and supporting new, front-line managers drives better performing managers and employee engagement.

Manager Impact & Indifference

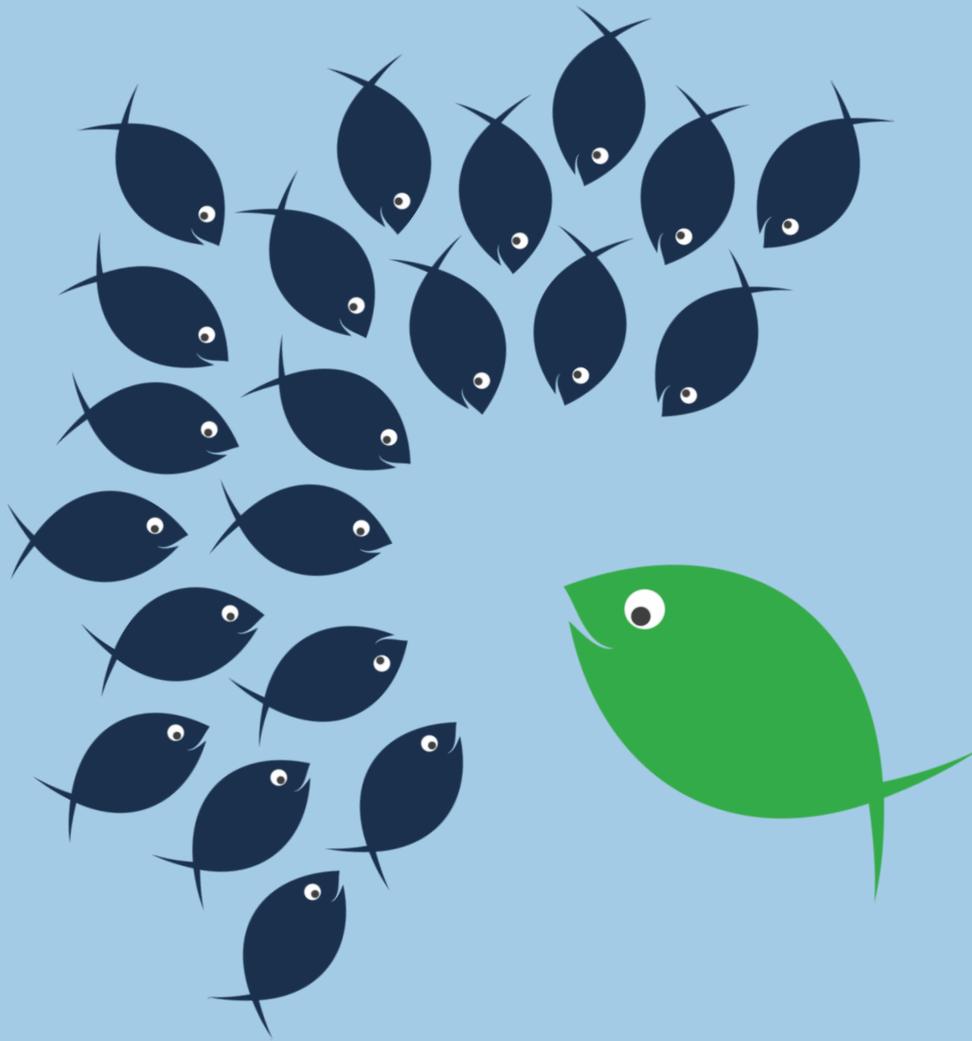
Almost all of the HR practitioners and leaders (97%) surveyed believe that **front-line managers** are essential to the business, and that managers are vital to increasing employee productivity, improving team functioning, and increasing engagement levels. However, only 58% report front-line managers have the support they need and 48% say their organization invests in their development.



Figure 1. Percentage “strongly agree” and “somewhat agree” with the following statements.



Figure 2. What are the most important indicators of front-line manager impact that have been observed? (Select all that apply.)



“People rush to promote to people manager roles. There should be an assessment for fit not just from company-level but as an individual. A great performer can want money and advancement but not the next level role. We assume everyone can manage people“

- Survey respondent

Identifying First-Time People Leaders

Internal Mobility & Development

8 out of 10 front-line managers are promoted from within the organization. Since most new managers already work for you, an internal mobility strategy paired with developmental opportunities ensures these front-line managers are set up for success. Leadership development strategies fall short at the highest levels as only 4 out of 10 executives are developed and promoted from within the organization.



Figure 3. Percentage of respondents indicating an internal sourcing strategy for the following levels.

Career Paths

Not all individual contributors want to be or can be leaders, thus alternative career paths and rewards must exist for the strongest performers. These employees are not any less valuable to the organization because they aren't managing a team. More individual contributors advance in their careers by taking on more responsibilities and making more money (45%) rather than with promotions to leadership positions.

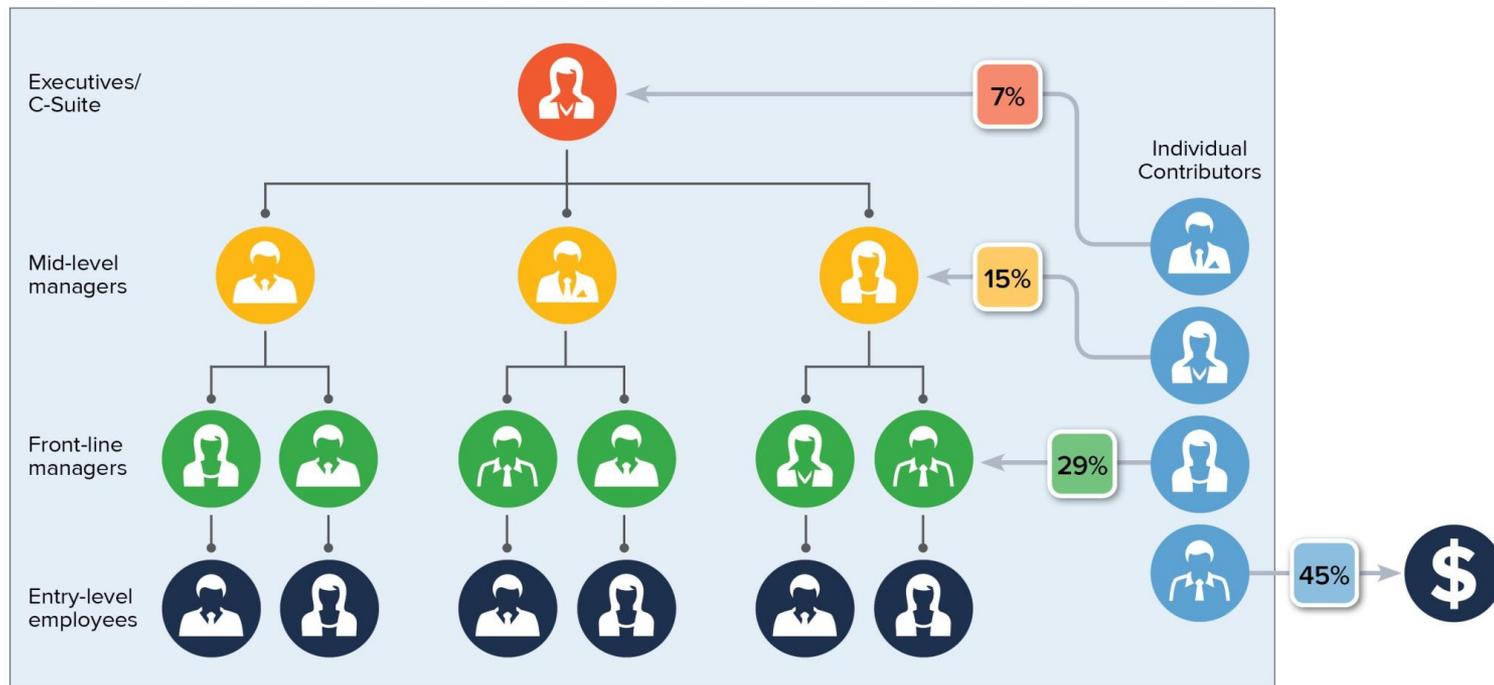


Figure 4. At your organization promotions of individual contributors (employees with no management responsibilities) reach what levels?

Front-line Manager Must-Haves

Soft skills such as integrity, communication, and adaptability are more important than technical skills for front-line managers. Often front-line managers are promoted because of strong performance in an individual contributor role, but technical skills do not have as much significance once the person begins to lead others.



Figure 5. How important are the following competencies for front-line managers at your organization?

Identifying Leaders

Front-line, first-time managers are more likely identified for their roles through interviews, manager recommendations, performance reviews, and self-promotion. These methods are useful to assess perceptions of soft skills in the candidate but lack the rigor and objectivity other methods exemplify.

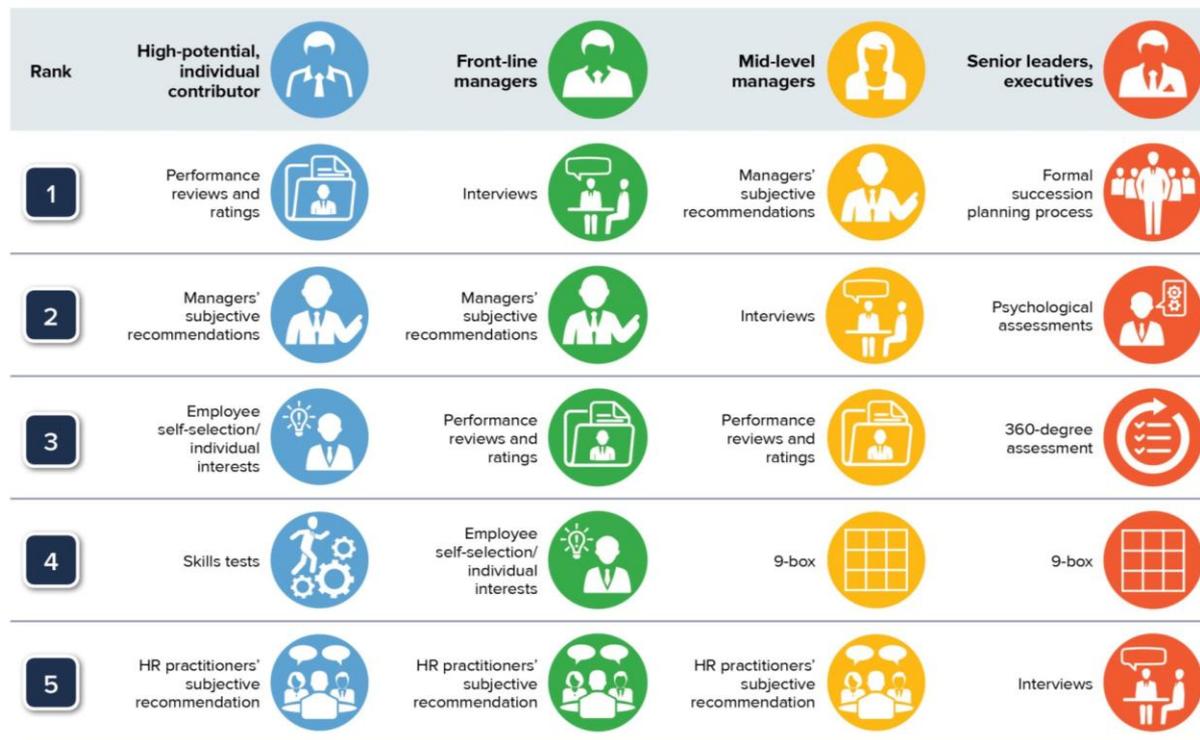
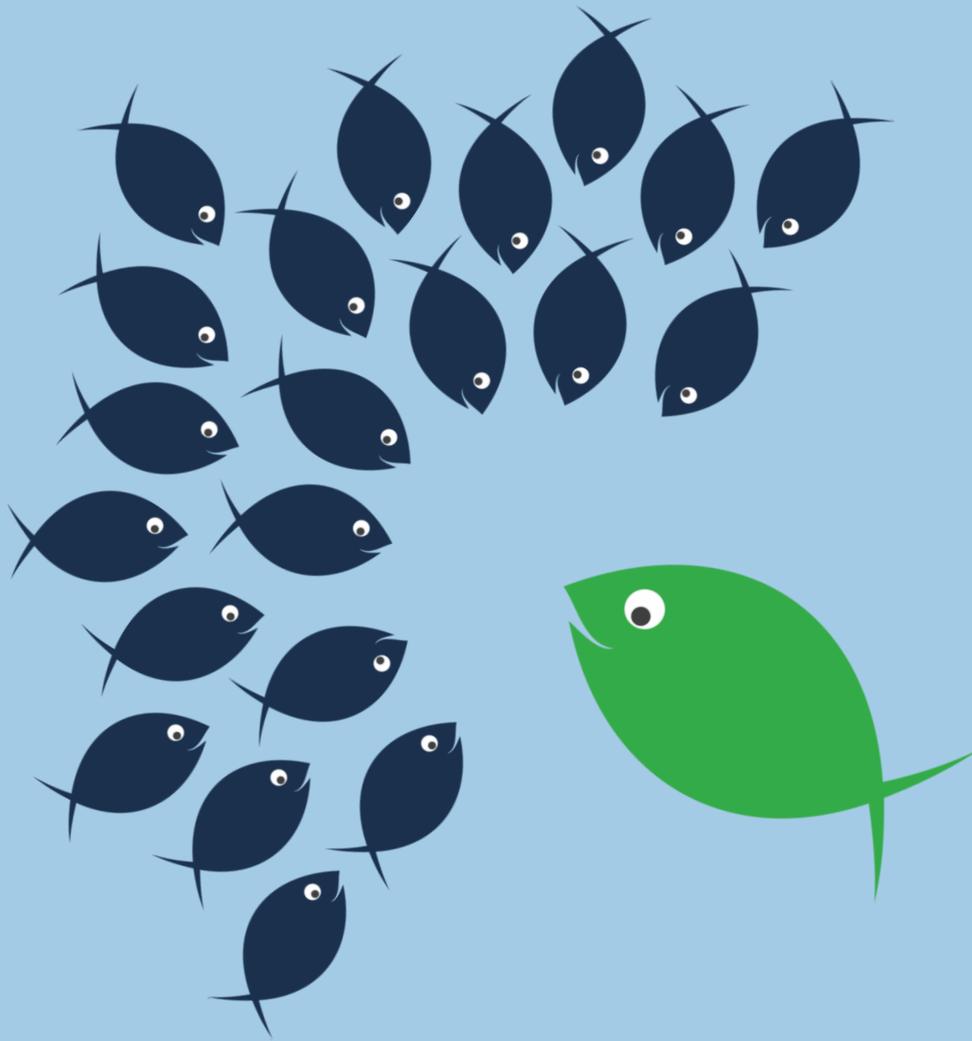


Figure 6. Ranking of frequency of leadership identification methods; see Appendix for the full list.



“The front-line supervisors and managers are the most critical roles in the organization and we spend the least amount of time and money selecting and training these employees.”
-Survey respondent

Developing First-Time People Leaders

Aligning First-Time Managers with Your Culture

Ron Thomas
Managing Director of Strategy Focused Group DWC, LLC
Senior Faculty, HCI



“

When people say we don't have the funds or a model for developing people, you are stating you don't care about performance and engagement levels.

”

Top Challenges

Almost all of front-line managers are moved from individual contributor roles from within the organization. Lack of training on managerial skills, lack of clear expectations for this new role, short-term versus long-term focus, and a heavy workload are top challenges for new managers. Senior leaders need to set the expectations for front-line managers and HR/L&D functions should support their development with training.



Figure 7. What are the immediate challenges faced by individual contributors at your organization who moved into a management role? (Select all that apply.)

Developing Leaders

Front-line manager development stresses classroom and technology-based learning over peer and experiential learning. New manager development can be accelerated with the addition of less passive methods.

Rank	High-potential, individual contributor	Front-line managers	Mid-level managers	Senior leaders, executives
1	E-learning 	E-learning 	Peer networking at conferences 	Access to a professional coach/practitioner 
2	Formal classroom training 	Formal classroom training 	Exposure to senior leaders 	Peer networking at conferences 
3	Tuition remission 	Tuition remission 	Tuition remission 	Tuition remission 
4	Stretch assignments 	Stretch assignments 	Formal classroom training 	Expatriate assignments 
5	Action learning projects 	Action learning projects 	E-learning 	E-learning 

Figure 8. Ranking of frequency of leadership development methods, see Appendix for the full list.

Second Chances for New Managers

Most HR professionals (62%) believe in offering more training for a low-performing new manager. Proactive rather than reactive development opportunities would be a best practice.

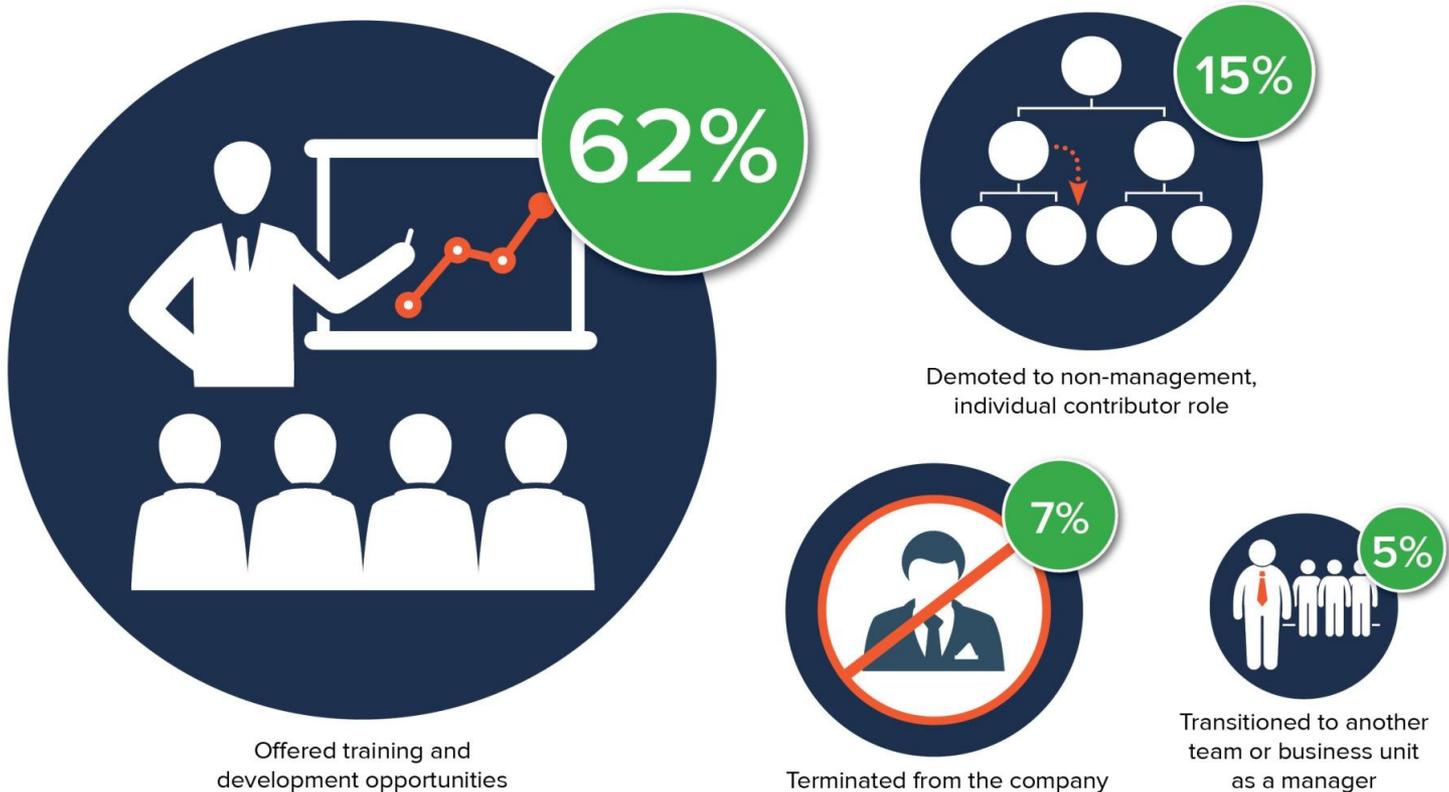


Figure 9. At your organization, if a front-line manager was not meeting expectations what is the likely next step?

New Manager Support

Respondents report that 19% of the L&D budget is devoted to front-line managers and most of them receive between 1 and 30 training hours. HR check-ins paired with a structured onboarding program for both internal and external first-time manager hires supports new managers as they transition into this role.

Training First-time Managers

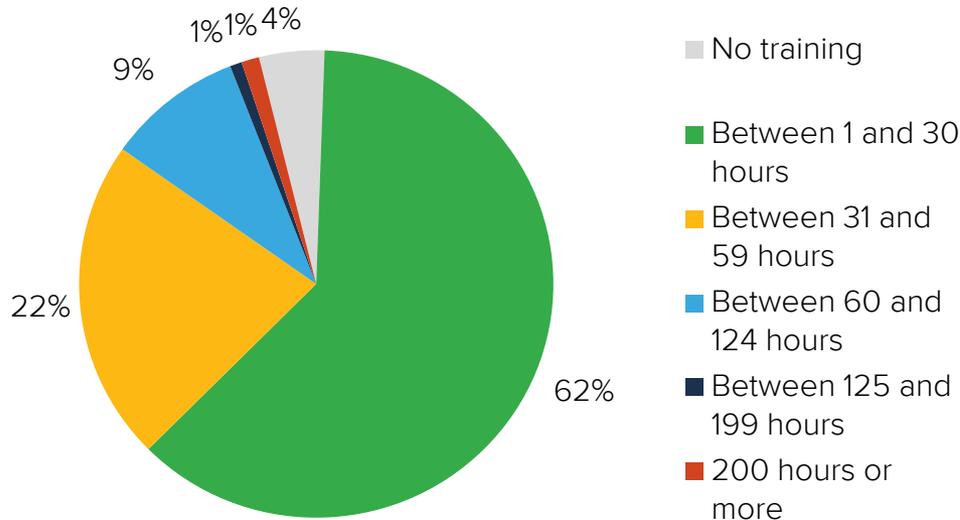


Figure 10. Which of the following best describes the current level of training received by your front-line managers?

38%

Have a formal onboarding program for first-time managers hired from **within** the organization

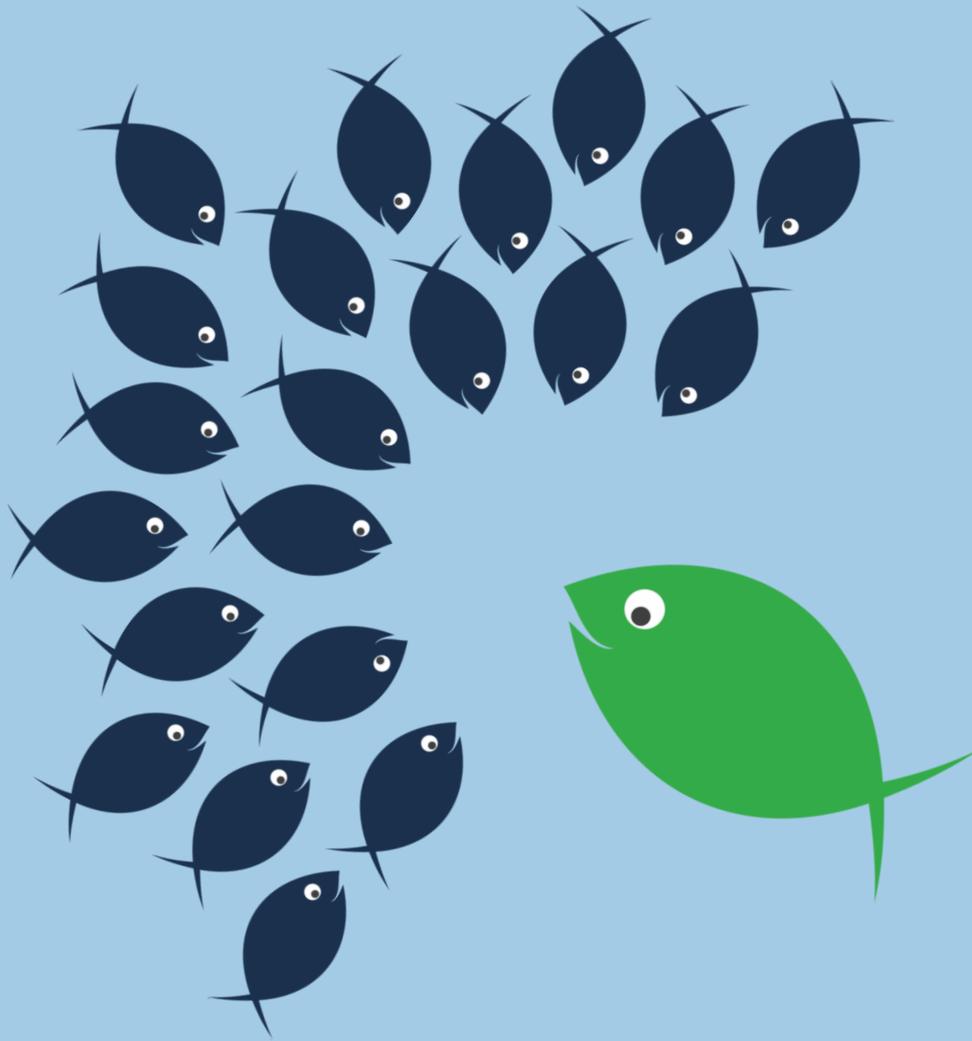
55%

Have a formal onboarding program for first-time managers hired from **outside** the organization

68%

Have HR check-in with first-time, front-line managers to see how things are progressing.

Figure 11. Percentage of agreement with the statement.



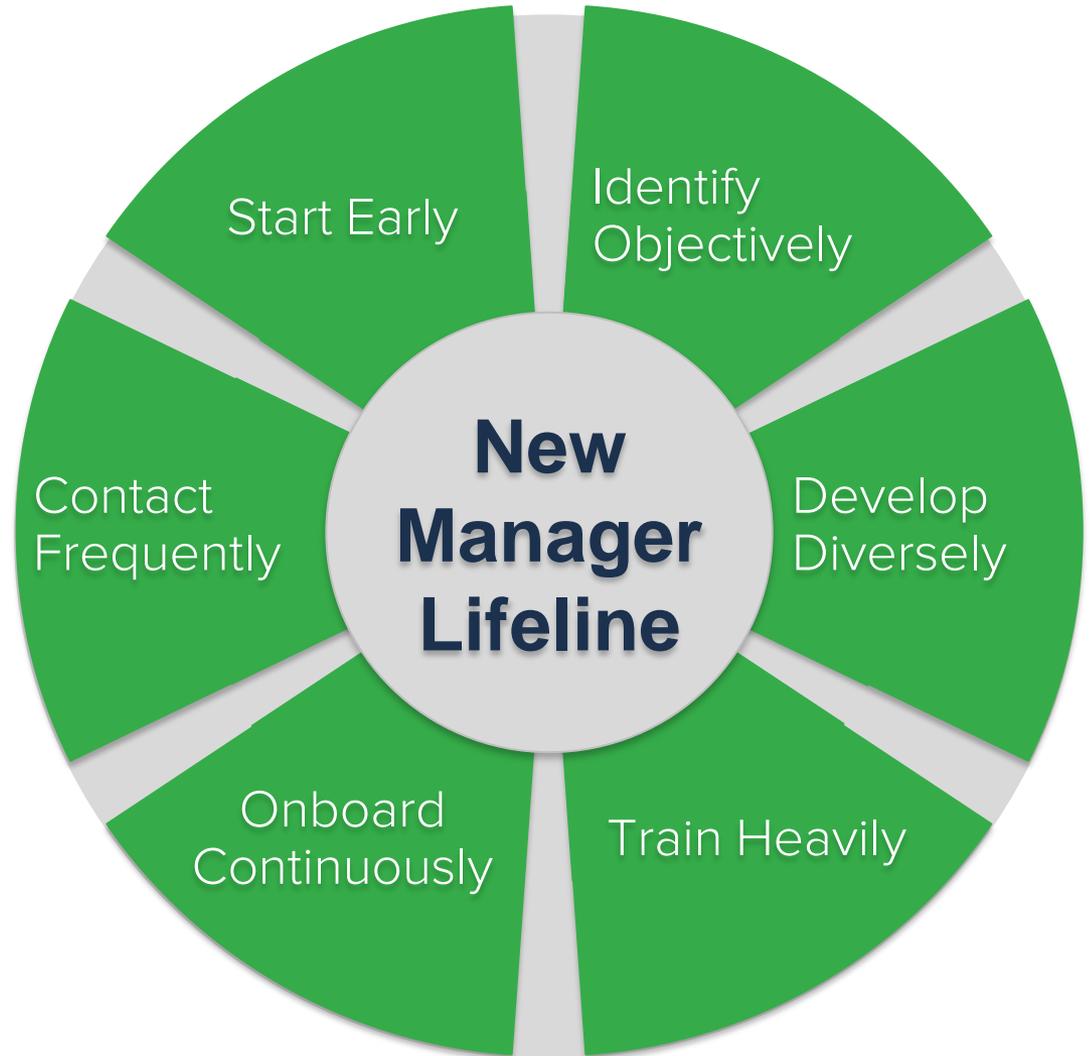
“We appoint individual contributors into management roles which are not specifically suitable for that individual and tend to let them ‘sink or swim’. It is an area of great focus for us to provide management skills to people lower in the organization. So when they get the chance to set up, it won't be such a big stretch.”

-Survey respondent

The New Manager Lifeline

The New Manager Lifeline

HCI's model for how HR and L&D can avoid the "sink-or-swim" mindset around first-time people leaders.





Lifeline Components

HCI developed a measure to capture the components of the new manager lifeline. Only 6% of the sample realized all 6 components.

Start early

- Track and develop individual contributors, high-potentials, and front-line managers for future leadership positions.

Identify objectively

- Do not rely on subjective recommendations that may be prone to bias or error. Assess front-line manager leadership potential with a combination of performance reviews, talent reviews/calibrations, standardized criteria for managers/HR to make recommendations, or assessment centers.
- AND ask them about their managerial role aspirations.

Develop diversely

- Front-line managers learn on-the-job with stretch assignments, action learning, and job rotations.
- Learn from others with a formal mentoring program, peer networking, and access and face time with senior leaders.
- Learn in the classroom with formal training and have tuition remission opportunities.

Train heavily

- A varied training approach for front-line managers requires many hours of commitment. One-third of our sampled organizations invest more than 30 hours of training in a new manager.

Onboard continuously

- New managers hired from inside or outside the organization participate in an formal onboarding program that enables new hires to quickly and easily become proficient in their roles by learning the knowledge, skills, attitudes, and behaviors needed to function in a given organization.

Contact frequently

- HR professionals check-in with new managers to see how they are progressing in their roles.

Managers Drive Engagement

Investing and supporting new, front-line managers drives employee engagement. The top third of organizations scored on our *New Manager Lifeline* composite have measured 20% more of their workforce as highly engaged compared to those organization that score lower on the composite.

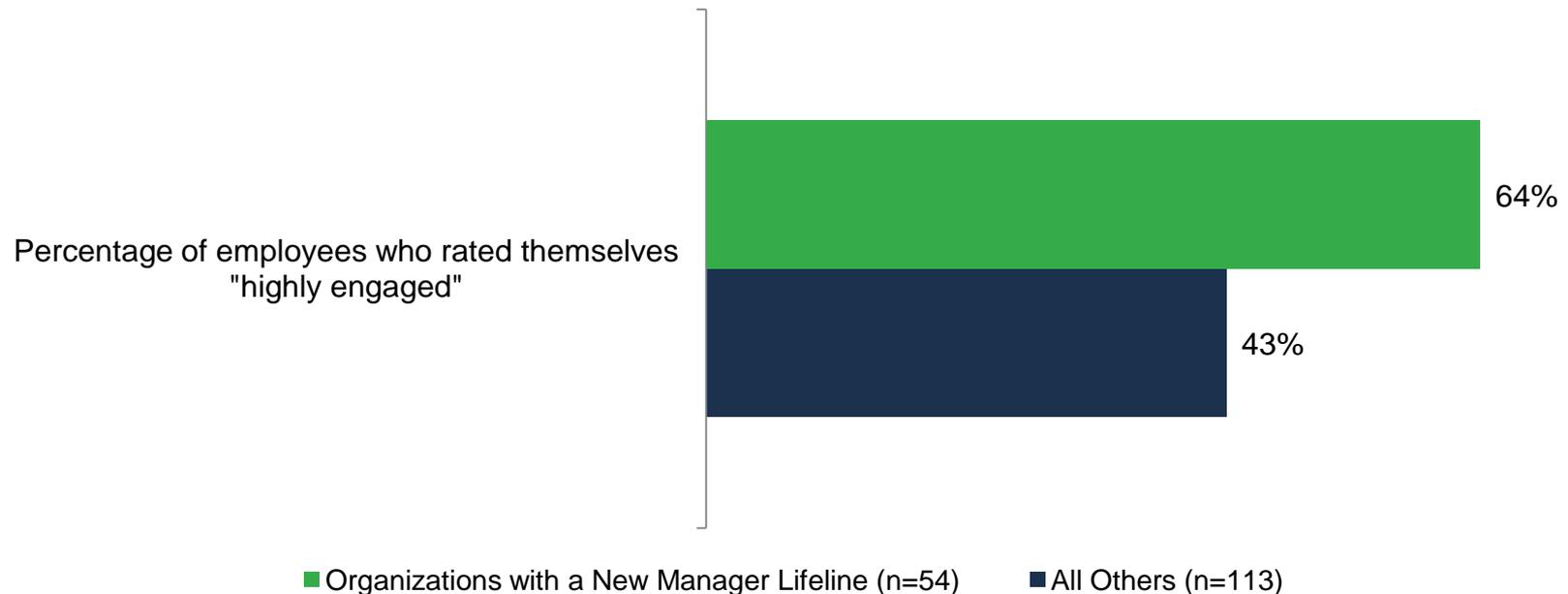


Figure 12. *Highly engaged employees by new manager lifeline model endorsement.*

Manager Competencies

Organizations that adopt most of the *New Manager Lifeline* components have stronger-performing front-line managers. Note that the highest scoring competencies are more task-related rather than coaching and development-related. Expectations for front-line managers for developing their team or for being a glorified individual contributor should be clear and consistent throughout the organization.



Figure 13. Mean performance rating of front-line managers on a 5-point scale of 1=far short of expectations to 5=far exceeds expectations.

Prescribe and Apply

Our members share their best practices for identifying first-time managers.

Determine the competencies and motivation to lead

- *“Identify key characteristics of current successful managers and make the competency path clear.”*
- *“Capture and accurately measure past behaviors of effective managerial and leadership competencies within a comparable environment. Create a transparent and fluid succession management strategy that actively educates and coaches all employees in managing their career portfolio.”*
- *“There must be willingness to want to be a manager identified as part of performance reviews.”*

Make observations

- *“You have to get to know them. Spend time observing and gathering data. How did they go about solving that problem (team approach or as an individual), etc?”*
- *“Look at high-performing individual contributors who have done well on stretch assignments, are already showing signs of being able to manage up and across the organization through ability to influence, as well as showing an eagerness to learn all aspects of the business and how the business makes money.”*

Collect feedback

- *“Collect good old-fashioned feedback from everyone who works around/near that person; i.e., superior, peers, internal customers in a 360-degree assessment. Also, more often than not, people who want to ‘move up’ make this clear with their immediate supervisor. Lastly, performance scores are also a fairly decent indicator (albeit a lag one).”*
- *“While performance reviews can be somewhat subjective, I believe this to be a good starting point. From here, I would investigate further with the use of assessments which identify leadership strengths.”*

Measure and assess

- *“The use of the objective assessment of behavioral skills that measure skills compared to role expectations helps to identify a plan before promoting and to give the leader the tools to be successful.”*

Use multiple sources of data

- *“Try to use a combination of qualitative feedback from superiors and peers, formal performance assessment, interviews, and psychometric assessment.”*
- *“While we utilize a variety of tools, planning sessions, and often interest interviews, the most telling is identifying individuals who already possess to some degree both ‘people-skills’ and the abilities to plan, organize, and deliver their work on their own or on a team. These individuals usually are the most successful in a first-time, front-line manager role and only improve with training and mentoring.”*

Make decisions collectively

- *“A combination of HR and management determines the following: Does the person indicate a desire and ability to lead? Is the person respected by peers and partners? Does the person demonstrate learning agility? Is the person's emotional intelligence a strength or a weakness?”*
- *“Do some succession planning with regular talent reviews to discuss potential front-line manager successors.”*

Test the waters first

- *“Test ability before internal promotion by giving some project assignments which require job allocation and monitoring to others or assignments to provide peer mentoring and practical work simulation during trainings.”*
- *“Provide short-term assignments to practice management skills. Then provide feedback from these assignments, jointly set and then support SMART goals for honing management skills. Use active sessions where candidates perform management tasks as part of internal promotion process (e.g., deliver coaching, lead team meeting, etc.).”*

Prescribe and Apply

Our members share their best practices for developing first-time managers.

Start early in their careers

- *“Begin development of leadership skills before they become a leader. This could include strong sponsorship and frequent coaching by direct leader; new leader onboarding and ongoing development (classroom, online, experiential); and regular 1x1s with staff, stakeholders and leaders to solicit feedback.”*
- *“Provide plenty of preparation. Don't wait until someone is actually functioning in a position to give them an idea of what the expectations are and how they can meet them. Have them learn from others. Be open to mistakes.”*

Have a formal, consistent program

- *“Try to have a consistent program that all leaders participate in, and ensure everyone is aligned and able to support and coach each other.”*
- *“We have a formalized development plan process. The person being developed has the responsibility of first identifying what they need to develop and how they wish to do that. Then, they partner with their manager to polish/edit the plan and assign a coach. Regular follow-up meetings are held where they will report on their progress, what they have learned, and how they will apply it. When completed, follow-up reinforcement plans for those skills are put in place and a new plan is put together for the next skill sets and the process begins again.”*

Set expectations

- *“Make development goals for self and team a part of the performance review process to ensure that management responsibilities are given equal priority with individual contributions.”*

Onboard new managers

- *“Create a method of structured onboarding. Assure there are certain basics for communication, delegation, and of course, the law for hiring/firing and organizational policies to prevent management malpractice on the job. Provide a dedicated mentor or resource available on demand, and decide who will check on them frequently at regular intervals for up to one year post-hire.”*
- *“We put first time, front line managers through a 5-day development program designed to address the unique challenges of moving into management. We try to get first time managers into that program as quickly as possible following promotion.”*

Coach and mentor

- *“Provide structured and flexible training content that is mandatory to complete as part of onboarding managers. Require this content to be completed prior to internal promotion. Also provide individual coaching/mentoring that begins during onboarding and continues in monthly one-on-one feedback sessions.”*
- *“Use mentoring by next-level managers and focused training programs to orient new managers to key concerns of their new position.”*

Foster on-the-job learning

- *“Allow exposure to other areas of the business and to a variety of business processes to round out their knowledge and give perspective of how they contribute to the success of the organization.”*
- *“Try using experiential sessions that work through real situations, coaching, videos, blogs, e-courses, and 360 feedback.”*

Focus on leader behaviors

- *“Don't just provide functional/tools-based training, but also provide behavioral training. Ensure your leaders learn how to coach and are able to practice doing so effectively. Make sure they have the tools and resources they need to self-develop, and the guidance to get started.”*

Offer an array of learning opportunities

- *“Offer a well rounded curriculum of training including how to manage becoming a boss, not a peer, how to manage legal aspects of the role, how to talk to team members appropriately, managing people aspects such as diversity and inclusion, and time management to balance individual and team responsibilities.”*
- *“Use a blended learning approach. First, identify critical competencies needed for the role and align training with those competencies. Identify a mentor or coach that can help the manager within the first year. Create a blend of on-the-job experiences, and formal classroom learning/online learning coupled with external experiences and training.”*

Develop their intrapersonal and interpersonal competence

- *“Support them enough to learn about their own self-awareness (strengths and weaknesses) and how to leverage their own human capital. Work on developing communication, EQ skills, and leadership development. Provide plenty of opportunities for practice and feedback.”*

Support opportunities to learn from peers

- *“We are starting a quarterly ‘Managers’ Forum’ where all of the managers can get together over lunch to share wisdom and ask questions. It is voluntary and had a 95% response rate of interested attendees - so we think we’ve struck a chord on what could be helpful for them!”*
- *“In-person training that is highly interactive allowing for conversation is a great learning tool. I’ve also had great success in holding courses that blend front-line and mid-level managers to allow for sharing various perspectives and experiences.”*

Monitor results and give on-going feedback

- *“Have clear, open, and transparent conversations (ongoing feedback) on skill gaps and how to close those gaps.”*
- *“Shadowing a manager for a number of months, blending training approach, owning their own development, and thinking strategic on what skills and competencies they need to develop and commit to the development can help new leaders. Design an individual development plan and assist with monitoring the results.”*

Learn More in the HCI Library



Research Reports

- [2015 Talent Pulse - Learning Unbound: Agile Employee Development](#)
- [Recruit from Within: Leveraging Internal Mobility to Alleviate Talent Scarcity](#)
- [How to Accelerate Leadership Development](#)



Podcasts and Webcasts

- [Why Organizations Need to Flip their Script on First Time Managers](#)
- [The Evolving Role of the Manager](#)
- [How to Avoid Derailing High-Potentials](#)
- [Mid-level Managers Without Onboarding Coaching Support Get Caught in the Middle - A Very Risky Place to Be](#)
- [Get Technical Experts Ready to be First-time Leaders](#)



Keynote Video

- [Managers Are People Too: What are the Responsibilities and Accountabilities for Engagement?](#)

Appendix

Methods to Identify Leaders

Method	High-potential, individual contributor	Front-line managers	Mid-level managers	Senior leaders, Executives
Performance reviews and ratings	92%	88%	83%	55%
Managers' subjective recommendations	87%	88%	84%	46%
Employee self-selection/individual interest	83%	84%	68%	42%
Skills tests	82%	67%	37%	23%
HR practitioners' subjective recommendation	82%	82%	77%	45%
Interviews	80%	89%	84%	71%
HR practitioners who are trained and use outlined criteria	79%	77%	77%	45%
Client or customer feedback	77%	73%	62%	34%
Talent reviews, calibration sessions	68%	62%	74%	65%
9-box	57%	61%	80%	73%
External or internal coach recommendations	49%	42%	59%	62%
Managers who are trained and use outlined criteria	49%	68%	66%	47%
Assessment centers (standardized multiple evaluations)	48%	51%	48%	48%
Psychological assessments	44%	46%	62%	79%
Formal succession planning process	42%	37%	63%	81%
360-degree assessment	33%	36%	70%	78%

Table 14. Through what methods do you identify employees for the following levels? (Select all that apply.)

Appendix

Methods to Develop Leaders

Method	High-potential, individual contributor	Front-line managers	Mid-level managers	Senior leaders, Executives
E-learning	90%	94%	83%	57%
Formal classroom training	87%	90%	85%	50%
Tuition remission	87%	87%	86%	76%
Stretch assignments	85%	70%	72%	42%
Action learning projects	73%	69%	65%	34%
Job rotations	72%	54%	47%	24%
Formal mentoring program	72%	54%	55%	33%
Peer networking at events or conferences	64%	66%	89%	78%
Exposure to senior leaders (meetings, face time)	63%	64%	88%	46%
Expatriate assignments	38%	22%	59%	73%
Access to a professional coach/practitioner	21%	22%	52%	93%

Table 15. *Through what methods do you develop employees for the following levels? (Select all that apply.)*

About the Research

Level of Seniority	
C-level	8%
VP-level	8%
Director-level	35%
Manager-level	31%
Individual Contributor	17%

Role	
Human Resources / Talent Management	52%
Learning and Development	27%
Executive Management	12%

Number of Employees	
Fewer than 101	11%
101 to 1,000	35%
1,001 to 10,000	34%
Greater than 10,000	20%

Industry	
Manufacturing	12%
Financial Services/Real Estate/Insurance	12%
Healthcare	10%
Business/Professional Services	10%
Government	9%
Chemicals/Energy/Utilities	7%

From July 1 to July 27, 2016, a survey link was distributed via e-mail to a 21-item questionnaire to opt-in members of HCI's Survey Panel and electronic mailings. The results of this questionnaire, subject-matter expert interviews, and secondary sources form the basis of this research.

Note. $n = 252$. Only categories with at least 6% of the sample are displayed and 81% of respondents' organization are headquartered in North America.



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For more information, please visit www.hci.org.

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