

Buying or Building Leaders? Which is Better?

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Your organization is healthy. You have great dreams for the future. You expect your establishment to grow and be exceedingly effective. How will you obtain leaders for that glorious anticipation?

You have to start where you are now, of course. Many of your leaders arrived in their current positions because of their functional and technical skills, not because they were great leaders.

Your best sales person became the Sales Manager. You promoted the person who always bailed out the operations to the role of Operations Manager. Some weaknesses you hadn't noticed before are becoming evident. You are now addressing problems that leadership limitations are causing.

Few individuals are in roles of authority because of their comprehensive leadership skills. They know it. Their colleagues know it. And their direct reports feel it every day!

As your company moves into the future, how will you obtain the leaders you need? You really only have two options: you can either build them internally, or you can hire them from outside.

The fast, easy solution is to "buy" them on the open market. However, that approach carries two major disadvantages, and that's what this article asks you to consider. Building your future leaders internally takes longer, but will likely be more effective over the long term.

Hired leaders have values that are different from your culture. You'll do everything you can to ensure that your newly hired leader will fit in well with the existing team. However, this new person has a lifetime of experiences that have solidified his or her values and beliefs, some of which will be different from (and maybe even conflicting with) your existing culture.

Though huge conflicts are unlikely, the introduction of the leader's different preferences will create at least some disruption, generating stress in the existing employees and making the acceptance of the new person more difficult. And since first impressions often linger, the new person may never be allowed to achieve the levels of contribution for which he or she was hired.

Your existing team members will feel disenfranchised. You've worked hard to build loyalty among your team members. Some individuals have been with you a long time. How will they react when you go to the outside to hire that future leader? Many will feel, "Hey, what about me? Did you never think that I might want a shot at that opportunity?"

Whether qualified to fill that position or not, they will feel disregarded, disrespected, overlooked, or spurned. You pick the description. The feelings are real, and they won't subside easily, especially if you compound the insult by having them train the person who will become their boss.

Perhaps you can name more disadvantages. Those two effects alone seem significant enough! For the first half of my career, building future leaders internally was all I knew. Since 1837, Procter & Gamble has never hired a President from outside the company. P&G invests in leadership awareness and skills for its managers, presuming that any of them could be the future President.

To build future leaders, it helps to hire the best candidates early in their careers. Perhaps you didn't have that luxury when you started your business. Maybe your mind back then wasn't on the long-term benefit provided by good leaders. Either way, you may have no urgent demand pushing you to remove and replace the individuals serving in your currently defined roles of leadership.

In his book *First Things First*, Stephen Covey contrasts urgency and importance. To emphasize the concept of importance, he asks, “What is the one activity that you **know**, if you did superbly well and consistently, would have significant positive results in your professional life?”

Despite the lack of urgency pushing you, perhaps your most important job as leader of your organization is to generate a healthier culture and insist on more predictable, reliable processes. These two improvements will quickly lead to a discernable upgrade in your measured results.

Studies have shown that the single greatest leverage for improving your culture, processes, and results is to enhance your organization’s quality and depth of leadership. Your urgent question should be, “How do I improve awareness and leadership skills in my existing managers?”

I wrote an article in 2010 based on sound research answering that very question. You can find it on my website at www.buildingfutureleaders.com/article-archives.html. Scroll down and click on the article entitled “Where Can You Go to Learn ‘Leadership’?”

Improving the quality and depth of leadership in your organization begins with you being willing to improve your own leadership skills. One of those skills involves developing your direct reports. Here’s a quick test. What percentage of your time do you consciously and intentionally put against enhancing the leadership skills of your existing managers?

Let’s evaluate this another way. Imagine that you hire a skilled coach to interview your top five leaders. How many hours a month would they estimate that you put against developing their skills?

Here’s a final question that focuses more on the long-term. Ask yourself, “Do I lead leaders, or do I lead followers?” Consider engaging your leadership team in pondering this question, so that they are a part of whatever you choose to do. Leading followers may be easier, but leading leaders is more rewarding--and far more effective organizationally!

How do you get started? You jump in, just like you began everything else that was once new to you. Search the internet. Read articles and books. Make a few phone calls to coaches and other professional resources who specialize in leadership development. Ask a lot of questions to confirm their competence, reliability, and genuine desire to serve you and your organization.

Most of all, make a commitment to your people to transform them into your most valuable asset!

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