DEVELOPING LEADERSHIP CAPACITY – A STRATEGY FOR SUSTAINABILITY AND GROWTH AT CHEMTRADE

By

MARGARET A. SODEN

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We accept this Thesis as conforming To the required standard

Mark Davis, LLB, Organizational Sponsor

Eileen Piggot-Irvine, PhD, Thesis Supervisor

Brigitte Harris, PhD, Committee Chair

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Abstract

Chemtrade is an income trust fund that provides industrial chemicals and services in North America and around the world. Chemtrade has grown fivefold within 10 years, challenging employees to cope with this rate of growth, while being succession ready. The Senior Leadership Team has established the development of leadership capacity as a key strategy for long-term sustainability and growth. Through the use of action research and the deployment of an engagement survey and interviews, this inquiry identified both positive and negative factors to creating a leadership development system. Inquiry questions related to determining satisfaction with and use of the existing leadership development approaches. Findings confirmed a widespread desire to develop employees, but also uncovered opportunities with approaches, time and understanding. Recommendations suggested the development of a learning culture and acquisition of the capability to design and implement an integrated, leadership development system while leveraging the success of Chemtrade University.
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“No man will make a great leader who wants to do it all himself, or get all the credit for doing it”
(Carnegie, as cited in BrainyQuote®, n.d., para. 1).

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Chapter One: Focus and Framing

Chemtrade is a publicly traded, global income trust fund that operates in both North America and Europe (Chemtrade, n.d.). Since its inception in 2002, Chemtrade has become one of the world’s largest suppliers of sulphuric acid, liquid sulphur dioxide, and sodium hydrosulphite and is a leading North American processor of spent acid. Chemtrade is also a leading regional supplier of sulphur, sodium chlorate, and water treatment chemicals. It is one of only two North American producers of phosphorous pentasulphide, and is also a producer of zinc oxide at three North American locations.

Chemtrade’s Senior Leadership Team (SLT) supported this inquiry into a leadership development system to determine the requirements for producing the necessary leadership capacity to sustain and grow the business. Chief Executive Officer (CEO) Mark Davis advised that being able to provide a steady shareholder return over the long-term, while continuing to grow, has caused the SLT to focus on the need to develop solid bench strength of leadership at Chemtrade (M. Davis, personal communication, September 23, 2013).¹

Chemtrade currently distributes $1.20 per share (Chemtrade, 2013). Vice President (VP) Maryann Romano stated that the SLT has a strategy to maintain this distribution rate, along with balance sheet strength, while they fulfill their aggressive strategy of growth. Neither products nor processes alone will guarantee stability of earnings and growth happening concurrently, without having the best talent and best teams to produce the desired results (M. Romano, personal communication, September 23, 2013). Without knowing what parts of the existing leadership development processes are predictably producing the necessary talent and teamwork, SLT

¹ All personal communications in this report are used with permission.
members are not currently able to design a robust and risk-mitigated system for leadership talent development.

My relationship as a consultant to Chemtrade started in 2004 when I was hired by the CEO to lead a session on culture alignment with the SLT. I was immediately impressed by the commitment of both Mark and Maryann to build the organization upon a clear set of corporate values and cultural attributes. Over the past 9 years, I have undertaken several contracts with Chemtrade to help improve the leadership performance of the SLT. However, in my research role for this organizational research project, I worked with the SLT to broaden their understanding of the system components of leadership development and helped them to ensure the system is aligned to the corporate goals. I was cognizant of my former role as consultant to Chemtrade; according to Coghlan and Brannick (2012), action researchers “need to go with the story as it evolves” (p. 55). This required me to set aside former mental models and reframe to current circumstances and needs (Bolman & Deal, 2008).

The creation of a leadership development system that directly supports Chemtrade’s corporate goals, strategies, and culture was the subject of this action research inquiry. To guide the organizational leadership project through my role of learner and researcher, I focussed on the following question throughout the inquiry: What leadership development system is required at Chemtrade North America (CNA) to produce the necessary leadership capacity to achieve sustainability and growth? The following subquestions also helped to guide the inquiry:

1. What are the current components of the leadership development system at CNA?
2. What is effective and ineffective with the current leadership development system at CNA?
3. What is required to develop the desired leadership development system at CNA?
4. How will the desired leadership development system help CNA achieve its strategies of sustainability and growth?

5. What needs to be done to implement the desired leadership development system in CNA?

**Significance of the Inquiry**

The Human Resources department found it difficult over the past year to find a capable backfill within Chemtrade for one veteran, retiring executive. This recent succession challenge emphasized the need to have capable and ready resources for the SLT, as well as for all management positions (M. Romano, personal communication, July 10, 2013). The lack of leadership capability was seen by the SLT as an opportunity to mitigate any risk to ensure the best talent and best teams exist to achieve sustainable shareholder value and achieve the planned growth (M. Davis, personal communication, October 22, 2013).

Chemtrade also recently changed its business structure from being purely functional to a blend of functional and matrix by introducing Natural Business Teams (NBTs) that operate with full profit and loss responsibility. This change has shed light on new knowledge and skills required to manage the complexities of NBTs; the job description for NBTs can be found in Appendix A (M. Davis, personal communication, September 23, 2013).

Many internal stakeholders (see Appendix B) with an investment in seeing leadership development succeed include the Board of Directors, SLT, managers, and employees. The Board has a fiduciary responsibility to have a succession plan in place for the CEO. Good governance also requires the Board to manage risk, as having a system in place to predictably develop leadership capacity mitigates risk. Chemtrade’s strategic goals require the CEO to focus on implementing a leadership development system (M. Davis, personal communication, May 22,
Mark also shared that SLT would like leadership development to guarantee the upward mobility of its managers, and to provide them with increased opportunity to take on responsibility outside of their current roles. Both management and employees would like leadership development to occur to ensure staff have sufficient career development and advancement opportunities (M. Davis, personal communication, September 23, 2013). Managers and employees would also like the development to occur for their own pecuniary or nonpecuniary gain (P. Pontone, personal communication, October 2, 2013).

Many external advocates of leadership development, who do not have the authority to actualize it on their own, have a strong interest in predictable and solid leadership at Chemtrade. The investment community wants assurance of a seamless succession capability for the SLT. Members of the organization believe that the share price would plummet if the current CEO left the company (M. Davis, personal communication, September 23, 2013). Shareholders are typically interested in receiving a steady return on their investment, which a strong SLT would ensure. Further, customers want to negotiate custom deals with personnel in positions of authority, who have the capability to do so.

Mark Davis summarized both the challenge and opportunity of a leadership development system by saying, “to achieve purpose and vision, Chemtrade must have clear alignment of purpose, vision, values, culture and leadership competencies” (M. Davis, personal communication, May 22, 2013). Therefore, evolution of a leadership development system that would embrace leadership competencies for both the individual and the organization has been seen and promoted as a critical success factor for Chemtrade’s long-term success.

If this inquiry were not undertaken, a reliance on the implementation of the existing organizational development (OD) plan would ensue without the insights this inquiry has
produced. While Chemtrade University (i.e., in-house training), mentoring, and coaching would continue, the development of an overarching leadership development system, able to predictably produce the required leadership capacity, would not be as comprehensive as this inquiry recommends. Without the development of an overarching system, the ability to ensure long-term shareholder return would be in jeopardy.

Organizational Context

Chemtrade’s purpose is “to build a great chemical company” (M. Davis, personal communication, May 22, 2013), while its vision is to build on the purpose and “become one of the world’s great chemical companies” (M. Davis, personal communication, May 22, 2013). Chemtrade’s website confirms that it will continue aggressively to build its future upon its 2012 year ending, which after only 10 years in business, had earnings before interest, tax, and adjustments of $141 million (Chemtrade, 2013).

To support its purpose and vision, Chemtrade’s core business strategy is to “continue to grow and deliver long-term sustainable value that exceeds the expectations of its customers and unit holders” (M. Davis, personal communication, May 22, 2013). To achieve this overarching strategy, Chemtrade has adopted four strategic objectives, three of which are directly linked to a leadership development system.

The first related strategic objective is to increase size, scale, and scope, which are intended to drive increases in and diversity of earnings. As the company grows in size and complexity, it will need to rely on strong leadership and management, as well as upward and lateral mobility of staff. Development of talent will be crucial to support this objective (M. Davis, personal communication, May 22, 2013).
A second related strategic objective is to achieve the operational excellence required to ensure sustainable earnings (M. Davis, personal communication, May 22, 2013). According to the National Institute of Science and Technology (2014), a key driver of operational excellence is effective senior leadership. Therefore, strength in the SLT, which includes the role of developing leadership in others, must become an organizational competency.

The third related strategic objective, to be financially prudent, assists Chemtrade in maintaining its distribution and balance sheet strength. The NBTs, described in Appendix A, are considered critical to the success of the business. The existence of these teams has highlighted the need to provide for financial skills in some employees outside the finance function (M. Davis, personal communication, September 23, 2013).

To achieve the aforementioned strategic objectives, Chemtrade has identified four keys to strategy execution, one of which is focus on the “best talent; best teams” (M. Davis, personal communication, May 22, 2013). This inquiry project directly linked to the specific execution strategy of best talent and best teams, because it focused on the development of a leadership system for everyone, not just senior management. By developing everyone as a leader, Chemtrade will intentionally be developing the best talent and best teams.

Mark Davis stated that Chemtrade’s goals are “not just about growth and profits” (M. Davis, personal communication, May 22, 2013). Rather, he acknowledged that value creation is a relative term for its worldwide stakeholders—the people who entrust Chemtrade with their capital, livelihoods, communities, and environments. He concluded that everyone in Chemtrade has a role to play in actualizing the vision, goals, and shareholder value creation.

The Chemtrade culture of “ONE” (M. Davis, personal communication, May 22, 2013) is seen as a catalyst for achieving the vision, one that has four attributes, two of which should
specifically be enhanced by the results of this project. “Accountability” (M. Davis, personal communication, May 22, 2013), the first cultural attribute, requires that everyone participate openly as formal or informal team members to increase performance in the company. To have everyone feel accountable for results that are not directly their own, Chemtrade will have to adopt the mantle of leadership. Whereas some people are natural leaders, others will have to be inspired to become one.

“Fun” (M. Davis, personal communication, May 22, 2013), the second cultural attribute, projects that the employees want to work at Chemtrade because of its organizational culture. Through this attribute, Chemtrade wants to create the type of loyalty that was once found in Blue Chip companies such as IBM and GM, where the culture fostered attitudes of wanting to have mutual investment between company and employee. Director Peter Pontone stated that Chemtrade wants to mimic these former environments in which employees worked together to achieve aggressive goals, while having a lot of fun doing so (P. Pontone, personal communication, October 2, 2013). To counter the current trend of nonloyalty by employees to their employers, the executives are aware that Chemtrade will have to invest in the development of each person’s long-term capability needs, so each staff member can productively and enjoyably anticipate a protracted career with Chemtrade (P. Pontone, personal communication, October 2, 2013).

As leadership is expected of all individuals regardless of their roles, leadership development activities will reinforce the existing organizational principle of “togetherness” (M. Davis, personal communication, May 22, 2013), which is core to the cultural focus of the company as “ONE Chemtrade” (M. Davis, personal communication, May 22, 2013). The principle of togetherness also aligns to Chemtrade’s cultural attribute of “accountability”
Culture, as driven by Chemtrade’s four values (M. Davis, personal communication, August 12, 2013), is seen as what differentiates the company from its competitors. Therefore, focusing alignment of the organization’s cultural attributes and values to leadership development is not a nice to do, but a need to do.

Additionally, the focus on creation of a leadership development system should reinforce one of the company’s leadership competencies “Develops Self and Others” (M. Davis, personal communication, May 22, 2013), which is expected to produce a more robust learning culture. Fostering leadership talent from within will potentially reduce staff turnover and hiring costs, and, ultimately, build corporate loyalty. In the more immediate timeframe, a strong leadership development system is expected to overcome Chemtrade’s current challenges of inadequate bench strength to support the needs of both senior executive succession and the NBTs.

In 2012, Chemtrade began its formal investment in the development of its management and leadership capability by launching Chemtrade University, which provides three core, in-class programs for supervisory, management, and senior leadership development. While there has been a high level of participation to date, the Human Resources department needs to develop an effective way to measure that training is producing the talent-development outcomes required to fuel the succession funnel (P. Pontone, personal communication, October 2, 2013).

In April 2013, the Human Resources department presented a draft OD document to SLT, parts of which are found in Appendix C. The plan outlined the intention to provide the tools and processes that will help elevate the skill set of the employees and in turn add value to the business. While the SLT has approved the plan in concept, implementation has been delayed for business reasons. While there is a common understanding at both the Board and SLT level of the need to develop leadership capacity in an organized manner, other levels of management are not
yet aware of the intended succession planning and development process (P. Pontone, personal communication, October 22, 2013). The Human Resources organization chart depicts the scope of support that resides at the functional level, which supported data gathering and analysis of the findings, and is available to the subsequent implementation of the recommendations resulting from this inquiry (see Appendix D).

As of November 30, 2013, Chemtrade had approximately 700 global full-time employees, of which approximately 100 were North American management. The organization charts (see Appendix D) depict the SLT roles, as well as the depth of existing management and nonmanagement layers. The ultimate impact of this inquiry has the potential to be substantial because through this research CNA has studied the majority of its North American management population, with the long-term intention of the inquiry being of benefit to all employees in the organization.

**Systems Analysis of the Inquiry**

Systems thinking is a discipline for seeing wholes. It is a framework for seeing interrelationships rather than things, for seeing patterns of change rather than static snapshots . . . and systems thinking is a sensibility for the subtle interconnectedness that gives living systems their unique character. (Senge, 2006, pp. 68–69)

The range of interest by both internal and external stakeholders, as outlined in the Significance of the Inquiry section in this chapter, made this a very compelling inquiry. From the plant floor to the most senior levels of management, from a buyer of product to a buyer of shares, many individuals had a stake in the success of this inquiry. As an action researcher, I needed to consider the wide socioeconomic range of employees who would be impacted, ranging from a plant worker earning less than $60,000 per year to the CEO earning over $4 million per year.
Prior to completing this inquiry, the Director noted that socioeconomic factors would potentially influence the findings and the recommended approaches (P. Pontone, personal communication, October 2, 2013).

In addition to considering both internal and external stakeholder influencers (see Appendix B), the inquiry process must consider other factors that will influence the process. Utilizing Bolman and Deal’s (2008) theory of four frames of perspective (including the human resources, symbolic, structural, and political frames) provided the framework for the systems analysis for this inquiry (see Figure 1). Bolman and Deal asserted, “Framing involves matching mental maps to circumstances. Reframing requires another skill—the ability to break frames” (p. 12). Reframing was useful to this inquiry because it challenged the assumptions of different groups and enabled me to ask the right questions to achieve valid data. Reframing was critical to Chemtrade’s ultimate purpose of leadership development because “leaders have to find new ways to shift their point of view when needed” (Bolman & Deal, 2008, p. 13).

*Figure 1. Human, structural, symbolic, and political factors influencing Chemtrade.*
Bolman and Deal’s (2008) human resource frame views the organization as an “extended family” (p. 16) and emphasizes its interpersonal relationships, with a core focus on understanding the individual. For this inquiry, CNA had to consider the needs, skills, and limitations of staff members as individuals, with their own desires and life goals, along with their role relationships and interdependencies. Within this frame, the image of Chemtrade leadership is seen as fulfilling all of the six leadership competencies, with a priority on two of these: championing the company values and developing self and others (P. Pontone, personal communication, November 25, 2013).

Bolman and Deal’s (2008) structural frame “focuses on the architecture of the organization, the design of units and subunits, rules and roles, goals and policies” (p. 21). Chemtrade has a complex structure that can be described as a functional matrix. The structural framing, therefore, considered the goals, structure, work, and talent requirements for all Chemtrade employees. This frame also considered the alignment of current and future capability of leadership to deliver on the corporate goals. The image of leadership in this frame is seen as achieving the best talent and best teams (P. Pontone, personal communication, November 25, 2013).

Bolman and Deal’s (2008) symbolic frame is the opposite of the rational, structural frame; this frame focuses on meaning and on positioning culture and spirit as drivers of organizational success (p. 21). Chemtrade’s cultural focus of being ONE and having a sense of togetherness was critical to the inquiry because these cultural goals are in alignment with Bolman and Deal’s emphasis on culture as the heart of organizational life. The image of leadership in this frame was seen as predictably achieving all of its cultural elements, with
priority focus on two of the four cultural elements: entrepreneurial and accountability (P. Pontone, personal communication, November 25, 2013).

Through Bolman and Deal’s (2008) political frame the organization is viewed as “a competitive arena for scarce resources, competing interests, and struggles for power” (p. 21). Chemtrade’s commitment to sustainability, along with its goals of predictable shareholder returns, requires it to develop leaders who can deliver on these strategic commitments. In this frame, leadership would be seen as being able to sustain shareholder value creation, while drawing upon a range of corporately required, strategic capabilities, such as global and systems thinking, and innovation (P. Pontone, personal communication, November 25, 2013).

Chapter Summary

In this chapter I provided the background for this inquiry, which included the significance of the inquiry, the organizational context, and a systems perspective. The next chapter will examine academic literature to gain a more in-depth understanding of the issues involved in the research inquiry.
Chapter Two: Literature Review

The literature review examines definitions, key concepts, influential variables, and interpretations in scholarly and institutional research related to the inquiry. This chapter serves to further ground the inquiry question on what leadership development system is required at CNA by examining two relevant topics. The first topic examines systems drivers of leadership development by exploring four subtopics: the strategic imperatives of leadership development, the purpose of leadership, the work of leadership, and the competencies of leaders and leadership. The second topic examines the systems that support leadership development and considers four specific subtopics: succession management, leadership development, learning culture and organizational change. Overall, the literature review will take readers on a journey of systems within a system, which is intended to influence a broader and deeper understanding of the system requirements for leadership development that will ensure people dividends are as sustainable as financial dividends.

System Drivers of Leadership Development

The literature review for the first topic, system drivers of leadership development, is divided into four sections. The first section examines the linkage between strategic goals and leadership development. The next section discusses the role of leadership and takes readers on a journey of discovering the uniqueness of leadership and how leadership differs from management. The third section links leadership to work and work complexity so that readers can better understand how leadership adds value to the organization at each level of work. The final section considers the role of competencies, as it relates to both individuals and organizations.

Strategic imperative for leadership development. Taking a long-term, strategic view to leadership development provides continuous results. Boaden (2006) reported the initiative
coordinated by the National Health Service Modernisation Agency increasingly identified “effective leadership as a key ‘success factor’ in the long-term sustainability of organisational change (NHS Modernisation Agency, 2002)” (p. 6). Eloquently reaffirmed by Kouzes and Posner (2012), leadership pays off: “Bottom line: the best leaders elicit nearly three times the amount of energy, drive, commitment and productivity from their constituents compared to their counterparts at the other end of the spectrum” (p. 334). According to Barton (2011), “invest[ing] in leadership development will require changing our view of business value and its role in society” (p. 4). Barton called for three essential reforms to the corporate system, one of which is to serve the interests of the employees, and to not see it as being at odds with the goal of maximizing corporate value. In fact, Barton saw investing in people as essential to achieving the corporate goal of increasing shareholder value.

Toor and Ofori (2008) cautioned, “For organizations to be competitive, they will need to develop as many leaders as possible and that the leaders should also have sufficient management knowledge and capabilities” (p. 61). Colcleugh (2013) identified that all employees can help lead the needed success: “Leadership activities can take place anywhere in an organization, at any level of its hierarchy. Leading is as likely to occur, and leadership is as likely to be encountered on a shop floor as in the executive suite” (p. 12). The business imperative is to encourage and develop leadership throughout an organization, because it will be a good business decision to take for the long-term success of the organization. To adopt this imperative organizations need to understand the purpose of leadership.

**The role of leadership.** When examining literature on the role of leadership I found a multiplicity of definitions have evolved, because those who historically proposed answers held differing viewpoints of defining the concept, actions, or purpose of leaders and leadership. In this
section I focus primarily on the core purpose of leadership so that I can later connect the
development of the leadership function to its intended purpose.

Rost (1993) concluded that there was no consensus on the definition of leadership.
Alimo-Metcalfe and Lawler (2001) concurred and noted that while leadership is a popular and
widely held term it is also one that defies an agreed-upon definition. However, an extensive
review of modern literature revealed academics have reached a general consensus that the
purpose of leadership is about the act or behaviour of influencing others (Colcleugh, 2013; Day
Yukl (2013) underscored this conclusion by stating, “Most definitions of leadership reflect the
assumption that it involves a process whereby intentional influence is exerted over other people
to guide, structure and facilitate activities and relationships in a group or organization” (p. 2).
Similarly, Kouzes and Posner (2012) identified five practices of exemplary leadership: model the
way, inspire a shared vision, challenge the process, enable others to act, and encourage the heart.
These practices require the ability to influence the desired outcomes. Colcleugh (2013) recently
stated, “The work of leading is influencing people to make positive change. Leaders are people
who influence others to make change” (p. 11). On the other hand, Jacobs and Jaques (1987,
1990) reinforced that it is not useful to compare or contrast people who are leaders to those who
are not; rather, it is more useful to refer to the behaviour of leadership.

House and Aditya (1997) maintained there remain many unresolved issues related to the
leadership role, including the distinction between leadership and management. Vlok (2012) and
Toor and Ofori (2008) concurred that leadership and management have different origins, but are
intertwined and are used as essentially synonymous terms. Jaques and Clement (1994, p. xiv)
also observed that leadership and management coexist without clarity: “This almost universal
separating of leadership and management is a sign of the powerful confusion and vagueness that exists about the meaning of leadership and management” (p. 19). However, Jaques and Clement attempted to eliminate the confusion by making this distinction on the basis of the work done:

If we are to understand leadership, we must understand the role in which leadership accountability appears. Leadership has to do with certain types of role relationships in which people work together to get things done. The fact that there are no freestanding leadership roles or leader-follower role relationships points to what leadership is all about. Managers carry leadership accountability by the nature of their roles. (pp. 14–17)

The Merriam-Webster Online Dictionary provided simple clarity on the essential distinction between management and leadership by defining management as “the act or skill of controlling and making decisions about a business, department, team, etc.” (“Management,” 2014, para. 5). Whereas the definition of leadership is having the “ability to lead other people” (“Leadership,” 2014, para. 6). The simple distinction in these definitions is that management is a role, whereas leadership is an expected behaviour. Katz and Kahn (1978) and Schneider and Somers (2006) concurred that leadership involved incremental influence over and above compliance with routine direction, as set out by management. Leadership, therefore, is manifested through influencing behaviours, whereas management is rendered through role accountability, delegated outcomes, and process. In contrast, Tengblad’s (2006) review of Mintzberg’s seminal research on management roles noted the 11 management role descriptors, along with the 12th role, which Mintzberg (as cited in Tengblad, 2006) labelled “the role as ‘leader’” (p. 1439). Yukl (2013) offered a counter argument, observing, “The leader role pervades all managerial activities, even those with some other basic purpose” (p. 29). While this
view links leadership to management, it does so as a behavioural expectation that is overlaid on the role expectations of management.

Boaden (2006) reminded readers that while both management and leadership abilities are important, and can be resident within a single individual, it is not necessary for everyone to be both:

We need leadership in setting out the vision and working with and through people to achieve it. We need excellent management in systematic and tested approaches to secure delivery and improvement. Many people, of course, take on both roles (Department of Health, 2002b). (p. 7)

In conclusion, leadership is a specific behaviour of influencing that involves affecting multiple role relationships, whereas management is an accountability role involving direction and processes to support specific work that needs to be accomplished. Furthermore, while all managers should augment their roles with some leadership behaviours and all employees are now expected to demonstrate leadership, not all employees are expected to become managers.

Work and work complexity. For an organization to determine what must be developed within a person to produce leadership it is reasonable to ask: What is the work of leadership? To understand the concepts of work complexity and accountability, as germane to the managerial role, and to understand where and how leadership fits within it, I turn to the literature on work and its complexity.

In Jaques’ (1976) A General Theory of Bureaucracy, he integrated observational experience over 35 years to produce a set of descriptions of structured organizations and of the work required at each organizational level. Hunt (1996) reported that Jaques’ (as cited in Hunt, 1996) seminal works, which built on the thinking of Katz and Kahn (as cited in Hunt, 1996) and
were subsequently evolved by Jacobs (as cited in Hunt, 1996), are referred to as the stratified systems theory (SST). Shepherd, Gray, Hunt, and McArthur (2007) reminded readers that SST has provided foundational concepts about the core principles of work complexity, work levels, and the relationship of work to human talent and leadership, which has been useful in developing a multilevel leadership model that has over 60 years of application, which has relevance to Chemtrade’s leadership development.

Early SST proponents (Jacobs & Jaques, 1991; Jaques & Stamp, 1990; Mumford, Zaccaro, Harding, Fleishman, & Reiter-Palmon, 1993) supported Jaques’ (1976) theory that a clear work structure of accountability must come first, if effective managerial-leadership were to have any chance of occurring. Jaques and Clement (1994) asserted, “Managerial-leadership accountability and authority are specified by role” (p. 107). Charan, Drotter, and Noel (2011) stated, “To build your leadership base, the starting point is to understand the natural hierarchy of work that exists in most organizations” (p. 7). They further claimed that the work architecture should set common standards for both performance and potential, differentiated by level of management (Charan et al., 2011).

The focus on complexity of work level, rather than on complexity as a personal characteristic of either a manager or a leader, is broadly supported by theorists; furthermore, recent theorists are in agreement that different and increasingly complex work requirements exist when one moves up a hierarchy of work levels, as distinguished from traditional work layers (Beer & Walton, 2009; Boal & Hooijberg, 2001; Boal & Schultz, 2007; Mumford, Campion, & Morgeson, 2007; Van Clieaf, 2013). Researchers proposed aligning appropriate levels of work complexity with levels of human capability to support effective accountability as the master key to strategic breakthrough and competitive advantage for increased profits, growth, and
innovation and to provide better work environments for employees (Charan, 2008; Clement & Clement, 2013; Dive, 2008; Kraines, 2001; Shepard et al., 2007).

Disagreement exists in the determination of how many levels of work complexity comprise an optimal structure to manage the largest and most complex organizations in the world. Clement and Clement (2013, p. 50) and Dive (2007, p. 100) referred to eight levels. Charan et al.’s (2011) *The Leadership Pipeline*, based on the experimentation done at General Electric, referred to any organization’s “six career passages” (p. 6) of leadership complexity. The majority of theorists have proposed seven levels of work as the optimal architecture to be used (Charan, 2008; De Visch, 2010; Kraines, 2001; Osborn & Hunt, 2007; Sashkin & Sashkin, 2003; Shepard et al., 2007), all of which support Jacobs and McGee’s (2001) extensive research, which also settled on seven levels of work complexity (see Appendix E).

I found consensus within the literature of major break points within the levels, in which performance and capability requirements become qualitatively different. Hunt (1996, p. 17) claimed that there were three domains within the levels that are considered big jumps from the previous level, which is the predominantly accepted theory by modern researchers (Jacobs & McGee, 2001; Jaques & Clement, 1994; Osborn & Hunt, 2007). While the majority of theorists are in agreement with three quantum leaps, or domains of work complexity, they differ slightly on the nomenclature to describe these leaps. Jaques and Clement (1994) and Van Clieaf (2004) generally agreed on the three domains or leaps of complexity as being (a) systems of systems, (b) systems, and (c) operational.

Osborn and Hunt (2007) provided guidance on the value of viewing domains of work complexity separate from levels of work: “Specific aspects of leadership in a specific domain appear to influence specific aspects of performance in a specific context overtime” (p. 325).
Using these three domains helps define competency and development requirements for building systems within systems, corporate systems, and operational outputs. Additionally, Osborn and Hunt advised on the need to consider the requirements for relevant performance measures at a domain level as well as at a role level. Having considered that all work in an organization is part of an accountability architecture linked to role outcomes, organizations are better armed to consider the competencies required of leaders as individuals, and leadership as an organizational requirement.

**Leadership competencies – individual and organizational.** The Anglo-American management approach, which is action oriented, is lodged in the tradition of the singular great leader, with emphasis on leadership charisma (Jaques & Clement, 1994, p. xiii). The Japanese management approach, which is feeling centred, bypasses the individual as the formative unit of account and focuses on the affective group (Jaques & Clement, 1994, p. xiii). The continental, or central European, approach to management, concentrates on the individual-in-role and the process of maturation through one’s potentially unfolding grasp of cognitive complexity (Jaques & Clement, 1994, p. xiii). This section of the literature review focuses on integrating traditional concepts of individual competencies with the continental recognition of the need to develop the individual’s capability to handle the complexities of organizational work.

Many theorists classified competencies as being either organizational or employee focussed, with a strategic competencies required at an organizational level and personal characteristics related to job effectiveness at the individual level (Cardy & Selvarajan, 2006; Turner & Crawford, 1994). Cardy and Selvarajan (2006) asserted, “The importance of competencies to organizations cannot be overstated; in fact, they can be the key to competitive advantage . . . in order for an organization to succeed in its mission, organizational competencies
must match strategic intent” (p. 235). Authors Hollenbeck, McCall, and Silzer (2006) and Satya (2014) reinforced the importance of competencies being linked to organizational success. However, Cardy and Selvarajan (2006) also saw an advantage in aligning the concept of competencies across two perspectives, organizational and individual. In agreement, Hollenbeck et al. (2006) and Y. T. Lee (2010) proffered that competencies should be modified in definition of expected behaviour and result for different leadership role levels and role complexities (see Appendices E, F, G, and H). Colcleugh (2013) also viewed the desired leadership competency model as having two types of competencies, individual leading and organizational leading; however, Colcleugh included an additional framing and viewed both competencies as designed around the needs of will, function, and being (see Appendix F).

Competency models, which had their historical roots dating back to the 1950s and became more prominent in the 1990s, could be considered the set of competencies associated with a role in an organization (Cardy & Selvarajan, 2006). However, Charan et al. (2011) expanded the view by introducing the need for competency alignment to role accountability: “Traditional competency models place the emphasis on activity rather than results, and this creates misleading measurements” (p. x). Lombardo and Eichinger (2009) concurred that the optimal use of competencies is not to define technical skills, knowledge, or expertise of a professional, but rather to identify measurable characteristics of a person that are related to success at work (see Appendix G). Hollenbeck et al. (2006) applauded the recent view of leadership competency models, having shifted the focus from building a person-centred competency of knowledge, skill, and ability to developing person-centred management models of performance. They saw that “competencies, when properly designed, leverage the experience
and seasoned insight of leadership incumbents in an organization” (Hollenbeck et al., 2006, p. 402).

Many theorists described leadership competencies as part of the business model that enables a leader to develop him or herself for the required work of the corporation. Vlok (2012) believed the emphasis has shifted to include more leader-specific attributes and ensure that these are acknowledged and integrated at institutional levels. Vlok also saw the shift including more organizational competencies such as a system’s view of the organization, change management, ability to manage conflict, gender-specific leadership styles, purpose, emotional intelligence, engagement, alignment, shared accountability, and commitments. Many theorists also agreed on the need to produce the desired organizational outcomes through a competency model that not only considers both individual and organizational competency requirements, but which also considers the complexity of the work (Cardy & Selvarajan, 2006; Colcleugh, 2013; Golembiewski, Billingsley, & Yeager, 2009; Hollenbeck et al., 2006; Vlok, 2012; see Appendices C and H).

Vlok (2012) provided another organizational consideration for competency modelling: “Innovation has become critical for nations, organizations and individuals in an increasingly complex and challenging world. Leaders responsible for innovation need to be competent in making innovation happen” (p. 209). Barsh, Capozzi, and Davidson (2008) concluded that over 70% of senior executives had identified innovation as one of their top three drivers into the future; however, over 65% of these executives were less than confident about their innovative decisions. Barsh et al. claimed the contrast between aspiration and execution was caused by being neither prepared for nor skilled at getting the best out of innovation. Christensen (as cited in Nisen, 2012) also stressed the need for innovation-focused leadership by stating,
We are focused on the wrong metrics. Our universities are training entrepreneurs—and investors—to focus on fast and efficient return on capital investment. Process efficiency innovations provide return on investment in 12–18 months. Empowering innovations, such as a new product, service or channel, take 5–10 years to yield a return. (para. 6)

In order to drive long-term value creation, organizations will have to incorporate the required competencies for innovation into the overarching organizational competency model. Van Clieaf and Kelly (2005) agreed with Christensen’s (as cited in Nisen, 2012) call for more capability to deliver on innovation, as they unbundled the intrinsic value of an organization through the lens of future value, which is dependant on innovation:

The expected future growth value . . . can be calculated by subtracting the value of current operations . . . from the company’s market capitalization or enterprise value. . . .

The expected future value to be created can be further broken down into:

- The future value from current operations (i.e., future process of innovation of current operations that drives organizational and capital efficiencies); and
- Future value from new growth and innovation (which includes new products/new services/new markets or business model innovation, all of which can be accomplished through mergers or acquisitions). (p. 3)

This triadic set of needs (individual, corporation, and complexity of work) sets the stage for a more formulaic approach to competency modelling, and in turn creates a leadership development system that can predictably deliver long-term value to the shareholders.

**System Enablers of Leadership Development**

The literature review for this second topic is divided into three sections that consider some of the critical subsystems of leadership development. The first of these is succession
management, the process for identifying and grooming potential for key role replacement. The second section examines the development process itself and the myriad of approaches that exist. The third section considers how a learning culture can drive and support effective leadership development.

Succession management and cognitive capacity. Succession management is anchored in the determination of what potential means and what it looks like, as well as determining one’s readiness to perform to that potential. N. R. Lee (2007) identified capability as the ability of the person to do the work, and further explained that each level of work contains roles within the same category of task complexity. Current potential capability is a person’s present level of complexity of thinking; it determines the maximum level at which someone could work at this time, given the opportunity to do so, provided that the work is of value to him or her, and to acquire the necessary skilled knowledge (Lee, 2007). Future potential capability is the maximum level at which a person could be capable of working at some time in the future (Lee, 2007). The gap between current and future capability needs to be identified, developed, and then closed in order to provide leadership capacity for succession.

Jacobs and Jaques (1991) concluded that potential can be developed in anyone: “Progressive conceptual development appears to take place gradually as the skills and capabilities needed for the current level are ‘overgrown’ by the skills required at the next higher level” (p. 441). Many theorists agreed with Jacobs and Jaques (1991) that it was the potential, as reflected in levels of problem solving and critical thinking, which holds the key to determining future capability at a given time (Osborne & Hunt, 2007; Zaccaro, Mumford, Connelly, Marks, & Gilbert, 2000). Lessem (as cited in Jaques & Clement, 1994) noted, “Ability to manage or lead at higher levels of work increases in scope with the maturation of cognitive capacity, knowledge-
in-application, value integrity, balance of temperament and overall wisdom” (p. xviii). Lessem also claimed that cognitive capacity grows by true maturation, developed in a regular and predictable manner through youth, adulthood, midlife, and maturity. It is this natural maturation process that makes it possible to evaluate one’s potential. Charan et al. (2011) furthered the belief that potential can be developed:

To capitalize on potential, you need to discern the true work requirements at key leadership levels and what’s needed to make the transition from one level to the next successfully. If we need more leaders at more levels than ever before, and if we need to build them rather than buy then – the question of potential naturally arises. Can a sales man today become a sales leader tomorrow? Potential is not fixed. (p. 6)

A recent conversation with Jacobs elicited profound answers to the following questions: how fluid is potential and can potential be missed in its development?

In the real world, there almost always is latent potential, for at least two reasons. First, in the real world, few organizations are able to measure future potential reliably. So, while some who present themselves well get over-promoted, those who don’t get under-promoted and have latent potential. But, second, building mental models requires time. It is commonplace for high capability people to start in roles which they readily master, but which they cannot escape because all available pathways are blocked. They will have latent potential until they can open a pathway. (T. O. Jacobs, personal communication, June 4, 2014)

While T. V. Mumford et al. (2007) also believed that the development process should require the predictable growth of successively more complex and encompassing frames of reference needed to solve more complex problems at the higher levels of complexity, Jaques and
Clement (1994) illuminated that none of the other components of capability develop by a predictable maturation. Jaques and Clement (1994) believed,

The development of knowledge and skills depends on experience and education; values change depends on experience, managerial scope and influence; wisdom may or may not be enhanced over time; and that personality characteristics tend to endure unless modified by intensely worldly experiences or by psychotherapy. (p. xviii)

Succession management can be seen as a targeted activity that involves making provision for the development and replacement of key people, particularly at the top, over time (Barnett & Davis, 2008; Reeves, 2010). Groves (2007) reported that this traditional leadership-replacement approach is being usurped by a long-term perspective for developing and managing talent throughout the organization (p. 237). In their review of succession planning and leadership development, Kur and Bunning (2002) concluded, “Corporate leadership development can no longer simply rely on planning the replacement of existing leaders” (p. 761). Like Groves, Kur and Bunning believed that organizations must focus on developing the leadership function rather than individual leaders. Jacobs reinforced this perspective that developing strategic leadership has requirements for both critical thinking and mental-model development, and is an important consideration for all succession management decisions:

The ability to perform now in a role depends on having mental models that encompass enough of the complexity of the work level to enable successful performance. So I would expect someone at the executive level (e.g., higher than work level III) to be able to move across industries to another equal role fairly quickly.

The critical questions are: How similar are the mental models? How much learning agility (fluid intelligence is a surrogate measure) does the individual have? If the move is
to a role of comparable complexity, with similar mental models, the move ought to be smooth. If we are correct that there are three broad families of mental models, there are two transitions that are much harder than the rest: III-IV and V-VI, because there is a transition in level of abstraction of mental model as well as scope and scale. (T. O. Jacobs, personal communication, June 4, 2014)

Mentoring is a time-honoured solution for the challenge of preparing a protégé to assume a position. To some, “mentoring is a process in which a manager once removed helps a subordinate once removed to understand his or her potential and how that potential might be developed career-wise to the full” (Lessem, as cited in Jaques & Clement, 1994, p. xix). Murray (2001) also saw it as taking on the responsibility for identifying and developing another’s potential: “A deliberate pairing of a more skilled person with a less skilled or less experienced one, with the mutually agreed goal of having the less skilled person grow and develop specific competencies” (p. xiii).

To effectively utilize mentoring, an organization should determine if the mentoring function is intended to guide another’s overall career development plans, whether vertical or horizontal, or if it is needed to prepare an individual to take on a specific new role. This raises the question, is the mentor the person’s manager once removed, or the immediate manager? While the literature review did not provide clear answers to the aforementioned question, Tichy (2004) and Allio (2003) believed that organizations are increasingly engaging managerial personnel in the leadership development process; these authors believed that managers add unique value to building the leadership pipeline. Tichy’s (as cited in Groves, 2007) findings that General Electric’s John F. Welch Leadership Center is a comprehensive development program in which both executives and managers at all levels are largely responsible for teaching the
curriculum and delivering a range of development activities, thus having multiple levels of management and leadership influence the development of the learner as well as the succession capability of the individual.

**Leadership development.** Popper and Lipshitz’s (1993) view of institutional leadership development is that of a planned and systematic effort to improve the quality of leadership (p. 23). N. R. Lee (2007) reinforced the view that “talent development is a system for the development of a population of employees who have a distribution of current and future potential capability to discharge the company’s current and future requirements” (p. 219).

Popper and Lipshitz (1993) also believed that leadership development should include three components: (a) developing self-efficacy in the domain of leadership, (b) developing awareness of modes of motivating others, and (c) developing specific skills. In order for a person to develop self-efficacy in the domain of leadership, the person must develop a sense of having a real influence on others (p. 23). According to Bandura (1982), the most important source of self-efficacy is an experience of successful performance, which creates a sense of mastery. This suggests that programs of leadership development will be most effective with young people. The younger the person, the greater the potential for shaping behaviours, resulting in less need to repair negative past experiences (Popper & Lipshitz, 1993, p. 23). Senge (2006) countered with his view that personal mastery, or the concept of creating an environment in which people grow as human beings, is attainable at any age or stage of one’s development.

Since the essence of leadership is to motivate or influence others, a critical development need is to enhance an individual’s awareness of how people can be motivated and how to motivate others. According to Popper and Lipshitz (1993), transformational and transactional leadership are based on very different models of motivation: “Transformational leaders arouse
deep emotions which lead followers behaviors to exceed expected instrumental returns, whereas
the success of transactional leaders depends on their ability to satisfy the instrumental needs of
their followers” (p. 25). Although leadership is about leading self and then others, it is also about
leading the organization through excellent job performance and accomplishing the work to be
done.

Effective leadership development should enable a person to find personal meaning and
the means to achieve it over a career lifetime. Carstedt (as cited in Senge, 2006) claimed,
“Creating an environment where people can grow starts with having a purpose worthy of
people’s commitment” (p. 263). He further professed the importance of linking corporate
mission to its people and their time:

Business leaders often ask their people to be committed to the organizational goals, but
the real question is what is the organization committed to and is that worthy of my time?
. . . The company that lacks clarity of purpose worthy of commitment fails to foster
commitment, and in turn forces people to lead fragmented lives that never tap the
passion, imagination, willingness to take risks, patience, persistence and desire to find
meaning, that are the corner stones of long-term financial success. (Carstedt, as cited in
Senge, 2006, p. 263)

Aligning organizational purpose to individual will and need has become a cornerstone of
leadership development. Colcleugh (2013) supported this by stating, “If individuals can motivate
themselves to accept an aspiration as a valid, pragmatic target, this will clear the way for all of
them to develop themselves into successful leaders and for the organization to become high
performance” (p. 46).
Most theorists on leadership development identified the need to have in place a suite of development offerings that are both structured and unstructured to support the evolving paradigm of personal and organizational needs for leadership development (Benest, 2004; Boaden, 2006; Day, 2001; Hay & Hodgkinson, 2006; Loew & Wentworth, 2013). According to Boaden (2006), the four traditional areas of leadership development are based upon skill-building, understanding concepts of leadership and management, participating in team building adventures, and receiving feedback on a variety of leadership dimensions. Boaden also asserted that learning must be taken at both an individual and an organizational level. Other researchers have posited the emerging need for a more contemporary approach to leadership development that will require significantly different approaches (Doh, 2003; Hartley & Hinksman, 2003). These new and different development approaches are required for an organization to focus on (a) strategic and global issues in a decentralized environment, within the context of sensitivity to diversity; (b) interpersonal skills and communications; and (c) anticipating the future and how to mobilize the organization to shape it.

Many recent theorists concluded that modes of development may include formal training and education, emulation of a mentor, role learning (e.g., team leader), learning through doing (e.g., special assignments), validation (e.g., feed-forward feedback), learning concepts, and personal growth (Benest, 2004; Boaden, 2006; Loew & Wentworth, 2013; Mostovicz, Kakabadse, & Kakabadse, 2009). Researchers also cited action learning (a variation of action research), the approach used in this thesis, as a key tool in leadership development (Bowerman, 2003; Watkins & Marsick, 1993).

Regardless of which mode of leadership development is utilized, a measurement of value to the individual and return on investment to the organization is important. Historically, training
assessment was built around the Kirkpatrick model’s (as cited in Boaden, 2006, p. 14) four levels of measurement: reaction, knowledge, behaviours, and results. With evolved thinking, Boaden (2006) suggested that leadership effectiveness should be measured differently, considering capability as a trump over activity. Measurement of the outcome of leadership capability would require an evaluation of domains, such as analytical, conceptual, emotional, and spiritual (Quatro, Waldman, & Galvin, 2007), which would provide for a broader measurement of the dimensions of leadership capability resulting from multiple development inputs.

Lastly, while there is debate over the extent to which leadership can be taught (Doh, 2003), researchers agreed that leadership development requires personal commitment on the part of the learner (Boaden, 2006; Doh, 2003; Popper & Lipshitz, 1993). Fulmer (1997) cautioned that this new paradigm puts new demands on those termed “traditional educators” (p. 70), because “respect is earned by what the teacher is able to stimulate the others to know” (p. 70).

The irony of this learning is that while leadership development starts with self-leadership, it is exactly the fire which the educator must ignite within the student before being able to impart any of the educator’s knowledge or wisdom. Developing a learning culture is, therefore, considered a key support to the leadership development system.

**Learning culture.** Bolman and Deal (2008) perceived culture as a key part of the symbolic frame of an organization, and as such, “forms the superglue that bonds an organization, unites people and helps an enterprise accomplish desired ends” (p. 253). They concluded that organizational culture is communicated through symbols, whether they are pictures, values, beliefs, legends, rituals, or ceremonies (Bolman & Deal, 2008). N. R. Lee (2007) viewed “organizational culture [as being] made up of a wide range of influencing factors: rules and regulations, resources; customs and practices; shared values; language; belief systems;
economics; policies and procedures; and traditions and assumptions” (p. 217). There is little or no disagreement within the literature that culture is made up of many factors, all of which provide a common and bonding experience to guide employees’ daily existence.

Some would argue that organizations have culture, whereas others might say that culture is an organization. Schein (1992) offered a formal definition of the former and described culture as follows:

[Culture is] a pattern of shared basic assumptions that a group learned as it solved its problems of external adaptation and integration, that has worked well enough to be considered valid and therefore to be taught to new members as the correct way to perceive, feel, and feel in relation to those problems. (p. 12)

On the other hand, Deal and Kennedy (1982) saw culture simply as, “The way we do things around here” (p. 4). It appears that culture can be either a product or a process, depending on how it is framed.

Bolman and Deal (2008) raised a critical question: “What is the relationship between leadership and culture? Do leaders shape culture, or are they shaped by it?” (p. 269). Wheatley (2009) perceived cultural identity as a something that shapes and enables organizations:

In organizations, just as with individuals, a clear sense of identity—the lens of values, traditions, history, dreams, experience, competencies, culture—is the only route to achieving independence from the environment. Another characteristic of self-organizing systems is their stability over time. The total system achieves stability by supporting change within itself. It is by supporting small local disturbances that the global system preserves its overall stability and integrity. (pp. 95–96)
Schneider and Somers (2006) also saw culture as an influencing force: “Self-similarity is evidenced in the physical world in fractals such as fern leaves and broccoli, which are geometric spaces in which the parts exhibit the quality of the entities whole” (p. 375). Schneider and Somers held that in the organizational world, self-similarity is associated with organizational identity. Wheatley (2006) concurred and expressed the following belief:

Self-reference is the key to facilitating orderly change in the midst of turbulent environments. In organizations, just as with individuals, a clear sense of identity—the lens of values, traditions, history, dreams, experience, competencies, culture—is the only route to achieving independence from the environment. (pp. 95–96)

In contrast, other researchers maintained that leaders create culture. Many theorists claimed that transformational leaders create environments of learning, adapting, and long-term change, and that these environmental factors go hand in hand with organizational learning (Berson & Aviolo, 2004; Burke, 2009; Elkins & Keller, 2003; Trautmann, Maher, & Motley, 2007). Waldman et al. (1998) believed that transformational leaders were critical to influencing an organization’s culture and cultural changes. When transformational leadership is combined with organizational learning, it can promote both learning and sustainability for the long-term benefit of individuals and the organization (Atwood, Mora, & Kaplan, 2010). However, other theorists cautioned against the transformational leadership model, as the leader-follower model does not promote learning in an organizational context (Gronn, 2002; Yukl, 1999).

An alternative approach is distributed leadership, which has become popularized in the past decade (Atwood et al., 2010). In this model, leadership is seen as an interaction between multiple leaders and followers, and is influenced by the situation (Spillane, Halverson, & Diamond, 2004). Distributed leadership aims to include and engage workers at various levels in
leadership action (Harris, 2006). Cooksey (2003) maintained that the presence of leaders at every level is vital to organizational learning. This theory reinforces the belief that leadership drives continuous learning.

Cooksey (2003) proposed the idea of “learnership” (p. 204), which ties the concepts of leadership and organizational learning together. Learnership is the process of learning in which leadership is fundamental to the diffusion of behaviours from a few individuals to all individuals in the organization. This creates an environment of flexible leader-learners, who are capable of adjusting their levels of leadership based upon their circumstances. This parallels Spillane et al.’s (2004) thinking regarding distributed leadership, in which there is interdependency between leader and leader-learner.

O’Brien (as cited in Senge, 2006) championed the need to promote a learning culture to sustain career momentum:

People enter business as bright, well-educated, high-energy people, full of energy and desire to make a difference. . . . By the time they are 30, a few are on the fast track and the rest “put in their time” to do what matters most to them on the weekend. They lose commitment, the sense of mission and the excitement with which they started their careers. We get damn little of their energy and almost none of their spirit. (p. 7)

Jaques and Clement (1994) observed that a company’s culture either facilitates the accomplishment of its organizational goals and objectives or it interferes with the process. Yukl (2009) cautioned, “Top management should have most of the responsibility for leading change . . . that the leaders at all levels can help to build and sustain a culture with values for learning and innovation” (p. 51). Senge (2006) reinforced the need to develop an individual as a self-leader, and in so doing promoted a learning culture: “Personal mastery is the discipline of
continually clarifying and deepening our personal vision . . . it is an essential cornerstone of the learning organization. An organization’s commitment to and capacity for learning can be no greater that that of its members” (p. 7). Therefore, culture—with a focus on both leadership and learning—should become an integral component of the leadership development system in a distributed leadership environment.

**Organizational change.** The majority of theorists are in agreement that organizational change of significant scope and duration should be planned and resourced appropriately as a change project, with clarity of both mandate and accountability (Armenakis, Harris, & Mossholder, 2009; Byham & Rogers, as cited in Howard & Associates 2009; Campbell, 2007; Donohoe, 2014; Lewin, 2009; Schein, 2009; Weisbord, 2012). Schein (2009) espoused the type of change requiring this level of focus, “changes in beliefs, attitudes and values that we regard as fairly ‘central’ or ‘deep,’ changes that occur during socialization, and other processes involving the person’s self or identity” (p. 78).

Widespread agreement extends to the number of phases or stages of any change model, with Lewin (as cited in Burnes, 2009) being credited as the originator of the three-step model of change. Differences emerge primarily in nomenclature with Schein’s (2009) three stages of influence and planning being (a) unfreezing: creating motivation to change, (b) changing: developing new responses based on the new information, (c) refreezing: stabilizing and integrating the changes, whereas Burke’s (2009) three stages are simply called prelaunch, launch, and postlaunch.

Contrasting views emerge with respect to the processes of influence and the mechanisms underlying each of the three phases of a change initiative. Churchill and Lewis’ (1983) seminal article on the “Five Stages of Small Business Growth” focused the reader on the characteristics
of each stage of growth with requisite guidelines for role, strategy, systems, and management style. Bridges (2009) countered this mechanistic approach and stated, “Executives have been wise about the mechanics of change and stupid about the dynamics of transition” (p. 394). What is often not clear to those leading change is what individuals are experiencing while undergoing the change process. Bridges deepened leaders’ understanding that change is not the same as transition: “Transition is a three-part psychological process that extends over a long period of time and cannot be planned or managed with the same rationale formulae that work with change” (p. 394).

Many researchers have focussed on the importance of determining readiness for change through an assessment conducted in the first phase of change (Beckhard & Harris, 2009; Schein, 2009; Weisbord, 2012). While collection of data and information is valuable for planning and execution, Burke (2009) focused data collection on meeting the dual needs of both organization and individual and asked, how big is the gap between individual and organization (p. 262)? Burke deepened leaders’ understanding about readiness for change requirements by illuminating that information on “what state exists is really about understanding the current organization and its environment” (p. 262). Bridges (2009) identified that individuals must first “let go of the old situation . . . and of the old identity that went with it” (p. 394), whereas Bernstein, Dent, and Goldberg (as cited in Burnes, 2009) stressed “group behaviour, rather than that of individuals, should be the main focus of the change” (p. 231). However, Burnes (2009) reminded leaders that Lewin’s focus on the importance of the social-psychological world also concluded that both individual and group behaviours “in organizations and society [are] enormous and . . . still relevant” (p. 226).
The velocity of change in organizational life highlights the importance of the role of the change agent (Beer & Walton, 2009). Dyer (as cited in Beer & Walton, 2009) argued the change process “should be managed by those who are ultimately responsible for all organizational consequences” (p. 910). Beer and Walton (2009) concluded that, in the OD role, the skill of OD must be a general management skill. Furthermore, they saw the change leader as “more an architect than a director. He or she creates the environment (systems, strategy, models, symbols, etc.) in which motivation for change will flourish” (p. 911). Schein (as cited in Argyris & Schön, 2009) augmented the change agent’s competency description to include “the attitude and motivation to examine and manage culture” (p. 940).

Schein’s (as cited in Argyris & Schön, 2009) thinking has brought me full circle to the original premise that this inquiry was a system within a system, as he also linked organizational culture to the learning organization. This author also argued that in a world of great change, “organizations have to learn even faster, which calls for a learning culture that functions as a ‘perpetual learning system’” (Schein, as cited in Argyris & Schön, 2009, p. 939). In turn, Schein (as cited in Argyris & Schön, 2009) observed that the leader of change must be able to “assess the adequacy of the organizational culture, detect its dysfunctionality, and promote its transformation” (p. 940).

**Chapter Summary**

Academic literature was reviewed in this section to expand the understanding of the inquiry topic as it relates to the primary inquiry question: What leadership development system is required at CNA to produce the necessary leadership capacity to achieve sustainability and growth? I analyzed leadership by considering (a) its strategic imperative; (b) the nature of its role; (c) its difference from management; (d) the accountability and complexity of the work it
performs; and (e) its required competencies to support the needs of the individual, the organization, and increasingly complex domains of work. This laid the foundation for understanding both the leadership development system components and its complexity. Understanding certain key subsystems required to support effective leadership development enabled me to see it as a system within a system, as leadership development is shaped by multiple subsystems operating concurrently (i.e., the assessment of capability to grow or promote an individual, the accountability of self and management to develop both the individual and leadership functions, and the utilization of a multitude of development approaches while fostering a learning culture), all of which support an effective leadership development system. A review of organizational change elements highlighted the importance of long-term planning for change, assessment of individual and group readiness for or resistance to the change, and capability of resources to actualize the desired shift to a new state.
Chapter Three: Inquiry Approach and Methodology

This chapter begins with a review of the methodology and overarching framework for the inquiry approach, followed by a description of the project participants, including participant selection. An explanation of the methods used for data collection and analysis are provided along with the data analysis. Lastly, consideration of ethical issues including respect for persons, concern for welfare, and concern for justice are explored.

The inquiry approach and methodology were selected to explore the key question: What leadership development system is required at Chemtrade North America to produce the necessary leadership capacity to achieve sustainability and growth? Exploration of the following subquestions contributed to additional understanding:

1. What are the current components of the leadership development system at CNA?
2. What is effective and ineffective with the current leadership development system at CNA?
3. What is required to develop the desired leadership development system at CNA?
4. How will the desired leadership development system help CNA achieve its strategies of sustainability and growth?
5. What needs to be done to implement the desired leadership development system in CNA?

Inquiry Approach

Action research (AR) is the methodology I used for this inquiry. Coghlan and Brannick (2010) defined AR as “a systematic approach to investigation that enables people to find effective solutions to problems they confront” (p. 1). Abraham (as cited in Piggot-Irvine, 2009) deepened the understanding of this methodology by illuminating that AR is a method in which
“members of an organization work collaboratively with a facilitator (researcher) to address problems that are of concern to the group” (p. 1).

The supporters of AR viewed this approach as a disciplined inquiry, which seeks to focus efforts to improve the quality of people’s organizational, community, and family lives (Calhoun, 1993; Coghlan & Brannick, 2010; Greenwood & Levin, 2006; McNiff & Whitehead, 2011; Piggot-Irvine, 2009; Stringer, 2007). Piggot-Irvine (2002) illuminated the key components from which positive support emanates:

The word “action” in action research is key. It is an approach that always involves participants making or implementing change, rather than just investigating an issue. The word “research” in action research is also important. Rather than making ad hoc decisions, the participants in projects make informed decisions about what and how they are going to implement change. They fully research the current situation (a “reconnaissance”) and potential changes before implementation. They also collect valid data to evaluate the changes they have made. (p. 9)

Nonetheless, critique of AR also comes from within the academic world due to its poor reputation as being neither sufficiently scientific, nor rigorous enough (Dick, 2004; Winter, 1987). Piggot-Irvine (2009) claimed that critique is not typically about the strengths of the features of action research, but about “the range in diversity of definition, interpretation, and implementation of action research” (p. 8) in fulfilling a singular paradigm that can be accepted by academics. Melrose (as cited in Piggot-Irvine, 2009) also suggested that organizations have limited time to embark on conducting the complex phases of action research that is required of the approach (p. 9).
I adopted the AR approach for Chemtrade because it is fundamentally aligned with their culture. Coghlan and Brannick (2010) observed, “AR involves a collaborative change management or problem solving relationship between researcher and client aimed at both solving problems and generating new knowledge” (p. 44). The AR approach of stakeholder participation from inquiry design through to recommendations (Rowe, Agger-Gupta, Harris, & Graf, 2011), has provided great assurance to the SLT that sound recommendations can be produced and implementation sustained. Theorists concluded that AR allows for change at a person level, a team level, and at a community level (Coghlan & Brannick, 2010; Piggot-Irvine, 2009; Stringer, 2007), all of which support the values and goals of Chemtrade, previously outlined in Chapter 1.

Within AR, my overarching framing was that of an appreciative stance. Ospina et al. (2002) stated the value of taking this approach within AR was, “to have a design that offered participants an opportunity to think about the future of their communities, articulated in their own voices, so as to mutually gain insights about their leadership practices at their best” (p. 51; see also Cooperrider & Srivastva, 1987; Watkins & Mohr, 2001). My impression of Chemtrade has been that of a progressive company that wants to positively impact both internal and external communities. An appreciative stance was supportive of their progressive approach to inclusiveness.
My AR inquiry was guided by an organizational AR approach (Rowe et al., 2011), which has two different cycles (see Figure 2). The first cycle, known as the “Organizational Readiness Cycle” (Rowe et al., 2011, p. 1), was the basis for this inquiry. This cycle includes five steps: (a) finding and developing the topic, (b) researching and gathering data, (c) data analysis and recommendations, (d) presentation of the findings and recommendations, and (e) disseminating findings and recommendations. Following the transition stage, the “Change Intervention Cycle” (Rowe et al., 2011, p. 1) may be used postproject by the sponsoring organization.

I used an integrated, multimethod approach that was highly qualitative. Qualitative data collection methods were familiar to Chemtrade and enabled me to align and support other work.
currently being done in the area of leadership development. The sequencing of two data
collection methods, a survey followed by interviews, was utilized to gather the data.

**Participants**

The participants for this inquiry were a purposefully targeted group of North American
managers, spanning six of the seven management work layers in CNA, which were grouped into
four classifications: (a) SLT, (b) director and regional managers (DRM), (c) functional managers
(F), and (d) plant and operation managers (PO; see Appendix D). Selection included anyone who
was a manager in CNA as of November 30, 2013, and was subject to that person having full-time
employees directly reporting to him or her. Exclusion criteria were threefold: individuals were
excluded if they (a) were part of the newly acquired management team of fall 2013, (b) did not
have any direct reports as of November 30, and (c) had been a manager with direct reports for
less than 1 year. Supervisory was the only management group that was not part of the inquiry.

*Wikipedia* reported, “Sampling is concerned with the selection of a subset of individuals
from within a statistical population to estimate characteristics of the whole population”
(“Sampling,” 2014, para. 3). I used purposeful sampling, which “leads to selecting information-
rich cases for study in depth” (Patton, as cited in Glesne, 2011, p. 44). Further, by having utilized
a homogeneous, purposeful sampling of all managers, I ensured that I selected “all similar cases
in order to describe some sub-group in depth” (Clark, cited in Glesne, 2011, p. 45).

I sent the survey (see Appendix I) to those who met both the inclusion and exclusion
criteria, which was 77 managers. I received a 78% response rate based on 60 people attempting
the survey, and a 77% participation rate of 59 managers having completed the survey. The 59
responses were representative of four management groups: SLT with seven respondents, DRM
with 25, F with five, and PO with 22. This representation provided a solid sampling for data analysis.

I conducted 10 mixed telephone and face-to-face, interviews on a group of managers, the names of whom were purposefully selected by the Inquiry Team after the survey results were tabulated. The interviewees were a purposefully determined sampling of positively inclined, widely respected persons from each of the four management groupings that were targeted for the inquiry. The interview followed a script (see Appendix J) that took up to 1 hour per interviewee.

The selection process did not require deception, nor did it involve “undue influence” (Rowe & Agger-Gupta, 2008, p. 4), “conflict of interest” (p. 5), or “vulnerable populations” (p. 6). To ensure informed consent, participation was voluntary, all potential participants were fully informed about the study through the invitations (see Appendices K and L), and all participants signed consent forms prior to taking part in the study (see Appendices M and N). There was no need to provide incentives of any type for any of the data collection participants.

**Inquiry Team**

The Chemtrade Inquiry Team members included my Academic Supervisor, Eileen Piggot-Irvine; two SLT executives, the VP of Human Resources, Maryann Romano, and the VP of Marketing, Michael St. Pierre; the Director of Human Resources, Peter Pontone; and one Director of Manufacturing, Joe Jayroe. I invited all of these individuals, except my Academic Supervisor, onto the team by use of a consent form (see Appendix O). The Inquiry Team assisted in three stages of the inquiry. Firstly, they reviewed the draft questions for the survey. Secondly, through a review of the postsurvey emergent themes, they provided input to the drafted questions for interviews. Lastly, I drew heavily upon the Inquiry Team members’ experiences and perspectives to actively participate in the postanalysis formulation of recommendations and
implementation strategy. Mark Davis, the CEO and executive sponsor to the inquiry, has the authority to implement the recommended changes. In my researcher role, because I was an external consultant to Chemtrade, I had no conflict of interest, nor power over others to influence the outcomes of the data gathering, or control the outcomes of the inquiry.

**Inquiry Methods**

This section discusses the data collection tools, followed by a detailed description of how I conducted this study. I close this section by describing how the data were themed and analyzed.

**Data collection tools.** The two data collection methods that supported my inquiry consisted of a survey and interviews. Questions for each method underwent cycles of testing and refinement before being used as final instruments in the collection of the data. The following subsections provide a detailed description of both data collections methods.

**Online survey questionnaire.** Kraut (2009) defined survey as “methods of systematically gathering data from members of the organization” (p. 301). According to Lefever, Dal, and Matthíasdóttir (2007), surveys could be used for “collecting preliminary data and for pretesting research design and questions comprehension” (p. 581). However, Stringer (2007) offered an opposing view to consider and suggested, “Surveys are of limited utility in the first phases of an action research process because they provide very limited information and are likely to reflect the perspective, interests, and agendas of the researcher(s)” (p. 78). To mitigate Stringer’s concern, I tested the survey with three directors and modified a number of questions based on Inquiry Team members’ input.

I used online survey data collection (see Appendix I) due to its dual characteristics of cost effectiveness and time efficiency for collecting large amounts of data from geographically dispersed populations. The survey comprised of 37 questions directly linked to the five inquiry
subquestions by probing management’s perceptions on the following: knowledge about leadership and leadership development; having the skills and time to do the job; alignment of job and behaviours to support Chemtrade’s goals; having the knowledge, skill, and opportunity to apply the current processes and tools of leadership development; and open-ended questions prompting opinions and experiences with the effectiveness of leadership development in Chemtrade. The survey yielded rich information about several areas upon which I built the questions that were probed in the second phase of my research, the interviews.

**Interviews.** The survey data produced the following themes that guided the development of the interview guide: leadership development effectiveness; understanding what leadership expectations are; needs for time, support, documented plans, and development opportunities to build the required capacity; a succession planning process and tools; and other barriers that need to be addressed in order to support the goal of leadership development. I then undertook 10 interviews to understand the data and themes at a deeper level (see Appendix J). Roulston (2011) professed that the value of the interview is providing an opportunity to obtain information about participants’ experiences, perspectives, beliefs, and opinions. Glesne (2011) suggested that the interview method is best adapted for research goals that include interpretation of the social world, gleaned from the perspectives of those involved; as such, the researcher is “collecting facts, or gaining insights into or understanding of opinions, attitudes, experiences, processes, behaviors, or predictions” (Rowley, 2012, p. 261) related to the topic. I ended my research with in-depth probing through interviews to better understand management’s perceptions about the factors, including social and environmental, which influence how well leadership development actually works in CNA.
Study conduct. I conducted my inquiry using the four phases of the “Organizational Readiness Cycle” (Rowe et al., 2011, p. 1): (a) the context and purpose phase, in which the problem is identified and the inquiry questions are formed; (b) the look phase, in which data collection occurs; (c) the think phase, which includes data analysis and drafting of recommendations; and, finally, (d) the act phase, in which the findings are understood and the recommendations are finalized (see Figure 2).

The first phase, context and purpose (Rowe et al., 2011), commenced on September 23, 2013, when I secured the inquiry topic from the CEO. Creating and refining the inquiry topic key question and subtopics occurred in the fall of 2013. The second phase, look (Rowe et al., 2011), commenced on February 21, 2014, when I held a data-gathering planning session with the VP of Human Resources and the Director of OD. My thesis proposal was submitted for approval by: my Academic Supervisor, my sponsor, and the Royal Roads University Ethics Review Committee in early April. The third phase, think (Rowe et al., 2011), commenced when my approvals were secured. The Chemtrade Inquiry Team was invited to participate in the project on May 7, through a briefing, which I led. After the Inquiry Team had approved the survey questions, I programmed them into the SurveyMonkey® (2014) platform. I then proceeded to pilot test the clarity of the survey questions and the time needed to complete the survey with three director-level, Human Resource department staff. A survey participant list was created and approved by the Director of OD, having identified the survey participants by management grouping, using the inclusion and exclusion criteria. This list also included participant email addresses for purposes of survey distribution. CEO, Mark Davis, sent an email (see Appendix K) to all eligible participants on May 9, outlining both the importance and voluntary nature of the project. This communication was then followed by an invitation that I, as the researcher,
personally sent to potential participants on May 20, to invite them to voluntarily participate (see Appendix L).

The data collection phase included the actual data collection, data analysis, and drafting of key areas of concern and themes. I collected the survey data, by having launched the survey between May 27–June 2, using the consent to participate, as part of the online process (see Appendix M). Once the survey data were collected, I sorted them by numerical and qualitative data. I first analyzed the numerical data (gathered from 28 questions) by the four levels of management and then by the question number. The data were then analyzed by highlighting any question responses that received a negative overall rating of less than 52% satisfaction. Finally, I analyzed the qualitative data from optional responses to open-ended questions by management level, by question number, and then by response theme. The Inquiry Team then reviewed the data and themes on June 16, which were used as input for the creation of the final interview themes that then became the interview guide (see Appendix J). This approach was supported by Glesne’s (2011) claim that “data analysis done simultaneously with data collection enables you to focus and shape the study as it proceeds” (p. 188).

The second phase of data collection was the interview. The invitation to participate (see Appendix N) was used as both an invitation and a consent form. I invited 10 individuals to voluntarily participate in the interviews. The Inquiry Team selected interviewees after the survey had been conducted by identifying a cross-section of management representing the four management groups, who are known to have positive, progressive attitudes. A list of backup individuals was kept to invite other participants, in case any of the original invitees chose to decline their invitation to participate; this backup list was not needed, as all who were invited accepted. The first two interviews were simultaneously conducted as a pilot, to test the interview
questions, themes, and timing. All interviews required the interviewees to sign the consent form for interview (see Appendix N). The Director of OD requested that the interviews not be audio taped; therefore, the ensuing results were assembled from my detailed, handwritten notes. All analyzed and anonymous notes from the interviews were made available to participants upon request.

Following the completed data collection period, data analysis ensued for approximately one month. Thereafter, I facilitated a half-day meeting on September 5 with the Inquiry Team (minus the Director of OD, who had since resigned) to finalize the study conclusions and recommendations.

**Data analysis.** Glesne (2011) stated, “Data analysis involves organizing what you have seen, heard, and read, so you can figure out what you have learned and make sense of what you have experienced” (p. 184). I used numerical and qualitative data as a basis for theme creation to enable consideration of the required changes at Chemtrade at both strategic and systemic levels. Glesne called the creation of themes from numerical or qualitative analysis “thematic analysis” (p. 187), whereas Ryan and Bernard (2003) called it “theme identification” (p. 84).

I programmed SurveyMonkey® (2014) to enable data analysis by question and then by four groups of management. The numerical data were used to draw out my first cut of themes. Further analysis was enabled by use of theme identification in the qualitative answers provided in the survey. I produced these themes on a Microsoft Excel spreadsheet by coding each answer (Glesne, 2011, p. 194) and using the inquiry questions as my first level of theming. Using all of the themes provided by both the survey data and information, I made further interpretations of these themes after the Inquiry Team input to the interviews.
Reliability was enhanced because I obtained an overall 77% response rate and a reasonably balanced participation by the four groups of management (88% SLT; 78% DRM; 100% F; and 69% PO). My interview data were reliably supported because the answers provided were open and honest, transparent, and considerate of the pros and cons of any theme or question. Reliability was further achieved through triangulation, which Schwandt (1997) defined as “a means of checking the integrity of the inferences one draws” (p. 163). By having compared the conclusions derived from the survey theming, cross-referenced against the themes that emerged from the interviews, I concluded I had sound information upon which to draw conclusions and make recommendations. Wolcott (1994) discussed description, analysis, and interpretation as three means of data transformation, or of moving from organization to meaning. By having moved my analysis from data collection (description) to analysis and then to interviews for interpretation, I modelled Wolcott’s recommended approach to create meaning from my research (Wolcott, 1994).

Ethical Issues

Research in Canada involving human subjects, is guided by the *Tri-Council Policy Statement for Ethical Conduct for Research Involving Humans* (Canadian Institute of Health Research, Natural Sciences and Engineering Research Council of Canada, & Social Sciences and Humanities Research Council of Canada [TCPS2], 2010). The underlying value of the *Tri-Council Policy Statement* is respect for human dignity (TCPS2, 2010, p. 8). In this policy, respect for human dignity is expressed through three core principles: respect for persons, concern for welfare, and justice (TCPS2, 2010, p. 8).

**Respect for persons.** Respect for persons focuses on autonomy. The *Tri-Council Policy Statement* (TCPS2, 2010) defined “respecting autonomy . . . [as] giving due deference to a
person’s judgment and ensuring that the person is free to choose without interference” (p. 8). Autonomy was achieved within this inquiry as none of the project participants reported either directly or indirectly to me. The *Tri-Council Policy Statement* (TCPS2, 2010) further defined respecting autonomy as including “the ability to deliberate about a decision and to act based on that deliberation” (p. 8). Participants were fully informed about the nature and purpose of the inquiry project through informed consent forms and communications (see Appendices K through to O), both from the CEO and the researcher.

**Concern for welfare.** Concern for welfare in *Tri-Council Policy Statement* (TCPS2, 2010) means that the researcher “should attempt to achieve the most favorable balance of risks and potential benefits in a research proposal” (p. 10). Management of all levels benefited greatly from participating in the inquiry because the intended outcome was to improve leadership development in Chemtrade, which would provide greater job security through increased skills, knowledge, and alignment of work levels and competencies.

**Justice.** Justice refers to “the obligation to treat people fairly and equitably” (TCPS2, 2010, p. 10). To ensure fairness, all managers, who met the inclusion criteria were invited to participate in the research. To fulfill the requirements for equity, *Tri-Council Policy Statement* (TCPS2, 2010) cautioned researchers to “distribute the benefits and burdens of the research participation in such a way that no segment of the population is unduly burdened by the harms of research or denied the benefits of knowledge generated” (p. 10). It was a remote possibility that the newly acquired managers of December 2013 would feel left out. However, as they would equally benefit with legacy management from any changes to be implemented, I did not feel that they were disadvantaged. I was not concerned the survey participants feeling denied or burdened, but I did have to ensure that this was equally the case with the selection of participants in the
interviews. All participants had the opportunity to sign a voluntary consent form, which ensured their own decision-making on the burden to themselves. Finally, the published results of the inquiry will be made available to any employee wishing to have access to it.

**Conflict of interest.** To minimize any potential conflict of interest by having the VP and Director of Human Resources on the Inquiry Team, and to ensure confidentiality of data, I conducted anonymous surveys and I anonymized the data gathered through the interviews by utilizing a combination of letter and number to code participants’ responses. To further mitigate any potential conflict of interest, neither the VP nor the Director was present in any of the interviews. I achieved a balanced voicing of opinion from each of the management groups by purposefully selecting interview participants.

**Chapter Summary**

In this chapter, I outlined the approach I adopted in conducting the inquiry. Specifically, I explained why AR was suited to the study of what leadership development system was required at CNA to produce the necessary leadership system to achieve sustainability and growth, and why I chose the participants and study tools that I did. I also outlined how the AR was conducted and the ethical considerations to support the research. In the following chapters, I will discuss the findings that have emerged from this inquiry, and the Inquiry Team’s as well as my interpretations of those findings, which have led to the recommendations presented in the final chapter of this report.
Chapter Four: Action Inquiry Project Results and Conclusions

This chapter outlines the findings, conclusions as well as the scope and limitations of the inquiry. The inquiry question explored in this project was: What leadership development system is required at Chemtrade North America to produce the necessary leadership capacity to achieve sustainability and growth? The subquestions in support of this primary inquiry included:

1. What are the current components of the leadership development system at CNA?
2. What is effective and ineffective with the current leadership development system at CNA?
3. What is required to develop the desired leadership development system at CNA?
4. How will the desired leadership development system help CNA achieve its strategies of sustainability and growth?
5. What needs to be done to implement the desired leadership development system in CNA?

Study Findings

The study findings are based on the online survey and the interview data. A total of 59 participants took part in the online survey (OS) that gave balanced geographical input of 53% from Canada and 47% from the USA. A solid representation from each of the four management groups comprised the 59 survey participants, with response spreads being: 88% SLT, 78% DRM, 100% F, and 69% PO. These participants represented 77% of the overall invited group of management. A total of 10 participants took part in the interviews; interviewees also represented soundness of geographical input, with 60% from Canada and 40% from the United States. Interview participants, representing the same four management groups studied through the online survey, gave their opinions on how to interpret selected findings from the survey data. Again,
there was a cross-sectional representation of the four groups with 20% being SLT, 50% being DRM, and 30% being F and PO combined.

To ensure participant anonymity and confidentiality, I use the following codes for citing material from the interviews: SLT1, SLT2, DRM1–DRM5, FPO1–FPO3. All excerpts from surveys are cited using the code SP. I summarized the online data for each of the four management groups by each of the 37 questions probed, which identified six questions with an overall satisfaction rating below 52%.

Table 1

<table>
<thead>
<tr>
<th>Question</th>
<th>Satisfaction (%) and No. of Respondents</th>
<th>Overall</th>
<th>Senior Leadership Team</th>
<th>Regional Manager or Director</th>
<th>Functional Manager</th>
<th>Plant and Operations Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>#8 – I have the time to develop my direct reports to become leaders</td>
<td>46%</td>
<td>86%</td>
<td>36%</td>
<td>20%</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>27</td>
<td>6</td>
<td>9</td>
<td>1</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>#23 – I have a documented personal development plan in place</td>
<td>17%</td>
<td>0%</td>
<td>16%</td>
<td>20%</td>
<td>22.6%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>10</td>
<td>0</td>
<td>4</td>
<td>1</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>#24 – My manager is actively supporting me in fulfilling my development plan</td>
<td>35%</td>
<td>43%</td>
<td>36%</td>
<td>40%</td>
<td>31.6%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>21</td>
<td>3</td>
<td>9</td>
<td>2</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>#30 – I am given the mentoring I need to develop my leadership capability</td>
<td>37%</td>
<td>71%</td>
<td>24%</td>
<td>20%</td>
<td>45.6%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>22</td>
<td>5</td>
<td>6</td>
<td>1</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>#34 – No time and resources to develop my direct reports</td>
<td>21%</td>
<td></td>
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<tr>
<td>#36 – I was least supported when I was abandoned</td>
<td>19%</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
Survey questions that received a score below 52% overall in satisfaction were identified for further probing in the interviews. Also included in the interview probe were open-ended question responses to Survey Questions 34 and 36, which received 19% or more of the response comments (see Table 1 and Figure 3).

Figure 3. Below 52% satisfaction of survey data, overall, by question and by group.

The interviews (see Appendix J) probed the low-satisfaction ratings relating to the specific questions presented in Table 1 and Figure 3. In addition, Survey Questions 11, 21, 22, 25, and 26 were also probed; these questions were specific to the F and PO Groups. Survey Questions 29 and 32, which related to all four groups, became 52% when the SLT ratings of 71% and 86%, respectively, were removed from the averaging (see Table 2).
Table 2

*Additional Areas of Survey Satisfaction Concern by Question and Selected Group.*

<table>
<thead>
<tr>
<th>Question</th>
<th>Satisfaction (%)</th>
<th>No. of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>#11 – Overall I think my ability to develop my direct reports to become leaders in Chemtrade is effective</td>
<td>40%</td>
<td>2</td>
</tr>
<tr>
<td>#21 – I know what I have to do to improve my job performance</td>
<td>50.1%</td>
<td>11</td>
</tr>
<tr>
<td>#22 – I know what I have to do to develop my leadership capabilities and behaviours</td>
<td>45.1%</td>
<td>10</td>
</tr>
<tr>
<td>#25 – I am provided sufficient development opportunities to perform well in my job</td>
<td>20%</td>
<td>1</td>
</tr>
<tr>
<td>#26 – I am provided effective development opportunities to perform well in my job</td>
<td>40% 59%</td>
<td>2 13</td>
</tr>
<tr>
<td>#29 – I am given the coaching I need to develop my leadership capability</td>
<td>52% 71% 52% 60% 45.6%</td>
<td>31 5 13 3 10</td>
</tr>
<tr>
<td>#32 – Overall I think leadership development at Chemtrade is effective</td>
<td>52% 86% 52% 60% 45%</td>
<td>32 6 13 3 10</td>
</tr>
</tbody>
</table>

*Note.* SLT = Senior Leadership Team.

Raw interview data were captured by question and by participant code. I then analyzed the data by colour-coding the responses of the participants in each of the three groups, SLT, DRM, and F and PO (both F and PO groups were combined in the interviews). I then sorted the
tri-colour-coded responses by question, by response theme, and by number of participants in the response group. I identified the following themes that emerged from triangulation of both data collection methods:

1. Management supports a focus on leadership development to help CNA achieve its strategies of sustainability and growth.

2. Key strengths of the current leadership development system.

3. Major opportunities for improvement in the current leadership development system.

4. Key barriers to success in the implementation of a leadership development system.

**Finding 1:** Management supports a focus on leadership development to help CNA achieve its strategies of sustainability and growth. Leadership development is considered a valid and necessary strategy for attaining sustainability and growth. Participant comments from the 10 interviews confirmed that leadership development is a valid strategy for attaining the long-term strategies of sustainability and growth. In responding to the interview question, “How do you think the change to leadership development will help achieve the dual strategy of sustainability and growth,” all of the interviewees immediately agreed with the need, with answers ranging from, “Yes, absolutely it will drive sustainability” (SLT2), “Yes, it will drive value” (FPO1), to “I think it is a critical foundation to continue our success” (DRM4). Nine interviewees provided deeper insight on why shifting to leadership development is the right strategy. Interviewees’ answers included, “To keep costs down—it is cheaper to develop internally than to hire externally” (SLT1), “To provide continuity and develop our culture” (SLT1), “It took six to eight months in the last acquisition to identify talent; we need a pipeline of leadership talent” (FPO1), and “To be efficient and effective in our competitive environment, we must be on the leading edge, and this will be done through our people” (DRM3).
Finding 2: Key strengths of the current leadership development system. Participants expressed a strong desire to continue to develop direct reports to become leaders. Of the survey respondents, 100% of participants either strongly agreed (59%) or agreed (41%) to the statement, “I have the desire to develop my direct reports to become leaders,” with balanced responses across all four groups. This solidly evidenced theme was not probed for further clarification in the interviews.

Survey respondents’ satisfaction was 54% with the question, “Overall, I think leadership development at Chemtrade is effective.” Furthermore, the survey data showed that 24 of the 28 questions on leadership development had high satisfaction ratings (exceeding 52%) overall by the four groups.

In addition, participants valued Chemtrade University as part of a leadership development system, and considered it to be effective. Survey participant responses to the open-ended question, “In your opinion, what is working effectively/well in any area of leadership development at Chemtrade,” were of high praise for Chemtrade University. A total of 22 of the 62 overall comments (or 35%), directly related to Chemtrade University and other formal training. These responses came from all four groups surveyed (i.e., SLT, DRM, F, and PO), and examples of the positive comments were as follows: “Chemtrade University is high quality,” “Chemtrade University courses,” “The Chemtrade University course I took last year was beneficial,” and “I feel that Chemtrade University is providing training that was sorely lacking in leadership development.”

Of the three other themes emerging in response to what is working well in leadership development, the number of comments received were as follows: seven for vision, values, and culture; five for management capability and action to coach and develop their direct reports; and
four for tools, processes, and experiences to develop a person, with all other responses being singular in nature. Therefore, Chemtrade University, with 22 comments, stood out as a significant, positive contributor to leadership development at Chemtrade.

In the interviews, in response to the question, “Are you personally receiving the scope and type of personal leadership development that you need to develop you,” only participants within the DRM group gave answers that underscored the benefits of Chemtrade University. Four DRM participants commented on Chemtrade University as being a major positive, with one participant rating it “a six or seven out of 10” (DRM3) and another participant stating, “It is good for people and situation soft skill training” (DRM2). However, one person from this group also noted that Chemtrade University has not been planned for the long term: “I have gone through two cycles of training, and so I don’t know what is left in Chemtrade University for me to take” (DRM2).

Survey Question 13, “I know what is expected of my behaviours to ‘live the Chemtrade values,’” yielded 93%. FPO3 asserted, “Chemtrade does a great job of advertising what the culture is or should be. It is the best at this than any company I have ever worked for.” Whereas DRM3 cautioned with great strategic view that “it will take 5 years to ingrain the focus and action on leadership development into the priorities and culture.” As this question had strong results it was not directly probed further in the interviews.

**Finding 3: Major opportunities for improvement in the leadership development system.** There were four opportunity areas identified for improvement in the leadership development system. Firstly, data suggest the need to focus analysis at both the group and question level, rather than relying on overall statistics as the key determinant of how successfully leadership development is being deployed in Chemtrade. Of the 28 survey questions posed, the
number of questions yielding greater than 52% satisfaction by individual functional group varied by the type of group, with SLT having 26, DRM having 22, F with 21, and PO with 20. When I considered any individual group giving a response less than 52%, the number of questions with overall satisfaction declined to 17.

Unpacking data at the group level highlighted different needs by group type. As previously noted, respondents’ satisfaction was 54% with the statement, “Overall, I think leadership development at Chemtrade is effective.” However, two of the groups rated 52% or below, with DRMs at 52%, and POs at 45%. In contrast, satisfaction levels are notably higher in two groups, with SLT at 86% and functional management at 60%.

A second opportunity area is the lack of documented plans to guide individual leadership development. Only 17% of the survey participants were satisfied that there is a documented plan in place for their development. All of the managers interviewed confirmed that they do not have a documented development plan in place. The interviewing further probed, “Would having a documented plan in place be helpful?” Seven of 10 interviewees from the three groups agreed that documented plans would be beneficial, with DRM4 additionally observing, “It would be valuable to have a documented plan in place along with an assessment that could be measured.” Two people, SLT2 and DRM5, also thought that the answer might be somewhere between “yes and no.” SLT2 observed, “Half the SLT would want to be better and would benefit from a formal plan and the other half would not be interested in a formal improvement plan.” DRM5 observed, “Generic is not helpful. A customized plan is the way to go. However, this would require more time and so it would be a hard thing to do.” FPO1 did not think a development plan would be valuable, “Apprenticing versus any formal plan or evaluation is the way to go.”
A third area to improve is succession process and practices. No single survey question addressed the effectiveness of succession within Chemtrade. However, in response to the two open-ended survey questions (Survey Question 34, “In your opinion, what is not working effectively or well/is lacking/could be improved in any area of leadership development in Chemtrade,” and Survey Question 37, “Is there anything else you would like to share that would help us understand how we can make leadership development at Chemtrade be the best it can be to support growth and sustainability”), seven comments from the four groups signalled that more formal succession practices and development opportunities are desired. SLT survey respondents observed, the “need to provide more opportunity to high performers at all levels in the organization, not just at senior levels.” DRM survey respondents reported, “Successors are not properly identified and prepared to progress.” F management’s survey views included, “Succession plans to replace current leaders are weak” and “We need to put a succession plan in place.” PO management survey responses had the widest range of comments about succession needs: “Simply communicate intentions for succession to the candidate and provide incentives for motivation and retention,” and “Based on the size of the facilities within Chemtrade, it is definitely important to have succession planning and work on leadership development with plant engineers, supervisors, trades, etc. to ensure future operations, maintenance and managers are developed.” Therefore, the succession process is seen by each of the four groups as something they value and want to see further developed.

The interview process provided further evidence of the need for focus on succession with four of the eight interviewees stating that more focus on and development of a formal process for succession is needed. DRM4 believed, “Succession management in a formal sense has existed for 2 years now, but it has not been widely rolled out.” DRM3 acknowledged,
I am aware that succession planning is starting to be focused on, but most managers would not. We are too new and unsure of our structure to talk about succession planning beyond the [DRM] level. It’s not that we aren’t knowledgeable about what is needed for a VP or CEO; it is that we are not sure how to communicate so that a person is not demotivated or that it is communicated properly across the company.

DRM5 succinctly stated, “Identifying potential is something we need to be better at.”

Furthermore, FPO1 observed, “Not sure it needs to be a program, but it needs to be an expectation.”

A fourth area of concern was that there is insufficient coaching and mentoring being provided to develop leaders. Overall satisfaction with the survey question, “I am given the mentoring I need to develop my leadership capability,” was 37%. Given that the overall percentage included a 71% satisfaction rating by SLT, the actual average of the other three groups was 29%. Overall satisfaction with the survey question, “I am given the coaching I need to develop my leadership capability,” was 53%. However, two groups who are not as satisfied with coaching are the DRMs at 52%, and POs at 45%.

The interview process also uncovered that there is little understanding of what the terms coaching and mentoring actually mean, or are supposed to mean in Chemtrade, so the above noted data should not be used as absolute data, but rather as an indicator that there is a need to provide more of whatever coaching and mentoring are intended to accomplish. Four interviewees felt that their respective groups would not know the differences between coaching and mentoring, but felt they had a better idea than most management of the distinctions (SLT2, DRM3–DRM5).
In conclusion, due to the rapid growth of Chemtrade, it has been difficult to implement a formal leadership development approach that is effectively deployed. One DRM survey participant provided the following perspective on the overall picture of leadership development in the current environment of rapid growth:

With our constant growth through acquisition, it’s been difficult to implement a formal leadership development program that includes ongoing mentoring and coaching. Everyone is too busy with his or her day-to-day responsibilities to find the time for leadership development. If we are going to continue to grow through acquisition then we will need to provide additional resources to our operational employees to allow them time to focus on leadership development (coaching/mentoring) and to provide potential leaders time for personal growth and development.

**Finding 4: Key barriers to success in the implementation of a leadership development system.** Overcoming any real or perceived barriers to successful implementation of a leadership development system will be critical to support the desired goal of developing leaders within Chemtrade. Three barriers to a successful implementation of a leadership development system were identified.

Firstly, participants discussed their concerns that little or no time is given to proactively develop leaders. Overall, survey participant satisfaction rating to the statement, “I have the time to develop my direct reports to become leaders,” was 46%. Without the SLT rating of 86%, the satisfaction would decline to 35%. In the interviews nine participants expressed concern with the lack of time to develop leaders. One interviewee reported, “Time is not enough” (DRM3). Another interview participant noted, “There needs to be culture change; make it goal or objective” (FPO1), and yet another stated, “Being a good mentor takes a huge commitment by
the manager to the company” (FPO2). Of the open-ended responses to the Survey Question 34, a total of 13 (or 22%) comments directly related to lack of time.

Further, interview probing with the additional question, “If you had an extra 2 hours in the day, would you spend it on leadership development,” yielded a resounding “no” response by nine of the 10 interviewees. Sample responses from the nine interview participants were that the 2 hours would “be swept away in attending to more day-to-day needs” (DRM1), “Two more hours would be filled with what we have to get done” (DRM4), and “It would be more of the same” (DRM2). One interviewee did not see time as an issue and would spend the extra time “assessing, analyzing, developing and following-up” (SLT2).

Secondly, participants shared their lack of understanding of what leadership and leadership development mean within Chemtrade, and their need to have performance expectations clarified. Survey Question 5 asked participants to rate the statement, “I have a good understanding of what leadership means in Chemtrade,” and received a 93% satisfaction rating overall. Similarly, Survey Question 6, “I have a good understanding of what I have to do to develop my direct report,” rated 85% satisfaction. However, interviewees’ responses to what was meant by the terms leadership and leadership development yielded a wide range of responses by group. A degree of clarity emerged from the interviews, with three of the groups (DRM, F, and PO) articulating that leadership development is about self-awareness and personal mastery, while the SLT group provided the expectation that understanding influencing is part of leadership development. One survey respondent’s comment provided good caution on defining leadership:

Be sure to emphasize that leadership is not one particular style or one particular way of acting, but can manifest itself in many ways. I think that a lot of people who wouldn’t
consider themselves “leaders” at all are in fact very powerful agents for change, and positive influencers in a particular area.

While understanding what leadership means within Chemtrade should precede any understanding of what leadership development encompasses, both require clarification for a system to be developed.

FPO3 highlighted the general lack of understanding about the differences between management and leadership:

I was recently having lunch with a functional manager, who had affected the job site really well. Sadly, his reaction to his career was that there was nothing left to do and that it was time to leave Chemtrade. I said to him, “but you haven’t affected your people yet.”

Interviewee SLT1 provided a view of the differences between strategic and tactical leadership by stating, “Spheres of influence change, time horizons become longer, and there is more social complexity to deal with.” Similarly, DRM3 observed “other companies take a more strategic approach to talent development” than Chemtrade.

Thirdly, a latent barrier that emerged from the open-ended Survey Question 34 can be viewed as having validity because it had four comments, which is as many as coaching and mentoring received. The essence of the four comments is that senior managers need to stop micromanaging and trust their managers more. One survey respondent noted the need for “more trust from the SLT in decision-making from DRMs,” and another survey participant stated, Chemtrade is in conflict with some very basic leadership skills. I experience micromanaging from our senior leadership group and their direct reports. There is a perception in the hourly ranks that they run the facilities and the OP managers are just pawns.
In summary, the study found the majority of managers support the focus on leadership development to achieve strategies of sustainability and growth. They also have a strong desire to pursue leadership development with their direct reports and for their own benefit. Managers consider Chemtrade University one of the successful leadership development approaches currently available to them. There is a need to improve the implementation of a leadership development system by analyzing data at the management group level, providing for documented development plans, improving the succession process and practices, and providing greater clarity about and skills on coaching and mentoring. Barriers to successful implementation include managers having the time to focus on leadership development, feeling trusted to do the job, and having a clear understanding of what is expected of them personally and as managers in leadership development.

Study Conclusions

I have identified the following five conclusions based on the analysis of findings. These study conclusions are described in more detail below with substantiating literature illustrating a connecting relationship between the research findings and theory found in the literature review chapter.

1. Chemtrade management supports the strategy of developing leadership capacity and has the will to execute on this strategy.

2. Each of the four management groups expressed different levels of satisfaction and need with leadership development approaches.

3. Managers expressed a wide range of understanding of what leadership or leadership development means, and they lack understanding of how these terms relate to, augment, or differ from staff, management, or senior management development.
4. The organization has neither sufficiently developed nor implemented the architecture, programs, and tools to ensure achievement of a leadership development system that can support sustainability and growth.

5. Overcoming the barriers of understanding leadership development expectations, having the time to develop self and others, and being fully capable to perform in one’s role are critical success factors for leadership development.

Conclusion 1: Chemtrade management supports the strategy of developing leadership capacity and has the will to execute on this strategy. In response to the main inquiry question, I conclude that there is universal acceptance amongst managers that developing leadership capacity is a necessary strategy for CNA. In addition, managers solidly expressed their will to embrace the change, as 100% of managers reported they have a desire to develop their direct reports.

As the literature indicated, the first stage of change requires an “unfreezing” (Lewin, 2009, p. 76), in which the focus is on alignment of beliefs, attitudes, and values to the desired change to enable employees to embrace it (see also Burke, 2009; Schein, 2009). Schein (2009) stated, “If change is to occur, it must be preceded by an alteration of the present state equilibrium that supports the present behavior and attitudes” (p. 78). Chemtrade managers have “positive identification” (Schein, 2009, p. 83) with the leadership development imperative. This positive state should lead to an enlarged, more differentiated, and fluid set of responses and attitudes (Burke, 2009, p. 85). Researchers would say that the organization is in a psychological state of readiness to implement the next stage of change towards a leadership development system (Burke, 2009; Lewin, 2009; Schein, 2009).
Conclusion 2: Each of the four management groups expressed different levels of satisfaction and need with leadership development approaches. Participant ratings in Finding 2 indicated a high level of satisfaction in 24 of 28 questions. The SLT had noticeably higher ratings than other groups in the majority of questions. As the findings demonstrated that the number of positively scored questions declined consistently by level of group, it surfaced that the different groups had varying concerns. The findings could also suggest that the work pressures of the various groups require a different scope or type of support to succeed.

The literature reinforced that all major change initiatives require senior leadership support and executives must lead by example (Bolman & Deal, 2008; Burke, Lake, & Paine, 2009; Kouzes & Posner, 2012). Lewin (as cited in Burnes, 2009) asserted that in order to continue to lead the desired change, senior leadership must be passionate about creating the organizational conditions for the second and third stages of change, “moving and refreezing” (p. 234). In Chemtrade, the SLT will have to ensure that, as a group, its own psychological readiness has been adequately “unfrozen” (Lewin, as cited in Burnes, 2009, p. 233) so that they can lead the changes that need to be implemented. In questioning its own readiness for change, the SLT will experience the level of soul-searching and commitment that will be required of the other management groups and “will be breaking open the shell of complacency and self-righteousness that is sometimes necessary to do to bring about an emotional stir up” (Lewin, as cited in Burnes, 2009, p. 229).

Literature about the stresses of groups noted that group behaviour, rather than that of individuals, should be the main focus of change (Bernstein; Dent & Goldberg, as cited in Burnes, 2009, p. 231). This reinforces the need to have the SLT group lead the readiness phase of implementation so that they can psychologically and otherwise support the necessary change in
behaviour and approach with the next level group. This should mitigate the risk of not focussing on specific group needs and also provide greater assurance that a leadership development system is effectively implemented on a group-by-group basis. Lewin (as cited in Burnes, 2009) concluded, “Individual development would evolve as a natural consequence of group environment” (p. 230). Therefore, listening to group needs and leading by group commitment will ultimately lead to the identification of individual needs and involvement of the individual in the development process.

Conclusion 3: Managers expressed a wide range of understanding of what leadership or leadership development means, and they lack understanding of how these terms relate to, augment, or differ from staff, management, or senior management roles and development. In Finding 4, I concluded that there is neither sufficient clarity about the meaning of leadership and leadership development within Chemtrade nor an understanding of the how the SLT expects these two states to be different from today’s reality. Chemtrade seeks to develop all employees to reach their individual leadership potential and to grow a stable of succession ready leaders; however, the myriad of definitions provided to the researcher by the interview participants underscored the need to clarify the role of manager versus the leader, and the role of any leader versus a strategic leader. Is a leader one who conducts performance reviews? Is a leader one who provides performance coaching? Is the role of a leader different for nonmanagement than management? Do senior, strategic leaders have different role expectations than other leaders?

Toor and Ofori (2008) cautioned, “Leadership is different from ‘management’. These are two entirely different functions based on their underlying philosophies, functions and outcomes” (p. 61). T. V. Mumford et al. (2007) reinforced the view that defining leadership requirements
has shifted from the person holding the job to the job itself and the skills it requires. These authors affirmed that leadership skills are more complex in breadth and depth than previously thought: “Leadership skill requirements are often described as being stratified by organizational level and a complex of multiple categories” (Mumford et al., 2007, p. 155).

The observations in Finding 4 lead one to question the relationship between work and work complexity, and the resulting need to allow for the necessary time to develop one’s capability to undertake more complex work. Boal and Hooijberg (2001) reminded leaders of the need to define the cognitive, interpersonal, and strategic thinking skills that distinguish one level of leader from another. They argued, “The essence of strategic leadership involves capacity to learn, change and have managerial wisdom” (Boal & Hooijberg, 2001, p. 515). Boal and Hooijberg also noted that strategic leadership is concerned with the guidance “of an organization as a whole, including it changing aims and capabilities” (p. 516). This suggests that there are different requirements for leadership of self and of the organization, as well as for work done at different levels of the organization.

In Chemtrade, various practices and tools of leadership development were articulated by different groups in response to the various questions posed on the survey and during the interviews, such as the need to have (a) assessments for both performance and capability, (b) a development plan for both current and future roles, and (c) the provision for requisite development opportunities to satisfy current and future needs. However, few participant responses considered leadership development as a goal of its own, requiring its own leadership and management to succeed.

Boaden (2006) reported that these strategic needs are a part of the leadership development programs being brought together by the NHS: “We need leadership to set the vision
and work with and through people to achieve it. We need excellent management in systematic and tested approaches to secure delivery and improvement” (p. 7). Burke et al. (2009) focused on leadership as a critical first role of change because, “without a leadership process, planned change is not likely to occur” (p. 733). Measuring change is part of the management of large-scale change. The literature challenged leaders to ask two questions: “Change on what? Change for what?” (Golembiewski et al., 2009, p. 835). Leaders are reminded that organizational development change initiatives are “value-loaded” (Golembiewski; Tannenbaum & Davis, as cited in Golembiewski et al., 2009, p. 835), so the measurement of success cannot be on relatively stable systems, but rather on the change to the basic concepts of the quality or value of organizational life.

As a goal to be attained, leadership development needs to be seen holistically as a system within a larger system, with all of its component pieces supporting it. Popper and Lipshitz (1993) viewed leadership development as a tri-purpose framework for developing: self-efficacy, awareness and skills for motivation, and all other relevant leadership skills. Further, Popper and Lipshitz recommended linking these needs to appropriate programs of development. Akins (as cited in Popper & Lipshitz, 1993) identified six modes of learning and development: emulation of a mentor, role learning, learning through doing, learning by validation, learning of concepts, and personal growth (p. 26). Popper and Lipshitz evolved Akins’ thinking about various modes of learning by providing examples for how institutional leadership development, such as Chemtrade University, could be utilized to complement and leverage all learning modes for the benefit of both student and teacher, creating a true learning environment for all participants (p. 26).
Conclusion 4: The organization has neither sufficiently developed nor implemented the architecture, programs and tools to ensure achievement of a leadership development system that can support sustainability and growth. In Finding 3 some of the interviewees indicated an awareness of the new and more disciplined OD approach to succession management; however, the majority of participants recognized that this approach had not been widely rolled out to date. There was also no clarity provided in interviewee responses to indicate that horizontal career management was different from succession management.

Charan (2008), using Novartis and Textron as two case examples, observed that most development focuses on current performance, while succession typically responds to filling immediate needs with existing capability. Charan (2008) identified the need to change this approach from short term to strategic: “Future leadership potential was not explicitly considered, and candidate assessments were performed by persons within a functional area” (p. 6). Today, the talent review process in Novartis Pharmaceuticals identifies the target job for an individual leader several years out, along with a developmental action plan to get him or her there quickly (Charan, 2008, pp. 6–7). In my study, the survey data highlighted the need for more coaching and mentoring to support both current job needs and future career aspirations. Interviewees also revealed that the two terms are used interchangeably within Chemtrade, with less understanding of what mentoring means than coaching.

Whereas the study interviewees generally understood that coaching focuses on the immediate need to close a gap for a skill or required behaviour, academic literature advised that leaders adopt a broader expectation of coaches, which is to build a learning culture. Schön (as cited in Popper & Lipshitz, 1993) viewed coaching in the context of educating reflective practitioners, a concept that reinforces building a learning culture. Reflective practitioners think
critically about what they are doing, while they are doing it, thus avoiding automatic responses and building new understandings of strategies of action. According to Schön (as cited in Popper & Lipshitz, 1993), the interactions between coach and a trainee during reflection in action are expressed when individuals listen, explain, demonstrate, and imitate (p. 24).

My interview findings supported that mentoring will be important to Chemtrade as it proactively develops its succession bench strength, along with a system for identification of promotional potential, and tailored development thereof. Reeves (2010) reported,

One time honored solution for the preparing of a protégé to assume a position has been mentoring. . . . Specifically, “Mentoring is a process whereby a mentor and a protégé work together to discover and develop the protégés knowledge, skills and abilities, usually in a particular area” (New York State Mentoring Workgroup 2002, 1). As such, the mentor becomes teacher, coach, and advisor to assist in the protégé’s personal and professional development of skills. (p. 62)

Whereas formal mentoring programs focus on the specialized preparation of future leaders, in organizations characterized as a learning organization, informal mentoring relationships are encouraged and attained. In these dynamic situations, I interpret that one may find themselves the mentor and at other times the protégé.

Both coaching and mentoring are required in Chemtrade, the former to meet the short-term needs of job performance, and the latter to fuel the long-term need of leadership capacity building. The following questions remain unresolved and must eventually be answered: how much coaching and mentoring is required for whom, provided by whom, and implemented throughout Chemtrade over what period of time?
Conclusion 5: Overcoming the barriers of understanding leadership development expectations, having the time to develop self and others, and being fully capable to perform in one’s role are critical success factors for leadership development. Finding 4 focussed on the need to understand what both leadership and leadership development mean to Chemtrade. Survey findings concluded that 100% of management want to develop their direct reports; however, interviewees uncovered that management lacks clarity on what is actually expected of them as individual managers, where the goal post is, and what approaches they can use, other than Chemtrade University and daily coaching, to develop their people.

In the 2007 book, *If You Don’t Know Where You Are Going, You’ll End Up Somewhere Else*, Campbell used common sense to state the obvious. Linking the wisdom of literature to the study findings, clarity of purpose and desired outcomes for leadership development should be determined by SLT, then widely communicated to management with sufficient reinforcement to enable and ensure expectations are understood.

Through both the survey and interviews, Finding 4 identified that lack of time, caused by the rate of growth through six acquisitions in 12 years, is a very real barrier to the implementation of Chemtrade’s leadership development system. As Finding 1 highlighted, it is not that managers do not have the desire to develop their direct reports; they simply do not have the time to focus on anything other than meeting the expectations of their operational goals. The industrial psychologist, Levinson (as cited in Bridges, 2009), eloquently stated,

> It is clear that our organizations need to change; what are less clear are the stages that individuals go through in the process of change. The most critical problem executives have is that they don’t understand the powerful impact of change on people. Like the rest
of us, executives have been wise about the mechanics of change and stupid about the dynamics of transition. (p. 394)

Bridges (2009) reminded leaders that change and transition are often used interchangeably, but that there is a great difference between them:

Change happens when something stops or starts, or when something that used to happen in one way starts happening in another way. It can happen at a different time, or in several stages at a different time. Organizational change is structural, economic, technological or demographic, and it can be planned and managed in a more or less rational model. . . . Transition, on the other hand, is a three-part psychological process that extends over a long period of time and cannot be planned or managed by the same rational formulae that work with change. (p. 394)

Since unmanaged transitions lead to unmanageable change, transition management of this initiative should be considered as one of the top SLT priorities for the foreseeable future.

An interesting revelation, highlighted in Finding 4, was that managers at different levels perceive their superiors to be micromanaging their daily activities. If this is a symptom, then I conclude that the cause of the symptom is that the superior perceives that the direct report is not fully capable of performing in the job without some oversight. Literature on work levels and capability to perform within work levels described the results of misalignment of capability being any or all of the following: loss of productivity through gaps; inefficiencies of work and increased expenses with jam ups; and micromanaging as a compensatory behaviour, which in turn decreases productivity (Charan, 2008; Clement & Clement, 2013; Dive, 2008; Kraines, 2001; Shepard et al., 2007).
Scope and Limitations of the Inquiry

The scope and limitations of this action research inquiry are related to geographical representation and tenure. The results and conclusions should not be generalized beyond the specifics of this inquiry, which was to focus on managers in CNA, prior to the recent acquisition in late fall 2013.

My original intention with this study was to research management satisfaction with the processes and practices of the leadership development system in Chemtrade. Prior to beginning the data collection I realized that the project scope was too large for the timeframe to complete the study of all Chemtrade management. In undertaking the data collection, the Director of Human Resources and I decided to seek data from North American management only, excluding Europe, with a subsequent decision to exclude the recently acquired company’s management. As well, legacy supervisory positions were excluded from the research. By following this process, I was able to acquire data from over 50 managers, representing the four groups of management in CNA. The interviews were originally to be limited to six interviews, but evolved to be 10 individuals representing the four groups, with a geographical balance between participants in Canada and the United States.

Another limitation of the study was related to the tenure of the managers who responded to the survey, and those who participated in the interviews. A total of 94% of the online survey participants had 2 years or more of tenure, with 69% of these having had six 6 years or more. Only 5% of online participants had less than 2 years with Chemtrade, so there little data represented the voice of new hires. All of the interviews I conducted were with managers who had more than 2 years of tenure, with 70% of these with 6 years or more. Given that the research
was focussed on the leadership development (i.e., on the system, rather than the single component of the system—orientation), this limitation is not considered significant.

The final limitation with the data relates to triangulation. In the online survey there was a balance of data from each of the four groups (SLT, DRM, F, and PO). However, of the 10 interviewees, only one participant was from the F group; to compensate for this, I combined the data from the F and PO groups into one response category, with three groups represented overall (SLT, DRM, and FPO). As a result, the separate F and PO group responses in the survey data cannot be directly compared to the interview data. Despite this singular limitation, I consider the overall triangulation of survey and interview data to be reliable.

Chapter Summary

To answer the study question on how to develop leadership capacity as a strategy for sustainability and growth, I completed two primary data collection activities, an online survey and 10 interviews. The data collection resulted in four key findings: (a) management supports a focus on leadership development to help CNA achieve its strategies of sustainability and growth, (b) key strengths of the current leadership development system, (c) major opportunities for improvement in the current leadership development system, and (d) key barriers to success in the implementation of a leadership development system.

I derived five study conclusions from the key findings and relevant literature:
(a) Chemtrade management supports the strategy of developing leadership capacity and has the will to execute on this strategy; (b) each of the four management groups expressed different levels of satisfaction and need with leadership development approaches; (c) managers expressed a wide range of understanding of what leadership or leadership development means, and they lack understanding of how these terms relate to, augment, or differ from staff, management, or
senior management development; (d) Chemtrade has neither sufficiently developed nor implemented the architecture, programs, and tools to ensure achievement of a leadership development system that can support sustainability and growth; and (e) overcoming the barriers of understanding leadership development expectations, having the time to develop self and others, and being fully capable to perform in one’s role are critical success factors for leadership development. These conclusions illustrate that a system for development of leadership capacity is warranted. However, Chemtrade should clarify what leadership and leadership development mean for the organization, processes and tools need to be systematically developed and deployed, and all barriers must be addressed. Recommendations, provided in the following chapter, reflect these conclusions and provide a roadmap for how Chemtrade could respond to these research findings.
Chapter Five: Inquiry Implications

In this final chapter, I present my analysis of the literature, research findings, conclusions, as recommendations for the SLT to consider as they examine how to actualize the design and implementation of a system for leadership development. In some AR inquiries, not all recommendations directly develop from the findings (Piggot-Irvine, 2002), as was the case with this undertaking. Led by me, the Inquiry Team and CEO were part of a collaborative process to develop the final recommendations. As the actualization of a system to support “best talent; best team” (M. Davis, personal communication, May 22, 2013) is strategically linked to the organizational goals of growth and sustainability, I recommend some system-wide changes. This chapter concludes with an assessment of organizational and leadership implications for implementation and provides suggested areas for future research.

The inquiry question explored in this project was: What leadership development system is required at Chemtrade North America to produce the necessary leadership capacity to achieve sustainability and growth? Exploration of the following subquestions contributed to additional understanding:

1. What are the current components of the leadership development system at CNA?
2. What is effective and ineffective with the current leadership development system at CNA?
3. What is required to develop the desired leadership development system at CNA?
4. How will the desired leadership development system help CNA achieve its strategies of sustainability and growth?
5. What needs to be done to implement the desired leadership development system in CNA?
Study Recommendations

The following four recommendations are based on the research findings, relevant literature provided in previous chapters, and the input from both the Inquiry Team and CEO:

1. Ingrain leadership development in the culture of Chemtrade as solidly as Responsible Care and Safety.
2. Provide for the capability to design, build, implement, use, measure, and evolve the leadership development system.
3. Design the system architecture and long-term implementation plan for a leadership development system.
4. Ensure maximum use and leveraging of Chemtrade University in the leadership development system.

A detailed description of each recommendation is provided in this section. The intent of the recommendations is to create a framework to enable the design and implementation of a leadership development system at CNA.

Recommendation 1: Ingrain leadership development in the culture of Chemtrade as solidly Responsible Care and Safety. Any successful implementation of a leadership development system will have to include the integration of both leadership and learning into the existing Chemtrade culture, which, as evidenced by several of survey participants’ open-ended comments, is an exceptionally strong culture. The change agent will, therefore, have to lead the change with leadership of “examining and managing culture” (Schein, as cited in Argyris & Schön, 2009, p. 935) in order to seamlessly weave in the desired, new cultural attributes.

Both Responsible Care (RC) and Safety (S) have been successfully ingrained in the culture of Chemtrade over many years (J. Jayroe, personal communication, September 5, 2014).
Although not noted in the findings, the Inquiry Team recommended that the goal would be to make leadership and leadership development so entrenched in the Chemtrade culture that employees would say, as they currently do with RC and S, “It is how we do things around here” (J. Jayroe, personal communication, September 5, 2014). The following questions may guide the change agent in planning for cultural augmentation with leadership development:

- Why is the Chemtrade culture so strong; how did Chemtrade create it?
- What did Chemtrade do right with RC and S?
- What barriers did Chemtrade have to overcome in the implementation of RC and S?
- Are the barriers that Chemtrade will face with a leadership development system any different that what it dealt with in the RC and S implementations?

In tandem to building a culture in which widespread leadership is expected and “everyone (becomes) a leader” (Colcleugh, 2013, p. 46), literature supported influencing the culture of a “learning organization” (Senge, 2006, p. 4) to enable leadership development. Schein (as cited in Argyris & Schön, 2009) linked organizational culture to the ideal of the learning organization and argued, “In a world of turbulent change, organizations have to learn even faster, which calls for a learning culture that functions as a perpetual learning system” (p. 939). Argyris and Schön’s (2009) theory is that leaders in contemporary society must create and sustain a learning culture, which in turn feeds back as a closed-loop environment that shapes the leader’s own assumptions and learning abilities, which in turn produces greater leadership.

Bolman and Deal (2008) saw culture as both a product and a process: “As a product it embodies wisdom accumulated from experience; as a process it is renewed and re-created as newcomers learn the old ways and eventually become teachers themselves” (p. 269). Chemtrade will not be misguided by aligning its leadership development system to the evolution of a
learning culture, as with their respective maturations, they will be mutually supportive of the other’s success, while shaping the new cultural definition of how things are done at Chemtrade.

Recommendation 2: Provide for the capability to design, build, implement, use, measure, and evolve the leadership development system. In order for CNA to have the capability to design, develop, implement, use, measure, and evolve a leadership development system, the organization needs to put the right type and number of human resources in place to both lead and manage the change process. In addition, CNA must provide for sufficient funding to support the needs of the process. I recommend that CNA identify these requirements by walking the talk of utilizing literature-supported management systems and tools in this determination.

Finding 3 identified the need to focus on group needs. Before recruiting a change agent to lead the strategic initiative of building leadership capacity through a leadership development system, I recommend that the SLT determine the level at which its CEO is currently operating. Determining if the CEO is operating at a level five, “which entails the management of resource boundaries that are identifiable as complete entities, which could be national or international” (De Visch, 2010, p. 56), or at a level six, “which moves to accountability for the integration of a network of separate companies, divisions or units, one of some of which operate at a level five” (p. 57), would provide valuable input into the resourcing profile of the leadership team as a whole, which in turn would assist in appropriately levelling the change agent role.

As the evidence-based literature review noted that all work is defined by the value it produces and that valuation is translated into a level of work (Charan et al., 2011; De Visch, 2010; Kraines, 2001; Lee, 2007), academic consensus on levelized management systems is that there are seven distinct levels of work value. Once the change agent’s level of work is
determined, the SLT would be in a position to consider what competencies are required to effectively execute the role.

Currently vacant, the change agent role is named the Director of OD. As the focus of the change initiative at Chemtrade is primarily about developing high-commitment work systems that will attract, develop, motivate, and retain employees, while also creating a leadership culture, there is a need to clarify who will hold accountability and authority for the intended outcomes—will it be the Human Resources function, or a separate OD function? Beer and Walton (2009) encouraged leaders to think about the potential accountability distinctions: “The term human resources is coming to represent an integration of personnel administration, labor-relations, and organizational development, with OD the senior partner” (p. 907). Over the past few years, the responsibility for the design and implementation of both Chemtrade University and some components of a leadership development system have resided within the Human Resources Department. Specifically, this oversight had been the responsibility of the Director of OD, who, at the same time as focusing on OD responsibilities, augmented his workload with recruitment and other departmental demands. As a consequence of the additional time demands placed on all managers due to the recent acquisition, the OD responsibilities were put on indefinite hold (M. Romano, personal communication, September 5, 2014). In future, the SLT might consider the need to make the change agent role that of a strategic architect, leader, and influencer of change, more than that of an operational resource. In so doing, the role will be less susceptible to changes in operational priorities, which could shut down or side track the intended strategic nature of the change agent role.

Determining the required competencies of the role should also be considered a critical success factor. Appendices G and H outline the type of competencies required at different work
levels and domains of work, which are designed to produce the value of a specific work level, more so than the existing Chemtrade competencies (see Appendices C and P), which can be applied to any job at any level. Given assumptions that the CEO is operating at either a level 5 or 6, and given that the change agent role is one that must reside in the systems domain, it is reasonable to project that the four competencies of socioemotional, capability to lead, capability to manage, and capability to think critically are cornerstone competencies for the change agent job design.

As Armenakis et al. (2009) reminded leaders, “Attributes such as credibility, trustworthiness, sincerity and expertise of change agent” (p. 577) ultimately determine the ability of the person to influence change and generate messages that gain acceptance. With this caution, augmented with the knowledge that “role modelling the existing Chemtrade culture is paramount to one’s ability to influence change” (M. Romano, personal communication, September 18, 2014), an internal promotion could be an alternative to external hiring.

The change agent’s role is to create the environment (strategy, models, systems, symbols, etc.) in which individual motivation for change will flourish, and while they can call upon external consulting resources for help, Dyer (as cited in Beer & Walton, 2009) cautioned, “It should be managed by those who are ultimately responsible for all organizational consequences” (p. 910). Nonetheless, given the scope and complexity of the change, including the number of employees involved in the change, number of work levels and domains of work affected, geographical reach of the change, cultural dimensions to be influenced, and the number of subsystems affected by the overarching leadership development system, I anticipate that a number of resources—both internal and external—will ultimately be required to effectively lead the change.
**Recommendation 3: Design the system architecture and long-term implementation plan for a leadership development system.** Findings 3, 4, and 5 provided valuable insights into the satisfaction with or effectiveness of individual components of the current OD plan. To achieve the desired leadership capacity that will sustain continued growth, I recommend that the SLT renew their commitment to the creation of a leadership development system. The behavioural change required of the SLT would be to place more emphasis on the word system, with actions that would produce agreement on the system’s component pieces, and an understanding of their intrasystem linkages. Taking this strategic view should guide the SLT in building both the necessary architecture and long-term plan to achieve the desired goal of a leadership capacity that enables growth and sustainability.

By identifying the component pieces of the leadership development system in the initial planning stages, more adequate consideration can be given to the interrelatedness of the subsystems, as well as their unique implications for long-term planning. The literature review provided some answers on the scope of the system components, which included culture, structure, competencies, assessment, development, and measurement, as well as considerations for the SLT’s discussion and guidance. The following questions arose from the literature review and the research findings:

- What is leadership and how is it different from management or senior management?
- What is the purpose of a leadership development system?
- What are the components of a leadership development system?
- What work structure needs to exist to support leadership development?
- What are the leadership competencies for each work level, and how do they fit into an overarching competency model?
• How will a career succession process align with a leadership development process that is intended to motivate and support everyone’s long-term career?
• What are the differences between coaching and mentoring, and what are the time requirements for each task?
• What are the right mechanisms to assess both job performance and future capability?
• What role will a learning culture play in Chemtrade’s leadership development system—as an influencing agent or an outcome?

In the book *Productive Workplaces*, Weisbord (2012) described, “Getting the whole system in the room” (p. 309) as the best way to ensure that change in organizations would be effective and obtain stakeholder commitment. In doing so, the organization is able to look at the desired future in the context of its past and the present, enabling a better determination of how to move from current to desired state. In Appendix Q, I provide CNA’s current view of their leadership development components. In Appendices R and S I have provided a view of the potential, subcomponents of a whole system, culminating in a final diagram of the desired future state of CNA’s leadership development system (see Appendix T). The diagram presented in Appendix T proposes that a leadership and learning culture will enable an effective and efficient leadership development system, with all of its gears working in harmony.

All large-scale change initiatives have three macro planning states: present state, transition state, and desired state (Beckhard & Harris, 2009; Bridges, 2009; Burke, 2009; Schein, 2009). However, a paradox about organizational planning is that it is not a linear process; Burke (2009) reminded leaders of change that phases of planning do overlap.

I recommend that the SLT ask themselves the following questions: (a) do I have a long-term plan for change and transition to a leadership development system, (b) do I have a plan for
monitoring the successful change and transition, (c) has our plan considered what will have to change to function in the new reality, and (d) have we effectively communicated the changes and transitions that will be required? After reaching consensus on answers to the aforementioned questions, planning needs would include setting specific goals and defining what the future state would look like after the change. While the research findings in this study have provided a recent diagnosis of the current state of leadership development, the organization may wish to consider determining the gaps that need to be closed relative to the desired goals and future state. Byham and Rogers (as cited in Howard & Associates, 2009) cautioned all planners to keep their eye on the desired outcomes and suggested, “The resulting output should be as much alignment of systems with vision and cultural goals as possible” (p. 319). The organization can then develop the necessary action plans to enable the transition, while also making a determination of the executive commitments that will be required to reach the future state. No less important will be the need to plan appropriately for the required human and financial resources required to build the leadership development systems.

Due to CNA’s dynamic, growth environment, the organization will be continually confronted with the need to implement the desired change, as strategy, structure, process, and culture are ever evolving. To mitigate risk and ensure effective implementation of the organizational change, SLT should consider assessing its readiness for change within its long-term plan. Armenakis et al. (2009) succinctly reminded leaders of the value of readiness assessment: “It is beneficial to assess the system’s readiness” (p. 577). Readiness, akin to Lewin’s (2009) concept of “unfreezing” (p. 79) is reflected in individuals’ beliefs, attitudes, and intentions, to which changes are needed and the organization’s capacity to successfully make those changes (see also Armenakis et al., 2009). Readiness is the precursor to the behaviours of
resistance to, or support for, a change effort. “The reason so many change efforts run into resistance outright is directly traceable to their not providing for an effective unfreezing process before attempting a change induction” (Schein, as cited in Armenakis et al., 2009, p. 569). A typical readiness assessment includes two considerations: the extent to which employees are ready, and the urgency of the change. The study findings suggest that CNA’s legacy management support the urgency of change and that they have the desire to change; however, managers are not ready to change because of the barriers of lack of time, understanding, and ready access to efficiency tools. Phased implementation should, therefore, be considered to overcome these barriers, as well as planning the appropriate time to conduct additional readiness assessments of (a) all nonmanagement, (b) those managers of the newly acquired company, and (c) management in Europe.

As just described, a number of barriers to implementation were identified in the findings, which I have concluded must be overcome in order to attain the desired state. Armenakis et al. (2009) asserted, “Making an explicit distinction between readiness and resistance helps refine the discussions of the implementation of change efforts and captures the spirit of the proactive change agent” (p. 569). As the study findings highlighted that there is a strong desire to develop managers, and an equally strong understanding, amongst those interviewed, that a leadership development system is not an option, I recommend that the barriers be included in the readiness planning, and not considered as signalling any desire to create resistance to the desired change.

**Recommendation 4: Ensure maximum use and leveraging of Chemtrade University in the leadership development system.** In the short term, I recommend that the organization continue to run Chemtrade University as well as it has in the past, and in so doing, maintain the positive perceptions of its value, as evidenced by this study. Over the longer term I recommend
that a systems approach be taken to the measurement of the individual’s perception of value in his or her leadership development and the return on investment to the organization through the building of its leadership capacity. Measurement of training in Chemtrade has historically been done at the reaction level of the Kirkpatrick model (as cited in Boaden, 2006). Utilizing capability and promotability as two measures of leadership development (Boaden, 2006), the SLT would be armed with useful data to manage the pace of implementation, as well as direction on where to place development funding for an appropriate balance of programs and initiatives, rather than to a singular program that is liked by participants.

As the leadership development system evolves with purpose, measureable outcomes, and systematic program design, Chemtrade University will need to be fully aligned to, and integrated with, the overarching system. For example, as the work competencies (see Appendix G) are aligned to the levels of work complexity (see Appendix H), the need to modify, expand, and align Chemtrade University offerings will emerge.

The interview findings in this study noted that one person, who had been through the Chemtrade University program twice, perceived that there was no additional formal training available to him through the program. This perception reinforces the need to take a long-term approach to planning and development of a leadership development system in which all formal training—whether internal or externally provided—is clearly identified as part of a suite of development offerings that are fully aligned the work levels and job competency requirements of Chemtrade.

Whereas the traditional approach to leadership development was through training focussed on individual skill development that was interpersonally focussed, Drath (as cited in Day, 2001) viewed leadership as a complex interaction between the designated leader and the
social and organizational environment. Leadership development from this perspective consists of using social systems to help build commitments amongst members of a community of practice (Wenger, as cited in Day, 2001). Leadership, therefore, is seen as an outcome of an effective systems design that considers both the individual and the relational (i.e., social) needs for development. Day and Harrison (2007) asserted the need for organizations to develop both leaders and leadership. Chemtrade University can play an integral role in developing leaders through individual-based, leadership-related knowledge, skills, and abilities, while at the same time being a role model of leadership development by addressing the social needs of teams and the organization through effective facilitation of the connections between individuals. Benchmarking with state of the art universities throughout the world that are teaching leadership through blended teaching methods could expose Chemtrade to their intricate, systematic program design and their effective use of distance learning, group work, technology, social engagement methods, and flexible teacher–learner models. Chemtrade University also has the potential to play an integral role in the shaping of both the leadership and learning culture of Chemtrade by virtue of its staff role modelling these attributes with every step of its processes.

**Organizational Implications**

To secure commitment from the SLT to these research findings, continual engagement was essential with all members of the Inquiry Team, and latterly with my organizational sponsor, the CEO. The engagement with the Inquiry Team occurred through three formal meetings and presentations: before data collection, after analysis of the survey findings, and for half a day to create the recommendations. Before presenting to the full SLT, the Inquiry Team and I met with the CEO on September 26 to obtain his input on the recommendations, implications and implementation needs. Armed with the CEO’s input, between late September and the SLT
meeting, the Inquiry Team and I refined the recommendations and implementation plans, which will be reviewed with the SLT in a half-day meeting in December 2014. At this meeting, the SLT will consider the organizational implications of this large-scale change initiative, using Bolman and Deal’s (2008) multiframe approach of structural, human resources, political, and symbolic framing.

Developing a long-term implementation plan will assist the organization to effectively implement and sustain an organizational change and to solidify the foundation for change, provide the tools and knowledge needed for implementation, and sustain the change (Donohoe, 2014). Without an implementation plan, a change effort is likely to fail, as other, more pressing daily issues will demand attention (Burke, 2009). Additionally, taking a systems approach to the development of a work-levels structure upon which to assess current roles, or create new ones, and upon which one can build a model of both individual and organizational competencies, will resonate well with the engineering minds of most employees.

From a human resources perspective, the change to a distributed leadership model will embrace all employees, worldwide, from the plant to the CEO. This change will challenge management behaviours of micromanaging, which worked well when Chemtrade was a small company, but is not an appropriate behaviour for leading a company of Chemtrade’s size and stature. Referring to Churchill and Lewis’ (1983) seminal article on the “Five Stages of Small Business Growth,” I posit that Chemtrade’s rapid growth has parachuted them over these 12 years from being a small business in Phase I, to somewhere between high Phase II and early Phase III, which is where a “crisis of autonomy occurs” (p. 3). At this stage, one must evolve from growth through direction to growth through delegation. In addition, modelling the way, Kouzes and Posner’s (2012) first principle of exemplary leadership, will be a critical success
factor in Chemtrade, in which culture is firmly entrenched and has always been led from the top (M. St. Pierre, personal communication, September 5, 2014). A successful implementation of a leadership development system will require the SLT to embrace new perceptions of leadership, leadership development, and a learning culture, all of which will require employees to change some of their existing behaviours. One approach to leading the change would be to have the SLT pilot all behavioural changes, approaches, and tools, which will enable them to lead by example the required changes in culture and systems and utilize their experience to more effectively coach and mentor their direct reports.

Competition for internal resources is natural in any company. To avoid lack of resources due to conflicting priorities, the SLT could review their prioritization process for all major initiatives to ensure that an effective mechanism exists for allocating and balancing resources for strategic initiatives. Building collaboration between key process owners will not only ensure the necessary process alignment occurs, but will also make resource alignment a mutual decision between competing parties. For example, developing a return on investment measure will have consequences to the financial processes; measuring value of development for individuals will affect Human Resource processes of annual goal setting and career planning; and alignment of compensation to levels and roles will affect multiple processes, as well as staff motivation.

An inspirational leadership style, historically modelled by the CEO to effectively build an integrated culture in Chemtrade (M. Romano, personal communication, September 5, 2014), would benefit by expansion in the early stages of implementation to all SLT and regional management. By using metaphors of leadership; stories of leadership, coaching, or mentoring done well; and examples of successful, personal development activities, leaders will be creating
a new cultural stage upon which to influence a culture that self-propels its exponential replication.

**Leadership Implications**

Once again I utilize Bolman and Deal’s (2008) four-frame model to address the leadership implication in the implementation of a leadership development system through the frames of structural, human resources, political, and symbolic. As a work level structure is developed, and all management roles are assessed against current and future capability, undoubtedly both capability gaps and jam-ups will surface (Charan, 2008). Unbundling layers of work that have been compressed into a single level, or bridging the gap when a role has authority and accountability unmatched to the skills or capability of the individual, will require both thoughtful and capable leadership and management. This work will require proactive anticipation of and planning for the management of expectations, maintenance of high levels of motivation, development of capability, and solidification of the role within the structure.

As previously noted, Chemtrade is predominantly populated by technical people (engineers, finance, chemists, and supply chain), who typically are not schooled in the softer skills required of leaders and must use influencing as part of their daily repertoire (M. St. Pierre, personal communication, September 5, 2014). Use of multiple development approaches—ranging from formal education, to rotational assignments, to apprenticing—will benefit all individuals with all of their learning and development needs.

As Chemtrade grows its leadership capacity, the organization will find itself in competition for its resources, from both internal and external resources. Alignment of individual purpose to the organizational goals will become a greater requirement than in the past (Satya, 2014). Internally, the competition for resources will require leadership to place an emphasis on
interdepartmental collaboration and on career management that balances the needs of the individual with the needs of the corporation (Satya, 2014). To avoid losing valuable leadership talent, compensation must appropriately match to the role requirements (Van Clieaf & Kelly, 2005).

In the Organizational Implications section of this chapter, I referred to the importance of leading culture change by integrating the new cultural attributes of distributed leadership and a learning culture. It will be a paradigm shift for all individuals to consider their personal life goals in tandem with the pursuit of organizational goals and to take ownership for building a career plan that satisfies both sets of goals. Additional implications for leadership are that every individual will be required to think and act simultaneously as both a self-learner, as well as one who enables others to learn. Microsoft is one example of a company that has added this expectation by eliminating its annual ratings in favour of greater teamwork and collaboration (Warren, 2013).

**Implications for Future Inquiry**

While conducting this inquiry, it became clear to me that certain areas would benefit from further research and benchmarking. These areas include world universities teaching leadership with blended methods, assessment tools for critical thinking capability, application of work levels in publicly traded companies, leadership competencies aligned to levels of work, successful mentoring and coaching approaches, successful leadership development approaches in publicly traded companies, measurement of leadership capability, and executive compensation models that are aligned to enterprise and future value creation.

In particular, I recommend that Chemtrade open research pathways into technology-enabled processes and tools that could support current and future capability mapping with career
planning, and the requisite development needs to close the gap for one’s career aspirations. Benchmarking to these online, integrated processes and tools could be potentially linked to Chemtrade University bookings, online curriculum and development experiences, and ultimately to career and succession planning processes. I expect that research into a technology-supported, integrated process for leadership development would make career and development planning less time consuming, more efficient, and more effective than current manual methods.

Eventually, I recommend that a readiness assessment, similar to the one conducted through this inquiry with the CNA legacy management, be conducted with European management and nonmanagement worldwide, as different cultures and different groups may have different needs and expectations for the leadership development system.

An assessment of current and future capability of the senior executives of Chemtrade would be a logical place to start for an initial determination of development needs. The results could be used as a pilot for building out all executive roles against a work levels model. The results of the role clarity around accountability and authority of executive role would also enhance the succession planning efforts.

Finally, it would be helpful for the development of a long-term leadership development plan to have data on the 3 to 5 year projected employee base, recruitment needs by level, along with a forecast of internal promotions by level, over the same period of time. Additionally, an initial assessment of the current jam ups and gaps in the existing structure can be done through analysis of appropriate, credible, Human Resource Information System data, with verification thereafter.
Chapter Summary

This chapter synthesized the research findings and conclusions into four specific recommendations. As the goal of the inquiry was to determine the needs for a leadership development system, Chemtrade should consider first designing the system architecture and long-term implementation plan for the intended leadership development system. In order to do this, Chemtrade needs to provide the capability in scope and breadth of resources, both financial and human, to be able to design, build, implement, use, measure, and evolve the system. Culture has been the heart and soul of all successfully implemented initiatives at Chemtrade, as was the case with both RC and S. The leadership development system should benchmark to these programs on all dimensions, but especially on how they became one with the Chemtrade culture. Finally, Chemtrade University’s success should be leveraged; because it is perceived as a highly valued program, Chemtrade University has many opportunities to become both a catalyst and incubator for future leadership development approaches and outcomes.

From inception, this inquiry has generated much discussion and debate amongst the VP of Human Resources, the Inquiry Team, the CEO, the SLT, and me. Hopefully, these discussions will culminate in the commitment to pursue these four specific leadership development system recommendations. If it does, the SLT will have committed to this being resourced and implemented as a strategic initiative, to role modelling both leadership and learning culture behaviours, and to understanding and overcoming any barriers to implementation success.

The impact that developing leadership capacity will have on Chemtrade’s long-term shareholder value is difficult to predict. However, because there is much empirical evidence linking leadership capability to future value creation, it is reasonable to project that increases to shareholder value will be substantial. In addition, given that the recent acquisition parachuted
Chemtrade to a more complex level of operation than it had previously been operating at, and that the integration of talent took more time than was originally forecasted, it is also reasonable to project that the intended system, which will foster greater collaboration, develop human capability, and increase productivity through a learning culture, will be a critical success factor for the intended growth strategy. Undoubtedly, a pipeline of leaders at all levels, a fully loaded succession bench, and a culture of leadership and learning, will exponentially ignite positive, sustainable shareholder returns.
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Natural Business Teams:
Mandate, Position Descriptions and
Process Guidelines

NBT Description

A Natural Business Team ("NBT") is a cross-functional team focused on a particular business or product line. An NBT is comprised of a Business Director and a number of individuals from different functional areas within Chemtrade (sales, manufacturing, operations, HR, accounting, legal, etc.). The number of team members and the composition of team members will vary from team to team, from project to project and from time to time.

Mandate of NBT

The mandate and responsibility of the NBT (and each member of the NBT) is to, with respect to its particular product line or business:

1. Optimize the profitability/"Free Cash" generation of the product line/business;
2. Develop and execute on the annual Plan for the product line/business;
3. Be involved in developing and guiding the strategic direction of the product line/business; and
4. Identify, evaluate and recommend organic growth opportunities as well as tuck-in acquisition opportunities.

Position Description of Business Director

The Business Director is the team leader, consolidator, facilitator, and monitor of key initiatives. The Business Director is also the main person who will report financial results and develop Plan and key initiatives.

For each applicable product line/business, the Business Director has the following responsibilities and authority:

1. Determining the product lines and businesses in respect of which an NBT should be formed.
2. Recommending, and changing as necessary, the members of each NBT, to ensure that the appropriate level of cross-functionality is maintained. Factors to consider in determining membership include: the subject-matter (i.e., the product, business or project being considered at the relevant time); and appropriate representation of different functional areas in order to be able to obtain information, buy-in and actions necessary to drive results.
3. Optimizing the profitability/"Free Cash" generation of the product line/business by:
   a. Developing, implementing and monitoring the initiatives necessary to maximize the profitability of the business, without compromising the long-term strategic objectives of the business;
b. Ongoing interaction with all areas of the business, characterized by challenging, prioritizing, improving actions/initiatives in any area. This includes sales strategy and pricing, supply chain strategy and sourcing cost, plant operating assumptions, turnaround timing/frequency/scope, logistics channels, staffing levels, sustenance and growth capital plans, etc.

c. Critically evaluating sub-sets of the business to determine individual (e.g., manufacturing plant, supply source) growth opportunities or future viability and implementing initiatives to execute on the growth initiative, improvement plan or divestment/shutdown; and

d. Ensuring that the profitability of individual components of the business (e.g., individual customers, geographies served, supply sources, customer/supplier commitments, product specifications) is commensurate with the risk.

4. Developing the annual Plan and executing on its objectives by:
   a. Involvement in and consolidation of all areas of Plan development, including sales, logistics, purchasing, and operations including fixed and capital costs. Understanding and helping to develop the key initiatives and risks inherent in each area and developing stretch goals where appropriate;
   b. Developing and using key metrics to help monitor success; and
   c. Monitoring the key initiatives needed to deliver on the Plan.

5. Strategic Direction
   a. Involved in developing, and then responsible for delivering on, the strategic direction of the business;
   b. Involved in developing the metrics to monitor progress; and
   c. Responsible for meeting metrics developed.

6. Reporting on the results, variances, and status of key initiatives and key risks.

7. Forecasting business results throughout the year by continually monitoring trends and known variances.

8. Identifying, evaluating and recommending organic growth opportunities, as well as tuck-in acquisition opportunities.

9. Resolving conflicts. If a conflict arises between an NBT and a function, the Business Director should try to resolve the issue with appropriate Leadership Team ("LT") functional Vice-President. Failing agreement the entire LT should be engaged.

Position Description of Team Members

For each applicable product line/business, each Team Member has the following responsibilities and authority:

1. Knowing and representing his/her functional mandate, priorities, objectives and point of view to the NBT and guiding his/her input to the team accordingly. To do this, the Team Member will need to gather information, expertise and points of view from his/her functional area in order to be able to relate it to the NBT;

January 4, 2012
2. Communicating any relevant business updates to the balance of the team, *in addition to* his/her traditional functional line communication; and
3. Participating, at least occasionally, in the presentation of business results, issues or initiatives at the quarterly meetings.

**Role of Leadership Team**

The responsibilities of each member of the LT are to:

1. Use the NBT’s guidance to assign and allocate resources;
2. Critically evaluate the higher level business line initiatives or lack thereof;
3. Ensure that the LT member’s functional representative on each NBT is properly representing functional priorities and best practices; and
4. Provide leadership in the development and furthering of longer term strategic direction of the product line.

**NBT Process Guidelines**

1. Every product line has different market, supply chain and manufacturing characteristics, and as such each NBT need not operate in the same way nor have the same functions represented (e.g., SBS is clearly different from sodium chlorate). They are meant to be **“natural”** business teams.
2. Most NBTs should have conference calls and/or meetings on a scheduled basis, as well as *ad hoc* basis as required.

From. P. Pontone (personal communication, February 1, 2014).
Appendix B: Chemtrade Internal and External Stakeholder System

![Diagram of stakeholder system]

Note. SLT = Senior Leadership Team.
Appendix C: Chemtrade Organizational Development Plan

Figure C1. Sample nine-box model.
From. P. Pontone (personal communication, February 1, 2014).
Figure C2. Talent management cycle.

Note. The order of the steps above can change depending on which priorities are identified. HIPO = High Potential; LT = Leadership Team.

From P. Pontone (personal communication, February 1, 2014).
Evaluation Criteria for HIPO Candidates

The process will consist of evaluating a set level of employees against four key criteria:

1. **Technical Ability**
   - Performance - the ability to deliver results on a consistent basis
   - Continuous improvement
   - Raw Skills – qualifications, experience level and competence

2. **Leadership Ability**
   - Champions company values
   - Critical thought process
   - Maintains composure

3. **Learning Ability**
   - Mental ability
   - Strives for self improvement
   - Aspiration level

4. **Executive Carriage**
   - Poise
   - Communication skills
   - Self-assurance

*Figure C3. Talent evaluation criteria.*

From. P. Pontone (personal communication, February 1, 2014).
Appendix D: Chemtrade Organizational Charts

Figure D1. Organizational chart for the Chemtrade Senior Leadership Team.
Note. CEO = Chief Executive Officer; VP = Vice President.
From. P. Pontone (personal communication, February 1, 2014).

Figure D2. Organizational chart for the Chemtrade North American Management.
Note. SLT = Senior Leadership Team.
From. P. Pontone (personal communication, February 1, 2014).
Figure D3. Organizational chart for the Chemtrade Human Resources department.

Note. HR = Human Resources; HRIS = Human Resources Information Systems. From. P. Pontone (personal communication, February 1, 2014).
## Appendix E: Work Levels Architecture

<table>
<thead>
<tr>
<th>Work Level</th>
<th>Level of Work Complexity</th>
<th>Time-Span for Planning, Uncertainty &amp; Impact</th>
<th>Work Domain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Level 7</td>
<td>Corporate prescience through multiple, unified systems that bring about global societal transformation, nation, region &amp; economic building.</td>
<td>20 to 50 yrs</td>
<td>System of Systems Domain</td>
</tr>
<tr>
<td>Work Level 6</td>
<td>Corporate citizenship through coordination of and support to multiple systems in the global environment.</td>
<td>10 to 20 yrs</td>
<td>System Domain</td>
</tr>
<tr>
<td>Work Level 5</td>
<td>Directing a new business model with sustainably unified systems and policies. Influence industry changes.</td>
<td>5 to 10 yrs</td>
<td>System Domain</td>
</tr>
<tr>
<td>Work Level 4</td>
<td>Coordinating, and resourcing multiple programs to deliver: • New Products  • New Markets  • New Channels</td>
<td>2 to 5 yrs</td>
<td>Operational Domain</td>
</tr>
<tr>
<td>Work Level 3</td>
<td>Directing programs or blending components to achieve goals, system improvements and leverage resources.</td>
<td>1 to 2 yrs</td>
<td>Operational Domain</td>
</tr>
<tr>
<td>Work Level 2</td>
<td>Managing teams or specialist work.</td>
<td>3 months to 1 yr</td>
<td>Operational Domain</td>
</tr>
<tr>
<td>Work Level 1</td>
<td>Execution of tasks.</td>
<td>1 day to 3 months</td>
<td>Operational Domain</td>
</tr>
</tbody>
</table>

*Note.* Based upon the works of Olivier (2013) and Van Clieaf (2010).


Appendix F: Leadership Competency Requirements – A Model

Leadership Competency

Note. Adapted from Everyone a leader: A guide to leading high performance organizations (p. 52), by Colcleugh, 2013, Toronto, ON, Canada: Rotman-UTP. Copyright 2013 by Holder.
# Appendix G: Leadership Competency Requirements – Specifics

<table>
<thead>
<tr>
<th>Motivation/Will to do the Job</th>
<th>Personality</th>
<th>Socio/Emotional (EI) Makeup</th>
<th>Capability to Perform the Assigned Work (technical/function)</th>
<th>Capability to Manage</th>
<th>Capability to Lead</th>
<th>Capability to Think Critically</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivation/Will to do the Job</td>
<td>Personality</td>
<td>Socio/Emotional (EI) Makeup</td>
<td>Capability to Perform the Assigned Work (technical/function)</td>
<td>Capability to Manage</td>
<td>Capability to Lead</td>
<td>Capability to Think Critically</td>
</tr>
</tbody>
</table>
| Judgment | Job specific skills, knowledge and experience:  
- Sales  
- Marketing  
- HR  
- Finance  
- Technology  
- Manufacturing  
- Distribution  
- Legal  
- Public Relations & Communications  
- Administration  
- Other | Managing Task | Self-Leadership  
- Self-Learning  
- Personal Mastery | Conceptual Capacity |
| Wisdom | Industry Knowledge | Managing Projects | Role Modelling Values and Living the Culture | Systems Thinking |
| Intuition | Managing People  
- Hire  
- Retire  
- Guide & Direct  
- Plan & Prioritize  
- Evaluate of Performance  
- Asses Capability  
- Guide Development Planning and Execution  
- Coach  
- Mentor  
- Hold Difficult Conversations  
- Manage Change  
- Make Decisions | Influencing or Motivating others with:  
- Group Outcomes  
- Change  
- Values  
- Culture  
- Decision Making  
- Other’s Learning | Problem Solving (Creativity & Innovative Thinking) |
| Temperament | | | | Strategic Thinking |
| | | | | Mental Models and Framing |
| **Work Levels**  
1-7 | **Work Levels**  
1-4 | **Work Levels**  
1-7 | **Work Levels**  
2-7 | **Work Levels**  
4-7 | **Work Levels**  
4-7 | **Work Levels**  
4-7 |
# Appendix H: Work Competency Requirements

<table>
<thead>
<tr>
<th>Level of Work Complexity</th>
<th>Work Competencies</th>
<th>Work Domain</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Motivation Will to Do the Job</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Personality</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Socio-Emotional (EI) Makeup</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capability to Perform the Assigned Work</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capability to Manage</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capability to Lead</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capability to Think Critically Beyond Work Level</td>
<td></td>
</tr>
<tr>
<td>Work Level 7</td>
<td>Corporate prescience through multiple, unified systems that bring about global societal transformation, nation, region &amp; economic building.</td>
<td></td>
</tr>
<tr>
<td>Work Level 6</td>
<td>Corporate citizenship through coordination of and support to multiple systems in the global environment.</td>
<td></td>
</tr>
<tr>
<td>Work Level 5</td>
<td>Directing a new business model with sustainably unified systems and policies. Influence industry changes.</td>
<td></td>
</tr>
<tr>
<td>Work Level 4</td>
<td>Coordinating, and resourcing multiple programs to deliver: • New Products • New Markets • New Channels</td>
<td></td>
</tr>
<tr>
<td>Work Level 3</td>
<td>Directing programs or blending components to achieve goals, system improvements and leverage resources.</td>
<td></td>
</tr>
<tr>
<td>Work Level 2</td>
<td>Managing teams or specialist work.</td>
<td></td>
</tr>
<tr>
<td>Work Level 1</td>
<td>Execution of tasks.</td>
<td></td>
</tr>
</tbody>
</table>

*Note.* Based upon the works of Olivier (2013) and Van Clieaf (2010).


Appendix I: Survey Questions

1. Please indicate what country you work in by clicking on the appropriate response below:
   - Canada
   - USA

2. Please indicate how long you have worked for Chemtrade by clicking on the appropriate response below:
   - 1. < 2 years
   - 2. 2–5 years
   - 3. 6+ years

3. Please indicate what management group you are within Chemtrade by clicking on the appropriate response below:
   - Senior Executive (SLT)
   - Regional Manager or Director
   - Functional Management
   - Plant or Operations Management

4. When you think of leadership development at Chemtrade, please use the rating scale below to indicate your perceptions of and experiences with its leadership development system:

   Score: 5 = Strongly Agree  4 = Agree  3 = Neutral  2 = Disagree  1 = Strongly Disagree

   Ability to Develop My Direct Reports as Leaders

   5. I have a good understanding of what leadership means in Chemtrade

   6. I have a good understanding of what I have to do to develop my direct reports to become leaders

   7. I have the coaching skills required to develop my direct reports to become leaders

   8. I have the time required to develop my direct reports to become leaders

   9. I have the desire to develop my direct reports to become leaders

   10. Overall, I think my ability to develop my direct reports in their current job is effective

   11. Overall, I think my ability to develop my direct reports to become leaders in Chemtrade is effective
**Ability to Develop Myself as a Leader**

12. I know how my job relates to Chemtrade’s goals and strategies

13. I know what is expected of my behaviours to ‘live the Chemtrade’s values’

14. I understand the leadership competencies of Chemtrade

15. I agree with the leadership competencies of Chemtrade

16. I understand how to assess job candidates’ capabilities and behaviours against the leadership competencies

17. I am able to be an effective participant in the hiring process

18. I know how my own capabilities and behaviours measure against the leadership competencies

19. I know how my performance is perceived by my manager

20. I know how my capability is perceived by my manager

21. I know what I have to do to improve my job performance

22. I know what I have to do to develop my leadership capabilities and behaviours

23. I have a documented personal development plan in place

24. My manager is actively supporting me in fulfilling my development plan

25. I am provided sufficient development opportunities to perform well in my job

26. I am provided effective development opportunities to perform well in my job

27. I know what I have to do to be perceived as a leader

28. I am given the educational opportunities develop my leadership capability

29. I am given the coaching I need to develop my leadership capability

30. I am given the mentoring I need to develop my leadership capability

31. I am given the work experiences to develop my leadership capability

32. Overall, I think leadership development at Chemtrade is effective
Open-Ended Comments

Our inquiry project is focused on answering the question: what leadership development is required at Chemtrade to produce the necessary leadership capacity to achieve sustainability and growth?

33. In your opinion, what is working effectively/well in any area of leadership development at Chemtrade?

34. In your opinion, what is not working effectively or well/is lacking/could be added to improve in any area of leadership development at Chemtrade?

35. When you think of a time that you were best supported in your personal leadership development at Chemtrade, what did you experience and what did it feel like?

36. When you think of a time that you were least supported in your personal leadership development at Chemtrade, what was the experience and what did it feel like?

37. Is there anything else you would like to share that would help us understand how we can make leadership development at Chemtrade become the best it can be to support growth and sustainability?
Appendix J: Interview Questions

1. What country do you work in?
   - Canada or USA

2. How long have you worked for Chemtrade?
   - < 2 years
   - 2–5 years
   - 6+ years

3. What level of management do you work within Chemtrade? SLT; Director or RM; Functional Mgmt; or Plant or Operations?

About Your Personal Development

What does leadership mean to you?

What does leadership development mean to you?

Are you personally receiving the scope and type of personal leadership development that you need to develop yourself? If no, what do you need/want?

Are you personally receiving the scope and type of personal leadership development that you need to develop others? If no, what do you need/want?

What could your immediate manager do to improve support for your personal leadership development?

There were a number of areas (see below) that were identified by your particular Management Group (SLT, Director or Regional Manager; Functional; or Plant and Operations) that need to be improved in some way or other to best support leadership development in your Management Group. Could you pick what you consider to be the top three areas in your group that you think need attention/improvement, and give me your thoughts on what could be done to improve things in this/these areas.

<table>
<thead>
<tr>
<th>Question #</th>
<th>SLT</th>
<th>Director &amp; Regional Management</th>
<th>Functional Management</th>
<th>Plant &amp; Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>23 – I have a documented personal development plan in place</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>24 – My manager is actively supporting me in fulfilling my development plan</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Question #</td>
<td>SLT</td>
<td>Director &amp; Regional Management</td>
<td>Functional Management</td>
<td>Plant &amp; Operations</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>-----</td>
<td>--------------------------------</td>
<td>-----------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>30 – I am given the mentoring I need to develop my leadership capability</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>8 – I have the time required to develop my direct reports to become leaders</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>29 – I am given the coaching I need to develop my leadership capability</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>32 – Overall, I think leadership development at Chemtrade is effective</td>
<td></td>
<td></td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>25 – I am provide sufficient development opportunities to perform well in my job</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>11 – Overall, I think my ability to develop my direct reports to become leaders in Chemtrade is effective</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>26 – I am provided effective development opportunities to perform well in my job</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>22 – I know what I have to do to develop my leadership capabilities and behaviors</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>21 – I know what I have to do to improve my job performance</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>34 – More Time</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>34 – Coaching and Mentoring</td>
<td></td>
<td></td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>34 – Succession Planning</td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>36 – Abandoned</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>36 – Effective Support and Direction</td>
<td></td>
<td></td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7</strong></td>
<td><strong>11</strong></td>
<td><strong>9</strong></td>
<td><strong>12</strong></td>
</tr>
</tbody>
</table>
About Leadership Development at Chemtrade

What do you think the data for your group is telling us about what has to improve with the Leadership Development at Chemtrade?

What do you think would be required to achieve this change, considering both process, and business demands?

What barriers to success would we have to overcome to implement the desired change?

How do you think this change will help Chemtrade achieve its dual strategy of sustainability and growth?

Other

Is there anything else you would like to share that would help Chemtrade better support you in your development?

Is there anything else you would like to share that would help Chemtrade develop its leadership capacity to be able to achieve its strategies of growth and sustainability?
Appendix K: Survey Invitation by CEO

[Date]

Dear [Prospective Participant],

In the next week you will receive an invitation to complete an online survey to be conducted on May 27th which is part of a Masters research project being led by Marg Soden (formerly Strus). Marg is part of Strus & Associates, a firm that we have partnered with in the past on various organization development related projects.

The objective of this survey and the research project is to help us better understand the strengths and development areas of Chemtrade’s Leadership Development System.

We have selected a large, cross section of North American management to take part in this voluntary survey. We recognize that this survey coincides with critical projects and a heavy workload, but would greatly appreciate your taking the time to participate. We expect the survey to take 15-20 minutes to complete.

All answers provided will be aggregated in total, and individual responses will be held as confidential by Strus & Associates Inc.

I encourage your participation, as this information will greatly help us build our future leadership development initiatives. Should you have any questions once you begin the survey, please don’t hesitate to reach out to Marg Soden at [telephone number].

Mark Davis
CEO
Appendix L: Letter of Invitation by Researcher

[Date]

Dear [Prospective Participant],

Further to Mark Davis’ email of May 9th, I would like to invite you to be part of a research project that I am conducting. This project is part of the requirement for my Master’s Degree in Leadership (MAL), at Royal Roads University (RRU).

The objective of my research project is to study the current leadership development at Chemtrade. By involving North American managers in the data gathering process, I hope to obtain valuable input from you on how to evolve the Chemtrade leadership development. Chemtrade wants its leadership development to be able to predictably produce the required leadership capacity to support the sustainability and growth goals of the company, which in turn will provide greater personal growth for all Chemtrade employees.

You are not required to participate in this research project. Your name was chosen as a prospective participant because you are a manager in North America, who has people reporting to him/her, has had direct report(s) for not less than a year, and are not a manager who has come to Chemtrade through the recent acquisition.

This phase of my research project will consist of an online survey that has been pilot tested and should not take more than 15 – 20 minutes of your time. I will be launching the survey on May 27th. Please note that I will be the administrator of the survey, using Survey Monkey, which will be launched from my Toronto home office.

The data will come to me, thus ensuring confidentiality of your individual responses. Only an overall aggregate of survey results, along with the results cut by four groups of management (SLT; Director and Regional managers; Functional managers; and, Plant and Operations managers) will be tabulated, providing a fully anonymous data set. At no time will any specific comments be attributed to any individual.

All data will be destroyed one year after the research project is completed. Data/information will not be retained pertaining to any individual, who has withdrawn prior to completing the survey. You can choose not to participate and are free to withdraw any time up to the survey being sent to you on May 27th, without prejudice. Once you have participated, I will maintain your anonymous data for one year after the research is ended.

Please feel free to contact me at any time should you have additional questions regarding the project and its outcomes.

Sincerely,

Marg Soden (formerly Marg Strus)

Strus & Associates Inc.

[telephone number]
Appendix M: Survey Consent

My name is Marg Soden, and this research project is part of the requirement for a Master of leadership (MAL) at Royal Roads University. My credentials with Royal Roads University can be established by contacting my Academic Supervisor, Eileen Piggot-Irvine, at [telephone number].

The research will consist of the following survey and is estimated to take 15-20 minutes to complete. The survey questions will prompt you to identify what is working and what needs to be improved with the leadership development system at Chemtrade. Your candid input will be critical to our determining how and what to develop to produce the required leadership capacity to support the sustainability and growth of Chemtrade.

The information you provide will be summarized in anonymous format in the body of the final report. At no time will specific comments be attributed to any individual. All documentation will be kept strictly confidential. In addition to submitting my final report to Royal Roads University in partial fulfillment for a MAL, I will also be sharing my research findings, in an anonymous format, with Chemtrade’s Senior Leadership Team.

All data will be destroyed one year after completion of the research. Data/information will not be retained pertaining to any individual who has withdrawn prior to completing the survey.

You are not required to participate in this research project. If you do choose to participate, you are free to withdraw at any time without prejudice.

Your completion of this survey will constitute your informed consent. Also, answering “yes” to question 1 on the survey indicates that you consent to participate in the survey. Answering “no” to question 1 indicates that you do not wish to participate in the survey and will end the survey experience.

If you have any questions about or difficulties with the survey, please contact me at [telephone number].

Sincerely,

Marg Soden (formerly Marg Strus)

Strus & Associates Inc.
Appendix N: Invitation and Consent Form for Interviews

[Date]

Dear [Prospective Participant],

I would like to invite you to be part of phase two of the data collection process of the leadership development inquiry, part one of which I launched on May 27th with the online survey.

As you know, the objective of my research project is to study leadership development at Chemtrade. By recently involving North American managers in the survey process, I have gained valuable information about what they think is required to evolve leadership development at Chemtrade.

Having now summarized and analyzed the survey data, I plan on interviewing a group of nine managers to drill down into the themes and better understand the data that has emerged. In addition to gaining some clarity about what the data tells me, I also hope to tap your thoughts on how Chemtrade can best actualize the needs and desires of North American managers.

You have been selected by Human Resources to be one of the nine managers in North America to provide this input. However, you are not required to participate in this research project. If you do choose to participate, you are free to withdraw any time before or after the interview date and time. Your withdrawal will be without prejudice.

I will be the sole interviewer. All responses will be captured by me and then aggregated with all others; all comments will be anonymous in the final report to management. All records will be destroyed one year after the research is completed. By signing this letter you are giving free and informed consent to participate in this one-on-one interview.

Name: (Please Print): ____________________________________

Signed: ___________________________________________

Date: _____________________________________________

Please feel free to contact me at any time should you have additional questions regarding the project and its intended outcomes.

Thank you,

Marg Soden (formerly Marg Strus), Strus & Associates Inc.

Email: [email address]

Telephone: [telephone number]
Appendix O: Inquiry Team Member Letter of Agreement

In partial fulfillment of the requirement for a Master of Arts in Leadership Degree at Royal Roads University, Marg Soden (the Student) will be conducting an inquiry research study at Chemtrade to determine what leadership development system is required at Chemtrade North America to produce the necessary leadership capacity to achieve sustainability and growth. The student’s credentials’ can be established by calling Dr. Brigitte Harris, Director, School of Leadership Studies, at [telephone number].

Inquiry Team Member Role Description:

As a volunteer inquiry team member assisting the student with this project, your role may include one of more of the following: providing advice on the relevance and wording of questions and letters of invitation, supporting the logistics of the data gathering methods, assisting with a pilot of the survey and/or interview questions, and reviewing the analysis of data to assist the student and Chemtrade organizational change process. In the course of this activity, you may be privy to confidential inquiry data.

Confidentiality of Inquiry Data:

In compliance with the royal Roads University Ethics Policy, under which this inquiry project is being conducted, all personal identifiers and any other confidential information generated or accessed by the inquiry team advisor will only be used in the performance of the functions of this project, and must not be disclosed to anyone other than persons authorized to receive it, both during the inquiry period and beyond it. Recorded information in all formats is covered by this agreement. Personal identifiers include participant names, contact information, personally identifying turns of phrase or comments, and any other personally identifying information.

Personal information will be collected, recorded, corrected, accessed, altered, used, disclosed, retained, secured, and destroyed as directed by the student, under direction of Royal Roads Academic Supervisor.

Inquiry team members who are uncertain whether any information they may wish to share about her project they are working on is personal or confidential will verify this with Marg Soden, the student.

Statement of Informed Consent:

I have read and understand this agreement.

________________________  __________________________  ____________
Name                      Signature                      Date
Appendix P: Chemtrade Leadership Competencies

CONFIDENTIAL MEMORANDUM

DATE: May 14, 2012
TO: Mark Davis
FROM: Mark Davis
SUBJECT: Leadership Competencies

1. **Champions Company Values**
   - Lead by example through always living the Chemtrade Values
   - Communicates the Values
   - Encourages and supports others in living the Values

2. **Thinks Analytically**
   - Seeks for continuous improvement opportunities
   - Utilizes effective judgment
   - Exercises a critical thought process

3. **Develops Self and Others**
   - Coaches and mentors others promotes an effective team based environment
   - Skilled at relationship building
   - Strives for self-improvement

4. **Delivers Results**
   - Demonstrates a high level of accountability
   - Highly results oriented
     - Effective planning and target setting
     - Sets high standards
     - Adaptable/flexible when situation warrants
   - Delivers value to the customer

5. **Maintains Composure**
   - Able to resolve conflicts
   - Capable at building trust
   - Self-assured

6. **Entrepreneurial Mindset**
   - Aggressively pursues opportunities by encouraging risk taking within boundaries of accountabilities and capabilities

From. P. Pontone (personal communication, February 1, 2014).
Appendix Q: Chemtrade Leadership Development Components

From M. Romano (personal communication, February 1, 2014).
Appendix R: Framing for Development of a Leadership System – Linking Structure and Talent to Shareholder and Enterprise Value
Appendix S: Framing for Development of a Leadership System – Subcomponents

Note. IT = Information Technology; ROI = Return on Investment.
Appendix T: Framing for Development of a Leadership System – Organizational Culture, Values and Subcomponents

Note. IT = Information Technology; ROI = Return on Investment.