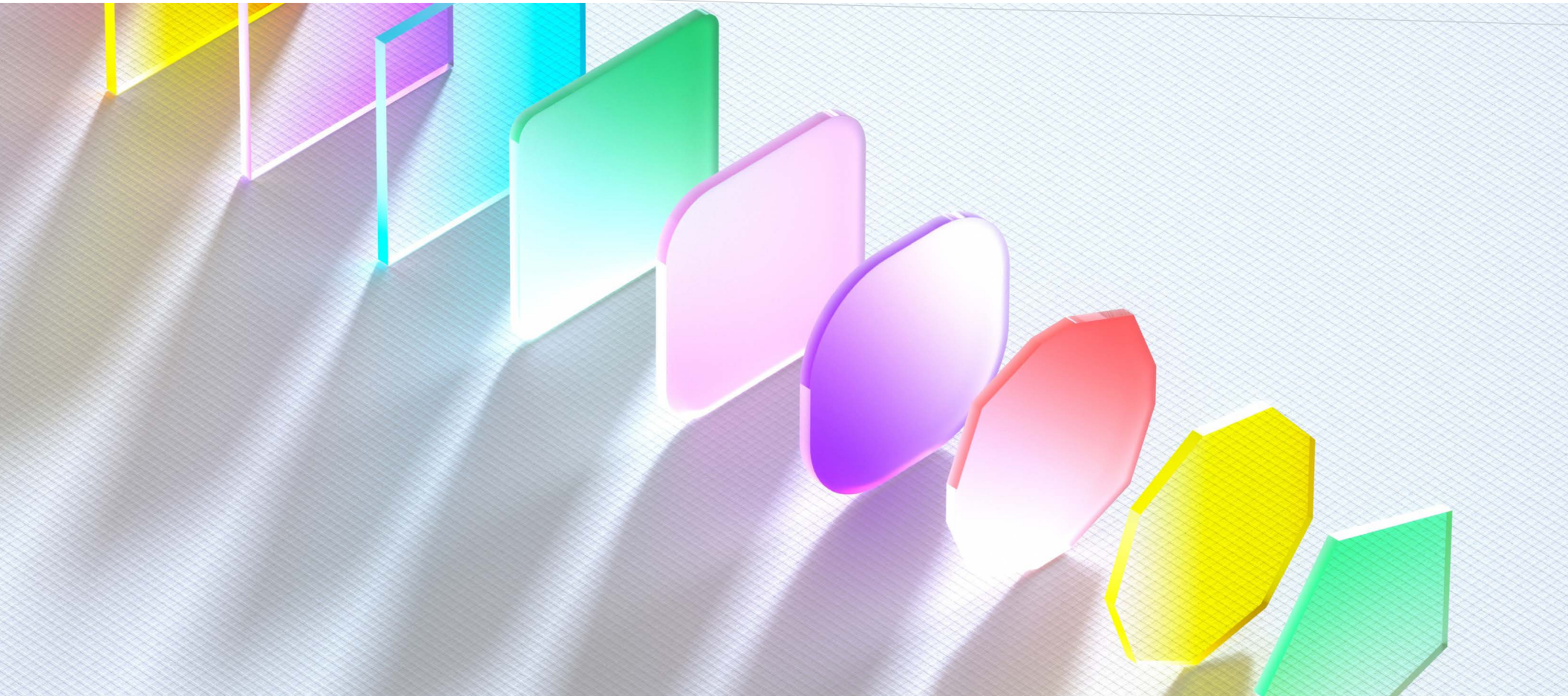


2024 GLOBAL LEADERSHIP DEVELOPMENT STUDY

# Time to Transform



Last year, Harvard Business Publishing Corporate Learning launched a new study of leadership development professionals to examine how their work fits with jobs to be done for organizations today.

We identified forces that are radically expanding the role of the leader and what's required to be successful. We heard that “coping skills” weren't enough anymore because these changes are accelerating and there is no going back. In many organizations, the work we explored in last year's report is ongoing. But that doesn't mean the situation is unchanged. In 2024, we noticed a shift and a new theme emerging.

We heard that incremental improvements and ad hoc training to fill skill gaps aren't enough anymore. Leadership has become a complex, specialized profession, not unlike similar positions in medicine, finance, teaching, or law. Yet practitioners are not traditionally equipped with similar levels of dedicated education and professional development.

Through interviews and a survey of more than 1,100 leadership and development (L&D) professionals and functional leaders involved in planning leadership training, the theme that emerged this year is the need to advance the practice of leadership to meet the needs of transformation efforts across organizations.

## SURVEY HIGHLIGHTS



1,134 L&D and HR professionals and functional heads



Nearly half from organizations with at least 20,000 employees



15 countries and across industries



52% from organizations with annual revenue of at least \$10 billion

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## It's Time to Transform Leadership Development

It's time to widen skill sets, challenge paradigms, embrace paradoxes, and potentialize the people who can adopt new technologies and generate the innovative ideas and productivity gains organizations need in order to stay competitive.

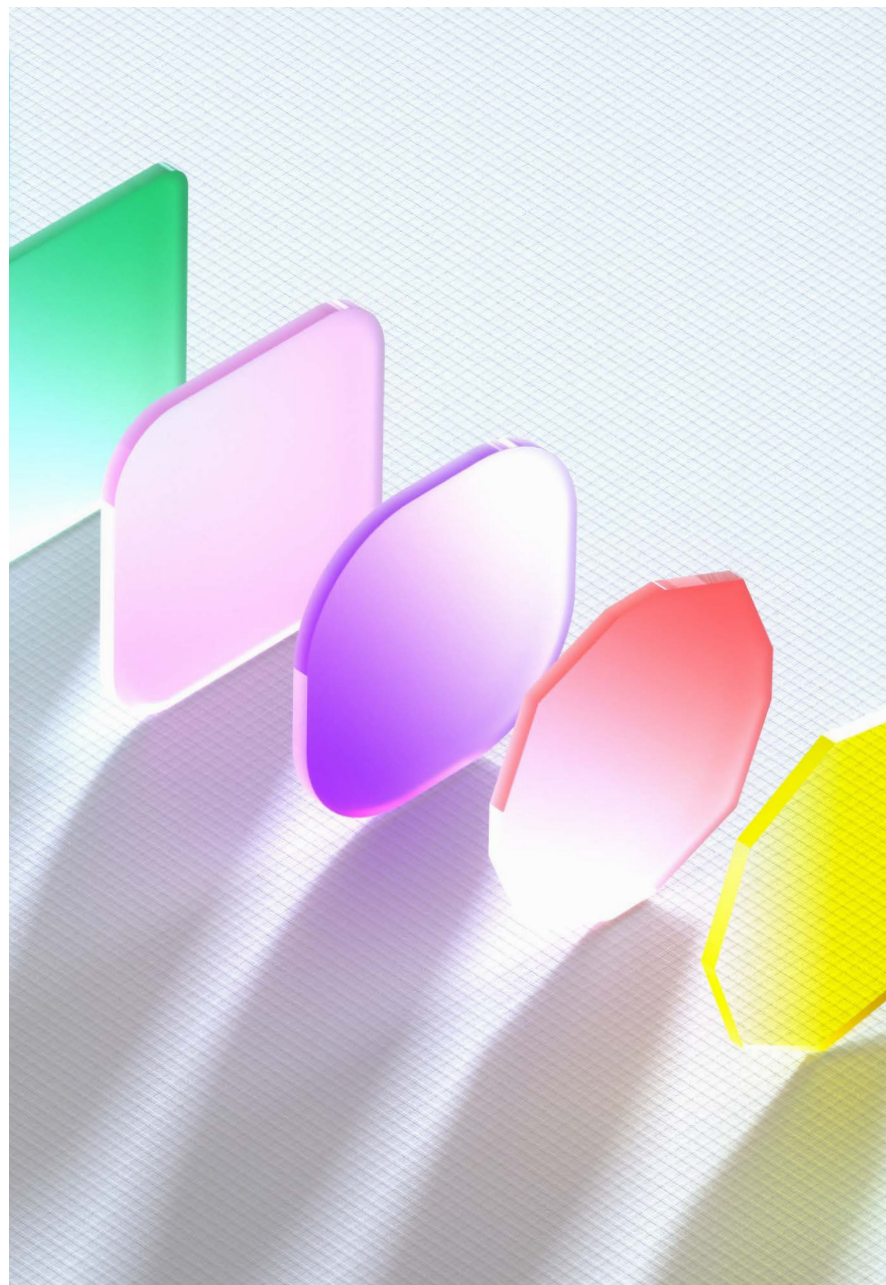
Respondents to our survey report that their current leadership training programs are being designed with the primary goals of:

- **Implementing automation/robotic-based projects** (50%)
- **Incorporating GenAI/machine learning into business practices** (43%)
- **Strengthening our corporate culture** (40%)
- **Building our capacity to innovate** (38%)

There is a consistent theme of transformation, and the projects are often interrelated. Fostering innovation and succeeding with technology-driven transformation often require a transformation of the corporate culture.

It will take a new level of leadership development to support the many transformation efforts underway across organizations and industries around the world.

In the first part of this report, we explore the key challenges for L&D today in preparing leaders for their part in making those transformations happen. In the second, we share ideas and strategies to support L&D's efforts.



## Key Objectives for Leadership Development Today



### Widen Skill Sets

Leaders today need a state-of-the-art skill set, one that encompasses a wider range of knowledge and behaviors than ever before. The list now includes high levels of social and emotional intelligence, digital and data intelligence, finance, communication, strategy, and decision-making expertise, along with a host of other skills depending on their industry.



### Challenge Paradigms and Patterns

To lead differently, people must first see differently. That begins with recognizing the natural tendency to see situations through the lens of previous experiences and to act based on past responses. Challenging those tendencies isn't easy, especially in the stressful environment that is now the rule rather than the exception.



### Manage Polarities and Paradoxes

Many of the challenges and opportunities leaders now wrestle with are not “problems” with a simple cause/effect relationship. Instead, they are paradoxical situations defined by polarities, where leaders must find a balance between opposing forces and embrace the tension that goes along with this change.



### Potentialize People

Progress on a career path provides a sense of agency that can help offset the feelings of instability that pervade many workplaces—and our world. Many employees want to work for organizations that see and care about them as people and that genuinely want to help them discover and enhance their potential.

KEY OBJECTIVES

### Widen Skill Sets: More of Almost Everything

Leaders today often feel they are expected to demonstrate the emotional intelligence of a human resources representative, the digital/data intelligence formerly associated with the IT department, and everything in between. Despite the reality that each leader has their strengths and areas of interest, the pressure to master every aspect of leadership has intensified. Leadership truly has become a complex, specialized profession, not unlike those in medicine, finance, teaching, or law.

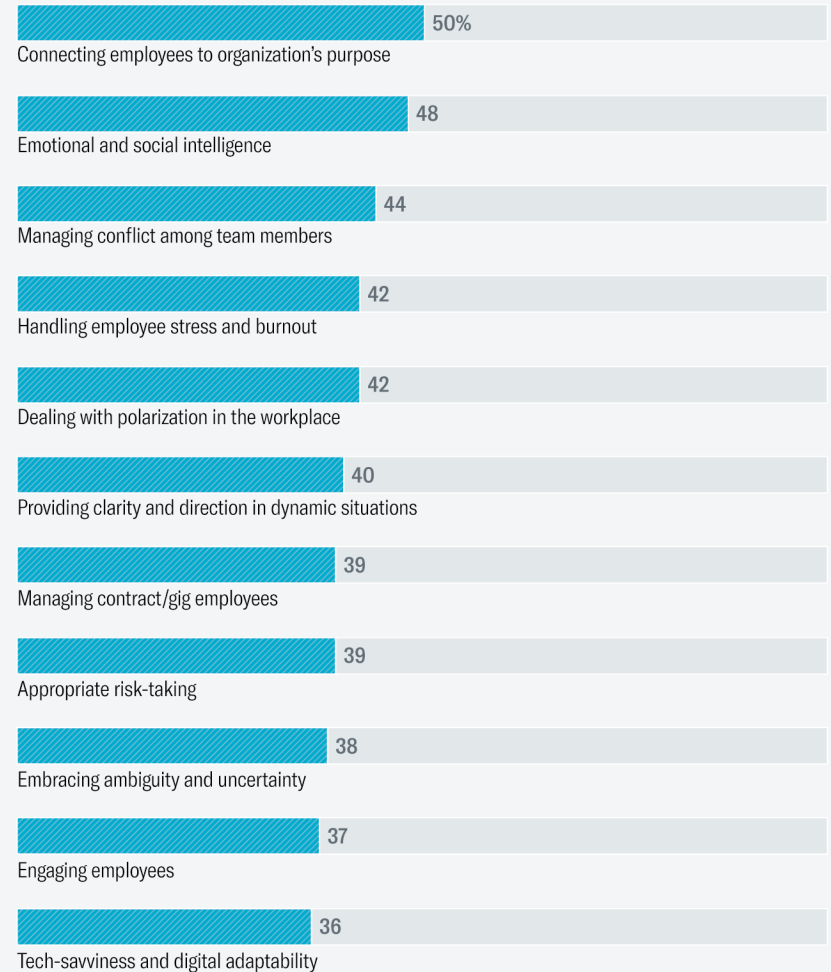
In this year’s survey, 70% say it is important or very important for leaders to master a wider range of effective leadership behaviors to meet current and future business needs.

**“The number one thing our business leaders need to do differently is to recognize that the things that have gotten them to the place they are—that they’re very good at—will not get us to the next level. [We all need] an internal introspection on not just our strengths and weaknesses, but on those things that we don’t like to do—and embrace the changes.”**

—Senior Director, Learning and Development at a Global Health Care Company

### Leadership Capabilities That Are More Important in 2024

How important are the following leadership capabilities/skills to meeting your expected business needs in 2024? [% IMPORTANT AND MORE IMPORTANT IN 2024 VS. 2023]



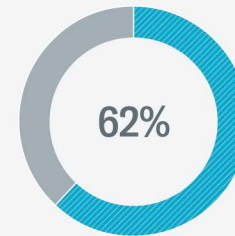
KEY OBJECTIVES

## Challenge Paradigms and Patterns

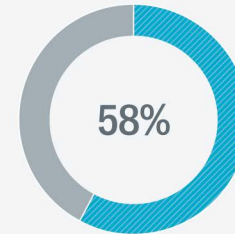
Leadership today is far more than a set of skills and behaviors. Decisions about how and when to employ those skills and behaviors are crucial to leadership effectiveness. We are all conditioned to see situations through the lens of our previous experiences and to act based on our past responses. These patterned responses serve as a survival skill for busy leaders—they enable them to assess situations quickly and act without diving deeply into the details of every new situation. Unfortunately, these patterned responses have the potential to become unquestioned habits that don't always result in optimal outcomes as conditions change.

There are good explanations for why leaders—and people in general—often have trouble adapting their behaviors. Each person has a unique encoding process that functions largely unconsciously. That encoding process identifies cues in a situation, processes them, and then activates selected aspects of their personality system that shape how a leader responds.<sup>1</sup>

In addition, when people feel uncomfortable or threatened, they often experience a strong tendency to favor well-learned or dominant reactions even in situations that demand other responses.<sup>2</sup> It takes conscious effort to build greater openness toward adapting our behaviors, especially in the stressful environment that is the rule rather than the exception for many leaders today.



of respondents say that it is important or very important that leaders develop greater openness to adapting their behaviors to meet current and future business needs.



of respondents say that it is important or very important that leaders improve their ability to function long-term in an environment of constant change, uncertainty, and stress to meet current and future business needs.

**“What’s out-of-date is the idea that a leader should adopt a fixed leadership style that’s agnostic to the specific context in which he or she is operating. A single approach to leadership, whether traditional or emerging, is not going to meet the myriad of challenges that today’s leaders face.”**

—Jennifer Jordan, Michael Wade, and Tomoko Yokoi, HBR.org<sup>4</sup>

## KEY OBJECTIVES

### Manage Polarities and Paradoxes

The challenges and opportunities leaders wrestle with today are generally more complex than they were even a few years ago. These challenges are often not “problems” with a simple cause/effect relationship, although leaders frequently frame them as such. Instead, they regularly face situations with opposing choices that look like solutions on their own but are actually paradoxical, with “contradictory yet interdependent elements that exist simultaneously and persist over time.”<sup>3</sup>

These situations are referred to as “polarities” in the work of Barry Johnson or as “paradoxes” by Wendy Smith and Marianne Lewis in their book *Both/And Thinking*. Like inhaling and exhaling, neither force can exist without the other. In paradoxical situations, leaders must find a balance between opposing forces and embrace the tension that goes along with these situations.

Examples may be found everywhere, and while we didn’t ask about them directly in the survey, experts we interviewed alluded to them. We also explored some of these situations in our recent work on human-centered leadership.<sup>4</sup> In that study, one example we found was the tension between a focus on outcomes and the efforts that go into achieving them. Outcomes-focused management is often seen as an antidote to micromanagement: a way to empower people and give them autonomy in deciding how work is done.

Yet we found that employees want managers who recognize both outcomes and efforts. A focus on just one means missed opportunities: An outcomes-only focus may miss chances to identify burnout before it happens or to improve productivity, and an effort-only emphasis risks adversely impacting performance when it comes to the results that really matter to the bottom line.

A second example is the tension between psychological safety, which is known to be essential for team effectiveness, and intellectual honesty. Researchers at MIT have found that too much emphasis on psychological safety at the expense of intellectual honesty can hamper the proactive, open debate of ideas that is required for maximum innovation.<sup>5</sup> In our Human-Centered L study, we found that just 16% of respondents said their leader is very good at both—and both is exactly what’s needed to support an innovative culture.

**“For many of us, these competing and interwoven demands are a source of conflict. Since our brains love to make either-or choices, we choose one option over the other. We deal with the uncertainty by asserting certainty.”**

—Wendy Smith and Marianne Lewis, *Both/And Thinking*<sup>6</sup>



KEY OBJECTIVES

### Potentializing People

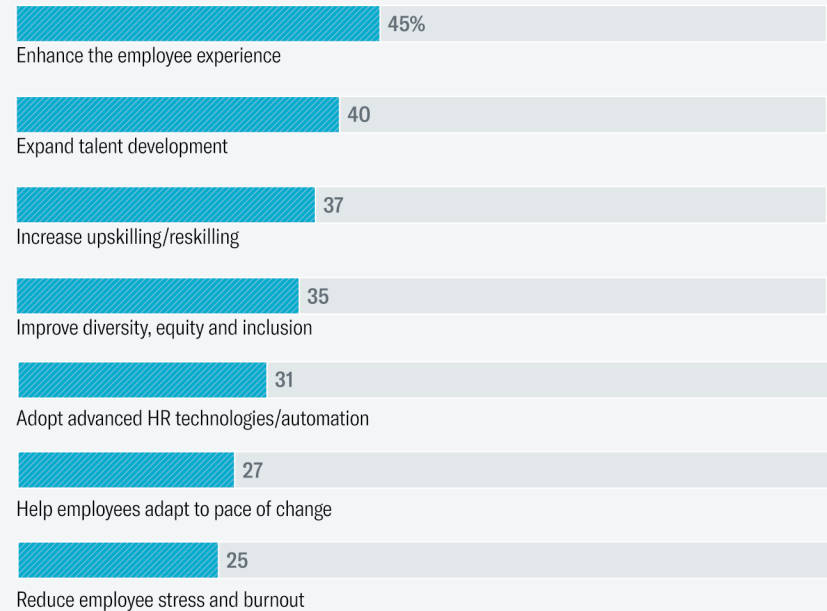
According to the International Monetary Fund, global growth is expected to be below historical averages in the near term.<sup>7</sup> With that backdrop, the pressure to improve productivity is intense, prompting organizations to look for ways to get more out of the people, technology, and other assets they employ. Discussion of efforts to get the best out of people typically involves terms such as “employee engagement” and “human capital management,” and our respondents did have a number of human-capital projects on their priority lists this year.

But there is a growing sense that this may not be enough. Only 6 in 10 survey respondents reported being highly satisfied with the results of their employee engagement efforts, leaving a significant minority that isn’t. Reports of an employee engagement crisis are increasing.<sup>8</sup>

As employees calculate their willingness to commit discretionary effort to work, the math has changed for many. Only about half feel their organization truly sees them as people, according to a 2023 survey by EY.<sup>9</sup> People feel replaceable and perceive greater instability in the workplace.<sup>10</sup> To change the equation, a shift from “managing human capital” to “potentializing people” may be in order. In exchange for their dedication, many people now want a real commitment on the part of their employers to proactively help them enhance their skills and genuinely work to help them reach their full potential.

#### Human-Capital Projects Prioritized for the Coming Year

Which type(s) of human capital projects has your organization prioritized for the coming year (2024)?



**“Indeed, upskilling will always be a crucial aspect because while everyone recognizes the importance of communication and problem-solving ... even with the increasing automation, human intervention remains vital.”**

—HR Head at a Global Pharmaceutical Company



## Emerging Approaches to Supporting Key Objectives



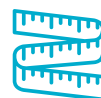
### Expand Access to Personalized Learning

Increasing decentralization, cross-functional work, and project-based work mean more employees must function as leaders of teams (even without formal authority) rather than simply executing on someone else's vision. Employees expect personalized learning pathways that support their development and training delivered "in the flow of life." AI-based tools are beginning to help make that a reality.



### Build Leadership Capacities

Skill sets and capabilities only go so far in today's business environment. Leaders are finding they also need new capacities to handle the pressures and complex dynamics of their jobs. Leadership capacities are the underlying qualities and resources upon which leaders rely to make sense of situations, adapt to their realities, and bring their best selves to their work.



### Change the Metrics

As the goals of work change, so must the metrics. It may be time to revisit outdated measures of activity, productivity, or even employee commitment. Leaders are increasingly looking to adopt meaningful metrics that resonate with employees, send the right message, measure real value, and relate to real drivers of organizational performance.

EMERGING APPROACHES

### Expand Access to Personalized Learning

Today, many employees' functions have moved from being task-oriented to project-based. This is especially true in flatter, more decentralized organizations, where work is more collaborative and cross-functional. These shifts mean that many people who, in previous eras, used to simply execute on someone else's vision are now expected to perform as leaders (e.g., influence cross-functional stakeholders, make smart decisions, set strategy, communicate business impact). Even when they do have formal authority, our findings suggest that earlier access to relevant leadership training could be an advantage for many newly promoted leaders.

Only around 50% of the respondents among both "L&D buyers" and "functional leaders" believe that newly promoted leaders are truly ready to lead in their respective organizations/departments.

This year, "scalability" is at the top of the list of most sought-after attributes of leadership development training programs. The growing desire for scalability signals organizations' growing commitment to broaden access to learning. The majority of respondents also report plans to integrate AI into their leadership training programs to help curate and personalize their offerings.

- The most sought-after attribute of leadership development training programs is now "scalability," ranked number one by 25% of respondents.
- Sixty percent of "L&D buyers" and "functional leaders" we surveyed said their organizations have moderate or extensive plans to integrate AI into their leadership training programs.

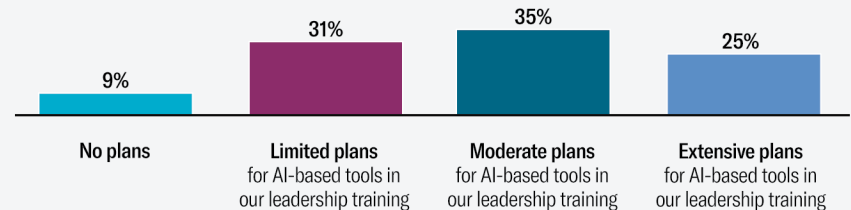
#### The Top Five Leadership Development Training Program Attributes

What are the top five most important attributes your organization looks for in a leadership development training program? [% RANKED AS NUMBER ONE]



#### Plans to Integrate AI-Based Tools in Leadership Training Programs in 2024

To what extent does your organization intend to integrate AI-based tools in the development, curation, and delivery of content?



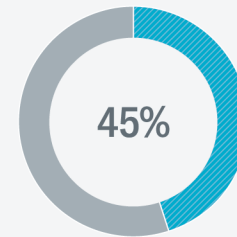
## EMERGING APPROACHES

### Build Leadership Capacities

Many leaders today are finding they need new capacities to handle the pressures and complex dynamics of their jobs. The conditions under which they work create situations in which, despite having the skills, they struggle to operate successfully in an increasingly challenging environment over the long haul. High performance is a combination of skills and capacities. Just 53% of respondents, among both “L&D buyers” and “functional leaders” rated their leaders as very effective.

We think this is recognition of the need to not only widen skill sets but also, as noted earlier, learn to challenge paradigms and manage paradoxes. In short, leaders need to shift both how they see situations and how they bring their talents to bear on them. Leaders need to build capacities as well as skills. Leadership capacities are the underlying qualities and resources upon which leaders rely to make sense of situations, adapt to their realities, and bring their best selves to their work.

A helpful way to understand these differences is to liken them to how elite athletes cultivate their capacities. For example, Lionel Messi, regarded by many as the greatest footballer in history, is known for his exceptional skills in ball handling, free-kicking, and passing. However, his unparalleled skills would be worth far less had he not also developed key capacities—like the endurance to run hard for a 90-minute match, or the balance and agility that allow him to move quickly and unpredictably past other players. Athletes work as hard to build and maintain capacities through physical and mental training as they do to hone their skills. We believe leaders need to do the same.



of respondents plan to use more on-the-job learning through projects this year compared to last.

**“Traditional leader development models—ones that define leadership as a set of management and interpersonal capabilities or skills—only bring leaders part of the way to leading well in the current business environment. Leaders today not only need to develop their capabilities; they also need to build new capacities to handle the pressures and complex dynamics of their jobs.”**

—Harvard Business Publishing Corporate Learning<sup>11</sup>

EMERGING APPROACHES

### Build Leadership Capacities

Building capacities takes a different kind of leadership development. In our research, we see signs of a shift in the approach organizations are taking within the data on utilization of leadership training delivery modes shown at right.

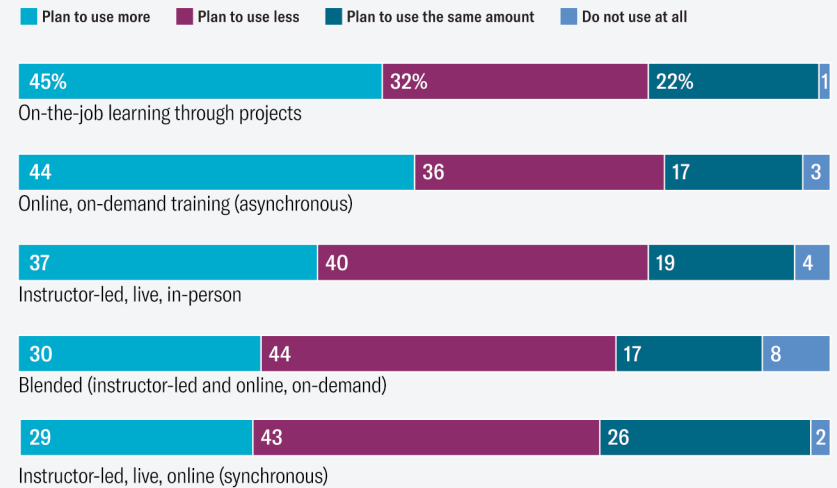
There is growing recognition that formal learning alone is not enough to develop capacity, just as teaching someone how to run a marathon will not build the strength and conditioning required to finish a race, let alone compete effectively.

Capacity develops over time, with daily challenges, experiments with new behaviors, and reflection to shift thinking. This can be achieved through activities that help leaders do the following:

- **Challenge their current operating paradigms.** Leaders need to be able to step back and look objectively at their underlying assumptions, biases, triggers, and thought patterns, so they can test which are helping them and which may be holding them back. This can be done through formal assessments, coaching, and ongoing feedback.
- **Develop new strategies based on their new insights** about themselves and the situations they are facing. This can be done through formal and informal learning and self-study.
- **Test new approaches in real-world scenarios and receive ongoing feedback.** This step helps facilitate the shift in mindset to deepen and refine, enabling the leader to grow into a new way of seeing and leading over time. This can be done through on-the-job assignments coupled with coaching and reflection.

#### Changes in Utilization of Leadership Training Delivery Modes in 2024

In comparison with last year, how will your utilization of the following modes of delivering leadership training change in 2024?





EMERGING APPROACHES

Change the Metrics

The way organizations create value is varied and continually changing, yet some metrics have remained unchanged for decades. It is time to revisit them to confirm they still measure what matters. For instance, when it comes to measuring people’s commitment to their work, the standard has been employee engagement for many years. This year, 15% of respondents report their leadership development training will focus less on employee engagement than before.

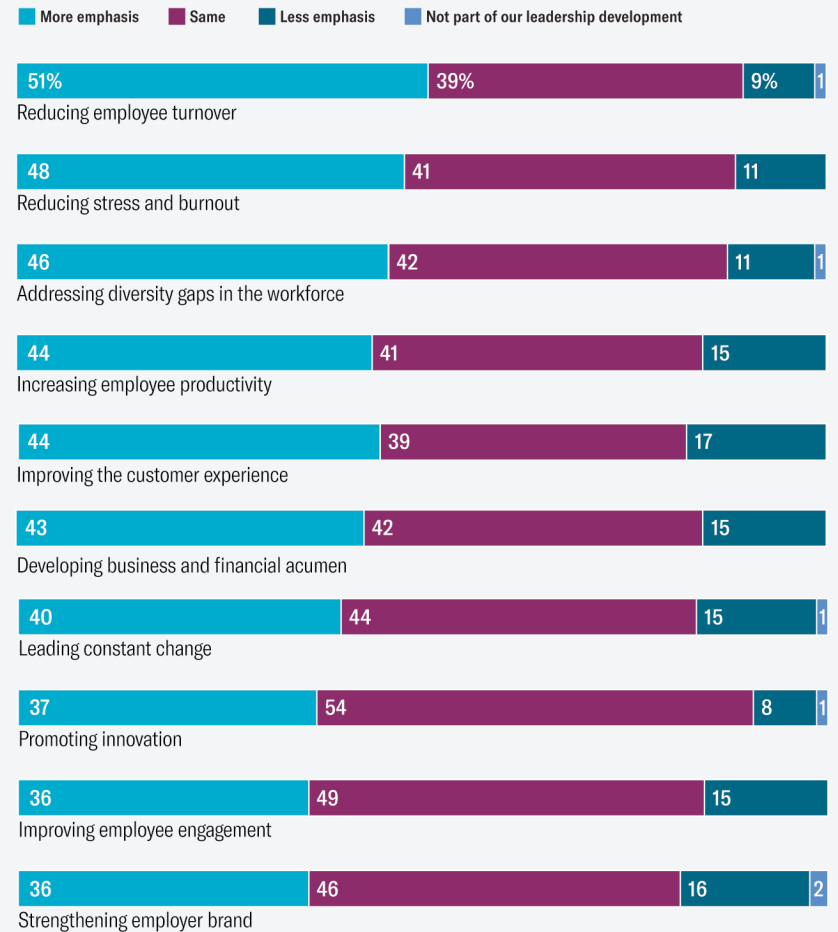
At the same time, reducing employee turnover, stress, and burnout are areas of increasing focus for leadership development, as are addressing diversity gaps and improving productivity. Organizations clearly still need the outcomes promised by employee engagement initiatives, but it appears some are beginning to look in other directions to achieve them. By all accounts, there is ample space for helping employees change their relationship with work for the better, creating a win-win for people and the organizations that employ them.

**“We are in an era of human capital management ... but when you view your talent as truly human, you take on a new perspective.”**

—Head of Marketing and Communications at a Global Chemical Company

Focus of Leadership Development Training on Programs in 2024 vs. 2023

In comparison with last year, how much emphasis will your organization's leadership development training put on the following goals?



## EMERGING APPROACHES

### Change the Metrics

While alternative metrics alone won't solve the problems, they play a role. Metrics communicate, motivate, and confer importance.

Employee engagement usually measures outcomes desired by organizations: employees' willingness to stay, recommend their employer to others, and give their best efforts. A metric that better reflects the way people feel about their work and how it contributes to their overall fulfillment—or wellness, in the broadest sense—would send a different message.

Specifically, this metric would encourage leaders to understand how work can contribute to each employee's needs for emotional, physical, social, financial, spiritual, environmental, intellectual, and occupational dimensions of wellness and could help strengthen employees' commitment to their organization. Others have proposed measures of team success or human sustainability.<sup>12,13</sup> The important thing is to reexamine metrics to ensure they encourage leaders and organizations to see employees as people, treat them as more than human capital, and help them realize their unique potential.

**“I think the issue with current employee engagement practices is that they have that focus on what it was and not what it can be ... we should be mindful of the way things were in the past. Of course, you never want to forget your history, but I think you have to understand the changing times.”**

—Head of Leadership and Learning at a Global Bank

## The Bottom Line

Transformation demands much more than incremental processes of continual improvement. Bringing people along on transformation journeys is the job of leaders. That makes leadership development a crucial part of any organization's strategy to transform successfully.

As the demands of leadership change and grow, so must the support for those who choose the practice of leadership as a profession. It's time to transform leadership development.

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### KEY OBJECTIVES



**Widen  
Skill Sets**



**Challenge Paradigms  
and Patterns**



**Manage Polarities  
and Paradoxes**



**Potentialize  
People**

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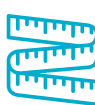
### EMERGING APPROACHES



**Expand Access to  
Personalized Learning**



**Build Leadership  
Capacities**




**Change the  
Metrics**

STUDY METHODOLOGY


# 2024 Global Leadership Development Study

Based on 1,134 survey responses, plus interviews with senior L&D leaders (January–March 2024).




**ROLE**

**1:1**  
Ratio of L&D/HR professionals to function heads




**COMPANY SIZE**

<b>52%</b> Revenue more than \$10 billion	<b>48%</b> Headcount more than 20,000
----------------------------------------------	------------------------------------------



**REGIONS**

<b>40%</b> The Americas	<b>29%</b> Asia Pacific	<b>31%</b> Europe, the Middle East, and all others
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**SECTORS**

<b>23%</b> Financial services	<b>8%</b> Retail/wholesale
<b>12%</b> Energy and utility	<b>8%</b> Automotive/transportation
<b>10%</b> IT/media/telecom	<b>All other sectors</b> 7% or less each.
<b>8%</b> Health care/pharmaceuticals	



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