



# Te Kawa Mataaho

Public Service Commission

21 November 2024

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## Official Information Request

Our Ref: PSCR 2024-0016

I refer to your official information request received on 29 October 2024 where you asked:

*"I have been reading the 2017 White Paper entitled 'The struggle to lead strategically in the public sector'. It is a very good read and I am after more up to date assessments of leadership capacity and capability in the public [sector.in](#) New Zealand. Please can I have results or the papers related to the March 2016 analysis (mentioned in the document above) from the LDC and the April 2016 Leadership Insight assessment summary. If there are more up to date reports of this nature particularly after the covid period, please can I have copies of those."*

## Information being released

Please find listed in the below table documents in scope of your request:

Item	Date	Document Description	Decision
1	March 2016	The elusive art of selling 'why': Strategic leadership	Released in full
2	May 2016	Leadership Insights Findings: May 2017	Released in full

There have been no further reports since those listed in the table above, relating to assessment of leadership capacity and capability in the Public Service.

If you wish to discuss this decision with us, please feel free to contact [Enquiries@publicservice.govt.nz](mailto:Enquiries@publicservice.govt.nz).

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or freephone 0800 802 602.

Please note that we intend to publish this letter (with your personal details removed) and enclosed documents on the Te Kawa Mataaho Public Service Commission's website.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Nicky Dirks', with a stylized, cursive script.

Nicky Dirks

**Manager – Ministerial and Executive Services**  
**Te Kawa Mataaho Public Service Commission**



**The elusive art of selling 'why':**

# **Strategic leadership**

**March 2016**

In 2014 Leadership Development Centre (LDC) analysed information from over 500 surveys; the results suggested that the common strengths of public sector leaders in the sample included their ability to display rigorous analysis and decision making skills, and the ability to think strategically. The two lowest rated areas in the same sample reflected the frequency at which leaders were observed displaying compelling and impactful leadership, and communicating a clear and compelling vision.

In 2015 a revised [Leadership Success Profile \(LSP\)](#) was published to provide the public sector with a framework regarding what good leadership looked like. This updated profile included strategic leadership as one of five key areas of leadership capability. One year after its introduction the LDC analysed a new sample of surveys based on this revised framework; the results indicated that overall strategic leadership was rated lowest of the five LSP areas.

Further evidence concerning areas for leadership development in the public sector was released by the State Services Commission in May 2016. The results from Leadership Insight, a capability analysis of the senior and executive leaders in the New Zealand Public Sector found that *leading with influence* (one of the capabilities within Strategic Leadership in the LSP) was the number one development priority across the sample. Forty-four percent of leaders assessed were identified as requiring further development in this area.

These different assessments have returned intriguing results about leadership capability, but what makes the area of strategic leadership particularly interesting is that many of the individuals assessed represent senior leaders in the public sector – individuals who operate at a strategic level, providing the vision and direction that will lead to the success of the organisation.

### **What is *leading strategically*? How does it differ from *thinking strategically*?**

The 2015 revision of the LSP recognises strategic leadership as an individual's ability to "position teams, organisations and sectors to shape, define and respond to the future." This definition captures the essence of a leader's requirement to engage others to achieve the bigger picture while also recognising that there is a planning element underlying this activity.

This sentiment is echoed by other researchers in this field, such as Rowe and Nejad (2001) and Hoskisson, Hitt & Ireland (2004) who recognise strategic leadership as the ability to influence others in the organisation to make day-to-day decisions that lead to the organisation's long-term growth and survival. The Centre for Creative Leadership also recognises the importance of strategic leadership requiring leaders to involve others in "...making sense together, not just within one leader's own head...".

What seems apparent in the literature is that there is both an analytical component and a humanistic component to strategic leadership and that these two parts must be balanced to ensure that execution of strategic objectives remain relevant and successful (Mullen & Narain, 2005).

In terms of the two surveys used in this report to gather data on public sector leadership perhaps the simplest explanation is that thinking strategically reflects an individual's cognitive approach to addressing where the organisation is going (strategic planning), while leading strategically involves taking others on the journey (strategic implementation).

#### A Closer Look: The United States Army War College (USAWC)

USAWC conveys a clear understanding of strategic leadership and its components, stating that it is the process used by a leader to affect the achievement of a desirable and clearly understood vision by influencing the organisational culture, allocating resources, directing through policy and directive, and building consensus within a volatile, uncertain, complex, and ambiguous global environment which is marked by opportunities and threats (Magee, 1998).

#### **What's happening in our sample of public sector leaders?**

Back in 2014 LDC's analysis considered the hypothesis that the most common strengths for public sector leaders were typically individual skills, abilities and behaviours which a leader could bring to

bear on an issue – perhaps those areas which related to their intellectual capability. Development priorities tended to relate to how effectively a leader operated through others to achieve outcomes.

Supporting this earlier finding are the more recent assessments of leadership capability. The March 2016 analysis from the LDC and the April 2016 Leadership Insight assessment summary both suggest that common strengths amongst public sector leaders relate to individual leadership characteristics. In terms of development priorities both of these assessment approaches found that within the LSP area of Strategic Leadership there is room for development for many public sector leaders in how they go about leading in a persuasive and impactful way to help others embrace change and to engage others in the vision that will ultimately lead to meeting customer and future needs.

This idea may provide some explanation as to why there is such a difference between *thinking* strategically being a key strength in 2014 and *leading* strategically being identified as a development priority in 2016. It may well be that while these leaders have the cognitive grunt required to think through the complex issues and determine the most viable path for them and their organisation, they aren't quite as skilled in the capabilities that are needed to persuade or inspire others to follow.

### **Why is strategic leadership important?**

For public sector leaders' competence in strategic leadership is particularly important. Lavigna (2014) states that "few things are more engaging than making important progress toward goals - but the goals of public-sector organisations are often hard to translate into objectively measurable units. Government managers must therefore clearly articulate long-term missions, values, goals, and impacts - and help employees see how their work connects."

#### **A unique skill**

*"The competencies related to managing vision and purpose appeared to be unique; these skills seemed to be related not only to strategy, but also to inspiring others through communication of the vision"*

De Meuse, Dai & Wu, 2011

Researchers at CCL (2016) agree asserting that strategic leadership is needed to achieve goals, drive performance and align short-term action with long-term direction. If an entire organisation is to remain responsive to its operating environment (and to potential future opportunities) then strategic leadership is central to influencing organisational culture, leading change, and aligning different organisational components.

According to Rowe & Nejad (2009) the most important aspects of strategic leadership are shared values and a clear vision. By communicating these concepts comprehensibly and with clarity, employees will be more capable of operating more autonomously while still being in harmony with the overall picture of where they are going.

In Gallup's view, their level of employee engagement should increase and this will affect important business outcomes such as productivity and quality. Kampf (2014) states that great managers can motivate employees to act and can engage workers with a compelling mission and vision – and this may account for a significant portion (70%) of the variance in employee engagement that managers are responsible for (Gallup, 2014).

Kampf's view on the importance of articulating a compelling mission and vision is bolstered by work by De Meuse, Dai & Wu (2011). In their study of competencies that were important across leadership transitions they found that managing vision and purpose appeared to be unique. This skill seemed to be related not only to strategy, but also to inspiring others through communication of the vision. In terms of its significance their study found that it increased in importance as leadership transitions escalated hierarchically.

This finding was also detected by Mumford et al (2007) whose study found that the competencies that increased the most in importance from middle managers to executives reflected business and strategic leadership skills.

## How did we get here?

There's probably no-one reason for why this thinking strategically / leading strategically dichotomy has emerged, but at LDC we think there are a few plausible theories which are worth considering.

Marshall Goldsmith, author of *What Got You Here Won't Get You There* (2007) suggests that successful people have resistance to change how they operate for several reasons that include successful past performance. If an individual has achieved through using the same behavioural approaches then they are less likely to want to change those behaviours. Their ascension to more senior leadership roles because of their past achievements will require them to alter their behaviour to address new ways of working – however not everyone is capable, nor willing, of letting go of what has worked for them before.

Multiple stakeholders, lightning fast communication technologies, global market forces, political pressures, legislative requirements, organisational policy and culture, are but a few of the considerations that leaders need to contend with when considering the way forward. The ability to process disparate information, consider diverse perspectives, analyse issues, examine complex relationships, and make sense of all of this are critical.

Another reason that the disparity between thinking strategically and leading strategically exists could be due to bias in recruitment. For many years, we've been lead to believe that one of the most reliable predictors of leadership potential is general intelligence. Since the early 20th century researchers have delved into general cognitive ability and its popularity as a predictor of future success continues, and in an age marked by volatility, uncertainty, complexity, and ambiguity it's easy to understand why high cognitive functioning is seen as an important prerequisite for leaders.

Renowned EQ researcher Daniel Goleman (2011) recognises the significance of cognitive ability. He states, "There's no question IQ is by far the better determinant of career success, in the sense of predicting what kind of job you will be able to hold. It typically takes an IQ about 115 or above to be able to handle the cognitive complexity facing an accountant, a physician or a top executive."



However, Goleman also claims that a paradox exists in this pursuit for advanced cognitive functioning. “Once you’re in a high-IQ position, intellect loses its power to determine who will emerge as an effective leader.”

### **Growing strategic leadership in the public sector**

As public servants, we can look to the LSP as our guiding framework for determining what good leadership looks in the public sector. Amidst the various components of the LSP is the definition of Strategic Leadership and the capabilities that have been attributed to it. A better understanding of these areas may enable us to be more targeted in identifying the development interventions and experiences which can grow our leadership capability.

### **Navigating for the future: Strategic leadership**

*You position teams, organisations and sectors to shape, define and respond to the future. You work effectively with others to figure out what the future should look like – and how to get there.*

The following three capability areas form the area of Strategic Leadership:

- *Leading strategically - Think, plan, and act strategically; to engage others in the vision; and position teams, organisations and sectors to meet customer and future needs.*
- *Leading with influence - Lead and communicate in a clear, persuasive and impactful way; to convince others to embrace change and act.*
- *Engaging others - Connect with and inspire people; to build a highly motivated and engaged workforce.*

With these three capability areas in mind we’ve provided seven tips about how you can transform your strategic *thinking* into strategic *leadership*.

1. **Focus on how you communicate the vision** - Be simple, be clear, be purposeful. When you articulate the vision make sure you capture *why* your strategy is meaningful to your audience.
2. **Involve others** – If you want to know what motivates people to work towards a common goal then use a collective approach to developing the strategy. Understand perspectives, gather feedback and build relationships from the start. People want to be involved in shaping the bigger picture, and awareness of the organisation, its culture and drivers will benefit from this.
3. **Relate job to direction** – Regularly talk to staff about how their day-to-day work contributes to the larger objectives of the team or agency.
4. **Stay on message** – Know what you are about and how your team fits into the agency and sector. Communicate consistent messages about where the business is heading and how you expect the business to achieve its objectives.
5. **Learn from others** – Find a person who is good at conveying the strategic story in a compelling way to others. Ask them for feedback on your approach and delivery in this area.
6. **Get feedback** - complete the LDCs LSP360 degree feedback survey to see how your strategic leadership is perceived.

*LDC has toolkits available online to leaders from member agencies to support them in growing their leadership in these capability areas. Interested in talking further with us about this topic? Contact us on [research@ldc.govt.nz](mailto:research@ldc.govt.nz) or call us on 04 473 2222*

## References

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“LEADERSHIP MATTERS. PUTTING  
NEW ZEALANDERS AT THE HEART  
OF WHAT WE DO REQUIRES  
STRONG LEADERSHIP.”

LEADERSHIP INSIGHT FINDINGS: MAY 2016



## LEADERSHIP MATTERS

State services chief executives have affirmed their commitment to put the current and future needs and wellbeing of New Zealanders at the heart of their operations – and to take collective responsibility to meet them.

**To deliver against this commitment and stay ahead of the game, our State services require a significant shift.**

In the past, the focus of leadership development has been on building strong leaders who deliver in the context of their agencies. Leaders now need to be able to both lead their agencies well AND work together to have an impact across the entire system.

To put New Zealanders front and centre, we need a leadership approach that:

- Appoints, develops and performance manages leaders who are confident and skilled in working within their agency and across the system.
- Systematically identifies and grows the next generation of leaders and values development through the movement of leaders between the public, private and third sectors.
- Builds and deploys critical capabilities and resources across agencies to deliver cross-cutting results.
- Draws on leadership talent within and beyond the system to build succession planning for critical roles.
- Identifies key leadership capability needs, now and into the future, and acts to address these.

One of the mechanisms to deliver this is the Leadership and Capability Development and Deployment (LCDD) programme and specifically, *Leadership Insight*.

This report contains the initial findings from *Leadership Insight* assessments and the most comprehensive picture of our senior leadership cadre that we've ever had. It provides a baseline for leadership capability and shows where we need to prioritise and focus our attention.

*Leadership Insight's* initial findings have clearly identified a range of areas that we must target, if we are to lift system performance and stay ahead of the game.

Over time, our understanding and sophistication will grow as greater numbers of leaders are assessed and this data is contrasted against other sources.

However, we must not delay in taking action on these initial findings, for the benefit of New Zealand and all New Zealanders.

**Nāku noa, nā**



**Ginny Baddeley**  
**Acting Government**  
**Chief Talent Officer**



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## A significant shift is required and leadership is the most critical driver.

**Internationally, New Zealand's State services are well regarded, but staying 'ahead of the game' will require focused attention in a range of areas.**

New Zealanders care deeply about the quality of the public services they receive and what those services actually achieve. They want to be assured that State services organisations are being led and managed well and that their taxes are being spent carefully.

New Zealand has a reputation for a high performing State service. Our public management system is renowned for its integrity and the clarity of its accountability system.

Our senior leaders run their agencies well and deliver on government priorities. But the system has yet to achieve a similar level of proficiency working across agency boundaries – achieving results by thinking of new solutions and services collectively, no matter where problems appear to lie.

A shift is required of the State services if they are to be ahead of the game. To deliver for New Zealand, agencies must:

- Use data and information, and engage with the public, including Māori, to understand and meet the priority needs of New Zealanders.
- Understand the needs of business and tailor services accordingly.
- Move money, people and resources to deliver on priority work.
- Work collectively when that's what it takes to achieve results.
- Develop a Crown-Māori relationship that benefits iwi and New Zealand.
- Continuously improve through organisational learning.

## **Leadership is the single-most critical driver of successful change.**

The Better Public Services Advisory report (November 2011) identified that to address the complex nature of the issues facing New Zealanders, State sector leadership capability needed to have a sharper, more collaborative focus.

The shift needed hangs, in part, on maximising the potential of the people in the State services. Key will be their ability to work together across sectors, deliver services designed around customers and diverse communities, innovate and realise the opportunities created by new technology.

The outcome will be State services which are focused on their customers' wellbeing: by delivering on the priority needs of New Zealanders, enabling sustainable business growth, improving the relationship with government through innovative service delivery and maintaining trust and confidence by meeting customers' increasing service delivery expectations.

Chief executives have committed to the development of a strong, deep and diverse pipeline of leaders. A system-wide approach supports this.

**Much leadership development effort in the past has focused on growing leaders who can effectively deliver in the context of their own agencies.**

In the past chief executives have been left to develop their own leaders and development has largely focused on what is good for individual agencies. This has resulted in agency variations in the way that leadership and talent is identified, managed, developed and deployed.

These variations have limited the ability to make consistent comparisons and targeted decisions about the succession, development and investment of people across the State services.

**A common platform, including supporting tools, has been built to connect our efforts and align talent management through consistent, good practice.**

The commitment is being brought to life through the Leadership Strategy for the State services and the Leadership and Capability Development and Deployment (LCDD) programme.

The LCDD programme is a partnership between the State Services Commission and the Leadership Development Centre.

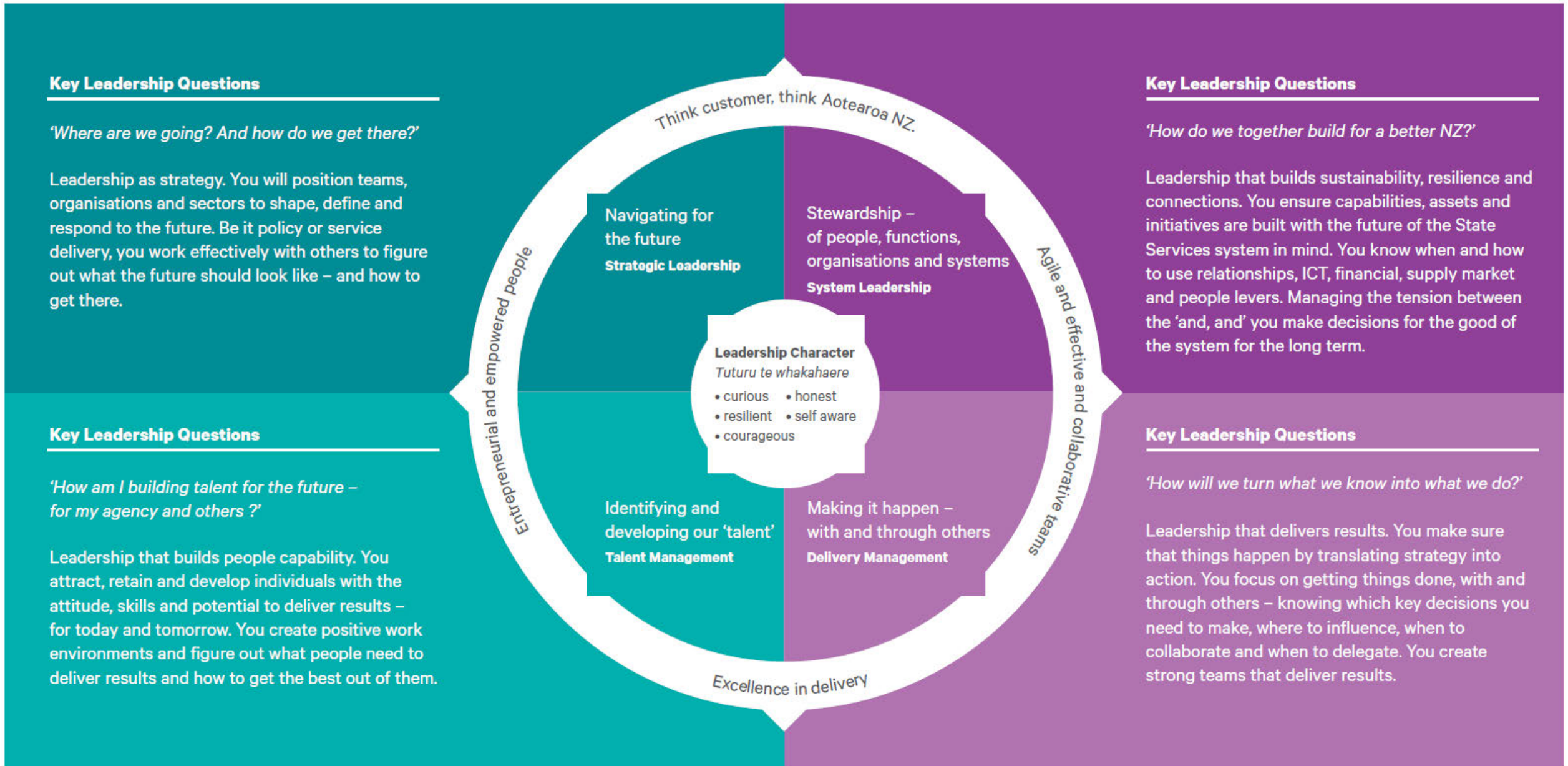
A key focus of the LCDD programme has been to enable chief executives to move to a system-wide approach to leadership development and talent management. This supports chief executives to make more effective development, deployment and investment decisions about senior leaders.

The common platform includes:

- A refreshed *Leadership Success Profile* (LSP), emphasising the capabilities and outcomes required of leaders at all levels. It has five core dimensions which are further defined by 16 capability areas. Implicit in this profile are the notions of customer-centricity and working for the collective benefit of New Zealand as a whole.
- A common assessment and development approach (*Leadership Insight*) to ensure the capabilities of all leaders are measured against the same standards across the State services.
- A *Talent Management Toolkit* to align talent management efforts through common principles and practices.
- A *Talent Management Information System* (TMIS) which provides access to a large, shared database of talent from across the State services and beyond.



The Leadership Success Profile (LSP) defines the shift in our desired leadership approach.



For more information, visit <http://www.ssc.govt.nz/leadership-success-profile>

*Leadership Insight* has been designed to provide a baseline and benchmark of our senior leadership capability.

**Its unique design enables us to understand a range of important factors and provides objective, comparable data on leadership talent.**

It provides a baseline for leadership capability and allows system-level leadership development priorities to be identified, deliberately targeted and invested in.

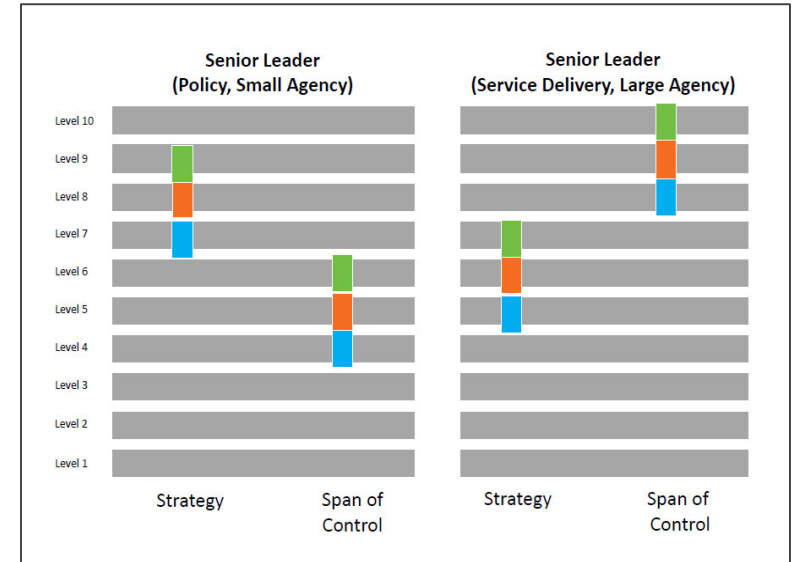
The State Services Commission and the Leadership Development Centre engaged Cerno as a strategic partner to design the common assessment and benchmarking framework and assess the senior leadership cadre.

*Leadership Insight* provides the basis for objective, consistent and comparable profiling of individual leaders and leader cohorts. It allows leaders to see how they fit into the wider picture and identify what they need to do to move to the next level.

Rather than assessing against a generic profile for a leadership tier, capability levels are set for each individual role. This enables the LSP to be sensitive to the broad range of roles undertaken and their unique leadership demands.

Implicit in the profiling is that more complexity within a role requires a higher level of capability or leadership demand. *Leadership Insight* recognises that the demands of a senior leader in a small policy agency are different to that of a senior leader in a large service delivery agency.

**INDICATIVE ROLE COMPLEXITY**



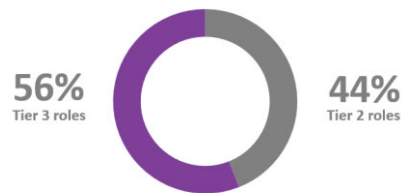
**A rating is assigned to each capability area for each role:**

<b>Strong</b>	Ready to take on increased challenges in this area
<b>Sound</b>	A solid foundation of skills and experience in this area
<b>Develop</b>	Improving this capability would assist the leader to excel in their current role

**We now have more than enough data to draw meaningful conclusions.**

Initially 480 people have been invited to participate in *Leadership Insight*. The results in this report are from 243 leaders (51% of senior leaders) who had been assessed as at 16 March 2016. This sample size is large enough to draw meaningful conclusions. Leaders are continuing to progress through their assessments and it is anticipated that the majority will be finished by 30 June 2016.

**DEMOGRAPHICS BY TIER**



Of the 243 leaders assessed, 135 were in Tier 3 roles and 108 were in Tier 2 roles.

**DEMOGRAPHICS BY GENDER**



Of the 243 leaders assessed, 132 were male and 111 were female.

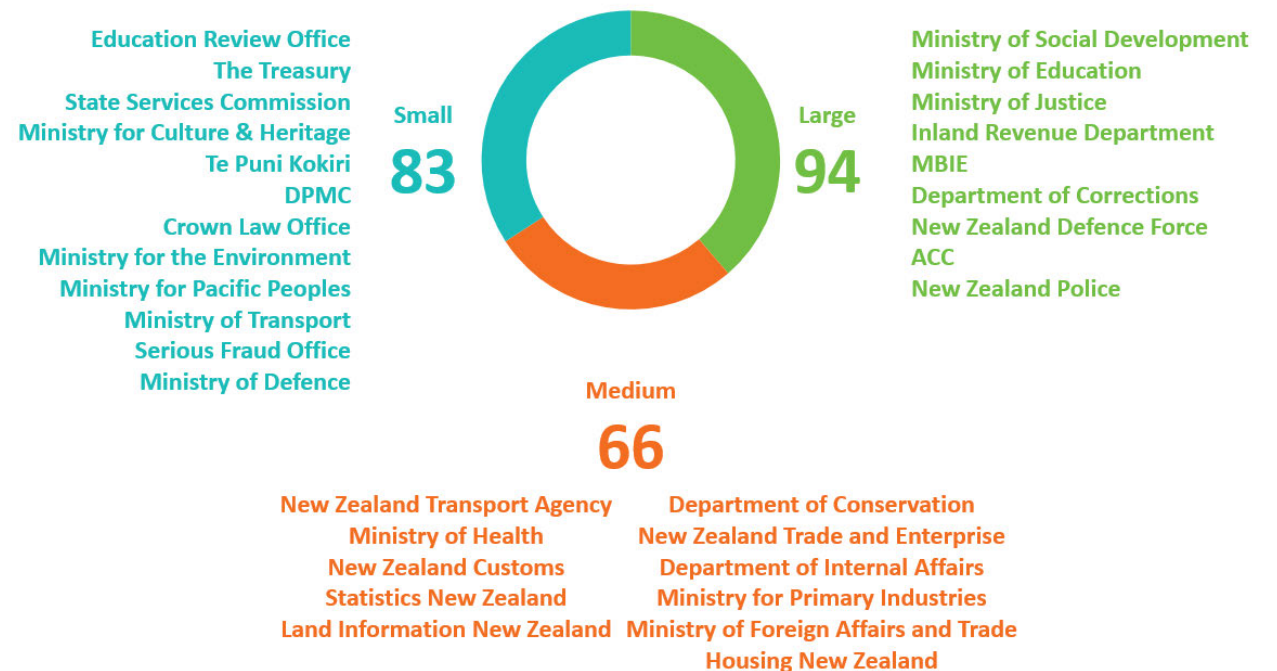
**DEMOGRAPHICS BY ETHNICITY**

As at 16 March 2016 the sample size was too small to provide a meaningful view of ethnicity.

**DEMOGRAPHICS BY AGENCY SIZE**

Of the 243 leaders assessed there was a reasonable spread among small, medium and large agencies. Agency size is based on BASS criteria:

- Size of operating budget
- Number of organisational FTEs
- Agency type by primary function
- Distribution of people/service geographically



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To deliver, we need to recognise our relative strengths as well as develop in the areas of our greatest collective need.

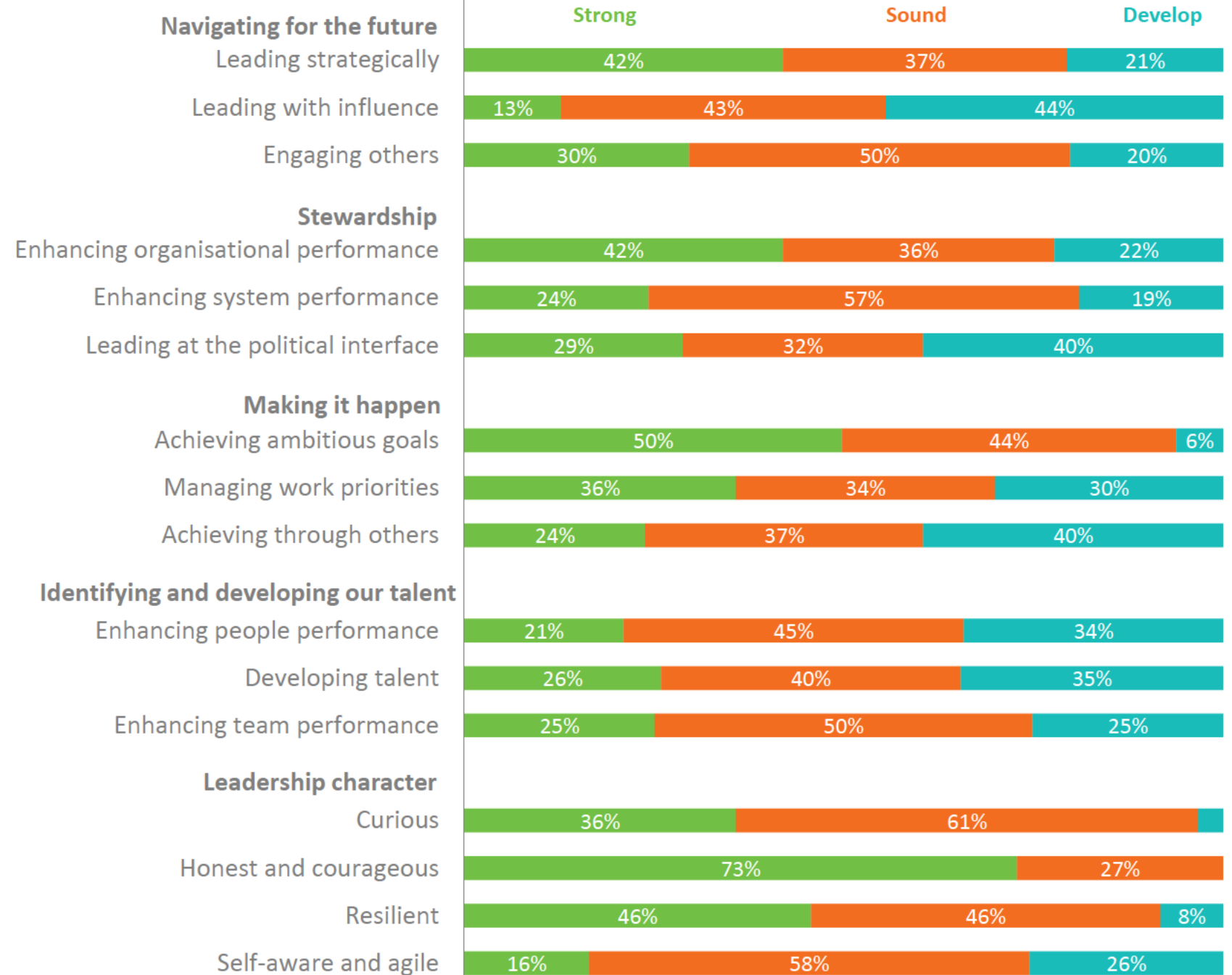
**Our leaders profile as honest, courageous, goal focused and resilient, with a range of relative strengths.**

Our system strengths have helped the State services achieve a great deal over recent years, often in challenging circumstances. The overall profile tells us:

- Leaders profile as strong in strategic thinking and planning, but can struggle to communicate, and lead in ways that inspire and convince others to follow.
- They demonstrate achievement, drive and ambition, with a strong delivery-focus, but can find it difficult to achieve through others.
- While leaders are resilient and able to deliver hard messages, a large number are having difficulty navigating the interface between the Government and the public sector.

OVERALL CAPABILITY PROFILE OF 243 LEADERS ASSESSED

LEADERSHIP SUCCESS PROFILE CAPABILITIES



Percentage of group rated as Strong Sound and Develop

To better position the State services, we need to focus on the three areas that need the greatest development.

Leading with Influence	Leading at the Political Interface	Achieving through Others
<p><b>What is Leading with Influence?</b> Charting a clear direction; persuading others and addressing resistance; inspiring people; winning hearts as well as minds; communicating clearly and with impact.</p> <div data-bbox="91 828 413 1225"> <p>44%</p> <p>108 out of 243 leaders need to develop Leading with Influence</p> </div> <p>Nearly half of our male leaders (47%) and a third (33%) of female leaders need to develop this capability</p> <p>Of those who need development: 54% in small agencies 38% in medium sized agencies 41% in large agencies</p> <p>More T2 leaders have this as a development area (48%) than T3 leaders (41%).</p>	<p><b>What is Leading at the Political Interface?</b> Developing effective relationships with political representatives; anticipating government concerns; and taking account of political drivers, sensitivities, and the needs of political stakeholders; advising political representatives on key issues and decisions; providing 'free and frank' advice.</p> <div data-bbox="916 828 1239 1225"> <p>40%</p> <p>96 out of 243 leaders need to develop Leading at the Political Interface</p> </div> <p>More of our female leaders have this as a development need (47%) than male leaders (33%).</p> <p>Of those who need development: 37% in small agencies 58% in medium sized agencies 29% in large agencies</p> <p>More T3 leaders have this as a development area (44%) than T2 leaders (33%) possibly reflecting exposure of senior leaders to ministers.</p>	<p><b>What is Achieving through Others?</b> Delegating well (early and enough); using delegation to stretch and develop people; using a range of appropriate metrics to assess group performance; maintaining an appropriate level of oversight of work in their area; providing timely and tailored guidance for staff.</p> <div data-bbox="1755 828 2077 1225"> <p>40%</p> <p>96 out of 243 leaders need to develop Achieving Through Others</p> </div> <p>Both male and female leaders have this as a development area. Men (42%) and women (37%).</p> <p>Of those who need development: 43% in small agencies 40% in medium sized agencies 37% in large agencies</p> <p>Both T2 and T3 leaders have this as a development area. T2 (37%) and T3 (41%).</p>

**What are the barriers?**

- Leaders devote insufficient time to thinking about, planning and evaluating their leadership approach. They are more likely to 'just do'.
- Leaders are less comfortable experimenting with different leadership approaches.
- Leaders over-rely on their personality to be their leadership style.
- Leaders do not always recognise that the ability to inspire others and communicate with impact/gravitas becomes more important as they progress in seniority.
- Leading with influence is sometimes seen as a 'nice to have' rather than critical to success in a State services leadership role.
- Leading with Influence is a capability where leaders rarely get feedback as it often strikes at the core of their approach (who wants to hear they are not inspiring and lack gravitas). It is often what people are thinking but don't say it. In addition, effective leadership is more about adapting style to meet situational needs, rather than a 'one size fits all' skill.

**What are the barriers?**

- We tend to put our most experienced people in front of ministers and consequently, other people get limited experience and exposure.
- There is limited opportunity to observe a range of senior leaders interacting with ministers.
- Leaders are not skilled at reading and responding to changing interpersonal dynamics.
- Lack of comfort and skill in dealing with ambiguous situations.
- Under-developed Leading with Influence capability.
- A lack of robustness/assertiveness when dealing with ministers who convey their views forcefully.

**What are the barriers?**

- Leaders don't take a conscious and deliberate approach to delegating work. This means that they don't tailor their delegation approach to the skill level of their staff ('One approach suits all').
- Time poor managers gravitate to delegating work to their most capable and motivated people, or find it quicker to complete tasks themselves (in the short run). This means they miss opportunities to use delegation to stretch and develop their 'sound' performers.
- Leaders who lack strong people management skills (i.e. setting clear expectations, maintaining oversight, and managing performance) don't feel confident about delegating high-priority work, because they are concerned it won't be delivered to required standards.
- Leaders have a patchy understanding of the range of metrics they should use to assess their group's performance (i.e. what best practice looks like).

**Developing the next generation of leaders requires a lift in our collective ability to identify, manage and develop our talent.**

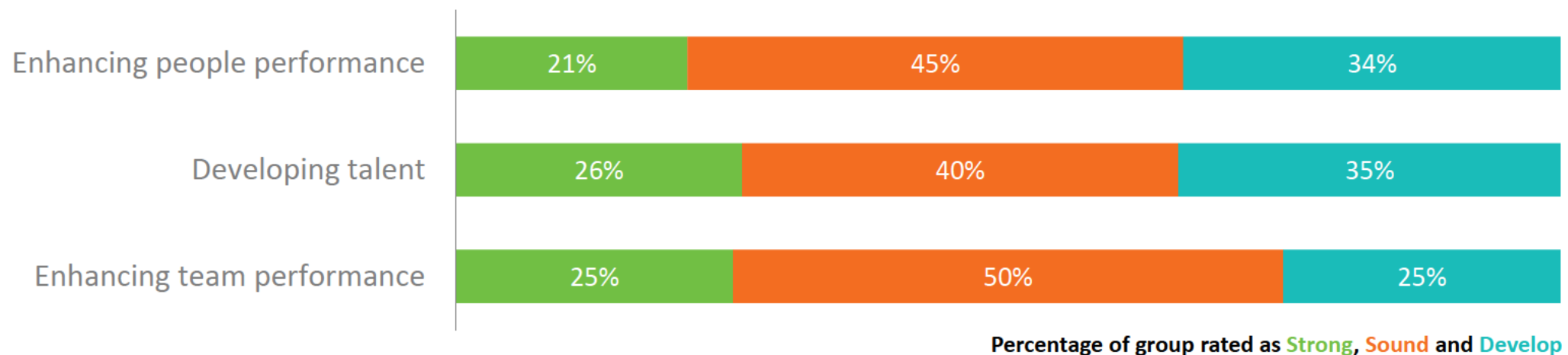
Achieving greater results for New Zealanders depends on how our leaders lead and manage their people. People leaders are best placed to identify, develop and deploy the talent needed, now and in the future. This is 'leader-led development' and it is critical.

Talent management is the lowest-ranked dimension against the Leadership Success Profile. These skills help build high performance cultures, positive workplaces and highly engaged individuals, teams and organisations. This finding is consistent with workplace engagement surveys, Performance Improvement Framework findings and the Leadership Development Centre's Assessment for Development results.

Given our people are our most important asset and are critical to lifting system and agency performance, this must be a development priority for all leaders.

Ratings for the three capabilities in this section of the Leadership Success Profile reflect the current ability in this area:

**IDENTIFYING AND DEVELOPING OUR TALENT**



- Only 26% of our leaders are strong in Developing Talent and ready to take on more complex responsibilities in this area. 35% of our leaders are still developing the capabilities needed to meet talent development requirements in their current role.
- When looking at this through a gender lens, women leaders are slightly stronger in this dimension. 29% of women leaders are strong in Enhancing People Performance as opposed to 14% of male leaders. 32% of women leaders are strong in Enhancing Team Performance compared to 20% of male leaders. There is no significant difference between men and women in Developing Talent.

While there are some significant differences when comparing key groups, we need to think differently about segmenting our roles.

There are a small number of significant differences by leadership tier. However, tier, as well as agency size, does not adequately reflect the actual leadership capability required.

- Tier 2 leaders are more likely to be strong at Leading at the Political Interface. The most experienced people tend to front with ministers, with other people getting limited experience and exposure.
- Tier 3 leaders are more likely to be strong at Enhancing Organisational Performance, possibly due to their greater focus on internal organisational issues.

While tier is an obvious 'go to' distinction, in practice it has proved less useful for understanding career paths across agencies of various size and complexity.

Percentage **Strong** by Tier



Percentage **Sound** by Tier



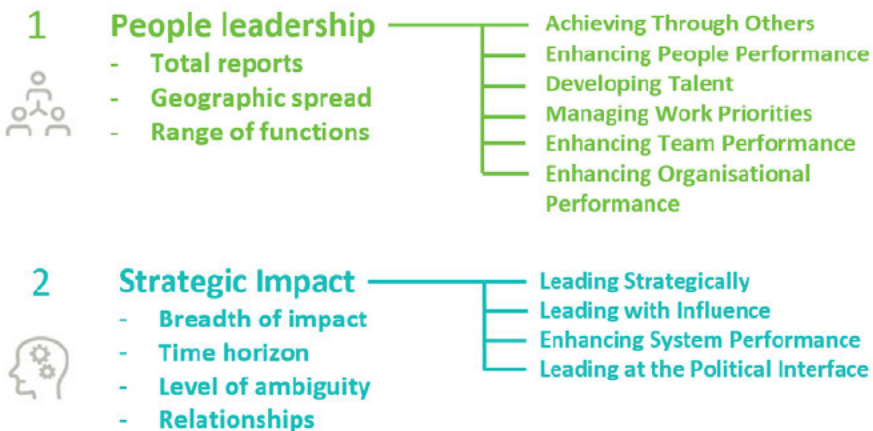
Percentage **Develop** by Tier





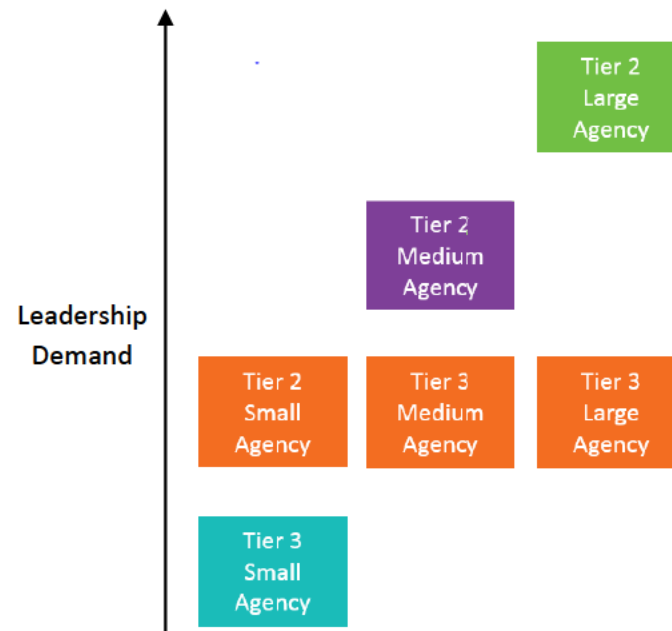
**Grouping roles by their leadership demands could provide a more useful way of supporting development, career progression and investment.**

When looking at the leadership demands across roles, the two key factors that drive leadership capability requirements are people leadership and strategic impact:



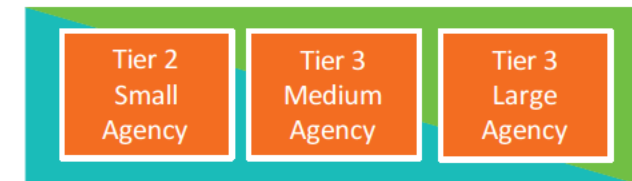
Averaging the role 'size' of each group of leaders suggests groups of roles are of similar size in terms of overall leadership demand.

For example, Tier 2 roles in a small agency, Tier 3 roles in a medium-sized agency, and Tier 3 roles in a large agency, are at a similar level when it comes to leadership expectations.



However, while these roles have equivalent leadership demands, the demands have a different emphasis. The Tier 2 roles in small agencies have a greater emphasis on strategic leadership, whereas the Tier 3 roles in larger agencies have more emphasis on people leadership.

**Span of Control**



**Strategic Focus**

Moving up the organisational tree, or to a larger agency, may not be the ideal leadership career path.

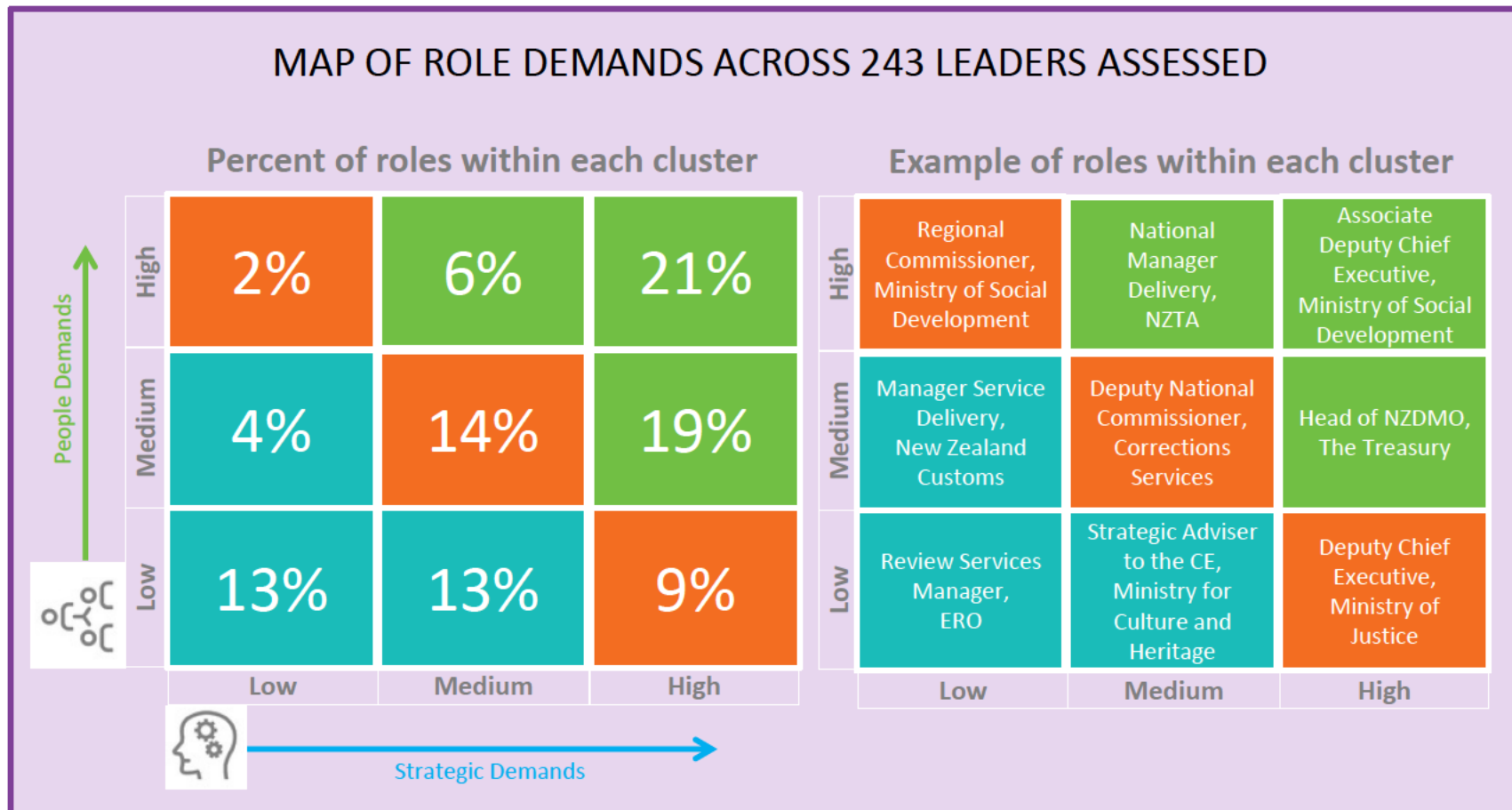
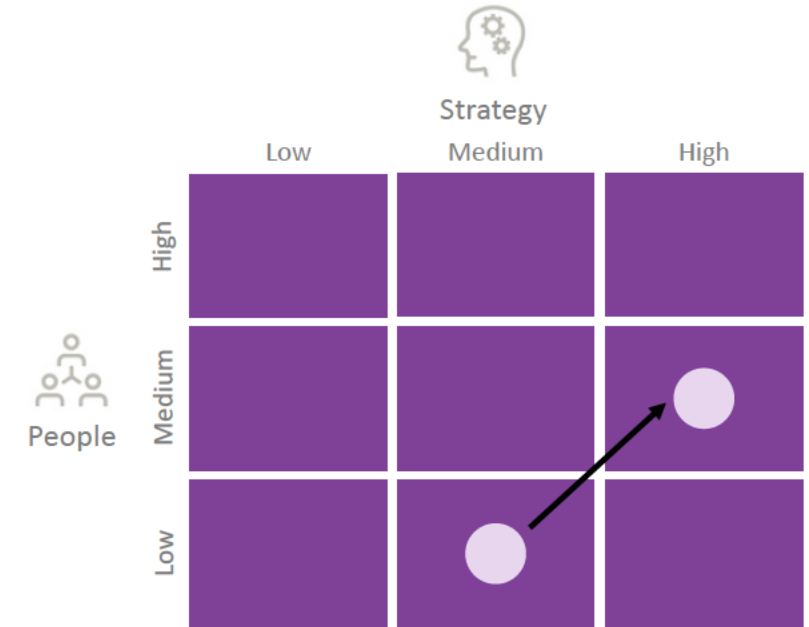
The analysis raises two implications for leadership career planning:

- Leaders may need to move across and between roles to gain a full range of leadership experience before progressing further.
- Using agency size and organisation tier alone is too coarse a method for effectively planning career paths.

An alternative view of career paths is to categorise roles based on their people and strategic demands.

If each leadership role was placed on the grid to the right, we could make better decisions about the leadership pipeline.

For example, if a person were to move roles as shown in the example, we know they would be facing increased people and strategic challenges which could be too much of a stretch. Career moves may be best managed to provide growth along one dimension at a time.



**Through a gender lens, there are differences in the roles women undertake and this may explain some of the relative strengths they display.**

With broadly equivalent numbers of men (132) and women (111), enough data exists to determine variations in strengths and development needs for each group.

It suggests that:

- Women leaders are more likely to be stronger than men at Achieving Ambitious Goals and Enhancing People Performance. These capabilities could be underutilised and/or under-recognised among our women leaders.
- Women leaders are less likely to be stronger than men at Leading Strategically, though a significant number are sound. This suggests, relative to men, women may need more stretch opportunities in this area to better prepare for future roles.
- Relative to men, women are more likely to need development in Enhancing Organisational Performance and Leading at the Political Interface, and men are more likely to need development in Enhancing People Performance and Developing Talent. Both genders require development in Leading with Influence and Achieving Through Others.

Percentage **Strong** by Gender



Percentage **Sound** by Gender

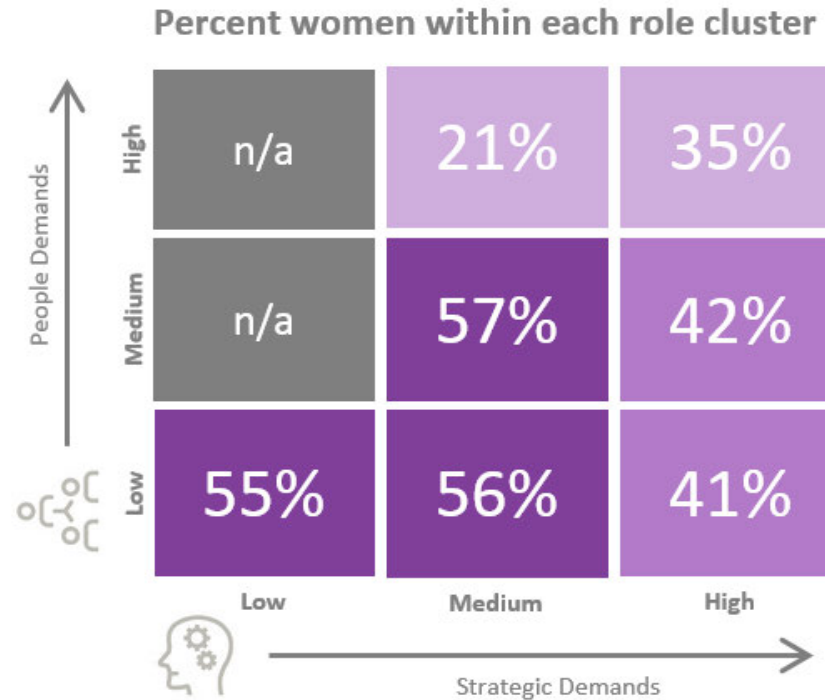


Percentage **Develop** by Gender



Looking at the leadership demands of the roles that women hold, there are fewer women in roles with high levels of strategic impact and people leadership demands (35%).

While women appear stronger overall in people-orientated capabilities, they do not appear to be in roles which most require these capabilities. Many factors impact career choices and aspirations for women leaders. Further research and analysis may explain these differences.



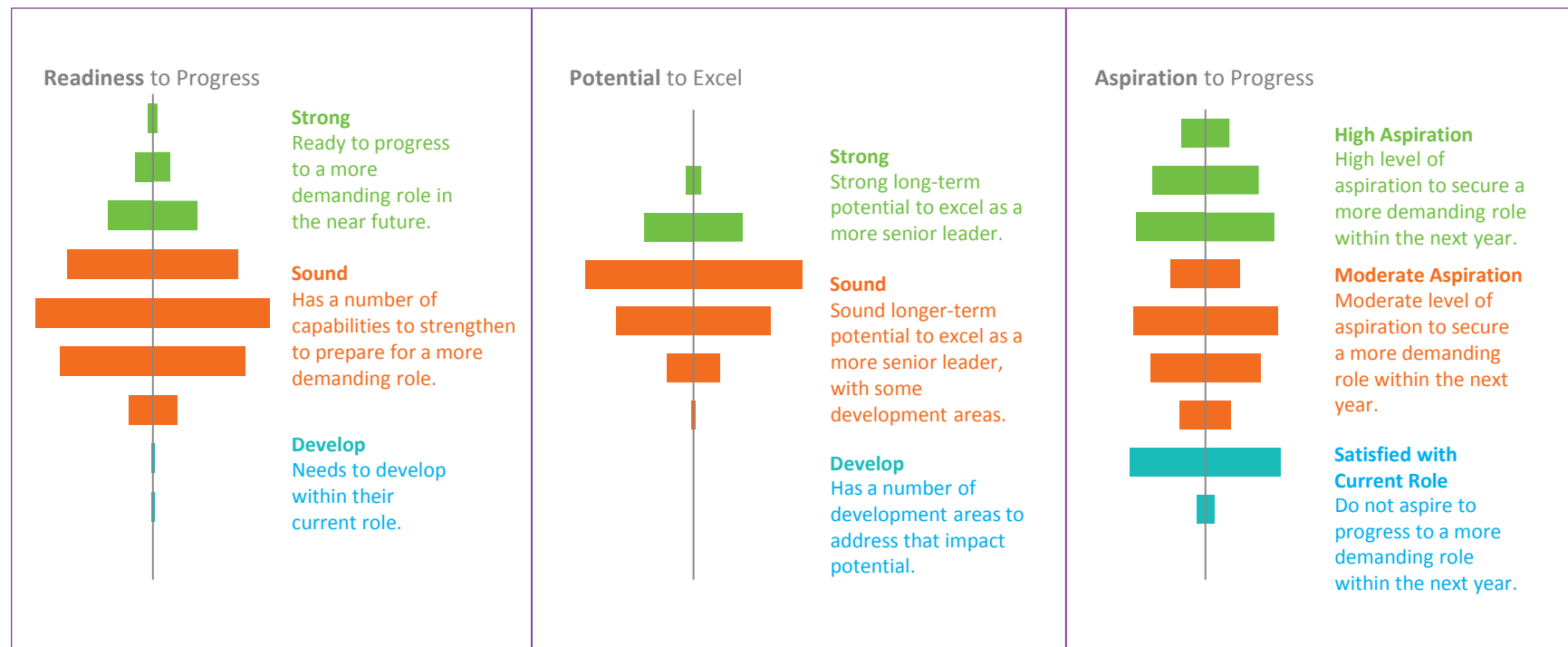
*Leadership Insight* allows us to better understand the leadership pipeline – so we can effectively plan succession, manage expectations and target investment.

**Consistent measures of aspiration, potential and readiness provide a perspective of how ready, willing and able our senior leaders are to progress their career.**

- *Readiness*: A person's ability to perform in a role at the next level of complexity, if appointed in the next 12-24 months.
- *Potential*: A person's likelihood of excelling as a more senior leader if provided with suitable development opportunities and experiences.
- *Aspiration*: A person's desire to progress their career at a point in time.

These measures suggest:

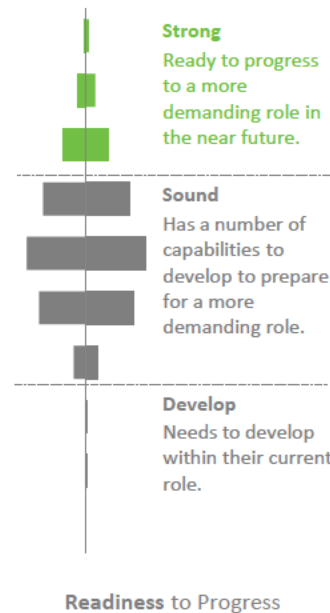
- 17% of our senior leaders are ready to progress to a more demanding leadership role without significant additional development.
- 21% of our senior leaders have strong long-term potential to excel in a more senior role.
- 35% of our senior leaders have a high level of aspiration, with 20% being satisfied in their current role.



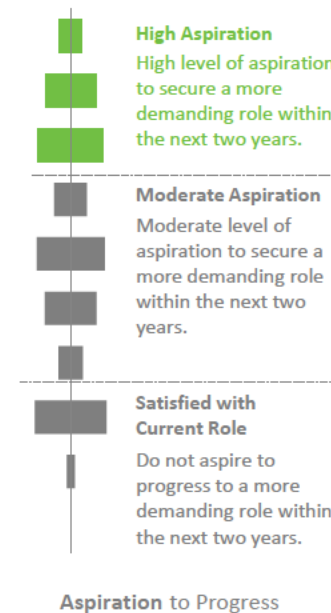
**We have identified a strong pool of leaders who are already in our most demanding roles, but a more limited pipeline.**

- People who are ready and willing to progress are mostly in roles with higher leadership demand. Their next progression is most likely to be towards chief executive and/or our most complex senior leadership roles. Opportunities for promotion into these roles are limited and there is a risk that these people will become frustrated.
- The pipeline of leaders who have the readiness (in the next 12 months) and aspiration to move from lower complexity roles into broader roles is limited. Aspiration may play a part in this and therefore there may be an opportunity to encourage leadership aspirations and development earlier in career.
- An area requiring further analysis is to understand if those leaders with strong readiness to progress possess the right mix of capabilities required (refer to pages 10-12).

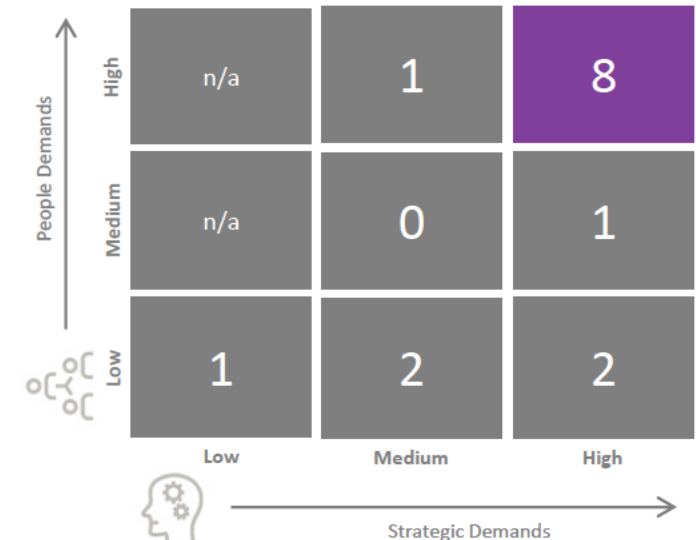
17% are ready for a role with higher leadership demands



35% have high levels of aspiration



The number of people who are ready and willing to progress, by role cluster





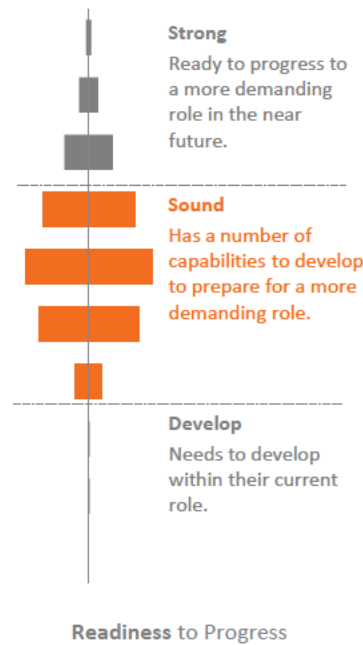
There is also a large pool of leaders who have sound capabilities and high aspirations. With the right development, they have the ability to step into more complex roles in the medium term. There is a good spread across the role clusters.

Of those leaders who have sound readiness and high aspiration:

- 88% could develop further in Enhancing People Performance. Managing people performance can bring out the best in managers and staff to deliver high-quality results for customers.
- 85% could develop further in Leading with Influence. Leading and communicating in a clear, persuasive, impactful and inspiring way to convince others to embrace change and take action.

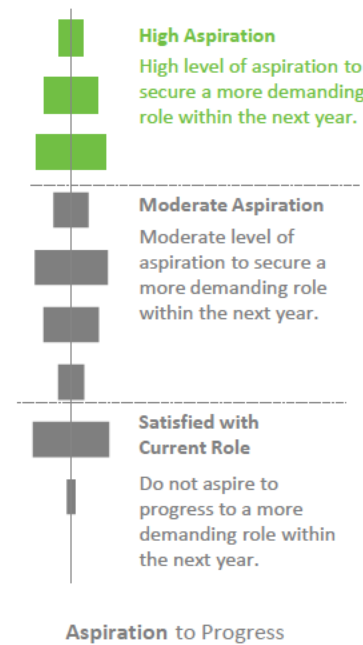
These capability areas are critical to lead in the new environment.

82% have a number of capabilities to develop



X

35% have high levels of aspiration



The people who are motivated to develop their leadership capability, by role cluster

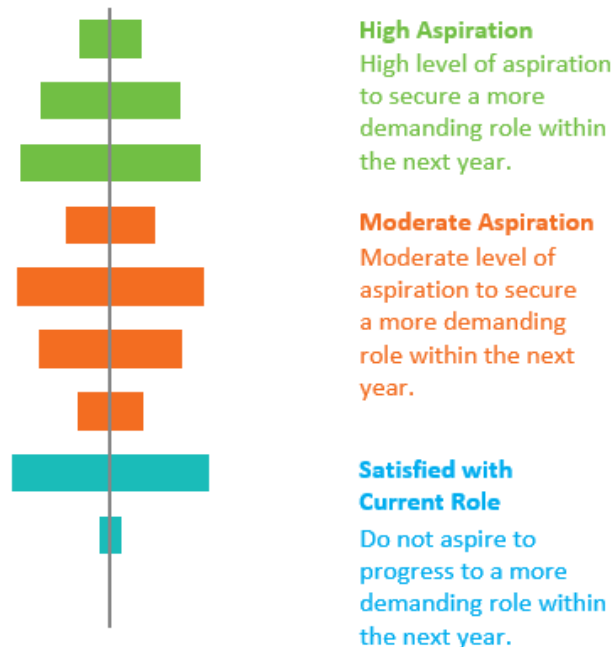


**A more nuanced understanding of aspiration will help us to better target our efforts.**

Aspiration ratings can be reasonably fluid as a number of factors impact on people's career aspirations:

- Many people have not really thought about their career drivers and aspirations, or have not refreshed their aspirations as they progressed in their career.
- Aspiration can be increased through positive career experiences. For example, a manager who conveys belief in the leaders ability to succeed, provides regular and constructive feedback, stretch assignments and is a positive senior role model.
- Aspiration can be decreased through less positive career experiences. For example, a manager who is not encouraging or who provides a lack of candid feedback about why the leader was unsuccessful in job applications.
- Changes to personal circumstances such as life stage and family situation.
- Awareness of strengths and development needs against current and future role requirements – many people are not sure how they 'stack up' against the requirements of more senior roles.

Aspiration to Progress



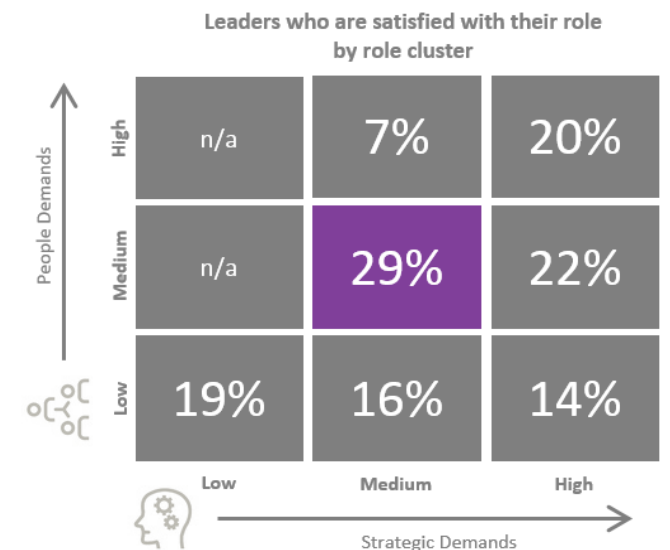
← *35% of leaders have a high level of leadership aspiration*

← *20% of leaders are satisfied with their current role*

The 20% of leaders satisfied in their current role are more likely to be in roles with medium levels of leadership demand as shown below. The reasons for this could be attributed to:

- Recent move to a new role and are looking to master the skills in this role.
- Want to see key projects through to completion in current role.
- Feel sufficiently challenged by current role.

These leaders provide stability in the system and we need to ensure they are engaged.

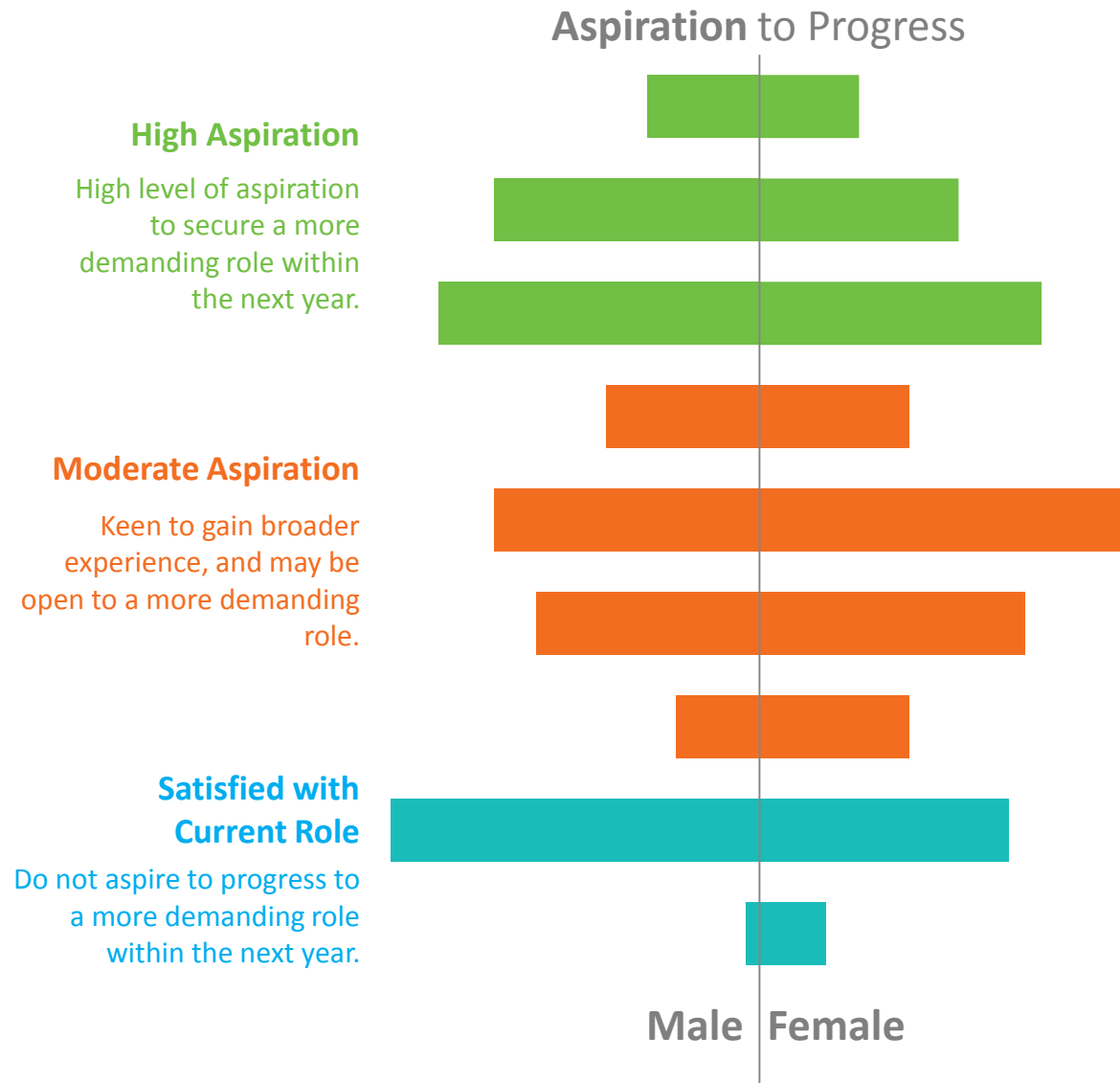




We looked at aspiration through a gender lens and found that men are more likely to have high aspiration, while women are more likely to have moderate aspiration.

The discussions held with leaders during the *Leadership Insight* assessment process suggests female leaders are often keen to progress to more senior roles in the long-term, but do not currently consider themselves 'ready'.

Their reasons included family circumstances and responsibilities, a lack of clarity about how they 'stack up' against more senior roles, and a desire to gain specific experiences seen as important for securing more senior roles. For example, to gain more operational experience or experience outside their current agency.



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## There are a number of broad implications which will inform system priorities and actions.

*Leadership Insight* clearly identifies those areas that we must target. Our priority must be on the few areas that will have the biggest impact.

1. We must focus recruitment, development and investment on those capabilities that are most critical to shifting system performance. These are the capabilities that enable our leaders to deliver better public services – working together across boundaries to deliver services that are centred on New Zealanders’ current and future needs and wellbeing.
2. We must make it easier to identify and move leaders to where the system needs them most and where it will best support their development. Chief executives will need to grow capability as much for the system as for their own sectors and agencies.

This will require making better use of Key Positions and the State Sector Act changes, designed to support development and deployment.

3. We must focus on talent identification, development and career paths for early-in-career leaders, as much as for our senior leaders, if we are to build a strong pipeline. Key to this will be placing greater emphasis on recruiting for leadership potential and developing those capabilities where the system is currently weakest.
4. We need to think differently about leadership career paths, recognising the leadership demands of different roles and value and reward both horizontal and vertical progression.
5. We must take a team rather than individual view of leadership development and talent management, reflecting that to lead organisations today, a range of capabilities are required and these are not typically found in a single leader.

6. When we reflect on the broader context, there appears to be a fundamental barrier to adopting a system-wide approach to leadership development. Currently a multitude of different leadership systems exist. For example, performance management, employment arrangements, measures of engagement and recruitment. Consistency is needed in those areas where it makes most sense to do so, at the same time as recognising the different needs of agencies.

To get from good to great,  
we must build on the best  
of what we have.

***Leadership Insight* serves to support individual career and development conversations – now is the time to deliver on the development promise.**

For individual leaders, *Leadership Insight* has provided a mechanism to build awareness of their leadership strengths and specific areas to develop. It also serves to support career and development conversations, to surface barriers to overcome, challenge perceptions and understand aspirations.

**We have a baseline for senior leadership capability from which responses can be tailored.**

For organisations and agencies investing in and developing leadership capability, it provides a starting point for understanding some of the changes that will be required to refocus investment and development.

For providers, it offers a language and context for recruitment, development and career management products and/or services.

Over time as greater numbers of leaders are assessed and data is contrasted against other sources, we will deepen our understanding. Sector, agency and team based profiles can be developed. This will allow for a number of perspectives and for succession planning to be focused on what a sector, agency or team might need to lift performance.

**We all have a role to play – this is the responsibility of the many, not the few.**

To continue to gain a deeper understanding of the strengths and diversity of our leaders, further analysis will be required once all assessments have been undertaken.

We have set ourselves a challenging goal: a mind-set shift in the way we think about and deliver leadership for New Zealand. This work has provided a comparative picture of the senior leadership cohort and identified some of the actions we need to take to progress our goals.

Achieving the goals depends on chief executives and their senior teams leading the right talent identification and development practice in their agencies.

This will require a partnership between chief executives, the State Services Commission, senior leaders, all people managers, the Leadership Development Centre and Human Resource professionals to make it happen.

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Acknowledgements.

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To find out more about our work, visit us at <http://www.ssc.govt.nz/leadershipandtalent>

You can contact the Leadership and Talent team at [leadershipandtalent@ssc.govt.nz](mailto:leadershipandtalent@ssc.govt.nz)



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