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# CHAPTER

# 2

# BANK OF AMERICA

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A comprehensive, multi-phased executive on-boarding program that leverages multiple sources of feedback, coaching, and leadership and cultural competencies.

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## INTRODUCTION

The Bank of America is the first true national retail banking brand in the United States. Over the last two decades, the bank has grown dramatically, primarily through acquisitions. It began as the small regional North Carolina National Bank and has become one of the largest companies in the world. As a financial institution, it serves individual consumers, small- and middle-market businesses, and large corporations with a full range of banking, investing, asset management, and other financial and risk-management products and services. Following the acquisition of Merrill Lynch on January 1, 2009, Bank of America is among the world's leading wealth management companies and is a global leader in corporate and investment banking and trading across a broad range of asset classes serving corporations, governments, institutions, and individuals around the world. The company serves clients in more than 150 countries.

In this chapter, we will describe the Bank of America's executive on-boarding programs. Through a multi-phased approach supported by comprehensive feedback and coaching mechanisms, the bank's programs have proven highly effective at both pre-empting leadership failures and for accelerating the knowledge and relationships necessary to step into an executive role. Our insights are drawn from an in-depth case analysis of these on-boarding programs at the Bank of America.

### *Company Background*

The Bank of America example is one of the most comprehensive approaches to executive on-boarding in the field today. It also has a proven track record of seven years with successful results. For example, the Bank of America hired 196 externally hired executives between 2001 and May 2008 and had experienced twenty-four terminations—a new hire turnover rate of approximately 12 percent. This compares to estimates as high as 40 percent turnover in large corporations (Watkins, 2003). The Bank of America has tested its approaches out on a very large sample of on-boarded executives—over five hundred internal and external over the last seven years. Over the last decade, the Bank of America has been actively involved in acquisitions as well as organic growth. As a result, the organization must annually on-board a significant number of executives— both externally and internally sourced. This demand has created many opportunities to learn about the efficacy of various executive on-boarding interventions.

In addition, the Bank of America's on-boarding program is expressly designed to help new executives learn to be facile at navigating the bank's large matrixed organization as well as building and leveraging networks of relationships for career success and for implementing company initiatives. These same demands are common in most large corporations today. We feel that this particular case holds lessons that readers in a wide range of organizations will therefore find useful.

### *The Leadership Dilemma*

The first-time executive leader faces three dilemmas as he or she steps into a new role. In a brief period of time, the leader must gain mastery over a complex and demanding role.

The learning demands are often the most pronounced in a manager's career. Second, expectations are high. It is assumed that the incoming executive already has the seasoning to lead in the new situation. After all, most executives have already spent years in managerial roles beforehand. As a result, there is little developmental feedback for those at the top of organizations. These two challenges produce the third dilemma. The probability of the incoming executive's derailment is high. Complex new role demands combined with a lack of developmental support can produce a "perfect storm" in terms of failure on the job.

As can easily be imagined, the price of leadership failures in the executive ranks is very costly for any organization. Beyond the direct costs of on-the-job development, severance, and recruitment, there are more significant costs to the organization, such as stalled organizational initiatives, loss of business knowledge, damage to customer and staff relationships, dampened employee morale, and lost opportunities. In addition, there are the costs of recruiting a replacement as well as the replacement's time in gaining mastery of the job and setting his or her own agenda. Given these high costs, there is a tremendous need for developmental interventions that place an emphasis on pre-empting failures in senior leadership roles.

While some organizations have developed formal on-boarding interventions, the typical approach tends to be quite limited in scope and does little to effectively on-board an executive leader. Most are simple orientation programs offering an opportunity to network with the CEO and the executive team. They may also provide some form of overview of the corporation, its financials, and its activities. A handful of organizations such as General Electric and Toyota do have more sophisticated on-boarding programs at the executive and general manager level (Fulmer & Conger, 2003), but such programs are very rare in the corporate world. Instead interventions to pre-empt leadership derailments tend to be dependent on performance appraisals and talent management practices. The underlying premise is that failures at the executive level can best be avoided through continuous formal performance feedback to a manager and through the careful selection of jobs and bosses over the *life span* of a manager's career (McCall, 1988). While we share this view, we also believe that developmental interventions focused solely on the transition to the executive role are a necessity. Companies such as General Electric and PepsiCo have long designed their leadership education programs around career transitions, especially at executive levels (Conger & Benjamin, 1999). In other words, a comprehensive on-boarding program at the executive level has an essential place in any organization's portfolio of leadership development initiatives.

### The Need for On-Boarding Interventions at the Executive Leadership Level

The transition from line management to an executive role is a significant jump in terms of scale and complexity of the job. Executives operate at the boundary between their organization and the external environment, whereas most managers are more

organizationally and functionally oriented. Executives must also formulate company-wide strategies and play a critical role in their implementation—roles which they played to a far lesser degree prior to their executive appointments. Their decisions around staffing, rewards, measurement systems, and culture create a context that shapes the strategic choices made by managers and specialists throughout the organization.

The executive role comes with enormous visibility and accountability. It is extremely demanding with little time for learning on the job. At the same time, developmental feedback and coaching for executives tend to be minimal. There are the occasional opportunities for formal coaching and executive education programs. But beyond these interventions, there is usually little else. In conclusion, for many managers, the promotion to an executive leadership role will be the steepest jump in their career history, and paradoxically the one with the least amount of transition support.

The limited developmental support is a result of several factors. First, it is assumed by most organizations that their senior-most talent is well seasoned, given the many years of managerial experiences required for entry into the executive suite. Yet positions in functional line management roles are rarely broad enough to provide sufficient preparatory experience.

Second, the promotion itself and the many years of prior management experience can produce an often misplaced self-confidence in new executives that they are up to the task. This sense of self-assurance may discourage new executives from seeking out developmental feedback and from being more proactive in self-reflection and learning. There is a natural desire to appear in charge—in other words, to be seen as an effective leader immediately. Seeking coaching and feedback would dispel this impression, and therefore executives may be hesitant to seek either.

Third, in the executive suite, the environment is also more politicized. Peers at the executive level are often competitors jousting for the top roles. As a result, developmental support and feedback from colleagues tend to be far more difficult to obtain. In addition, many CEOs do not see coaching their executives as an essential part of their role. So the new executive's superior may provide limited or no developmental guidance.

All of these forces coalesce to increase the probability of leadership derailments at the senior-most levels of organizations. The problem is even more extreme for organizations when outsiders are hired into executive jobs. As noted earlier, one estimate is that 40 percent of senior managers hired from the outside fail within their first eighteen months in the role (Watkins, 2003). Given the above discussion, it is easy to see why a developmentally oriented program to help transition managers into executive leadership roles might not only be helpful but essential. But what exactly should be the aim of such interventions and how best to design them?

Ideally, a well-designed on-boarding intervention can and should achieve three outcomes. The first is to *minimize the possibility of derailment* on the job. By accelerating the new executive's understanding of the role demands and by providing support through constructive feedback, coaching, and follow-up, a well-designed program can and should preempt failures. The second outcome is to *accelerate the performance results* of the new leader. For example, research suggests that a senior-level manager

requires an average of 6.2 months to reach a break-even point—the moment at which the new leader's contribution to the organization exceeds the costs of bringing him or her on board and he or she has acquired a critical base of insight into the job (Watkins, 2003). Effective on-boarding interventions should shorten this cycle of learning by accelerating the development of a network of critical relationships, clarifying leadership and performance expectations, and facilitating the formulation of more realistic short- and medium-term performance objectives.

A third outcome for on-boarding interventions concerns organizations that are aggressively pursuing acquisitions or experiencing high growth rates. In both cases, they must grapple with socializing an influx of outside senior managers. An effective on-boarding intervention *should facilitate a far smoother integration and socialization experience* for these incoming executives. It accomplishes this by helping them to rapidly acquire an understanding of the business environment, socializing them into the organization's culture and politics, building a network of critical relationships, and familiarizing them with the operating dynamics of the executive team. In the sections to follow, readers will see how the Bank of America on-boarding programs successfully achieves these outcomes.

## LEADERSHIP DEVELOPMENT ACTIVITIES FOR EXECUTIVE LEADERS

The impetus for the Bank of America's interest in executive on-boarding is a product of its own corporate history. Over the last two decades, the bank has experienced dramatic growth through acquisitions. It began as a small regional North Carolina bank (North Carolina National Bank) and has grown into one of the largest companies in the world. As a result of this history of aggressive acquisitions, it discovered a need to more effectively on-board executive leaders from acquired companies and to quickly assimilate them into the Bank of America's standards and expectations for performance. The organization's leadership development group was very familiar with the research on executive derailment, which showed high failure rates for executives who were on-boarded into acquiring companies. In response, the bank developed on-boarding interventions. Over time, these programs have been expanded to the organization's internal executive promotions to ensure that these individuals will succeed as well as feel that they were receiving attention equal to the outsiders.

It is important to note, however, that executive on-boarding is only one of several processes that the Bank of America deploys for the leadership development of its senior talent. While we explore this one activity in depth in this chapter, the bank's success with leadership talent is a product of its multi-faceted approach to development at the executive level, along with Mr. Lewis' and his executive leadership team's unwavering support for leadership development. The latter is a critical driver of the bank's success in this area. As illustrated in Figure 2.1, the range of the bank's executive leadership development activities is extensive and includes selection, on-boarding, performance

management, processes to upgrade executive talent, developmental experiences, and compensation.

A critical factor is that the executive development strategy is championed by the bank's CEO Ken Lewis. In overview fashion, Figure 2.1 highlights the core dimensions of executive development at the bank. In addition, Lewis meets every summer with his top executives to review the organizational health and development strategies of each business. In two- to three-hour sessions with each executive, Lewis probes the people, financial, and operational issues that will drive growth over the next twenty-four months, with the majority of time spent discussing the key leaders, critical leadership roles necessary to achieving the company's growth targets, and organizational structure. These meetings are personal in nature, with no presentation decks or thick books outlining HR procedures. But they are rigorous. Business leaders come to the sessions with a concise document (the goal being three pages or fewer to ensure simplicity) that describes strengths and weaknesses in their units' leadership talent pipelines, given business challenges and goals. During these conversations, executives make specific commitments regarding current or potential leaders—identifying the next assignment, special projects, promotions, and the like. Lewis follows up with his executives in his quarterly business reviews to ensure that they have fulfilled their commitments. With this active commitment at the very top of the organization, leaders throughout the Bank of America sense that leadership development is a critical activity for the company. As a result, it is a widely held belief that leadership talent directly
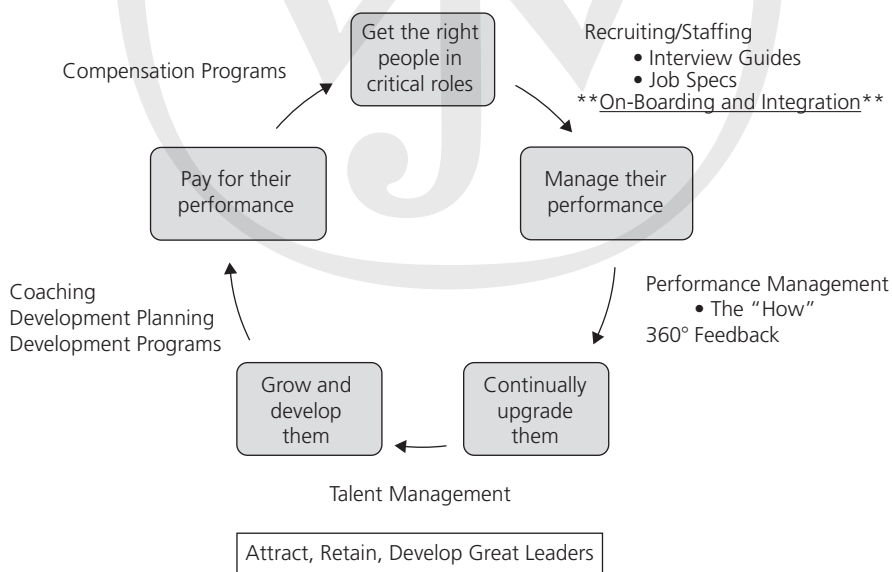
FIGURE 2.1. *Executive Development at Bank of America*

affects the performance of the bank. This belief sets up a mandate for the organization—to hire and keep great leadership talent.

Finally, the organizational culture promoted by Lewis is one that encourages candor, trust, teamwork, and accountability at all levels in the organization, especially at the executive level. The company has a deep comfort with differentiating individual performance (based on what is achieved as well as on how these achievements are attained). There is also a belief that today's top performers are not necessarily tomorrow's—that even the best leaders can fall behind or derail. As a result, the corporate culture is one in which the truth is more highly valued than politeness or tolerance for average or poor performance. These beliefs drive what and how the Bank of America builds and measures leadership success, whether it is in programs, performance management, or selection. This overarching environment is critical to the success of the bank's executive on-boarding program. One cannot understand the on-boarding process without first appreciating the bank's commitment to leadership and high performance.

### *The Design Assumptions Underlying the Bank of America's Executive On-Boarding Process*

Underpinning the Bank of America's on-boarding interventions is a set of fundamental assumptions that have shaped its design features. These assumptions are the product of "lessons learned" from earlier experiences with on-boarding interventions and experiments. The baseline assumption is that successful on-boarding occurs *over time*—specifically during the executive's first twelve to eighteen months on the job. Thus, any on-boarding process must be supported by *multiple interventions* instead of a single event, say at entry into the executive role. Interventions must occur at *intervals* over the executive's first year to eighteen months, rather than solely within the first few months into the job. To be effective, on-boarding must also be supported by *multiple resources,* especially in terms of *stakeholder* resources. To engage solely the new executive's superior (the hiring executive) is not sufficient to ensure a successful on-boarding experience. Instead the fullest possible spectrum of stakeholders must be involved in the new executive's selection, entry, and on-boarding. Finally, interventions are completely dependent on the quality of the *interaction* between the executive and his or her stakeholders. A purely paperwork-driven or bureaucratic process will not produce optimum results. The approach must therefore focus on the quality of *dialogue* and interaction, rather than on documentation and formal processes.

These assumptions have directly shaped the on-boarding interventions that the Bank of America deploys. For example, the bank's program is designed around multiple phases. Different kinds of interventions occur in each phase. It engages the new executive's many stakeholders in a simple, transparent process, with the aim of achieving a broad range of outcomes. Dialogue and feedback are at the core of all of the various interventions. In the discussion that follows, we will examine how these design assumptions play out in each of the major phases of the on-boarding process.

### *The Bank of America's Executive On-Boarding Program: Phases and Interventions*

The on-boarding experience spans four core phases—selection of the new executive, initial entry into the executive role, a mid-point phase of 100 to 130 days on the job, and a final review phase at the end of the first year. We will examine each of these phases, its central activities, and its goals.

***Selection Phase***   The first element of a successful on-boarding process is the selection process itself. While expertise and experience are the overriding criterion, there are additional dimensions when it comes to selection at the Bank of America: leadership ability and cultural fit. If the new executive is lacking leadership and interpersonal skills and cultural sensitivity, he or she will have a much higher probability of derailing. To ensure this does not happen, the human resources function at the Bank of America devotes a great deal of attention to its partnerships with executive search firms. Recruiters must understand the bank's culture and leadership requirements when hired to conduct an executive-level search. In addition, a leadership development officer from HR ("LD partner" in the bank's terminology) will often interview the candidate to assess cultural fit with bank, value to the team, and leadership approach. This information is meant to complement data from other potential stakeholders who are interviewing the candidate about his or her expertise and experience. The LD partner will solicit responses to the following types of questions from all the interviewers:

1. "Would you personally trust your career to this person [the candidate]?"

2. "Do you see yourself learning from him or her?"

3. "Is this person capable of putting enterprise objectives ahead of his or her own goals and working well across lines of business and constituents?"

4. "Would this person complement the direct team that he or she would be a part of?"

5. "Would this person be able to accept, process, and apply candid coaching and feedback in order to continuously improve?"

6. "Does he or she have the drive and passion to be part of a winning team?"

7. "Can you see this person leading from and living the company's core values? Would he or she fit our culture?"

8. "Does this person have the potential to assume more responsibility in the future?"

Answers to these questions provide insights into the candidate's potential for a fit or misfit with the bank's culture and for his or her credibility as a leader. If the candidate is hired, the answers to these and other interview questions are then provided to the individual upon his or her arrival into the job. The sources of feedback, however, remain anonymous.

Job design is another essential part of the selection process. A clear and calibrated job specification is spelled out and supported by stakeholders before a search begins. Critical stakeholders will be interviewed by the LD and/or HR partners about what is required in the job, as well as other dimensions that are not critical but helpful for the candidate to possess. This selection process is designed so that the hiring executive does not make a blind selection—say hiring someone with a similar style to his or her own. The multi-stakeholder involvement also ensures that the hiring executive has a clear sense of the demands of the job from the perspectives of the widest range of stakeholders.

Critical to this phase is the role of the LD partner. This individual acts as a "chief talent officer" during the hiring process and on-boarding process of each new executive. Usually with ten to fifteen years of experience, they normally possess a leadership development and/or organization development background. Most have deep experience in hiring and developing executives. As a result, these LD partners have a strong degree of credibility in the eyes of the new executive and his or her stakeholders. The LD partners' responsibilities are broad. They essentially "own" the executives' on-boarding process from beginning to end.

***Entry Phase*** Following hiring, the new executive's initial few weeks on the job are critical ones. During this time, he or she must accomplish four outcomes: (1) develop business acumen specific to the new role, (2) learn the organizational culture, (3) master the role's leadership demands, and (4) build critical organizational relationships.

From the standpoint of business acumen, the new executive must be able to efficiently and quickly learn customer and financial information specific to the new role. In turn, he or she must set realistic goals and objectives based on this information. On the cultural dimension, he or she must acquire an understanding of the written and unwritten norms of behavior within the organization. From the standpoint of leadership demands, new executives must be able to rapidly determine the organization's expectations of them as well as establish leadership expectations within their teams. Finally, it is imperative that the new executive be able to identify and build relationships with key organizational stakeholders.

To meet these demands, three major categories of interventions are used: (1) tools and processes, (2) orientation forums, and (3) coaching and support. Tools and processes include an on-boarding plan and new leader/team and new leader/peer integration processes. Orientation forums include a general new employee orientation and a new executive orientation program. For coaching and support, there are three primary providers: the hiring executive, an HR generalist, and the LD partner. Each of these interventions is described below.

During the first week on the job, the LD partner prepares the on-boarding plan for the executive. This early engagement with the LD partner ensures that from the very start the LD partner will be viewed as a critical resource for the newly appointed executive. The integration plan itself has two primary outcomes. One is to provide the new

leaders with basic yet critical information about the business they will soon be leading. They are given an overview of their units' financials, the units' business plans, key initiatives, assessments of their teams' leadership talent, and other important background information such as biographies of key managers, customer surveys, and recent presentations on key issues in the units. The second outcome is to have the executives define successes for their first ninety days on the job. They must identify these along three dimensions: financial, leadership, and organizational. The plan also explores early obstacles the executives are likely to face in terms of people, processes, and technology. The new executives must look at their own developmental issues and how they can best address these. At this time, the executives are given the names of their peer coaches (fellow executives) and senior advisors (typically at the same level or above). The peer coaches are resources for "insider" information. They will have benefited from having their own peer coaches in the past, and therefore see the importance of their role. To accelerate the relationship between executives and peer coaches, the LD partners will often try to find some common ground in backgrounds, such as attending the same college or experience in similar industries or companies. Consideration is also given to those who are known internally to be good coaches and who will be candid with the new executives. The senior advisors provide the new executives with mentoring around their careers. In contrast to the peer coaches, the advisors have a broader view of the organization, given their seniority. Often these are people with whom the new executives may need to undertake extensive near-term projects. They often are chosen from outside the lines of business as the newly hired individuals, as projects at the executive level often require cross-company partnerships.

In the first one to three weeks, further planning is used to identify emerging challenges in the new role, people-related issues, key relationships that must be built, and ongoing management processes that need to be established. This planning is captured in the New Leader-Team Integration Session—a critical experience in the entry phase. The objective of this process is to facilitate an effective working relationship between the new leader and his or her team. The process creates an opportunity for both the leader and the team to establish open channels of communication, exchange views, and become more acquainted with their respective operating styles and expectations. When this planning process is done well, it can dramatically shorten the time required for the new executive to become effective on the job.

The New Leader-Team Integration Session ideally occurs within the first thirty to sixty days of the new assignment. The process involves three steps, all of which are facilitated by the LD partner (sometimes and often in partnership with an HR partner). In the first step, the LD partner meets with the new executive leader prior to the integration session. The LD partner provides the new executive with an overview of the integration session's objectives and mechanics, identifies the executive's own objectives for the session, and selects the questions that will be used to create a mutually beneficial dialogue between the executive and his or her new team. In addition, the LD partner gauges the new leader's interests and concerns. Questions to solicit this information for the new executive include:

1. "What do you need to know about your team?"

2. "What don't you know about your team?"

3. "What are your concerns?"

4. "What things are most important to you as a leader?"

5. "What does the team need to know about your expectations and operating style?"

6. "How can the team best support you in your transition into the new role?"

7. "What key messages would you like to send to the team?"

Following this meeting with the executive, the LD partner meets with the new leader's team—either individually or preferably and more often as a group—without the new leader. The purpose of this second step is to develop a preliminary understanding of the group's issues and concerns. Typically, the LD partner will solicit this information using questions such as the following:

1. "What do you already know about the new executive?"

2. "What don't you know, but would like to know?"

3. "What advice do you have for the new executive that will help him or her be even more effective?"

4. "What questions do you have for the new executive?"

5. "What are your concerns about him or her becoming the leader of the team?"

6. "What major obstacles are you encountering as a team? What opportunities exist?"

7. "What is going well that you would like to keep? What is not going well that you would like to change?"

8. "What do you need from the new executive to allow us to be even more effective?"

Following these two preliminary meetings for data-gathering, the New Leader-Team Integration Session is conducted over a half-day period. After describing the meeting objectives and ground rules, the team goes off without the executive to gather responses to their new superior's "questions to the team." In the meantime, the new leader is debriefed on the group's interview responses, and he or she prepares responses to these for the team. The team and the leader then meet together for two hours of dialogue. The environment is a non-threatening one. The LD partner begins by reviewing the group's overall messages to the leader. For example, an insight might emerge that direct reports are interpreting certain of their superior's behavior in a negative light. The leader comments on the team's responses as well as communicates his or her key

messages to the team and how he or she plans to address the feedback. Facilitated by the LD partner, both the leader and the team establish formal commitments to one another and identify future issues to be addressed. For example, the new executive may commit to a new behavior or set of actions or a clearer vision. The leader might shift his or her management practices so that more time is spent on addressing future issues.

In addition to the New Leader-Team Integration Session, there is also a New Peer Integration Session, which is also held within the first thirty to sixty days of the new executive's arrival. This session creates an opportunity for the executive to network with new peers, to seek advice and guidance on on-boarding, to learn about norms, and to obtain general support. It also allows the individual's peers to learn about their new colleague's background, operating style, and priorities and to build an initial working relationship. Similar in design to the New Leader-Team Integration Session, it involves three stages. First, the LD partner meets with the new executive to describe the process, select discussion questions, and explore special issues and concerns. Typical interview questions for the preparation phase include:

1.  "What would you like your new peers to know about you?"

2.  "What would you like to know about your new peers?"

3.  "Provide a summary of your personal and work history that others might not know."

4.  "What are you interested in outside of work?"

5.  "How can your new peers support you as you transition into the executive team?"

The LD partner then meets with the executive's new peers and solicits responses to the following questions:

1.  "What advice do you have for your new peer?"

2.  "How would you describe the team's written and unwritten rules?"

3.  "What would you like your new peer to know about the team?"

4.  "The things that make a person successful on this team include. . . . "

5.  "The things that can derail a person on this team include. . . . "

6.  "The things that help a person integrate well into this company include. . . . "

7.  "What can you tell your new peer about each team member's operating style?"

In addition to responses to these questions, the LD partner also gathers from members of the peer team information on their areas of competence for which they might serve as a resource to the new executive, their interests outside of work, and the names

of their spouses and children. This data is recorded on index cards for the new executive.

The integration session is broken into three parts. There is a short overview, a setting of objectives, and an introduction of the team and the new peer. This is followed by the peer team and the new peer gathering responses to each other's questions in separate rooms. Each side's responses are recorded on flip charts. The team and their new peer then gather together in a conference room. Facilitated by the LD partner, there is sharing of the responses and dialogue. Basically, the session enables transparency and partnering—both cornerstones of success in the Bank of America's culture. It drives joint ownership for success as well, and, like the New Team Integration Session, it facilitates the acceleration of relationships with peers—individually and collectively.

Earlier, we had mentioned that orientation programs were a component of the entry phase. Within the first week on the job, the new leader attends a welcome orientation (providing an overview of the Bank's business, history, culture, values), which is run on every Monday for all new employees. Leaders then meet with their LD partners to discuss the on-boarding plan. Within the leaders' first few months, they are automatically registered to attend the New Executive Orientation Program. This program is sponsored directly by the CEO. Its purpose is for the executive to network with other new executives as well as the CEO and with his executive team as well as other executives previously hired into the bank from the outside. The program itself is one-and-a-half days long. On the first day of the program, there is an informal panel with executives who have been hired into the bank within the last two years. The panel of executives shares their own on-boarding experiences. They explain their experiences, what the new executives can expect, their personal "lessons learned." This is followed by presentations by the CEO and top executives, who cover topics such as the corporate values and culture, leadership philosophies and expectations, company strategy and finances, as well as other key business units' growth strategies and key enterprise initiatives. A social networking event then follows hosted by Ken Lewis and his direct reports. This orientation provides the new executives with insights into the business, the bank's culture, Ken's expectations for leaders, and how executives can derail. Beyond the information provided in the orientation, a parallel goal is to create a cohort identity for the new executives. This is important, as they will likely need to work with one another on key projects or business initiatives in the future. The cohort also provides the new executives with a safe haven or resource group to ask questions and to help navigate the complexities of the bank.

***Mid-Point Phase (100 to 130 days):*** Three to four months into their new assignments, the executives take part in the Key Stakeholder Check-In Session. This intervention involves receiving written and verbal feedback from a select list of their key stakeholders. The experience is designed to accelerate the development of effective working relationships between the new leaders and the stakeholders, who now share

responsibility for the new leaders' success. It also aids in helping the newly hired executives understand the feedback and coaching culture that is unique to Bank of America's rich feedback environment. It is essentially a process for the new leaders to seek and receive early feedback regarding how their stakeholders view the leaders' on-boarding process, operating style, leadership approach, and cultural fit. It can uncover whether there are potential disconnects between others' perceptions and the leaders' actual intentions. It can also further clarify the expectations of key stakeholders. Most importantly, it can be used to allow the executives to make early adjustments in their approaches and in turn avoid their own potential derailment. Like the earlier integration sessions, it also gives voice to the stakeholders. They can take advantage of a process that permits them to surface potentially sensitive issues or concerns in an anonymous manner. They can share organizational insights that are not readily apparent to the new leaders. They can also communicate special needs to their new leaders.

In terms of its timing, the bank discovered (using a six sigma process and tools) that stakeholder reviews held close to a new leader's entry were not effective. The executive did not always have sufficient self-confidence to respond positively to the feedback received from stakeholders. Similarly, staff did not possess well-formed opinions of their superiors or peers before the three-month timeframe. They may not have seen enough of a particular behavior to determine whether it was a pattern or not. On the other hand, within three to four months, patterns in the executive's behavior become quite clear. With a timeframe within 130 days, it was harder for new executives to discount feedback that was more critical of their approach. They could not claim that their behavior was simply due to a one-time event. That said, delaying feedback to the executive until the six-month mark or later created a serious dilemma. By that point, the executive's behavior may become typecast. After six months in the job, it was very difficult for the executive to escape the label. For this reason, the feedback occurs ideally by the 130-day milestone.

The process behind the Key Stakeholder Check-In involves an initial planning session with the new leader and the LD partner in which they review and revise the questions that will be used to solicit insights. For example, the LD partner will identify specific areas in which the leader would like to receive feedback and from whom. The LD partner then contacts the leader's key stakeholders to conduct an anonymous fifteen- to thirty-minute interview with each stakeholder. Beyond the questions identified by the new leader, there are additional questions to stakeholders. These often include:

1. "What are your initial impressions of your new leader's strengths?"

2. "What are the potential landmines/obstacles that he or she may come up against?"

3. "What advice would you give to the new leader to be even more effective and to accelerate performance in the role?"

4. "What one to three things do you specifically need from this individual?"

5. "To increase effectiveness, what does this individual need to (1) continue doing, (2) stop doing, and (3) start doing?"

The LD partner then organizes the interview responses, identifies themes, and records specific verbatim comments from specific stakeholders. They then meet with the new leader and share the interview results. In the review session, the executive constructs an action plan to address specific feedback items and prepares for a discussion with their boss. With their superior, they review the action plan and the overall on-boarding experience overall. The LD partner and the leader hold follow-up meetings to evaluate progress on the action plan and for further coaching. Sometimes these discussions will uncover a problem that even the individual's boss was unaware of. It is worth noting that the boss is not one of the people the LD partner interviews for this very reason.

This comprehensive check-in process brings great clarity to identifying the new leader's strengths but also highlights development needs and problem areas. For example, new executives might learn that they possess strong interpersonal skills and are perceived as highly competent and action-oriented. On the other hand, the same executives might learn that they still need to build stronger connections with key leaders and learn various business strategies and initiatives at a more granular level. They also may receive feedback that they must spend more time on developing a clearer business vision and communicating to their team. Staff might wish more one-on-one time with the executive. Out of the action planning process, concrete steps will be identified that this executive must undertake over the coming months to build on the identified strengths and address the problem areas.

***The Final Phase (one to one and a half years)*** Typically twelve to eighteen months after their stakeholder reviews, the new executives will receive a 360-degree feedback assessment, which provides the leaders with feedback on their leadership competencies (see Figure 2.2 for the Bank of America's leadership competencies). The timing is designed so that the executives have had an opportunity to make significant progress on the development areas identified in their stakeholder reviews. They now also have had complete performance cycles under their belts. If executives are successful, their improvements will show up in the 360 feedback data. The tool itself is designed around the bank's leadership model as well as common derailing behaviors. When leaders receive their 360 feedback, they will again sit down with their LD partners to review it, compare it to stakeholder feedback, and use the outputs to further shape their development plans and actions. This process also triggers another more formal development discussion between the individual executive and his or her boss. The 360 feedback is used along with other data and feedback mechanisms as input into the individual's performance ratings and reviews.

| TO GET RESULTS, LEADERS SIMULTANEOUSLY… | | | |
|---|---|---|---|
| I.   Grow the Business | II.   Lead People to Perform | III.   Drive Execution | IV.   Sustain Intensity and Optimism |
| A. Demonstrate deep and broad business acumen<br>B. Create competitive and innovative business plans<br>C. Build customer/client-driven environment<br>D. Institutionalize error free quality processes<br>E. Excel at risk/reward trade-off | A. Align enterprise capabilities<br>B. Recruit and grow great talent<br>C. Inspire commitment and followership<br>D. Communicate crisply and candidly | A. Instill management focus and discipline<br>B. Build partnerships to achieve swift adoption<br>C. Demonstrate sound judgement and act with speed | A. Constantly raise the bar<br>B. Display personal courage<br>C. Continuously learn and adapt |
| LIVE OUR VALUES… | | | |
| Winning – Leadership – Inclusive Meritocracy – Doing the Right Thing – Trusting and Teamwork | | | |

| WHILE **NOT EXHIBITING** DERAILING BEHAVIORS… | |
|---|---|
| • Failing to deliver results<br>• Betraying trust<br>• Resisting change | • Being exclusive vs. inclusive<br>• Failing to take a stand<br>• Over leading and under managing |

**FIGURE 2.2.**   *Bank of America's Senior Leadership Model*

## LESSONS FOR DESIGNING ON-BOARDING FOR EXECUTIVE LEADERS

Sooner or later in their first year in the executive role, most leaders will face some type of major stumbling block. An executive on-boarding process can and should provide the support and feedback that will assist executives in successfully addressing hurdles. The most effective programs also act as early warning systems that allow the executive and the organization to preempt the possibility of derailment. As we have noted, the process must be supported by multiple interventions that occur at intervals over the executive's first year rather than solely at the moment of entry into the job. It must also proactively engage the new executive's multiple stakeholders from the moment of selection to the end of the on-boarding cycle. Effective engagement is completely dependent on the quality of interaction between the new executives and their full range of stakeholders. In addition, stakeholders must feel a high degree of ownership in the process itself, which increases their ownership in the executives' success.

In assessing how well your own organization on-boards its senior most talent, there are several critical questions to ask. Does your organization treat on-boarding

as a one-time orientation event or as a longitudinal process? What is the breadth of interventions it employs from integration tools to coaches to formal feedback? Does it proactively engage all the new executive's stakeholders in a candid process that generates constructive feedback and clarifies expectations? Does the process deploy interventions at regular intervals throughout the first year for the new executive? Are these "toll gates" built around critical learning and feedback windows or are they more arbitrary or shaped by the corporate calendar? Are the interventions in time to gather critical and valid feedback for the new executive so that he or she can constructively respond and maintain credibility?

While such programs have traditionally been geared to external executive hires, internally promoted executives can benefit as greatly from formal on-boarding. While the internal hire may understand the corporate culture well, the role demands of executive leadership are as great for the internal hire as the external one. So it is useful to ask whether your organization treats its insider promotions differently. Does the organization assume they do not need on-boarding support? What are patterns in how insider promotions fail? What might be done to assist insiders in a more proactive and constructive manner in their own on-boarding experiences?

In the case of the Bank of America, their use of LD partners and the various dialogue and feedback-based integration experiences allow the new executives to obtain rich, candid, and ongoing information on their progress over the first year. What vehicles if any does your organization provide to new executives to rapidly gain constructive feedback on their leadership approaches and performance? What support does your organization provide in helping the executives to act on that information?

For on-boarding to be effective, a number of individuals need to "own" the new leader's success. In this regard, one of the more important lessons from the Bank of America example is the pivotal role of the LD and HR partner. This individual in essence owns the executive's success from the moment of selection to the end of his or her first year on the job. Their job is to make certain the executives successfully on-board. In addition, they engage the new executives' superior, several peers, and the subordinates in the ownership process. Therefore some questions to ask about your own organization's process include: Does your organization have individuals who are dedicated to ensuring the success of new executives? Are they influential at all stages of the executives' on-boarding experience? Ideally, there are multiple owners such as peers and senior advisors. What ways, if any, does your organization engage the peers and superiors of the new executives in supporting their successful on-boarding?

As we noted at the beginning of this chapter, an effective on-boarding process does not exist in a vacuum. It is highly dependent on a supportive culture. As we close this chapter, it is important to assess more broadly your organization's commitment to talent management. Questions to ask would include: How deeply committed are your CEO and senior team to leadership development? Does the firm have a clear talent strategy? Does the culture encourage individuals to learn and adapt? Is it a culture in

which candid constructive feedback is available and rewarded? What are the breadth and depth of your organization's talent management and development interventions? Are they supported by well-aligned rewards, performance feedback processes, useful metrics, and the culture?

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