

# **Leaders Teaching Leaders – Accelerating the Development of High Potentials**

## **Chapter Overview**

While no organization will refute the value of leadership development in improving their business results, many find it too expensive to pursue in depth. However, while the size of the investment is nothing to balk at, it is generally overplayed. Most companies out there can't afford to invest in all of the "best practice" leadership development interventions out there, but there is no reason why they can't design a system that fits their needs at minimal cost. Despite being one of the largest companies in the world, McKesson has taken an approach that focuses on picking and choosing only the most simplistic and effective methods, based on principles of efficiency and sustainability. This chapter outlines the "ingredients" that we have used in our leadership development process. And while it may not be perfect for every organization, it is important to realize that, by seeing it as a modular approach, other organizations can learn to pick and choose individual elements that fit their leadership priorities.

Here is a broad overview of the "ingredients" that McKesson has found to be effective in designing an ongoing leadership development process:

1. Start with a process to engage executives and supervisors in the entire learning and developing process.
2. Kick it off with a bang – Engage participants in the development process by beginning with intervention that gets them all together and gets them fired up.

- This will increase their likelihood of maintaining commitment to their development, both individually and as a team, throughout the process.
3. Next, combine additional learning events that are “plug and play” so that they can be easily internalized by participants and easily substituted by the organization based on the current leadership strategy.
  4. Now track progress that helps measure ROI and learning while giving both participants, supervisors and Business Unit leaders a stake in the success of the learning process.
  5. Only add the simplest (but still powerful) learning support tools that really supplement learning outside of the classroom. Anything too complex will be difficult to put into practice by participants and may result in excess cost.
  6. Lastly, be sure to have a senior level sponsor who is personally committed and who pulls in other executive council and Board members to become a part of the learning experiences.

### **Overview of McKesson Corporation**

Today, McKesson is ranked 18<sup>th</sup> on the Fortune 500 with more than \$88 billion in annual revenue. The company delivers vital medicines, medical supplies, and health information technology solutions that touch patient lives in every healthcare setting. The depth and breadth of the company’s product and service offerings, coupled with the largest customer base in the healthcare industry, uniquely position McKesson to meet the needs of its customers:

- 200,000 physicians
- 26,000 retail pharmacies
- 10,000 long term care sites
- 5,000 hospitals
- 2,000 medical surgical manufacturers
- 750 homecare agencies
- 1,800 healthcare payors
- 450 pharmaceutical manufacturers

### **Cultural Context for Program Design**

McKesson has a highly decentralized operating environment and maintains a delicate balance between individual business unit autonomy and pursuing what we refer to as “One McKesson” initiatives -- that is combining our unique collection of healthcare products and services to create unbeatable value and offerings to our clients. The culture is highly relationship driven – the creation of trusting partnerships based on delivering on our commitments is critical to success in the organization.

Unlike many companies today, we have a very young leadership team. The average age of the Top 200 executives is 47. So while we don’t have the demographic crisis facing many companies with large amounts of looming retirements, we do have a critical need to support both organic and acquisitive growth (about 30 acquisitions in the last five years) with a ready supply of talented leaders. Our core business is pharmaceutical distribution which historically has thin margins but generates tremendous cash flow –

anything we do as a business must be cost effective and a “saleable” to profit center leaders who keep a close eye on expenses to remain competitive.

McKesson’s Vision: we bring together clinical knowledge, process expertise, technology, and the resources of a Fortune 18 company to fundamentally change the cost and quality of healthcare. So with that vision, we need to be able to continue to execute flawlessly on changing our business internally to shape the cost and quality of healthcare and be skillful enough to help our customers through the change process as well...whether it be installing a large hospital IT system or a robot to dispense medications in a pharmacy.

### **Leadership Development at McKesson Corporation**

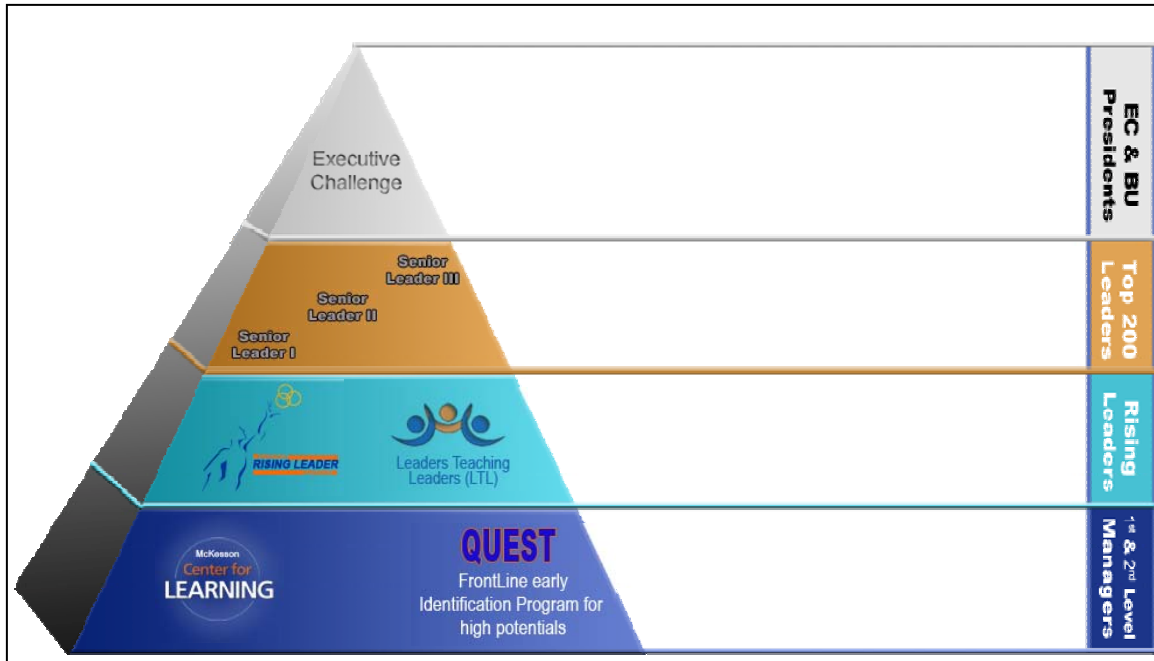
Historically, the company was managed more as independent businesses but over the past five years, we have been creating shared services and One McKesson processes across all of our businesses. Leadership development has been no exception. Over the past several years we have designed and implemented HR processes and automated systems for performance management, compensation planning, talent acquisition and talent reviews / succession planning processes.

At the same time we were launching these common practices and end user automation tools; we were also working on the development of our workforce and have created a leadership development path for every level of management (See Figure 1). We created the McKesson Center for Learning (MCL) which delivers professional management education to first and second level managers in the corporation. Next, we created an

executive education series to address pressing developmental/business issues for our top 200 executives. Recently, we designed leadership programs to address the Director and Vice President level development needs of leaders in two ways: 1) we created a three day leadership development curriculum called “Rising Leaders” and 2) we launched a comprehensive nine month development program for the highest potential leaders in this target population called “Leaders Teaching Leaders” (LTL).

Leaders Teaching Leaders was created with a goal of accelerating the development of high potential leaders below our top 200 executive level and to increase our ready now bench depth to support our leadership supply needs. Our goal was to get the top 75-100 highest potentials through the process within the next three years.

**Figure 1: McKesson Leadership Development Path**



## Design Considerations: Why Leadership Development Programs Fail

As we began our project plan to design the LTL program, we saw five areas in which leadership development programs fail and we wanted to stay clear of them.

1. **Too elaborate and try to cover too many areas.** Often times, we see a lot of very complex designs for leadership programs including action learning pieces which require legions of administrative support. These programs try to “fit 20 lbs of stuff in a 5 lb bag” vs. focusing on a few simple themes and doing them well.
2. **Lack a compelling catalyst to convince participants of the need for change or continued growth.** As managers progress in their careers they become convinced that they are “successful because they’ve achieved a certain level” and often get set in their ways. Leadership development programs tend to work best when there is a personal realization that there is, in fact, room for improvement. This can be

accomplished in a number of ways including 360 degree feedback, assessment instruments, etc.

3. **Lack of understanding or involvement of key stakeholders back in the office to support the learner in the process and expect change and growth.** All too often we get CEO level support for programs but there is little connection to the program from senior line leaders and most importantly, supervisors of participants. So while leaders may intellectually “get” the importance of programs they remain at arms length during the process. This often results in poor support for ongoing budgeting of the program and/or learner frustration that “they are not doing this too and they need it.”
4. **Despite their purest intentions, participants do not sustain the changes they need to make.** Even the best among us go to programs and learn about things we need to do more effectively only to return to a hectic work environment and return to old patterns. A need for a more prolonged process where learnings are applied to actual work experience is necessary and an expectation that “someone is watching progress and actually cares” needs to be maintained.
5. **Little demonstration of ROI for the expense and time away from the job.** Most training departments have at some point pursued the need to conduct training measurement studies to prove the value of their programs. Most often they try to go to Level 5 and eventually get frustrated at the complexity of measuring such process particularly in the soft skill areas. With leadership development it is often not necessary to go to such complex analytical lengths but

it is critical that learning and applicability to improvement back on the job is tracked and documented.

### **Leaders Teaching Leaders (LTL) Core Components**

We designed the LTL program to be a nine month learning experience -- enough time to make something happen in terms of allowing participants time to make meaningful application of the program learnings. The nine month process consisted of the following components (see Figure 1 for Overall LTL Program Timeline of Events):

1. *Nomination* Process and Management *Expectation Setting* Web casts
2. Attend Linkage's *Global Institute for Leadership Development (GILD)*. This institute includes the completion of a 360<sup>0</sup> assessment (to include direct reports, peers and managers) and three Executive Coaching Sessions.
3. Identify and execute on a *project goal* (should be a project that can be applied to their business unit, must be able to demonstrate leadership skills and apply course learnings from the program) and *two personal targets* (areas of improvement) based on their 360<sup>0</sup> assessment results.
4. Attend two intensive 2-3 day in-house *customized learning programs* (LTL II and III)
5. Provide support tools to supplement learning outside of the formal classroom environment.

**Figure 1: Overall LTL Program Timeline of Events**

Date	Action Item
Week of 9/16/07	Attend the <b>Global Institute for Leadership Development (GILD)</b>
October / November 2007	EVP of HR to call each LTL participant (to confirm commitment / participation)
November 2007	EVP of HR to host 1 hour web session for supervisors
November 2007	By this time, vet <b>project plan and development plan</b> with supervisor
Mid Dec 2007	EVP of HR to call participants and review their progress and development plan to date (results compile from the data in the development engine)
January 2008	By this time, conduct follow-up coaching session with GILD Coach (via phone)
Jan / Feb, 2008	Executive Development team will conduct a survey to track feedback and progress on the 1 or 2 goals / development plan goals to date
January 14 – 17, 2008	<b>LTL – Part II:</b> 3 day learning event (San Francisco, California)
June 16 - 20, 2008	<b>LTL – Part III:</b> learning event + Investor Day (optional)
Aug 2008 (TBD)	Compile data and report back results

1. *Nomination Process and Management Expectation Setting* Web casts

The process begins by soliciting Business Unit President’s to nominate up to 28 high potential, mid-level managers to participate in the program. Great care is taken to ensure that Business Unit Presidents and executive managers of participants have an understanding of their role in supporting the participants through the process.

To accomplish this, the EVP of Human Resources, Paul Kirincic, and the project team held a mandatory webcast with the Business Unit Presidents, executives who manage participants, and the senior most HR leader in each business unit to discuss program expectations and roles (see Figure 2a: Expectations of Leaders). Participant’s managers and Business Unit Presidents are expected to play an active role in the process by discussing their progress on their project, ensuring protection of learning time and by providing specific feedback on progress periodically by using an external online tool by Fort Hill Company called Development Engine.

**Figure 2a: Expectations of Leaders**

<ul style="list-style-type: none"> <li>▶ <b>Coach</b> participants in selection of 360<sup>0</sup> assessors; complete supervisor assessment</li> <li>▶ <b>Track</b> their progress in the Performance Management tool <ul style="list-style-type: none"> <li>─ Objectives, Competencies &amp; the Individual Development Plan section</li> <li>─ Provide them with <b>opportunities to demonstrate skills</b> (on projects or various work situations)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Ensure “<b>protection</b>” of learning time</li> <li>▶ <b>Be an active Guide</b> to their Personal Development Plan &amp; Project Goal Communicate with / provide feedback throughout the project: <ul style="list-style-type: none"> <li>─ Periodic check-ins to gauge progress (learnings) and make adjustments, as necessary</li> <li>─ Provide feedback using the online tracking tool</li> </ul> </li> </ul>
<div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: fit-content;"> <p><b>Research has shown that those who ask for feedback and receive it are more likely to continue making progress toward their goal(s).</b></p> </div>	

This process step is critical in that it sets up the uniqueness of this learning process, clarifies expectations for all involvement and sets the stage for helping determine ROI by engaging both the participant’s supervisor and the BU President in the learning and

development process. Doing so, has provided program participants with a much greater degree of executive access and help build more lasting personal relationships.

Next, we conduct a webcast with the participants and their supervisors outlining the process and expectations for their participation (see Figure 2b: Expectations of Participants). During this session, the EVP of HR reiterates the intensive time demands of the program to participants in addition to their current workload and extends an invitation for anyone to opt out of the program – no questions asked (with the potential to join next year’s LTL program,). This offer is extended once more after the first week of the program. Surprisingly enough, we usually have one or two participants recognize that the demands are too great given either work or personal commitments or circumstances and choose not to continue.

**Figure 2b: Expectations of Participants**

<ul style="list-style-type: none"><li>▶ Full participation (no meetings or conference calls) during GILD</li><li>▶ Complete 360° assessment prior to attending GILD</li><li>▶ Commit to a Project Goal</li><li>▶ Commit to developing a Personal Development Target (based on 360° results)</li><li>▶ Commit to fully attending two Learning Programs (LTL II and LTL III)</li></ul>
<p><b><i>Program commitment is approximately 11 days. Five days at GILD and an additional six days throughout the duration of the process plus any additional time needed to complete project work).</i></b></p>

## **2 – Attend Linkage’s Global Institute for Leadership Development (GILD)**

Participants begin the process by attending Linkage’s *Global Institute for Leadership Development* – an intensive week long learning program where participants are exposed to world-class thought leaders from academic, business and government circles. Also during this program, participants receive 360<sup>0</sup> feedback and two onsite coaching sessions, as well as one additional session 30-45 days after the program. At several points during the GILD week, our learners participate in a McKesson Learning team where they:

- Learn more about one another’s roles and challenges in the business
- Process key learnings from the GILD workshops
- Develop personal action plans based on their 360<sup>0</sup> feedback and Personal Project
- Identify current leadership challenges the participants are facing right now
- Set the stage for the learning agenda for the next two LTL learning sessions.

Note: There is often a debate about whether participants should “mix” with other organizations or have their own designated learning teams during GILD. We tried it both ways and believe that it works better for us to have intact learning teams since there is a *greater* need to have our managers understand other parts of the business and establish networks to facilitate cross boundary partnering. If your organization has a need to expand mindsets by exposing your managers to those of other companies, the mixed learning team concepts can be quite effective for that purpose.

The McKesson Learning team is facilitated by Chris Cappy, President of Pilot Consulting. Chris leads the learning process and ensures program continuity and

customization of each component (including LTL II and LTL III) to ensure that participants learning needs are met. Chris brings a broad range of experiences from other landmark leadership development initiatives and also teaches participants the GE Change Acceleration Process (CAP). Chris also pioneered something we call the “oral tradition” where participants are urged to share information without “death by PowerPoint.” This facilitated some interesting personal leadership stories and related dialogue amongst participants vs. getting lost in lengthy PowerPoint presentations.

Shortly after attending GILD, our Program Manager, Sandy Allred, ensures that each participant has the following: 1) an executive coach assigned to them and a scheduled follow-up appointment to review the progress on their 360<sup>0</sup> assessment within 45 – 60 days after GILD; 2) schedule a meeting with their manager to discuss their project goal; 3) update their performance objectives to include the LTL program and their selected project goal(s) during the process; 4) update their individual development plan to include any personal objectives based on their 360<sup>0</sup> Assessment results; 5) ensure their Talent Review Process (TRP) Employee Profile is current; and lastly, 6) have the appropriate information to begin drafting and tracking their project goal and personal target(s) over the course of the program (see Supporting Tools section for more details).

### **3 – Identify and Execute on Project Goal and Personal Targets**

Prior to attending the first learning activity (LTL II), participants and their supervisors are required to identify a project where participants have an opportunity to lead a change effort within their area of responsibility. This is not a “make-more-work” type project

rather it is usually something that is already on their radar for the performance period.

Project characteristics include:

- Real time project (not make-work)
- Results are expected within the nine month program time frame
- Requires leadership and change management
- Represents a genuine challenge to the leader-learner
- Helps drive process improvement, innovation, and/or double digit growth

The Project works in conjunction with what we call the 3 P's of the Program – the **P**roject to work on, The **P**ersonal Action which results from both the 360° feedback and coaching process plus other learning from the program, and the **P**laybook, which are the best practice tools we teach them for driving growth and innovation and change execution management in their organizations.

#### **4 - In-House Customized Learning Events (LTL II and LTL III)**

##### **Learning Event II: Company Headquarters**

Three months after leaders participate in GILD, they attend a two and a half day session at our company headquarters in San Francisco, California. During this learning event, participants tour our company headquarters and hear from senior company executives on topics such as strategy, financial position, etc. In addition to our senior executives, we have also had an avid interest in participation by our Board of Directors. Board members come to the program and discuss what it means to be a Board Member and also share leadership insights from their personal leadership journeys.

This learning event has three main focus areas. First, participants provide an update on their project goal and personal targets. Second, leaders participate in a four hour customized workshop facilitated by Linkage on the topic of growth and innovation, a topic which we had identified as critical in our leadership strategy. By focusing on innovation, this gives us the opportunity to help our business leaders understand the disciplines necessary to sustain double digit growth, and to assess the growth and innovation potential of participants' action learning projects. The third and final focus for participants is to learn the GE Change Acceleration Process (CAP), facilitated by Chris Cappy, which gives them over 30 tools to become more adept at change execution management. In this case, the tools can be used to help them throughout their nine month project *and beyond*.

An interesting point to note here is that we call this the "Leaders Teaching Leaders" program and for us it means three things: 1) we have external leaders educating them on contemporary leadership topics, 2) we have internal senior leaders educating them on the business and 3) we have the participant's themselves teaching one another about the business unit they belong to. This recipe has worked beautifully for us in its diversity of perspectives and simplicity in execution let alone the cost savings it yields.

### **Learning Event III: New York**

Six months after GILD, participants complete the LTL program by attending the third and final learning event LTL III. During this two day session participants:

- Deliver their final project update and key lessons learned during the nine month process (5 – 7 minutes presentations followed by a brief Q&A)
- Have dinner with our Executive Committee and Business Unit Presidents
- Interact with our CEO who discusses the business, his leadership insights and expectations of leaders at McKesson
- Hear from other Senior Executives and / or Board Members regarding their leadership journey and personal leadership insights from over the course of their career.
- (optional half day) Observe the Investor’s Day event where McKesson officers dialogue about the business with the investment community.

The final project presentations are videotaped to share with participants after the program and to use highlight’s or clips in presentations that we create for our executives at events such as our senior manager’s conference and other events.

## **5 - Support Tools**

To support the learning process we used five additional tools:

1. **Linkage Resources** – participants had access to eight to ten leadership web-broadcast sessions showcasing various leadership topics by expert presenters. In addition, the team receives a continuous monthly online follow-up known as “The Monthly Leader”, which contains exclusive tools, articles, and video clips to help leaders develop based on their needs in specific competency areas.
2. **Personal Learning Journals** – each participant was given a leather bound personal learning journal to track “key learning points” during the sessions and

- back on the job. Most participants found these to be very useful to track their progress and ah-ha moments during their leadership journey.
3. **}getAbstract Executive Book Summaries** – each participant was given a year’s subscription to an online executive book summary website which allowed them to pursue summaries on a variety of leadership topics. We also gave each participant an Ipod Nano to use in conjunction with many of the summaries that are available to download in an audio format in addition to printed media and other formats. }getAbstract customized a site specifically geared toward McKesson LTL participants in which the executive summary offerings were arranged relative to our nine core leadership competencies making it easier for our participants to search for summaries by specific McKesson competencies. We were able to track the usage of this resource and found that participants downloaded an average of 95 summaries per month and used them to gather data relative to their projects or to initiate discussions with their teams.
  4. **Internal Sharepoint Site** – we created an internal sharepoint site to share all program presentations, resources and participant offered resources.
  5. **DevelopmentEngine® Project Tracking Tool** – this was our first experience using Fort Hill Company’s DevelopmentEngine® tool. After our first successful wave of using this tool for our LTL program, we integrated the tool into other leadership development programs. (see below for more details).

### **Tracking Progress and reporting Results**

A key for any successful leadership development program is its ability to follow-up and track participants' progress toward their final goal(s) and outcomes, and the ability to "prove" results of the program. To do this for our LTL program, we turned to Fort Hill Company to use their DevelopmentEngine® tool. The benefits of using the DevelopmentEngine® tool are that it: 1) ensures that the participants' learning plans are executed, 2) supports participants' growth by offering them the ability to request feedback from the supervisors or coach, 3) minimizes overhead for both participants and administrators (turnkey process), and 4) is customizable to specific program needs and schedules.

So, how does DevelopmentEngine® work? We asked our participants to complete three simple questions regarding their project goal and up to two personal targets which were based on the results of their 360<sup>0</sup> Assessment results (see Figure 3). Once those were entered into the tool, we began tracking their progress on a monthly basis. On the first Friday of each month, the system automatically sent the participants an email reminding them to update their progress. At any time, participants could send an email to their manager requesting their input & feedback. At the end of the LTL process, we used the data in the tool to track their goal execution and progress on their goals.

**Figure 3: Questions used in the DevelopmentEngine® Tool and completed Goals**

<b>Project Goal One:</b>		
<b>In the next 9 months I will:</b>	I will create a new technical leadership team in my BU. As the new leadership is established I will take this collection of talent and instill in them a sense of vision etc...	<b>Indicate One Goal Category:</b> <input checked="" type="checkbox"/> Project Goal
<b>So that:</b>	So that I can align the organization from a technical perspective and drive a level of productivity and synergy that results in efficiencies and cost savings to the organization	
<b>Indicators of My Progress will include:</b>	<ul style="list-style-type: none"> <li>• Creation of my new team's organizational model</li> <li>• Selection of the individuals making up the new leadership team</li> <li>• The establishment of an effective meeting and reporting infrastructure</li> <li>• The creation and communication of a common vision and team building exercises</li> </ul>	

<b>Personal Target One:</b>		
<b>In the next 9 months I will:</b>	Involve others in decision making. Specifically, involve managers and key team members in establishing and driving the rollout of XXX project	<b>Indicate One Goal Category:</b> <input type="checkbox"/> Strategic Thinking <input type="checkbox"/> Results Orientated & Energy <input type="checkbox"/> Leadership <input type="checkbox"/> Assertiveness and Influence <input type="checkbox"/> Decisiveness and Judgment <input type="checkbox"/> Openness and Candor <input type="checkbox"/> Sensitivity <input type="checkbox"/> Mature Confidence & Integrity <input type="checkbox"/> Building Organizational Talent
<b>So that:</b>	Managers and key team member will feel a part of the decision making progress. Involving others in setting the goal and avenues to achieve help ensure adoption and buy-in.	
<b>Indicators of My Progress will include:</b>	<ul style="list-style-type: none"> <li>• Conduct follow up 360 Feedback survey to determine progress from previous 360 Feedback</li> <li>• Conduct EOS Q1 specific to my department. Baseline survey already conducted.</li> <li>• Conduct a review of project to determine adoption rate.</li> </ul>	

**Results:**

After completing our initial pilot program (2006 – 2007), we asked our participants to complete a Zoomerang survey and provide us with feedback regarding their LTL experience. Here is what they had to say: “It was awakening, reminding, reinforcing of what I knew, and discovered new things I didn’t know”. “The value of protecting some reasonable amount of time to actually think about what I am trying to achieve and the importance of having useful tools to assist in focusing and driving that thinking process.” “My most valuable take away ... it’s all about other people ... it isn’t just one thing ... but mostly how I leverage my strengths and look for the strengths of my team”. What will I do differently ... “build better relationships with my peers”... “Do it with more passion and leverage all of my people (rather than the privileged few)”. “Share more information, improve meeting management and accelerate change using the CAP tools”.

Managers and Business Unit Presidents have also provided feedback to the participants through the DevelopmentEngine® Tool. This written feedback includes some excellent examples of coaching: “I have witnessed a dramatic improvement in your second (personal) goal and as a result, I believe your peer relationships have improved and you have further developed the trust/respect of the team. I am also learning by your example and believe it has made you a more effective leader.” Another Business Unit President commented: “The effort you are making to improve your leadership skills is evident in how you participate in our (leadership) meetings. Since you completed the LTL course, you have increased your communication and input on strategic and operational issues and most recently, in the budget process ...”

During the initial rollout of the pilot program, of the 26 participants, only about 1/3 of them had individual development plans entered in their performance document. When we began the second year of the program, with a whole new batch of high potentials, this number increased to almost 3/4 of the participants having individual development plans in place before attending the program. This is an indicator to us that more and more managers are having these development discussions and are being more effective with planning and tracking of the development of their employees.

Additionally, just over 55% of the participants in the pilot program had been placed in a new roles with greater responsibility within six months of the completing the program. One participant reported a savings of \$1.8 million on his project by focusing on three leadership behaviors (which were identified based on his 360<sup>0</sup> assessment results, tracked and developed throughout the program): leading people, leading change (using CAP tools) and leading innovation. This particular participant was promoted to a CFO of one of our businesses shortly after this program.

### **Lessons Learned**

We are now in our second wave of this program and based on our experience and the feedback from the learners, we have made some modifications to the second wave. The first realization for us was that the degree of McKesson-specific business literacy among the group was lower than we had anticipated. So for wave one, we mixed the team into Learning Teams at GILD with leaders from other companies. Once we identified the critical need for them to understand the McKesson family of companies, our products, services, strategies, etc. we opted for a McKesson specific learning team. Early results

indicate that this was the correct move as participants not only “bonded faster” but began sharing cross boundary information and best practices both inside and external to the formal program earlier in the process. Moreover, few business relationships both within and between businesses existed among this group of middle managers prior to the program, so taken greater time for team building yielded great dividends.

Another area of learning for us was that while we hit a home run with Business Unit Presidents and participant supervisors in terms of their active support and engagement in the learning process, the HR community was virtually absent from the process despite being invited to participate. While participants were receiving what was for many of them their first 360 feedback from their direct reports and others, questions came up and many asked “where are our HR generalists to help us through these issues?” A common problem for HR in most organizations tends to be the issue of not having a “seat at the table” – this is one of many possible strategic entry points to begin that HR business partner relationship and it was missed. For wave II, we have continued to impress upon the HR community the importance of their involvement and we’ve seen greater participation although not yet to ideal levels.

Third, we had to make some modifications around the individual coaching process. Coaching was incorporated into our overall process through GILD, during which participants received three one-hour sessions. By monitoring their experiences we were able to identify specific ways that we could get involved to help them prepare for and get the most out of their coaching experience. These lessons are not McKesson specific, and apply to any coaching initiative:

- **Setting realistic expectations about the purpose and expected outcome of the coaching session.** Participants thought the coach was more of a “life coach” versus providing them with insights for personal development around their 360° feedback. To address this, we created a coaching and development guide which speaks to the purpose of the session and what to do before, during, and after coaching. We then introduced the coaching process using this guide so that participants knew specifically what was expected of them and what process their coaches would use. Oddly enough, we found that this took out some of “fear” or “mystery” of what the coach was “going to do to them.” We found that made for a more productive experience as participants had to take an active role by providing more rigor to the upfront preparation process before engaging with their coaches.
- **Real time monitoring of the quality of the coaching experience.** Many participants, as mentioned above, did not know what to expect from a coaching session. Others were not able to establish rapport with their coaches or felt that their coaches were not particularly helpful at providing insight to assist them in their development planning. To address this, we set a process in place to monitor feedback along the way and we selected a smaller group of coaches (based on participant satisfaction) who were able to become more intimate with McKesson and what we expect in the process. From this monitoring process, we also learned that the more successful coaches were using a variety of job aids and processes. Based on participant responses about their success with the tools, we began using them consistently across all coaches.

Finally, in our design we anticipated the 3 P's as the core framework for the learning process – Project, Personal Action Plan and Playbook. We actually discovered a fourth “P” we call Positive Peer Performance Pressure. Here's how that played out. Once participants began observing one another whether it be presenting before the group on their individual businesses or projects they were working on – it immediately began to have the effect of “raising the bar” on the entire group. Participants saw in their peers skills they did not possess and pushed themselves to learn and emulate throughout the program. They also saw the level and impact of some of the projects and made adjustments to their own accordingly.

In summary, the impact of our Leaders Teaching Leaders initiative has far exceeded our expectations across the board. We have built a highly flexible platform for subsequent action learning work and there is a high degree of receptivity among our leaders to participate and learn more. The quality and value of relationships formed among the future leadership bench of our businesses cannot be overestimated. In terms of cost/benefit, we have hit a home run and kept our learning “brand” highly relevant and specific to the needs and realities of our leaders and our businesses. By following the design principles of cost-effectiveness, adaptability, and sustainability, and using this “recipe” as a guide, organizations can prepare their own leadership development system that produces the desired results within their budgetary limitations.