

The real ROI of leadership development

By [Malcolm Ferguson](#)

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There is surely no longer any doubt among leaders of successful organisations that people are the only sustainable competitive advantage, given that the definition of success today considers sustainability in the commercial, social and environmental sense. While it is still possible to make a quick buck by exploiting a gap between supply and demand, legislation and enforcement, or policy and practice, that exploitation inevitably extends to the people employed.



So yes, if you are willing to forego ethics in pursuit of gain, one can accumulate wealth, power and even popularity without giving your people a second thought. But is it sustainable? Also, I believe most of us want to feel good about our gains, so that we can enjoy the benefits with a clear conscience. This requires that we dedicate ourselves not to exploitation, but to contribution.

The most admired organisations are those that achieve commercial success by finding ways to contribute to the well-being of their people – both customers and employees. These organisations recognise that real success requires investment in leadership. They invest in helping their leaders to understand what their team members care about, create the space for contribution and in doing so, build an engaged, high-performing culture. They know that the challenge of investing in leadership, as with any investment, is to minimise the risk of loss while maximising the opportunity for exceptional returns. This starts with getting buy-in, clarifying expectations and identifying success indicators.

What makes investing in leadership more challenging than investing in the markets is that the very leaders being invested in must themselves believe that the investment is worthwhile. Without this, there can be little hope of a return because we are effectively investing in the leader's willingness to be vulnerable. Leaders who are serious about their development need to be willing to let go of inhibiting beliefs, acknowledge blind spots and embrace feedback. This requires a lot of courage, no matter how far we've come or how much we've learnt along the way.

At TowerStone, we focus on developing leaders' abilities to inspire, enrol and empower their teams to take accountability for making a meaningful contribution. The return for the courageous leader lies in self-mastery, authentic connection with others and meaningful contribution to the growth of the enterprise. The return for the organisation comes in the form of a resilient, purposeful culture that can adapt and remain relevant in the midst of shifting markets and turbulent economies.

Leaders will only make themselves vulnerable and explore new ways of being if they believe in the benefits for both themselves and those they serve. This conviction is the foundation upon which leaders build a resilient culture that will sustain the organisation's commercial growth – the real return on investment in leadership development.

ABOUT THE AUTHOR

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