



 Psychometrics
**PEOPLE
TRENDS**
2020





CONTENTS

- 3** Who We Surveyed
- 4** Critical Challenges
- 7** Managing Change
- 10** Succession Planning
- 14** Leadership Development
- 20** Career Development & Management
- 22** Diversity & Inclusion
- 24** Selection – Identifying Talent & Potential
- 27** Conflict

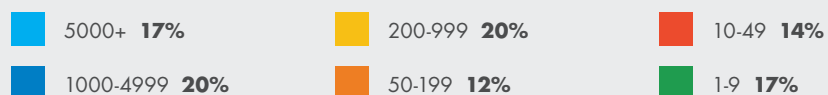


WHO WE SURVEYED

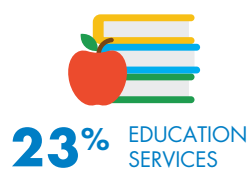
We wanted to know the critical people issues that organizations are facing today.

We surveyed Human Resource professionals from more than 300 Canadian organizations to explore issues such as leadership, change, conflict, selection and diversity. Their responses highlight a number of key findings – areas that need addressing to continually find success through people.

The survey respondents come from a wide range of industries, company sizes, and levels within organizations. As such, the results provide a great overview of the people challenges that are being met by all types of organizations across Canada.



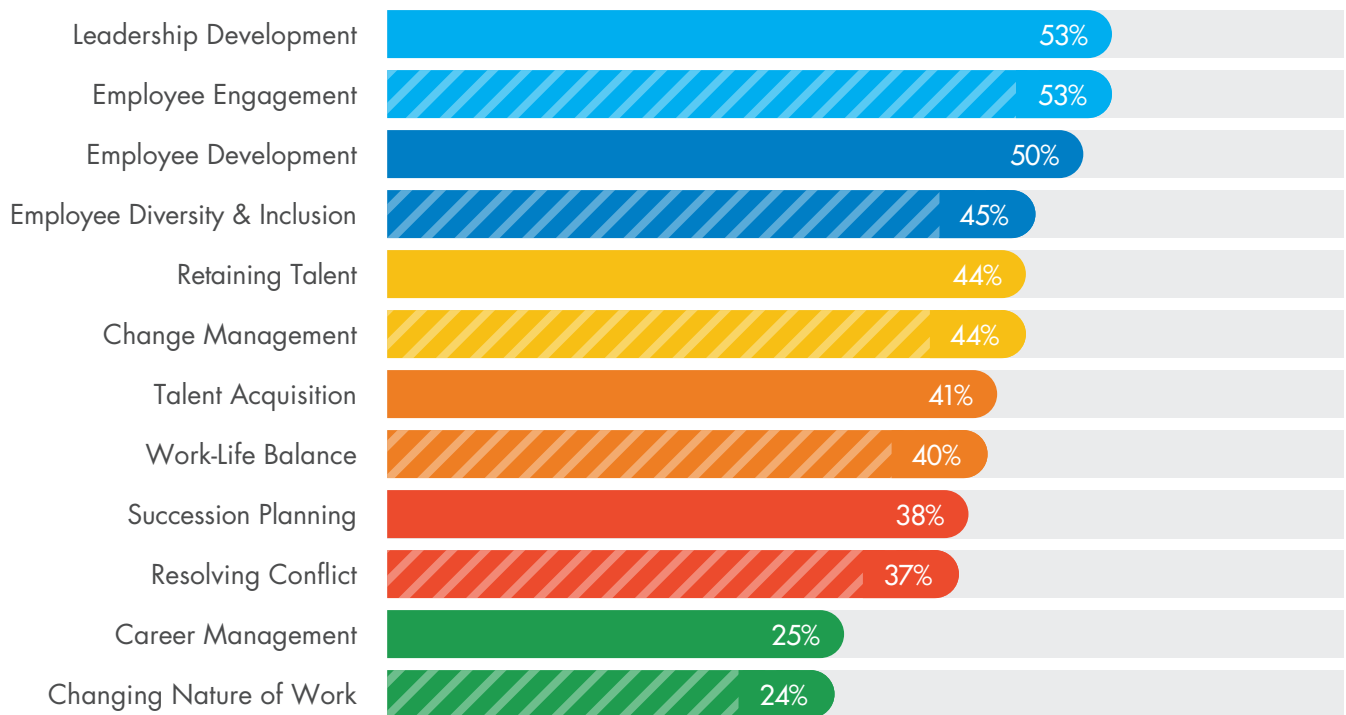
INDUSTRY



CRITICAL CHALLENGES

We wanted to know which people issues are the most important for organizations to address to achieve their strategic goals.

THE MOST CRITICALLY IMPORTANT ISSUES FOR ORGANIZATIONS

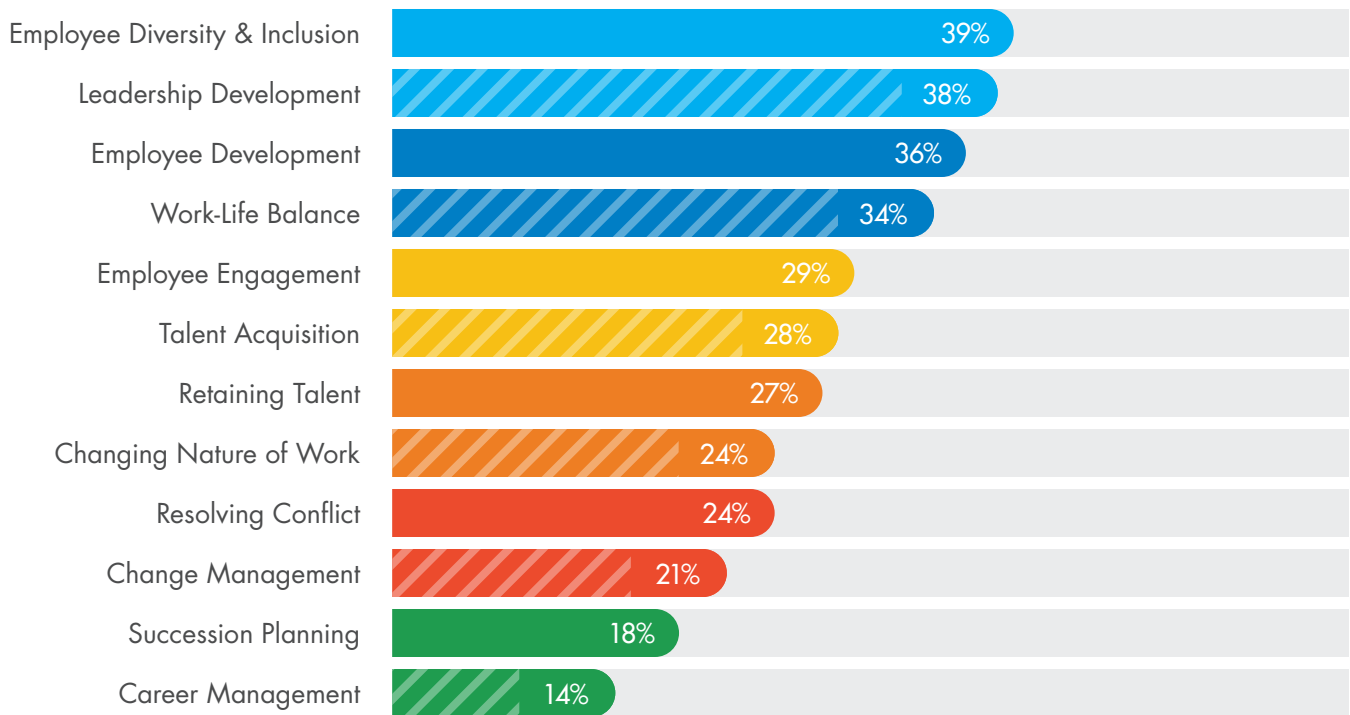


Three issues were identified by the majority of HR professionals as critically important: leadership development, employee engagement and employee development.

These three areas are where organizations should invest their first efforts in order to get the most out of their people. But they are not the only ones. Diversity, talent management and managing change are also areas that many respondents classify as important for success.



PERCENT OF ORGANIZATIONS THAT RESPOND TO THE ISSUES EFFECTIVELY OR SOMEWHAT EFFECTIVELY



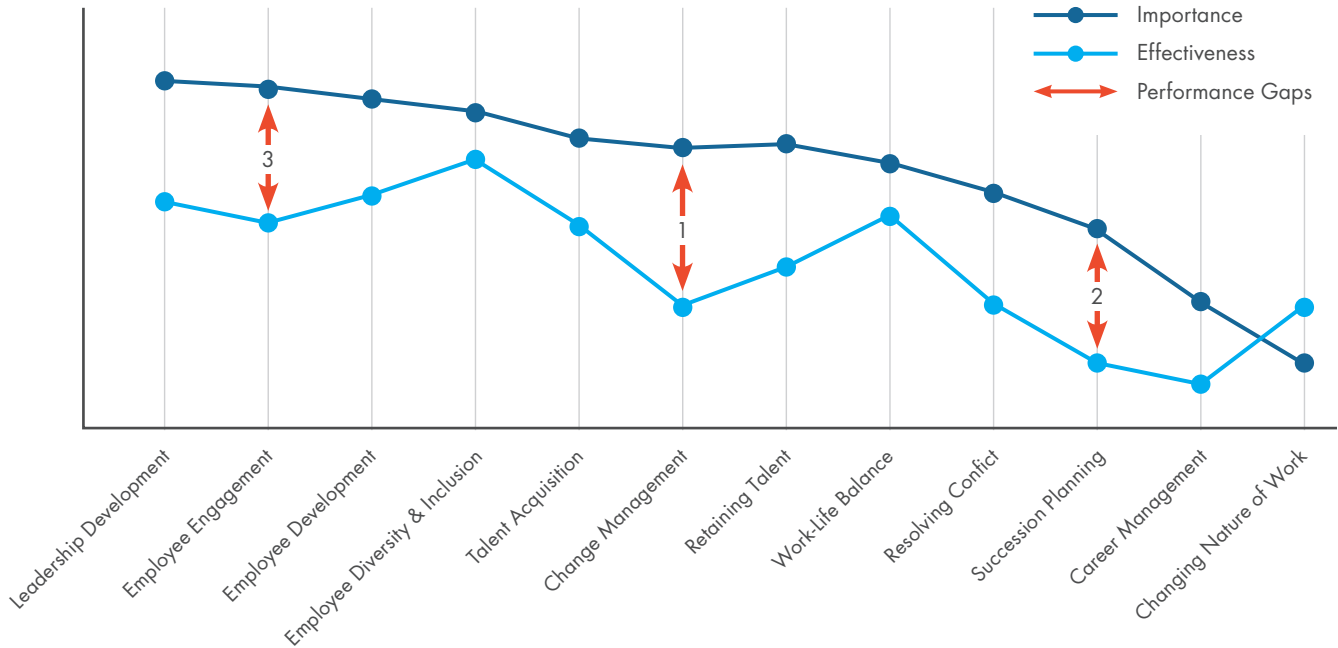
While the majority of respondents see leadership development, engagement and employee development as critical, they do not see organizations responding to them as effectively as they should.

- Only 38% of organizations are responding to their leadership development challenges well.
- Only 29% are dealing with employee engagement effectively.
- Only 36% are managing their employee development needs in a satisfactory way.

This obviously highlights significant gaps between what is seen as critically important, and how well organizations are addressing these issues. In a knowledge economy where much of the work is accomplished through people, poor leadership, lack of engagement and ineffective training can be fatal.

In every area, more people see signs of ineffective actions than effective ones. Organizations are seen as doing best in Employee Diversity & Inclusion, but even then, only 39% of HR professionals see their organizations as effectively addressing the need to develop and harness diversity in the workplace.

IMPORTANCE VS. EFFECTIVENESS



When we compare the ratings of importance against the current effectiveness of organizations, the largest gaps illustrate the key areas for organizations to focus their efforts. The three largest gaps between need and current capability are as follows:

- #1 – Change Management
- #2 – Succession Planning
- #3 – Employee Engagement

The low level of effectiveness in change management presents a significant challenge. With organizations operating in a world that is much more volatile, uncertain, complex and ambiguous (VUCA), being able to manage change will only become more important. The gap between how important change management

is, to how effective organizations are, is the largest in our research. Employee engagement and succession planning are issues that show the next two biggest gaps. Engaging staff and succession are somewhat intertwined issues that focus on harnessing and advancing peoples’ skills throughout their careers. As these activities also form the initial foundation for the development of leaders, gaps in these areas make addressing the critical need of effective leadership even more difficult. And this is where we see the 4th largest gap between need and capabilities, along with retaining talent.

What’s interesting is that most of the issues are connected to each other – solutions to address gaps in succession planning will also work to increase employee engagement, leadership development and talent retention.

WHAT ARE THE KEY PEOPLE ISSUES FACING YOUR ORGANIZATION?

Lack of focus on improvement of processes, and improvement of personnel (training, development, opportunities).

Lack of good training for frontline employees and managers.

Lack of strong management and leadership skills. EI not strong. Lack of trust; fear of making mistakes.

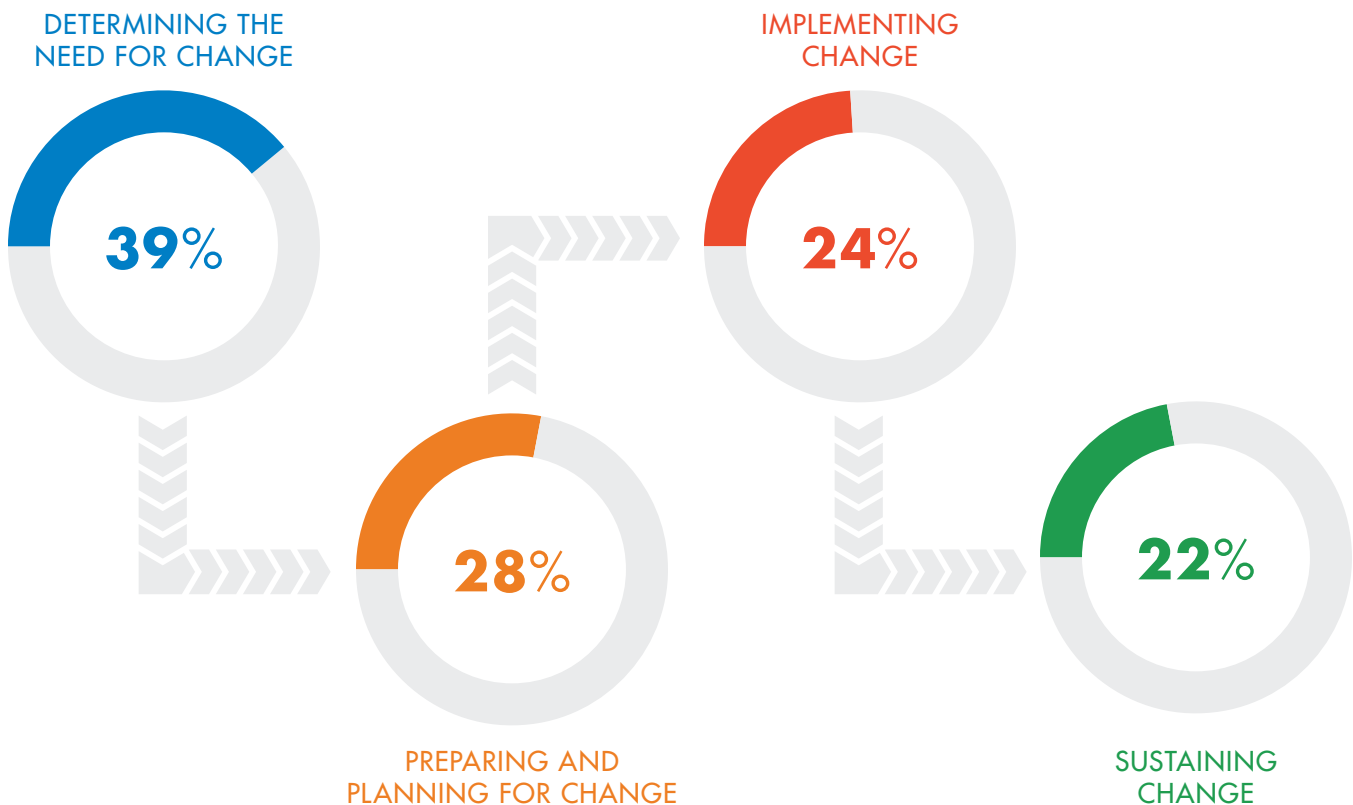


MANAGING CHANGE

WE GET THE NEED, WE STRUGGLE WITH THE HOW

Change is a fact of organizational life, and the frequency and size of change is something that organizations are struggling with.

PERCENT OF ORGANIZATIONS THAT MANAGE EACH STAGE OF CHANGE EFFECTIVELY



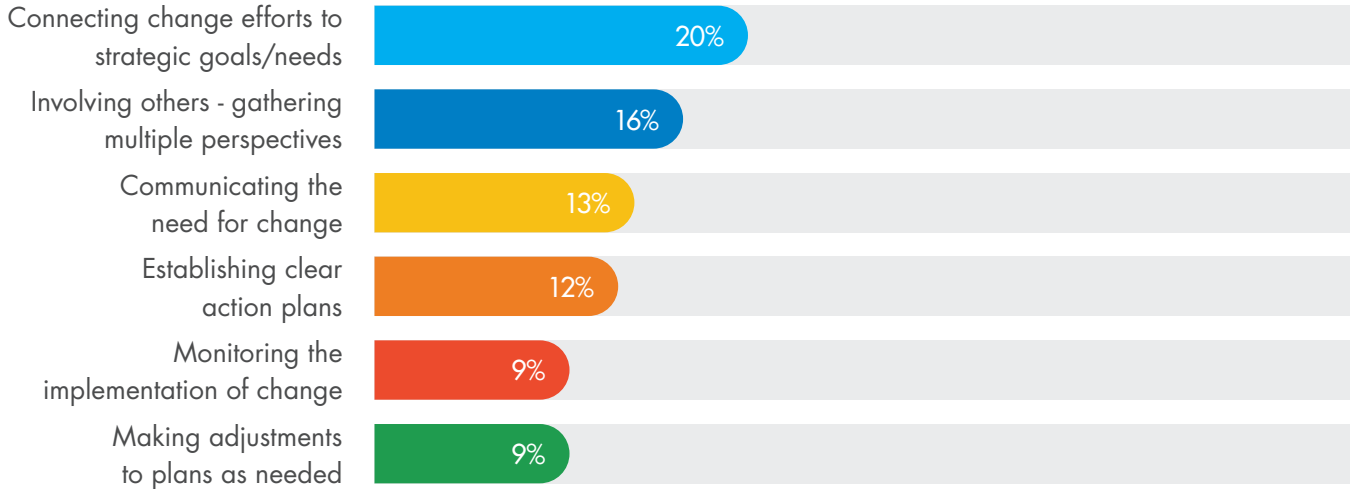
The process of managing change can be broken down into four broad stages, starting with determining the need for change and ending with sustaining the change. As organizations move through the four stages the data shows that their effectiveness begins to deteriorate, and they don't start with a high level of performance. While organizations are better at determining the need for change than any other stage of the process, only 39% of them are seen as effective in this area. Greater challenges then follow with planning, implementing and

sustaining change. Difficulties in determining the need for change mean that groups may not be recognizing challenges or attempting to solve the wrong ones. When the first step is ineffective, the others become invalid.

This is similar to the data from other research as well. In their Change and Communication ROI study¹, Towers & Watson found that only 25% of organizations are able to sustain long-term gains from their change management initiatives.

CHANGE MANAGEMENT ACTIVITIES

HOW EFFECTIVE IS YOUR ORGANIZATION AT THE FOLLOWING CHANGE MANAGEMENT ACTIVITIES?



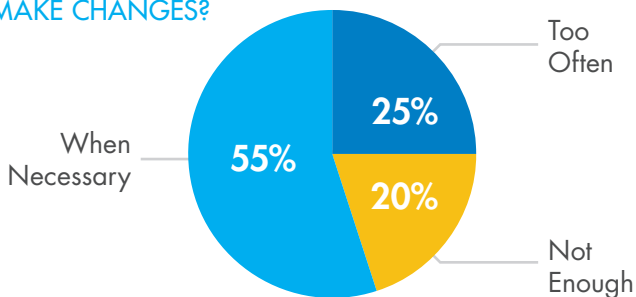
When we look at some of the specific activities of managing change, we find that organizations are best at linking the need for change to their strategic goals. Now it is important to note, that while this is the highest rated area in terms of effectiveness, only 20% of organizations are doing it well. The broad story is that most organizations are not that effective at managing change, and our results indicate that it

breaks down in multiple areas. With strategy as the high-water mark, things get progressively worse: involving others, communication, implementation and making adjustments are key areas of struggle. Less than 10% of respondents see their organization as able to effectively monitor change implementation or make adjustments to their plans when needed – that’s quite the gap.

FREQUENCY OF CHANGE – GETTING IT RIGHT, HALF THE TIME

Respondents told us that half of organizations are able to recognize when change is necessary, and undertake change initiatives when appropriate. The remaining organizations are split almost evenly between those who change too often, and those that do not change enough.

HOW FREQUENTLY DOES YOUR ORGANIZATION MAKE CHANGES?



Given the stress that change initiatives place on people and organizations, unnecessary change is a costly expense of energy and attention. Yet given the competitive challenges facing organizations, not changing when required is terminal. To become better at determining when to change, organizations need to focus on those activities that provide insight into the marketplace and work environment and take action on the issues that relate to their broad goals. Of the activities listed previously these are:

- Involving others and gathering multiple perspectives
- Connecting change efforts to strategic goals

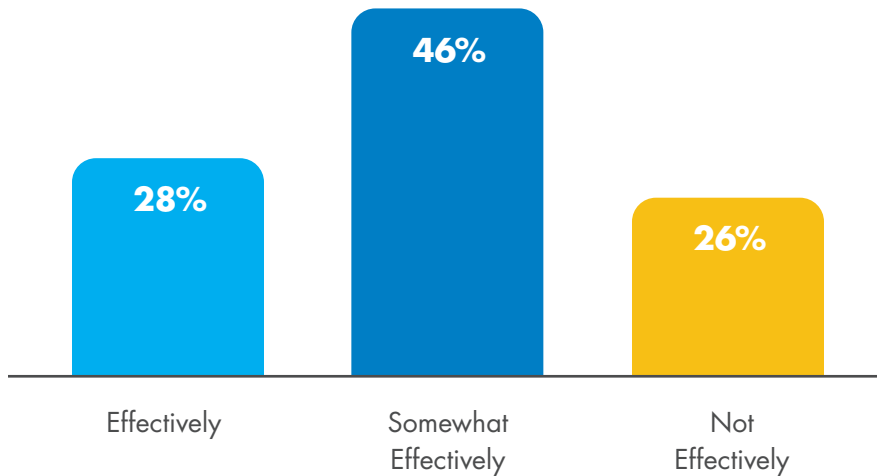
SUPPORTING EMPLOYEES DURING CHANGE – THE MISSING QUARTER

Just over a quarter of organizations provide effective levels of support during times of change. Approximately half of them do this with moderate success. This leaves the remaining quarter of employees working for organizations that do not effectively support them during times of change. For these individuals, they are left asking questions such as:

- Why is the change taking place?
- How will peoples' roles and responsibilities shift?
- How does the change connect to the organization's mission and values?

These are not insurmountable gaps, but they do require more frequent and purposeful communication by those leading change.

HOW EFFECTIVELY DOES YOUR ORGANIZATION SUPPORT EMPLOYEES DURING TIMES OF CHANGE?



Endnotes

1. 2013 Change and Communication ROI Study - Towers Watson. (Online).

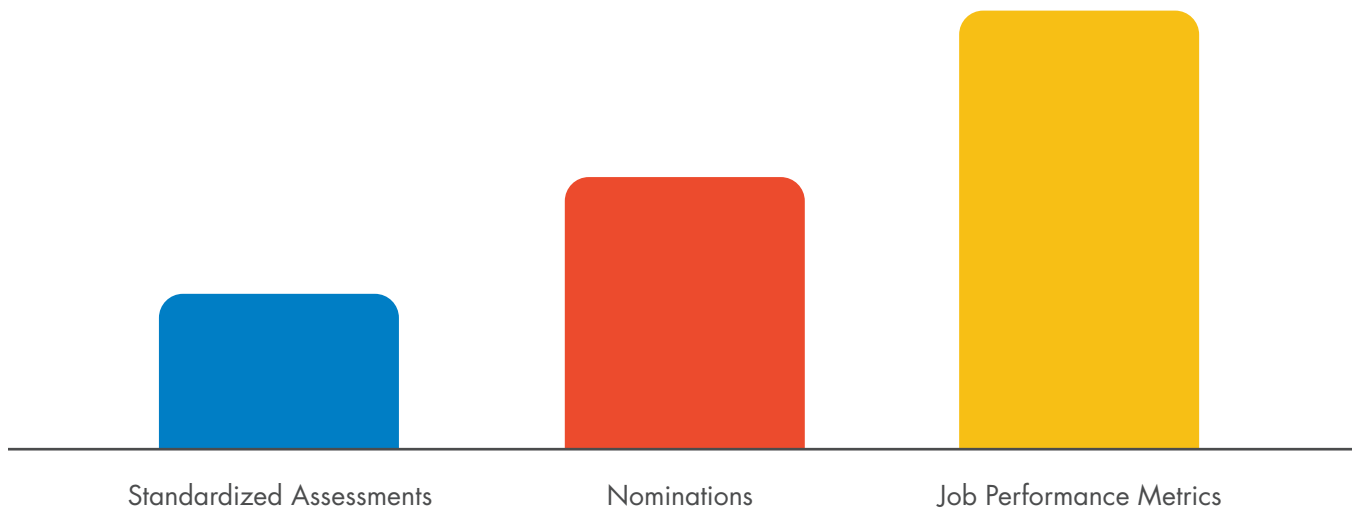


SUCCESSION PLANNING

GARBAGE IN, GARBAGE OUT

Identifying and developing talent to ensure that an organization has the depth of skills and expertise to function effectively in the mid to long-term is the goal of succession planning.

HOW DOES YOUR ORGANIZATION IDENTIFY HIGH POTENTIALS?



75%

of organizations face significant challenges:

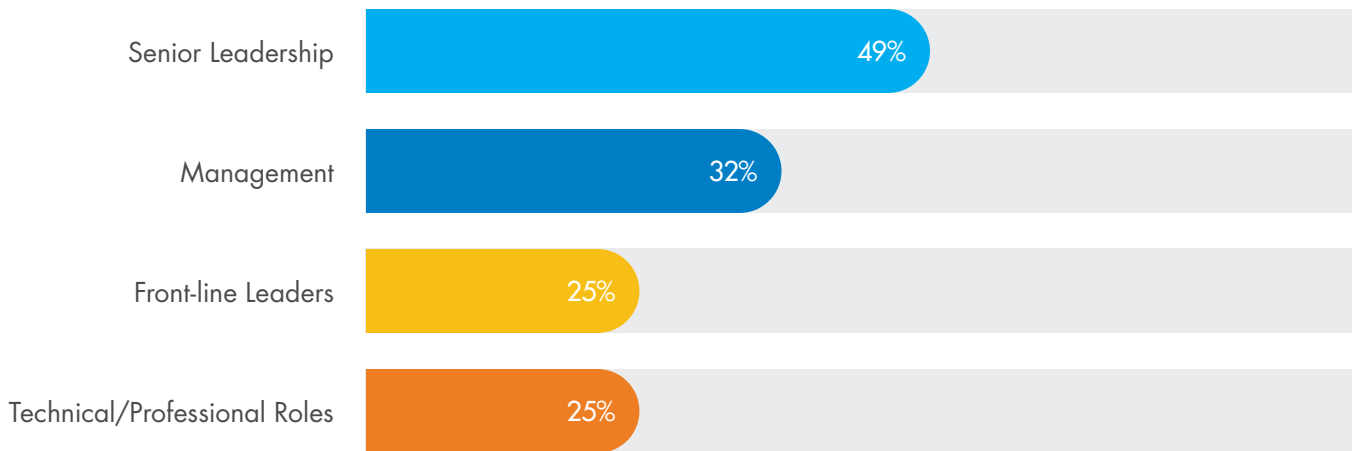
- Identifying High Potentials
- Developing High Potentials
- Retaining High Potentials

Respondents indicate that their organizations struggle with each aspect of finding, developing and retaining talent.

When we look at how organizations begin with identifying high potentials, most organizations rely on a combination of performance metrics and nominations. Nominations are often a highly subjective process that is easily influenced by personal biases, and performance metrics are also susceptible to rater's pre-conceived ideas of an employees' skills and capabilities. Standardized assessments which provide a more objective approach to evaluating potential are among the least used methods. If an organization is not successful in identifying high potentials, the challenges in developing and then retaining them are only going to be more acute.



PERCENT OF JOBS WITH SUCCESSION PLANS



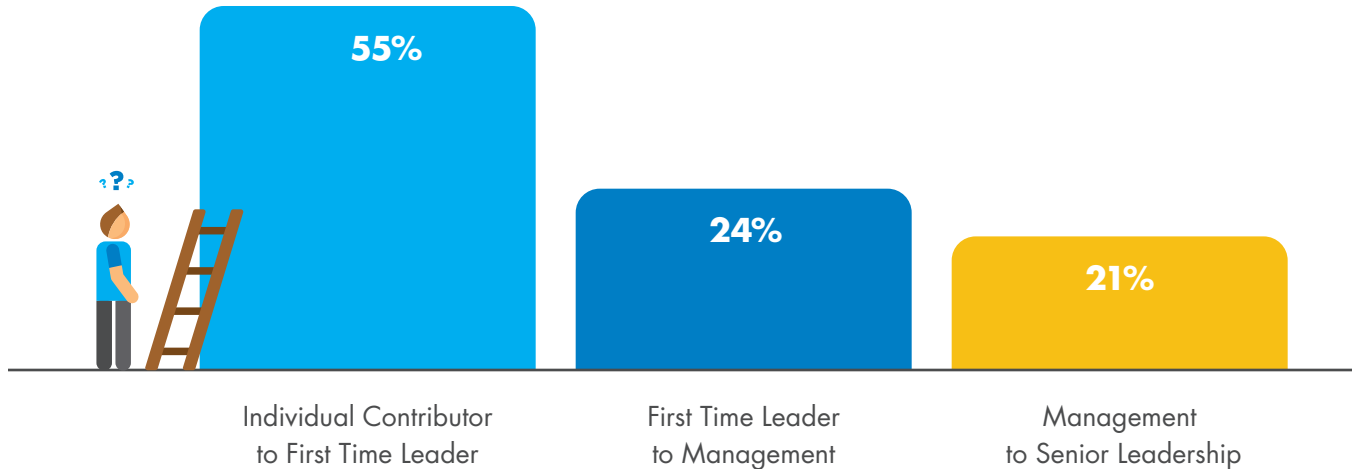
Senior leadership roles are those most commonly addressed by organizations with formal succession plans. The lower the position the less you see organizations formally addressing the need to identify and develop high potential employees. However, the

need remains – respondents indicate that while the majority of organizations do not have succession plans in place for management and front-line leadership roles they should.

HOW DOES YOUR ORGANIZATION IDENTIFY HIGH POTENTIALS?



IN YOUR ORGANIZATION, WHICH LEADERSHIP TRANSITION DO YOU SEE AS THE MOST DIFFICULT?



The leadership transition that is rated as the most difficult to make is moving from individual contributor to first time leader. Yet organizations are more focused on succession planning for people currently at the management or senior leadership level. This can only

result in a large number of people being selected and placed into their first leadership roles without effective identification of their skills and gaps, and a lack of support when they are in place.

IN YOUR EXPERIENCE, WHY DO PEOPLE IN SUCCESSION PROGRAMS OFTEN FAIL? (RATERS COULD CHOOSE ALL THAT APPLIED)



The most common areas of failure in succession programs are the lack of support and guidance provided to high potentials. This is closely followed by not giving leaders the appropriate opportunities to develop their leadership skills. In order for people to develop their

capabilities effectively they require experiences that require them to use and refine new skills, and receive the appropriate support and guidance to keep them on the right track. Without these in place, new leaders are set up for failure more than success.

Byron Hanson from the Curtin Graduate School of Business identifies four areas in his Leadership Development Interface¹ that must to be addressed for leaders to effectively develop their leadership skills. Not only do these areas require attention, there needs to be alignment between each of them.



Reflection and discovery

Self-awareness and recognition of the leader's values and character



Learning

Formal and informal education



Feedback

Input from organizational stakeholders that keep a leader on track



Practice

Stretch assignments and mentoring that allows a leader to try out new skills

Alignment between these four areas recognizes that leadership development is a shared experience between the leader and the organization. It also ensures that both individual and organizational needs are met.



Endnotes

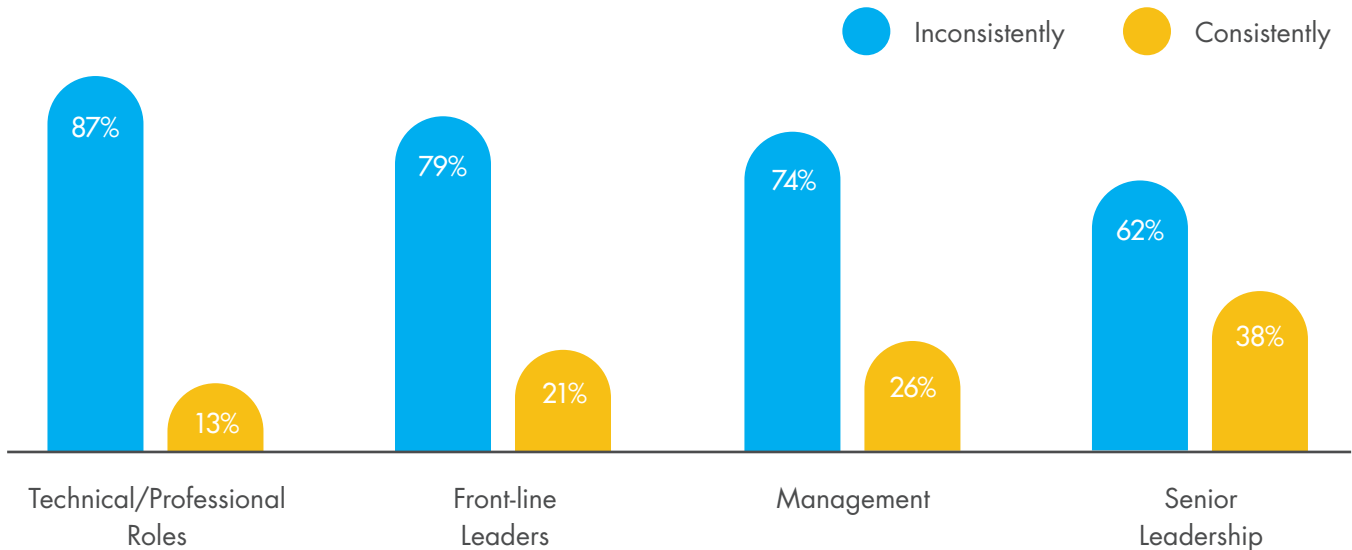
1. The Leadership Development Interface: Aligning Leaders and Organizations Toward More Effective Leadership Learning, Byron Hanson, November 27, 2012, Advances in Developing Human Resources

LEADERSHIP DEVELOPMENT

THE HIGHER YOU RISE, THE MORE YOU RECEIVE

Developing leaders was the issue identified the most as critical for organizations to move effectively into the future.

WHERE DOES YOUR ORGANIZATION FOCUS ITS LEADERSHIP DEVELOPMENT EFFORTS?



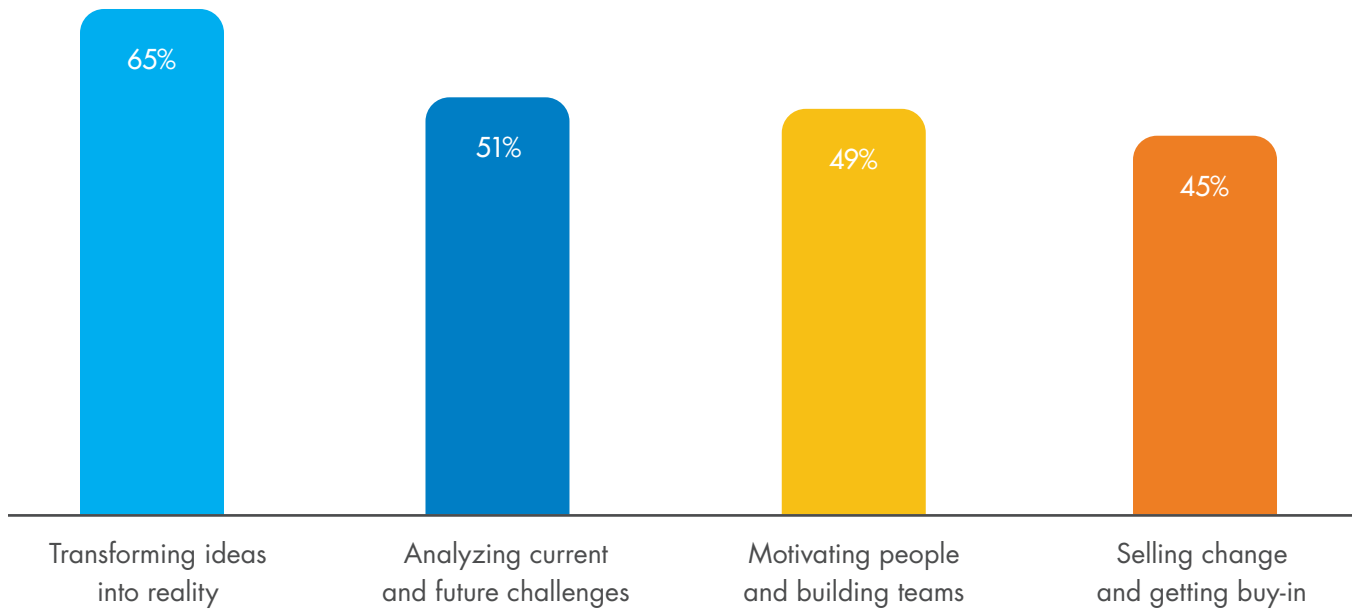
The overall responses highlight a startling fact that while leadership development is seen as critical by most organizations, most organizations do not do very much of it. Senior leaders – only 38% are given consistent attention. Managers – only 26%. And those on the front-line, who are generally tasked with executing on strategy? Only 21%. The vast majority of people in leadership roles are not having their leadership skills and development consistently addressed.

Senior leaders do get the most consistent attention in organizational leadership development efforts, but front-line leaders, who are often in their first leadership role, are not as well supported. The fact that 79% of these individuals get little to no opportunities to develop their leadership skills is shocking – at a stage where people are beginning to establish their capabilities, ignoring them at this time can lead to bad habits and costly mistakes such as high turnover, poor decision-making, and lack of employee engagement. This is also the stage of leadership that is rated as most difficult to transition into. To effectively build a pipeline of leaders, organizations need to provide more developmental opportunities to those who are starting their leadership journey.

79% OF FRONT-LINE LEADERS ARE FIGURING OUT LEADERSHIP ON THEIR OWN.



WHERE ARE THE LEADERS IN YOUR ORGANIZATION MOST EFFECTIVE?



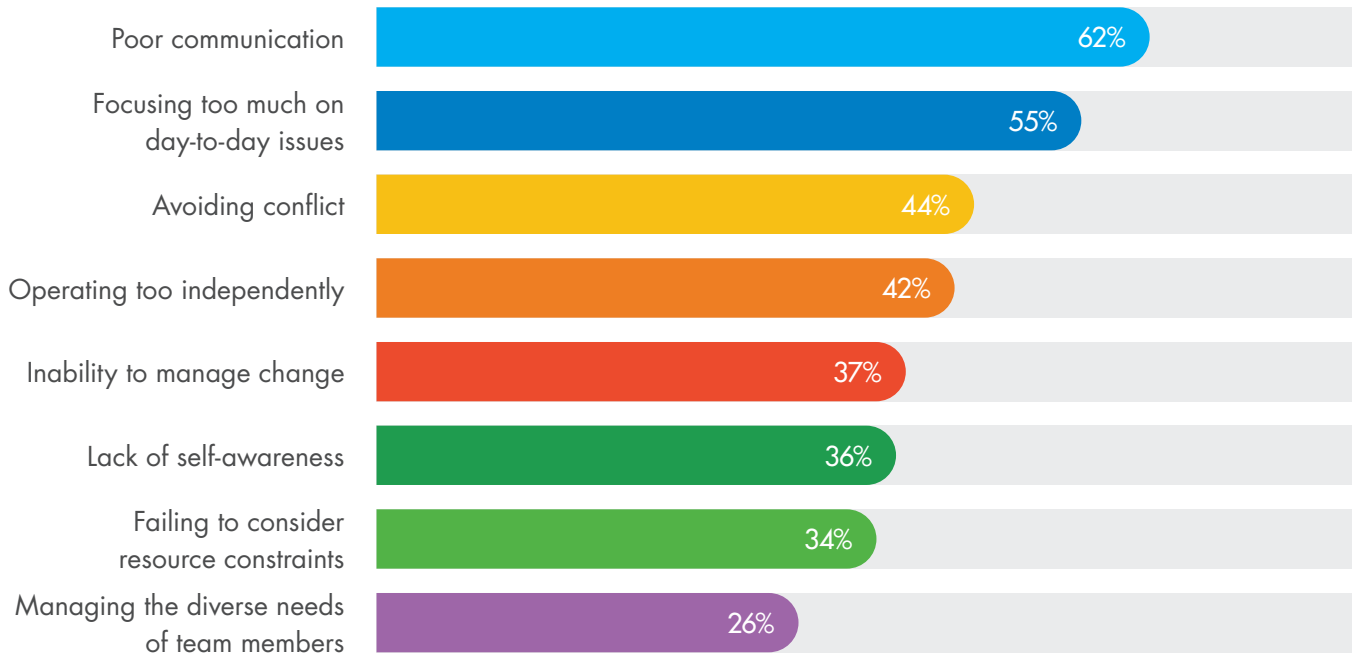
Considering where organizations should focus their leadership development efforts requires an understanding of leaders' strengths and performance challenges. Respondents indicate that execution – transforming ideas into reality – is where leaders are operating the most effectively. Just over half of leaders are seen as effectively analyzing current and future challenges. When it comes to selling change and getting buy-in, and motivating people and building teams, the majority of leaders are not seen as particularly effective.

The challenge with execution being the primary and only strength of the majority of leaders is that this

competency area is focused on day-to-day issues which pull leaders into the weeds at the expense of devoting energy and attention to long-term and eventually more important issues. It is a picture of many leaders not operating strategically, both from a problem-solving perspective and regarding the use of human resources.

This gets reflected in the second most common pitfall of leaders, focusing too much on day-to-day issues. More than half of respondents identified that their leaders have a hard time stepping outside of the daily agenda to address the strategic demands that their role requires.

WHAT ARE THE COMMON PITFALLS OF LEADERS IN YOUR ORGANIZATION?



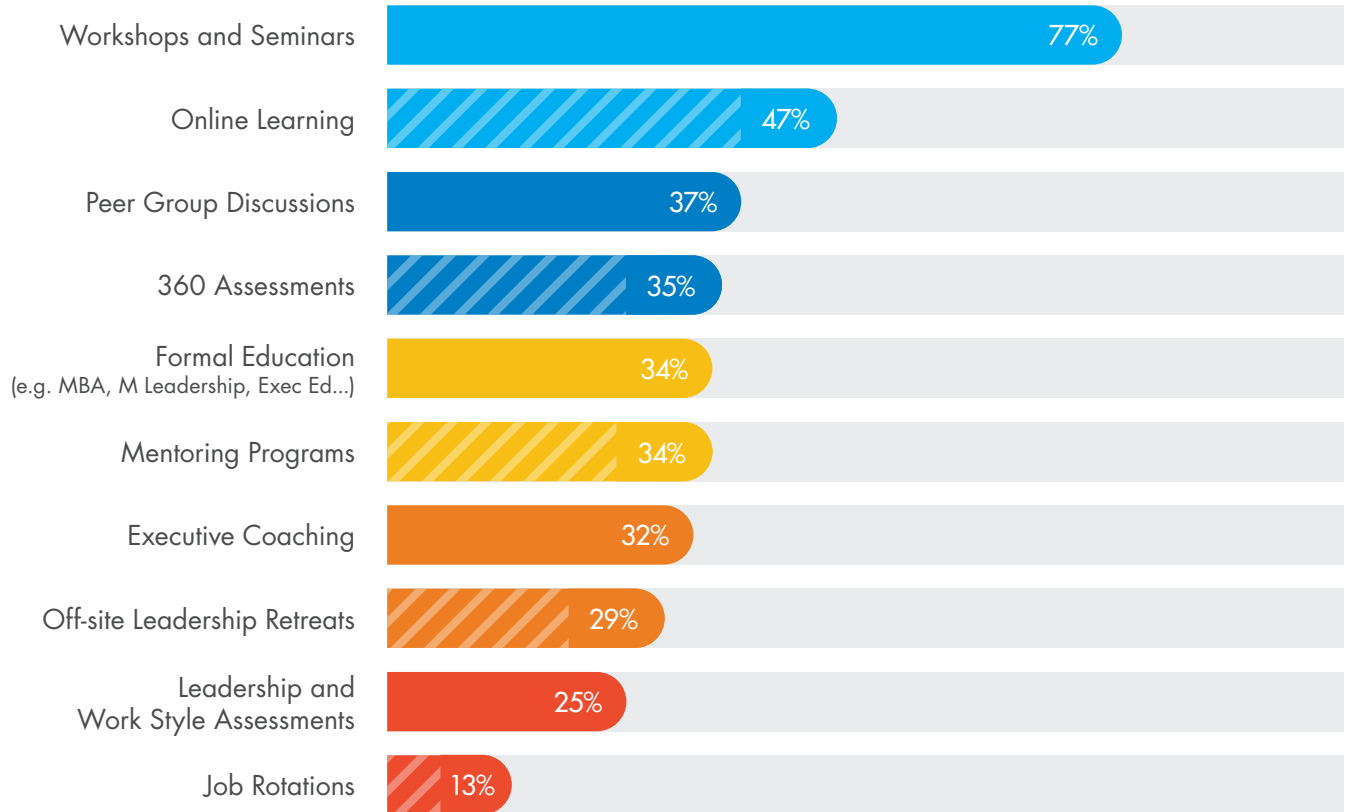
Poor communication is the most common pitfall identified, with more than 60% of respondents seeing this as a frequent challenge of leaders. This is in spite of the broad recognition of communication as a key leadership skill and a commonly targeted area of development. Without effective communication skills, leaders will continue to struggle with motivating others, selling change, and getting buy-in.

More than one-third of respondents have also seen leaders struggle with lacking self-awareness, operating too independently, not being able to manage change, and dodging conflict. To truly operate in a leadership role, leaders need to be able to tackle the difficult and the uncomfortable – dealing with conflict and managing uncertainty.

WHAT ARE THE COMMON PITFALLS OF LEADERS IN YOUR ORGANIZATION?



WHAT LEADERSHIP DEVELOPMENT ACTIVITIES DOES YOUR ORGANIZATION USE?



Traditional workshops and seminars remain the most highly used approach for leadership development, with 77% of organizations using this approach. Yet online learning is a growing presence, with just under half of organizations leveraging this method. Peer group discussions and mentoring programs that allow leaders to connect with peers and learn from others experience are used by under 40% of organizations.

Research from multiple sources shows that self-awareness has a direct link with performance.^{1,2,3,4} Given the importance of self-awareness in effective leadership, it is a challenge that only 35% of the organizations surveyed use 360 assessment tools, executive coaching and leadership assessments – each of which can help leaders better understand their impact on others. This usage rate of developmental assessments is much higher in larger organizations. In 2016, Jack Zenger (from Zenger/Folkman) reported that 85% of Fortune 500

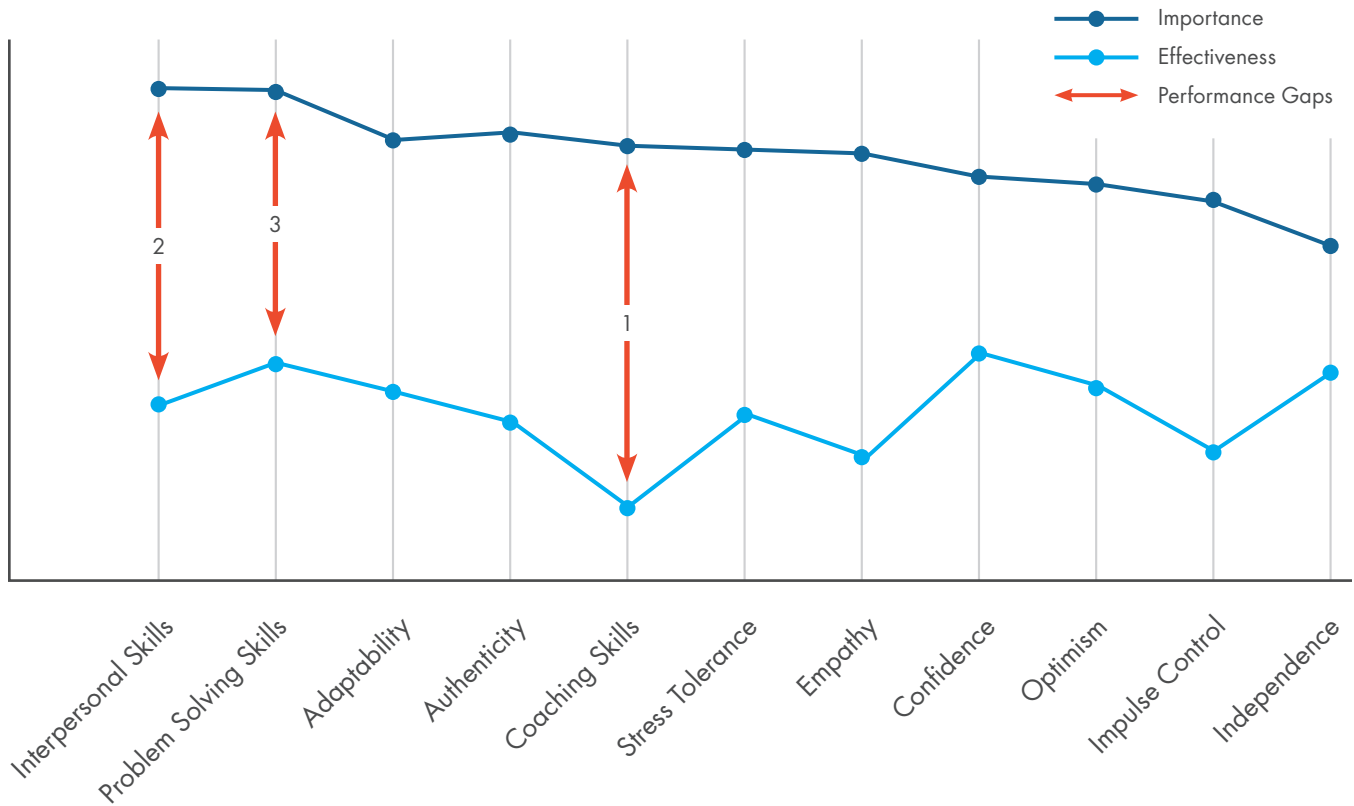
organizations use a 360 feedback process as part of their leadership development process.⁵

Off-site retreats are also only used by 29% of organizations – given how data is showing that leaders have a hard time stepping out of the day-to-day responsibilities, this should be something considered more often. There appears to be a dramatic need to get leaders out of the daily work environment to work on the business, rather than working in the business.



IMPORTANCE OF LEADERSHIP SKILLS

WHAT ARE THE COMMON PITFALLS OF LEADERS IN YOUR ORGANIZATION?



The competencies rated as most important for leaders were interpersonal and problem-solving skills. Since leadership is the use of social influence to complete work through others, it is not surprising that these two competencies are critical.

Our results also show the demanding nature of leadership – all of the competencies we surveyed,

from adaptability to stress tolerance, were rated as somewhat important or important by the vast majority of respondents. To be an effective leader requires a diverse set of skills that need to be used judiciously at the right time. Since leadership is not easy, having the appropriate support and developmental opportunities is important.



In our analysis we compared the importance of various leadership competencies with the performance of current leaders. Consistency would indicate which areas leaders are doing relatively well in comparison to the need, while gaps highlight areas where leaders are not performing at the necessary level. The largest gap is in coaching skills, followed by interpersonal skills, problem-solving, authenticity, and stress tolerance.

The competencies where the gaps are the smallest? Confidence and independence. These competencies

are among the four lowest rated in terms of importance. For leaders in demanding roles who are operating under significant time pressures, the competencies they should focus on the most for improvement are:

- Interpersonal Skills
- Coaching
- Problem-Solving

SUMMARY

Our results show that organizations may not be putting enough effort into addressing the challenges that leaders encounter. For all leaders, further improvements in their abilities to communicate and engage others, solve problems and think strategically are necessary.

For new leaders, trial by fire is the developmental approach used for many, and is certainly not a recipe for success. Senior leaders receive more

developmental opportunities and resources, but is the focus appropriate? New and emerging leaders face a difficult transition from individual contributor to leadership positions and our data shows that they are not receiving the support and learning they require. This results in two challenges – one for the individual leaders trying to find success, and two, the organization's pool of leadership talent remains weak.

Endnotes

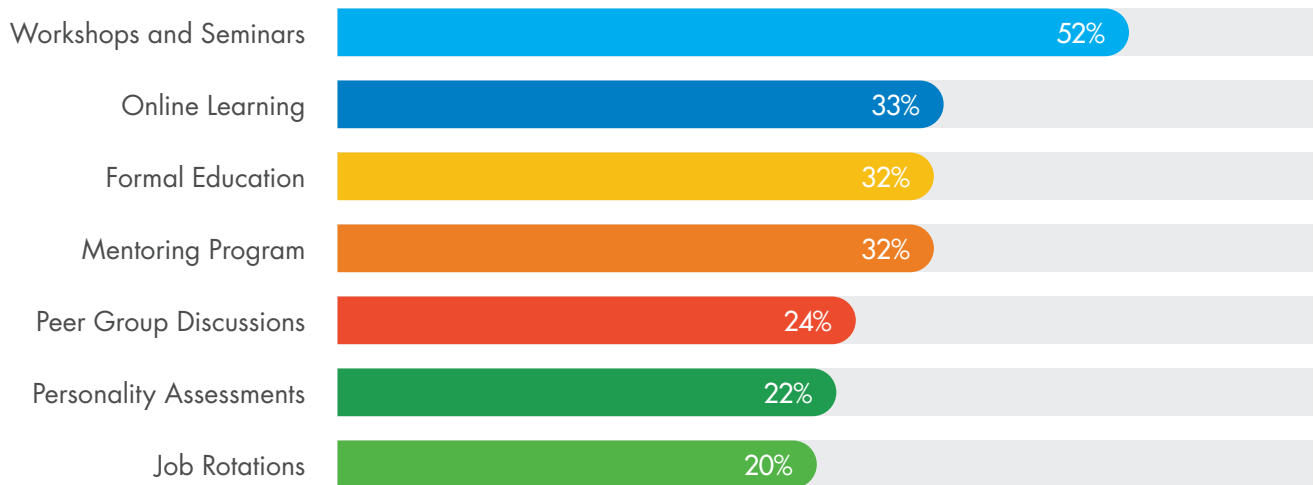
1. Church, A. J. (1997). Managerial Self-Awareness in High-Performing Individuals in Organizations. *Journal of Applied Psychology*, 82, 281-292.
2. Tekleab, A., Sims, H., Yun, S., Tesluk, P., & Cox, J. (2008). Are We On the Same Page? Effects of Self-Awareness of Empowering and Transformational Leadership. *Journal of Leadership & Organizational Studies*, 14, 185-201.
3. Bratton, V., Dodd, N., Brown, F. (2011). The impact of emotional intelligence on accuracy of self-awareness and leadership performance. *Leadership & Organization Development Journal*, 32, 127-149.
4. Sutton, A., Williams, H., & Allinson, C. (2015). A longitudinal, mixed method evaluation of self-awareness training in the workplace. *European Journal of Training and Development*, 39, 610-627.
5. Zenger, J. (March 10, 2016). How Effective Are Your 360-Degree Feedback Assessments? *Forbes* (On-line).

CAREER DEVELOPMENT

IF YOU DON'T CARE, NO ONE WILL

To help address the challenges presented by turnover, organizations have begun providing career supports to increase retention.

HOW ARE PEOPLE IN YOUR ORGANIZATION BEING PREPARED FOR HIGHER POSITIONS?



Workshops and seminars are the most popular method of preparing people for higher positions, and approximately one-third of organizations use online learning, formal education, and mentoring programs. Assessments are not used as often – but given the importance of interpersonal skills, communication and self-awareness in leadership roles (areas which assessments can directly help) you would think it would

be higher. Job rotations and peer group discussions are also used infrequently across organizations. Job rotations provide a terrific opportunity for an individual to stretch themselves and gain critical experience that is very helpful for determining ones’ ideal career path. Peer discussions are also a form of mentoring and career advice that is highly informative and comes at very little cost.



DO STAFF HAVE CLEARLY DEVELOPED CAREER OBJECTIVES AND ACTION STEPS TO HELP THEM ACHIEVE THEIR GOALS?



The most concerning development statistic relates to the level of personal activity and ownership of employees when it comes to managing their careers. Our results indicate that only 28% of employees have established career objectives and action steps



to help them achieve their goals. Most employees are operating in a day-to-day way, and while work pressures and task loads obviously push this frame of reference on people, the need to strategically consider one's career path remains.

HOW ACTIVELY DOES YOUR ORGANIZATION SUPPORT THE ONGOING CAREER DEVELOPMENT OF STAFF?



While many employees are not significantly engaged in their own career development, the majority of organizations (67%) provide at least some support for staff development. The gap between the supports available and the uptake by employees could be due to



a number of factors. These include a lack of awareness of the supports, which highlights an organizational communication problem, or a lack of time, which would suggest that employees are stretched too thin to take advantage of career development resources.

DOES YOUR ORGANIZATION PROVIDE A CAREER MAP THAT HELPS STAFF PLAN THEIR CAREERS?



While the majority of organizations are providing some type of supports, few are providing the type of guidance that helps employees map and plan their careers. Only 15% of organizations offer career planning that is strategic and long-term. Most employees are left to their own devices when it comes to planning their careers. For organizations, they may want to put more effort



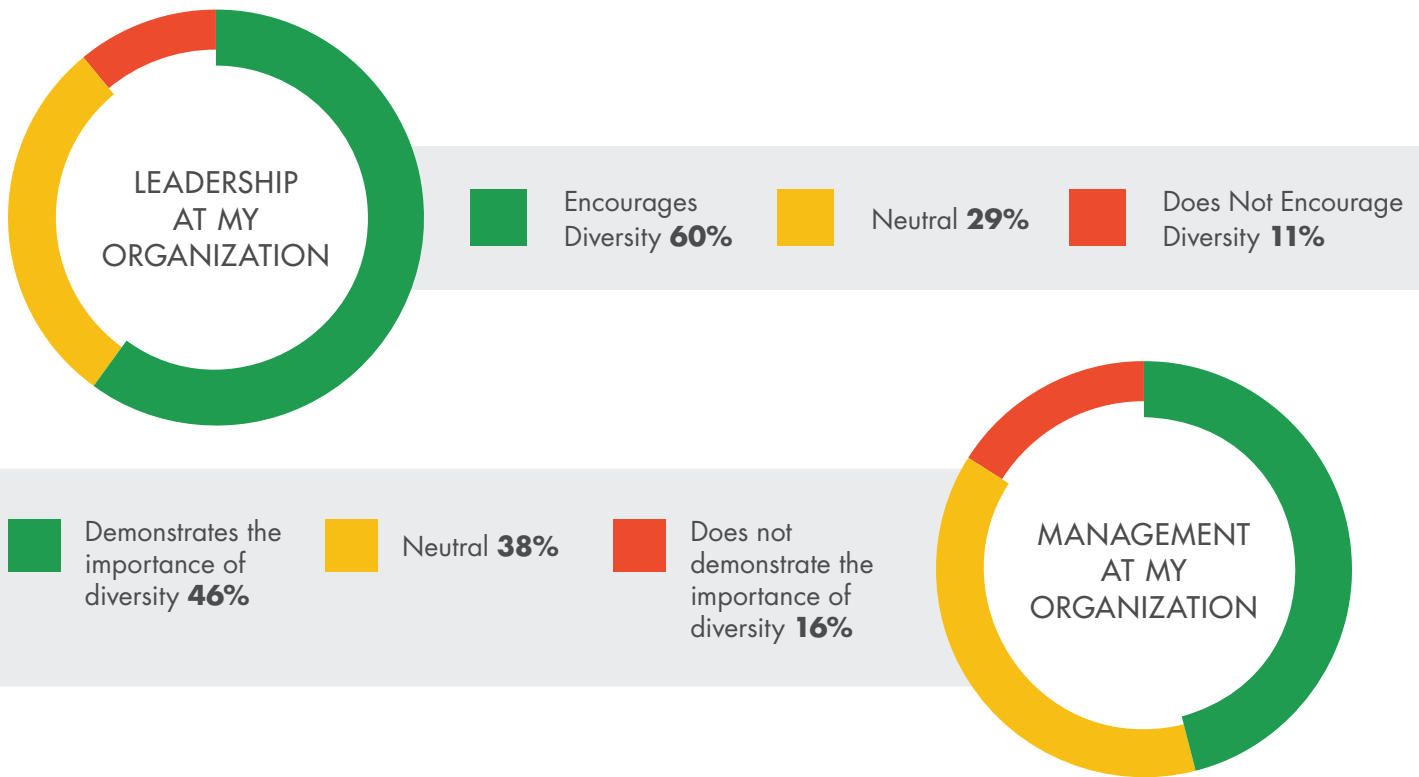
into informing staff about their career options within the organization if they truly want to increase retention. For individuals, no one is more invested in their career than they are. Consider this a wake-up call to all employees – do not wait for others to provide you with strategic career support. Currently only 28% of people have received the message and taken action.



DIVERSITY

A WINNING STRATEGY

Diversity at work is a popular topic, and for good reason.



Research studies consistently show that diverse workplaces are better in very tangible ways. Key areas of diversity include age, gender, race, ethnicity, personality, and experience. Whether evaluated by examining financial results or workplace performance, diversity wins the day.

Here's just a short sample:

- Organizations with diverse boards generated returns on equity that were 53% higher, on average, than less diverse boards.¹
- They also generated 14% higher earnings, on average.¹

- Organizations with women on the board displayed better average growth.²
- Diverse groups perform better than homogenous groups when making decisions.³
- Groups with new and different viewpoints achieve better results than homogenous ones.⁴

Our survey indicates that the majority of leaders recognize this and encourage diversity in their organizations. However, nearly a third of leaders are neutral in their encouragement of diversity – this is a challenge given the benefits research shows that diversity provides.



When asked if management acts consistently with their professed belief in diversity, we see a gap. While 60% of leaders encourage diversity, the actions of only 46% of management appear to back this up. This indicates that there is some lip-service paid to the importance of diversity, but it is not truly recognized and acted upon as a method for increasing organizational performance.

Respondents also indicate that between 12-16% of organizations do not encourage diversity or take action to demonstrate its importance. This leaves these organizations open to a number of challenges including over-confidence, poor decision making, and lower effectiveness.

DOES YOUR ORGANIZATION HAVE A DEFINED DIVERSITY AND INCLUSION PROGRAM?



The power of diversity in the workplace is being acted upon though by certain organizations. Respondents indicated that more than half of organizations have a defined program to encourage and support the growth

of diversity in their workforce. The 44% of organizations that are not active in this space are missing an area where additional focus and attention can bring about real gains.

Endnotes

1. Barta, T., Kleiner, M., & Neumann, T. (2012). Is There A Payoff From Top-Team Diversity? McKinsey Quarterly (Online).
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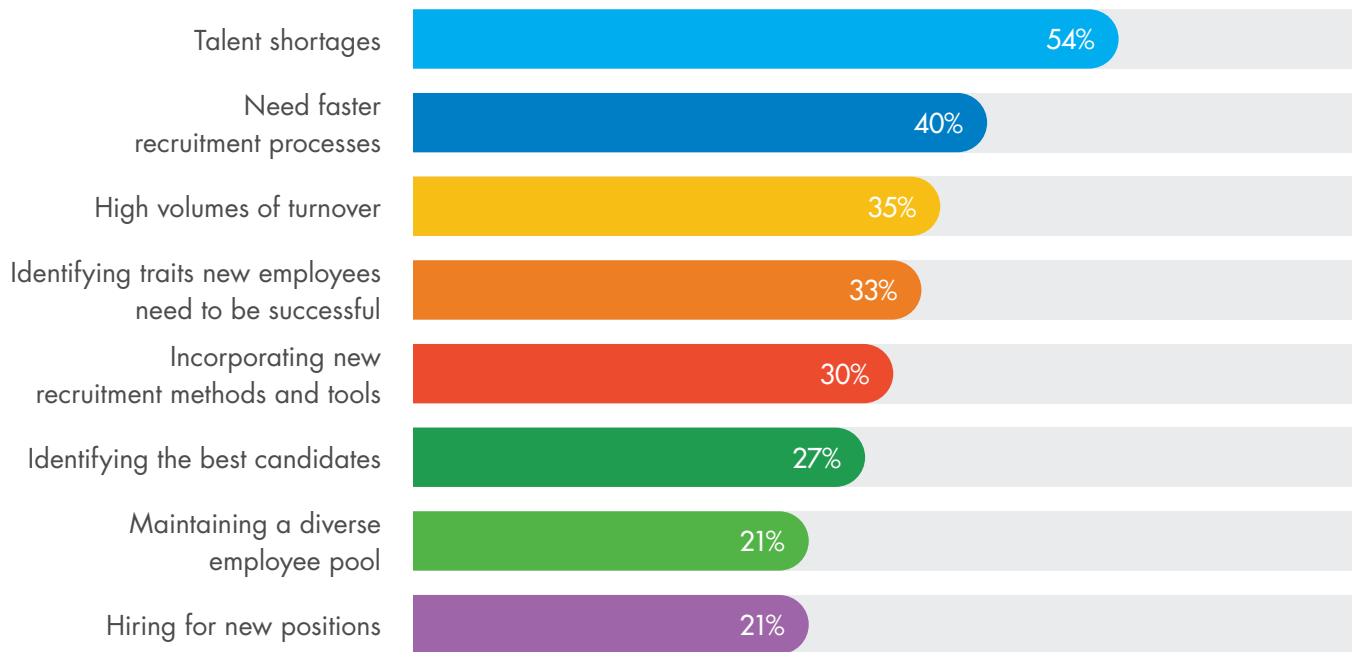


SELECTION

FINDING TALENT, LEVERAGING TALENT

The most common pressure that organizations face in their recruiting efforts is addressing their talent shortages.

WHICH PRESSURES DO YOU (OR YOUR ORGANIZATION) FACE IN YOUR RECRUITING EFFORTS?

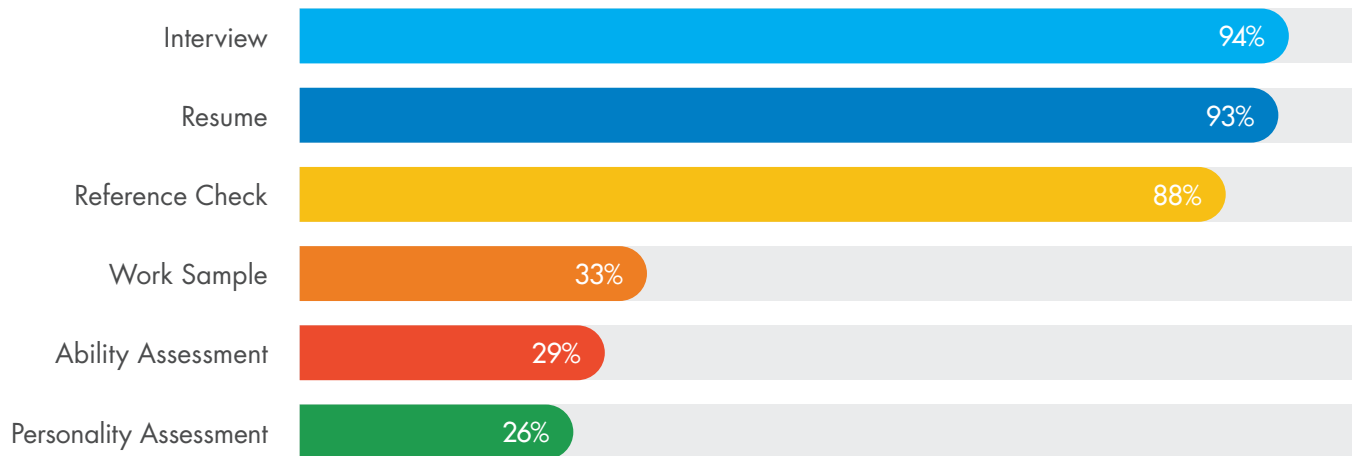


This is not surprising since finding talent is at the heart of the recruitment process. Given the pressure to address this deficiency in capacity, HR professionals indicated that they need to find ways to speed up the recruitment process. Other challenges include identifying the qualities employees need to be successful, and continually recruiting candidates due to high turnover. In essence, the challenges boil down to

the need to become more effective (selecting the right people) and more efficient (doing so quickly) at hiring.

Reducing turnover can obviously have a significant impact on the recruitment activities that organizations need to undertake. By hiring the right people the first time, organizations will not have as much stress on filling talent gaps and investing time in continuous recruitment.

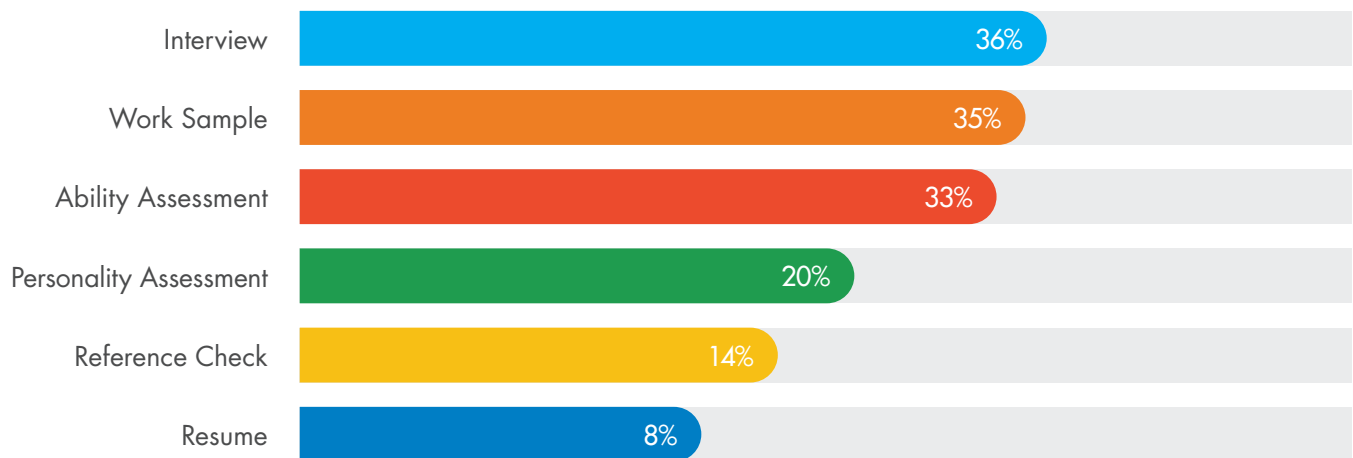
WHAT METHODS DOES YOUR ORGANIZATION USE FOR EVALUATING JOB CANDIDATES?



We also wanted to know which methods organizations were using to evaluate candidates and select those with the best fit. The methods used most frequently remain the Big 3 – resumes, interviews and reference checks.

In spite of common challenges related to finding the right people, and doing so efficiently, most organizations continue to use underperforming recruitment practices that have been around for more than a century.

PERCENTAGE OF HR PROFESSIONALS WHO SEE SCREENING METHOD AS EFFECTIVE







The use of other selection methods that have well proven validity such as assessments and work samples, are under used by organizations¹. In the recruitment field, it appears there is a strong need to move into the 21st century. HR and recruitment professionals may not be as proactive and forward thinking as they need to be, instead falling into the trap of “This is how we have always done it.”

Other than interviews, most organizations are actively using the methods that they themselves report as

being less effective – resumes and reference checks are among the most common methods used by organizations, but are rated as among the least useful. Ability assessments and work samples and personality assessments are rated as more effective, but are used by a much lower number of organizations. Data shows that there is a better way, and HR professionals appear to be aware of it, yet they continue to rely on age-old processes and methods.

RECRUITMENT PROBLEMS AND MANAGEMENT PROBLEMS



-  Has enough talented members and effectively uses them **24%**
-  Has enough talented members but struggles utilizing them **36%**
-  Does not have enough talented members but effectively uses the talent that we have **24%**
-  Does not have enough talented members and struggles to use those we do effectively **16%**

Our research shows that 24% of surveyed respondents work in organizations that have enough talented employees and are able to utilize them and their skills effectively. These organizations deserve our congratulations on successfully tackling their recruitment and management needs. The remaining organizations fall into a few different categories:

- **Management Problems** – 36% of organizations have the talent, but struggle to use it.
- **Recruitment Problems** - 24% of organizations have a lack of talent, but make good use of the talent they do have.
- **Management & Recruitment Problems** – 16% don't have enough talent and struggle to use the talent they do have.

Organizations that fall in this last category need to seek improvements on two fronts. First, how to better recruit and identify talent. Second, how to better manage that talent once it is in place.

When you consider the number of organizations that are struggling to utilize their talent – a total of 52% – we see a key leadership challenge. Utilizing the skills and capabilities of others is a problem for more organizations than recruitment. This reinforces the need for good leaders and highlights the leadership skills gaps in a large number of organizations. This is especially true for front-line leaders who interact with the vast majority of staff. If these individuals do not have the skills required to effectively use talent, and their skill gaps are not addressed, organizations will continue to struggle and fail to utilize the full potential of their employees – a key wasted resource.

Endnotes

1. Schmidt, F. L., & Hunter, J. E. (1998). The validity and utility of selection methods in personnel psychology: Practical and theoretical implications of 85 years of research findings. *Psychological Bulletin*, 124, 262-274.



CONFLICT

INSTINCT VS. MINDFULNESS

Being able to deal with conflict effectively requires understanding others, reading the situation, and acting accordingly.

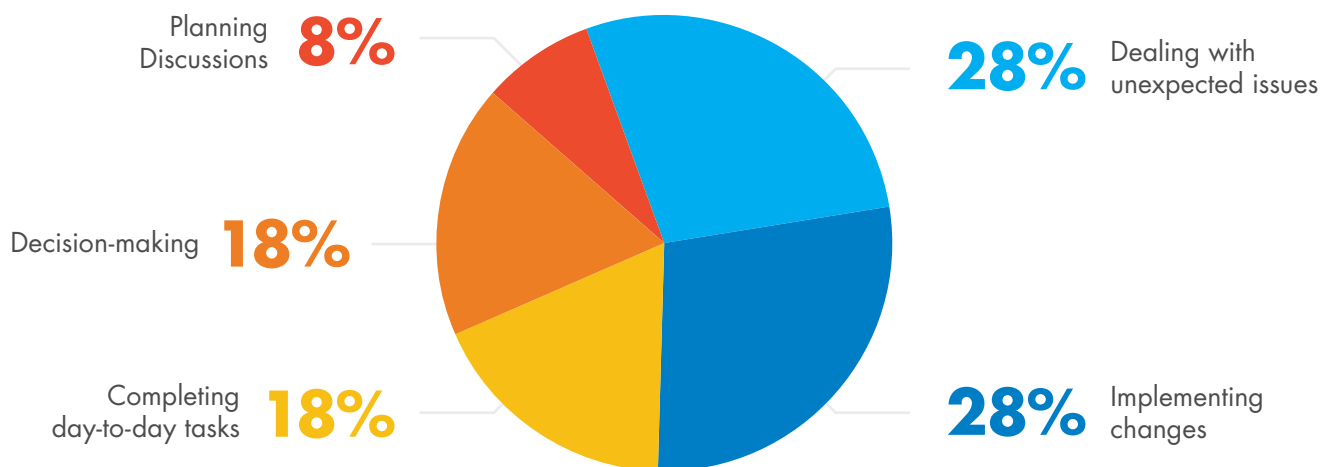
Ralph Kilmann, one of the authors of the Thomas-Kilmann Conflict Mode Instrument, defines conflict as any situation in which one person's concerns or desires differ from those of another.

Based on his definition he states that conflict has the following foundations:

1. Conflict is inevitable.
2. Conflict is neutral.
3. Conflict can promote growth OR impede potential – it depends on how it is managed.

We wanted to know where conflict occurs most often in organizations. The answer – during times of change and dealing with surprises. These two areas account for more than half of the conflict observed in the workplace – this does not necessarily mean that it is bad, as Kilmann states, conflict in and of itself is neutral; however, it does highlight the situations where people are most likely to encounter differences of opinion. If we can better address these differing concerns when facing change or dealing with surprises, we will be better able to deal with more than half of the conflict that comes our way.

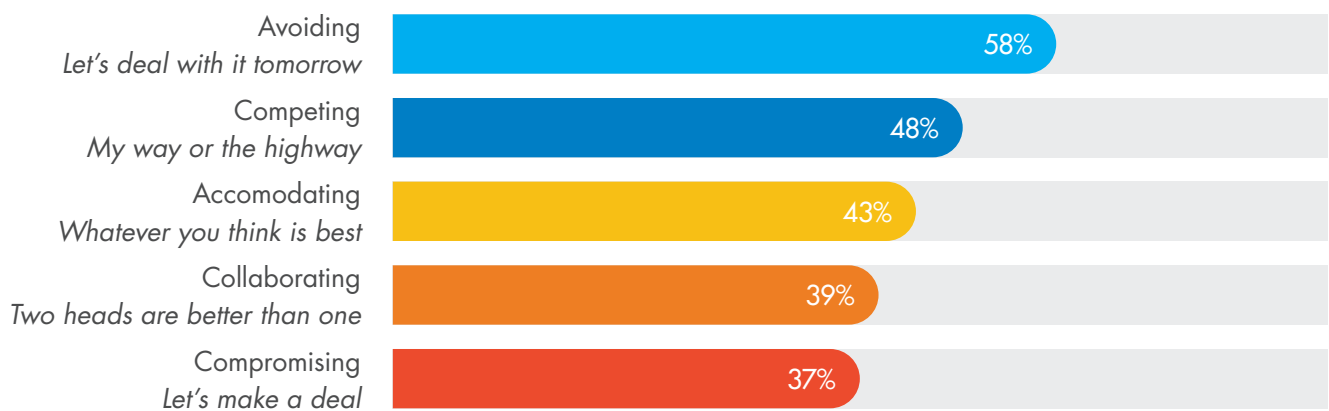
WHEN DOES CONFLICT OCCUR MOST OFTEN IN YOUR ORGANIZATION?



Conflict occurs the most during times of ambiguity, surprise and change. The stress associated with the need to adapt and implement new solutions can exacerbate conflict by making it difficult to do what is necessary

– pause and evaluate a situation before reacting. Our instincts push us to jump in right away, but this hampers our ability to be thoughtful and intentional, which is the key first step to successfully resolving conflict.

WHICH OF THE FOLLOWING BEHAVIOURS DO YOU OFTEN SEE PEOPLE USE WHEN DEALING WITH CONFLICT:



When we asked respondents which behaviors they frequently see when people are dealing with conflict, avoiding was the most common. Of all the methods for dealing with conflict, avoiding is the approach that results in the least value produced – it guarantees that neither parties concerns are addressed. While this approach is effective when tensions are high and a time-out is required, avoiding is not a long-term solution. If people cannot re-engage with another approach, value and time are both lost.

Collaborating is the method for dealing with conflict that results in the most value added; its focus is on finding win-win solutions. Effective collaboration takes time and energy, and the participants need to be able to communicate well and identify underlying concerns.

This approach is seen much less often than avoiding, but holds the key for effectively dealing with differences of opinion when discussing topics of utmost importance.

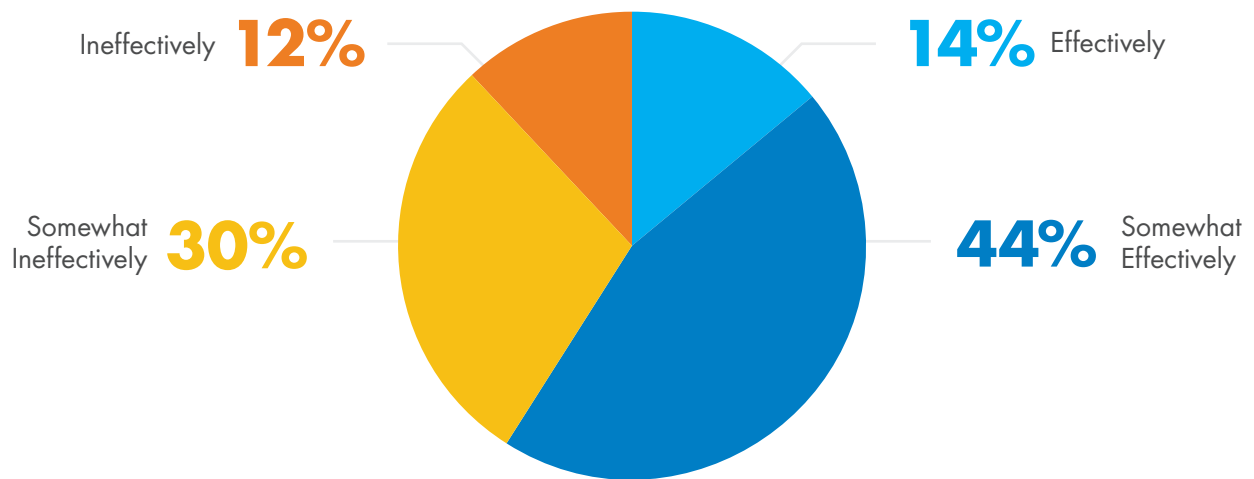
Competing, accommodating and compromising are middle of the road solutions that are more or less effective based on the complexity, timeliness, importance of the issue, as well as the communication skills and trust of those involved.

AVOIDING
IS THE MOST COMMON REACTION TO CONFLICT





HOW EFFECTIVELY DOES YOUR ORGANIZATION'S MANAGEMENT OR LEADERSHIP TEAM DEAL WITH CONFLICT?



Only 14% of current managers and leaders are seen as truly effective when it comes to managing conflict, with an additional 44% appearing to get more right than wrong. This does leave a group of 42% of people in leadership and management positions that get more wrong than right – and that's a problem.

To improve their conflict management, people in leadership positions need to take more time to:

- Assess the situation
- Choose behaviours accordingly, rather than operate on instinct
- Use these behaviours with care
- Switch their behaviour when necessary

This requires both situational and self-awareness, and flexibility.

42% OF LEADERS GET MORE WRONG THAN RIGHT

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