



The value of Vertical Leadership Development in a volatile world

Navigating an increasingly complex world brings forward new searches to find developmental approaches that equip people for the modern challenges of the workplace. Developing leaders for the future in the context of continued budgetary pressures has seen a popularisation of 'vertical leadership development'. Developmental psychologists have been writing for the past 40 years about how people continue to grow and develop throughout adulthood. In the past decade or so, this research has been moving from academic literature and into the workplace with tools being created to measure the 'stage' of someone's 'meaning making' capacity. Trends in modern organisational life have catapulted an interest in developmental approaches as people struggle to make sense of the pace, complexity and volatility of change. So does adult-development theory offer something new in how we develop the leaders of tomorrow? Mike Vessey talks with Karen Ellis, a consultant and leadership development practitioner in the field for the past 15 years, to find out what exactly is vertical development and how it might inform approaches to leadership development.

Fad or breakthrough?

Why is it that vertical leadership development seems to be gaining traction, is this just another trend to add to the list of adjectives we place in front of the word leadership - authentic, charismatic, servant, etc. What is it about vertical leadership development that seems to be taking hold?

Karen: *"I think it's something to do with the fact that people have noticed that there is something absent in the way that we talk about leadership and particularly about leadership development. A lot of the things that you've just talked about speak mainly to the personal qualities of leaders - they don't necessarily help us to distinguish between somebody who is really able to show a capacity for leadership in a given role and somebody who is struggling to fulfil that role. Vertical development is about the underlying capacities that the person is bringing to their work, not just the leadership aspect of their work but the managerial aspect, the strategising aspect, the delivery aspect of their work. It's not just about personal qualities - it is about all aspects of their performance - cognitive, emotional and relational. In my view, the descriptions of leadership based on personal qualities sometimes have that sort of exhortatory quality to them - if we just tell people to be authentic, humble or charismatic, they are going to be able to do that - that feels like a rather weak development suggestion! What people in organisations are now looking for is to understand the underlying things that are going on in an individual that makes them more or less effective in*

particular sorts of roles, over and above competencies and in-role performance measures.

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The other thing is that the situation is changing. In the past we've had a relatively stable idea of what leadership is because people have been working in managerial hierarchies in large corporates or small enterprises. We sort of know what people are required to do at those different levels and could write fairly static descriptions of what leadership looks like in those situations. In the rapidly changing, ambiguous, complex world that many people are working in, some people are thriving in that context and showing great leadership and some people aren't. We can see that but we don't know why. I think vertical development gives people a language to understand what's going on in different people in response to that level of complexity, ambiguity and uncertainty that they are dealing with."

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Many people reading this will understand what we traditionally refer to as personality traits or abilities. What is the difference between these known descriptions of people and 'capacity'?

Karen: *"I describe capacity as the potential to respond to new requirements on you – either by building a new capability or by using your various intelligences to make meaning of what is going on – for yourself or for others. I hesitate to use a mechanical analogy but think about car engines. Some engines have greater capacity than others and so can create more power or handle tougher terrain. For example, if we think about two people who are managing broadly similar portfolios at a broadly similar level in the organisation, we may look at those two people and say 'Person A is relatively near the ceiling of what they can cope with at this moment in their career, they haven't got capacity to expand from here. They might not have either the intellectual strengths yet or the interpersonal strengths or self-understanding which allow them to go to the next stage or do more within their role'. 'Person B, although they are at same career stage, has got a lot of room left from discharging their role; we can see there's some space there for them to do either a bigger role, or a broader role or take on other responsibilities.*

The capacity of an individual is largely invisible externally (unlike a car engine!) but we can see the outcomes of it. However, in the current language of leadership and development, we often find it really hard to name what it is that we are seeing and that is what vertical development is trying to get a handle on."

"Capacity is the potential for developing intellectual, personal and interpersonal capabilities which enable one person to take on much more than another."

Foundations of adult development theory

What is the research basis for vertical development?

Karen: *"All of the vertical development theories which are broadly given the rather complicated umbrella name of 'adult constructivist development theory' were stimulated by the original work of Jean Piaget who looked at child development. Piaget recognised that children go through very identifiable stages of development in the way they*

make sense of the world, some of those stages are quite stable and sometimes they are in transition. Any of you who have got children will be able to think 'ah yes, I can see that different ones in my family are in different places in terms of their meaning making'. Adult constructivist development people say 'and that carries on, that goes on right the way through adulthood'. Hopefully, and unless we get stopped at a particular stage, our way of making sense of the world becomes more complex, more nuanced, more adaptive – we become more able to manage lots of different aspects and perspectives at the same time and that is what is changing in vertical development."

The very term 'vertical' sounds quite hierarchical. I guess there might be many readers who are thinking 'I'm noticing an allergy to that sense of hierarchy'. What would be your response?

Karen: *"It's partly the unfortunate nature of the metaphor and it's because we tend to think 'higher is better'. The metaphor is not useful but what it is trying to describe is an increasing capacity of the individual to cope with more and more complexity; that's fundamentally what's going on as the change happens. And as this happens, people are able to cope with more and more different situations, more gracefully, managing themselves, managing relationships, managing the task. I suppose you could describe that as better but it is really just more complex. The other problem is that we tend to muddle what I've described here with the grade hierarchy of the organisation, which brings things like seniority and power into our mind. However, if you talk to anyone who has worked in the field for a while, there is no value judgement of one stage being 'better' than another. In fact, I prefer to use the language of stages being later and earlier rather than higher and lower because that's much clearer about the fact that one stage builds on the foundations of the previous stage."*

An integrated approach to development

In the model that we've developed you've brought together several different strands or authors drawing on Jacques, Cook-Greuter / Kegan, and Fonagy. Given the literature is so rich, why those and no others; what's the underpinning basis for looking at those particular theorists?

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Karen: *"None of the vertical theories cover everything; some emphasise a cognitive aspect more, some emphasise the psychological, intrapersonal aspect more, whilst others emphasise ego development, which is a general term for all sorts of aspects but doesn't really cover any of them in depth. What we wanted to do was create an approach that covered all of the dimensions of a person in their work (it also applies outside work but this is mostly an organisational focused model). For example, Jacques is really strong on the cognitive complexity of the individual - his view would be you need more cognitive complexity to handle more work complexity and we can see that some of the models don't include that. If cognitive capacity is missing, any model is really missing quite a big trick, particularly for people who are running very complex roles in large corporate organisations. However, Jacques doesn't really talk at all about the interpersonal aspect of leadership, whereas Kegan's model is much more descriptive of how people relate to themselves and how they relate to others – this is the core of his story of the development process. The reason for bringing them all together, therefore, is really to create something which feels much more holistic and therefore applicable to all the different sorts of roles within organisations."*

And Peter Fonargy?

Karen: *"Fonargy has extensively researched about an aspect of the person called 'mentalisation' or 'reflective function', which sounds again a very complicated technical way of describing the ability to reflect on oneself and use our understanding of mental states (thoughts, intentions, feelings, beliefs etc) to understand the way someone else makes sense of the world. It's a very detailed model of intra and interpersonal awareness and again it's something that's not covered as fully by any of the other models in my view. Fonargy works primarily in child development and his model is not a 'staged' vertical model in itself. However, we want to bring the kind of abilities he speaks about into the ego development approach – it's work in progress at this stage"*

What's unique about this combination, this bringing together, and this approach?

Karen: *"At the moment because vertical development has become quite trendy, a lot of people are rewriting the basic ego-development models which came out of Jane*

Loevinger's original work. People are essentially using different descriptors for fundamentally the same model. In my own view, all of these 'me too' models have this limitation of not emphasising enough of the cognitive aspect of development or the nuanced psychological aspects of development. They tell you the result of these changes in underlying meaning making processes but they can't necessarily say very much about what the process of development is, they just tell you what you can see once the development has happened."

"This approach is about creating a better understanding of the underlying process of development, rather than simply re-mapping again the stages development which were brilliantly described back in the 1970s by Jane Loevinger and Suzanne Cooke-Greuter."

This approach very much fits with our desire to ensure psychological rigour but what about the equally important commercial pragmatism? What is the practical application of all of this?

Karen: *"Well it's huge! What I think is appealing is a very pragmatic use of an idea which can be applied to pretty much any aspect of people development within the organisation - pure leadership development or recruitment, or assessment, anything where we are thinking about questions like: Does this person fit this role? Is this person discharging their responsibilities in the most effective way possible? Has this person got more scope for leadership than their role currently allows? It's not a way of rewriting all our existing good work on assessment or leadership development and saying we need to be different sorts of managers and leaders – we've had too many of those! Vertical development gives you a way of diagnosing the particular fit between an individual and the role that they are either performing or they are wanting to perform and what are the gaps – not just in capability or competence but in their underlying meaning making capacity."*

At the moment in the UK, we are spending an enormous amount of money across industries in developing leaders and we've got very little idea of whether the paint that we are throwing at the wall is going to stick. On the whole, we are not diagnosing very accurately where the specific cohorts of people or individuals are in their development

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and therefore saying, "this is the particular thing that this person needs to develop at this point. It is a bit like me being a doctor and not trying to diagnose your illness but just saying 'here's lots of medicines - just try all these and see if any of them work'. The reason people are looking to these kind of ideas around developing capacity is to target development activities already being used so they add most value, rather than adding a whole new set of development activities from nowhere."

In terms of targeting development, how have you gone about mapping those development assets to the leading edge of someone's stage of development?

Karen: "We have gone back to the underlying capacities that I talked about originally, the cognitive, interpersonal and personal capacities that an individual has. We are then asking what's specifically developing at this point, what develops within a stage, what starts to show up as a new capacity as you move from one stage to another. If you then think about what capacity the specific development activity is trying to create, then you can map the two things across. You have to identify the underlying intent of the development asset and the underlying capacity that you are trying to work on and put those two things together."

For example, people often encourage reflective journaling as a development activity. There are some stages of development where that is really relevant and it's a new thing for the person to really begin to reflect on their actions, on their thinking - is broadly speaking at the 'Achiever' stage in the sense of an ego development model. Journaling as a development suggestion actually becomes more redundant as people move further on because they have already built that reflective behaviour into their day-to-day practice. They don't need to be taught to journal because they are reflecting -in -action at the later stages – instead they need to be offered new practices for that process – more searching self-reflection questions, prompts and triggers for reflective moments etc. So again, it's about fitting the particular activity or practice that you are recommending to the point of development where that is most salient for the person."

I can see that this would really target development assets that would be most appropriate, that are neither too far

outside someone's sense of meaning making or almost beneath their stage of development.

Karen: "Exactly. And we all know when we run development programmes with a particular cohort, the cohort will have a sort of 'centre of gravity' but there will be people who are struggling to keep up and other people who are a little bit, 'well, yes I know this already'. The ideas of vertical development allow you to look at that group and say 'who might need a bit of extra support' in this development programme and who might we actually need to be stretching a bit further – we can then be thinking about what we are aiming at for the general cohort centre but also thinking about the outliers as well."

We have started to deploy this thinking in our approaches to leadership development programmes. If someone were reading this, where and how would they start?

Karen: "The good thing is that, assuming you already have a range of development activities, which provide the right mix of 'heat generating' experiences, different perspectives and sense making opportunities, you don't need to start again. It's really about thinking about what you are already providing and thinking "is that the appropriate set of interventions for this particular cohort of people?" I would say get yourself to understand the theory, do the reading, work with us to really understand how the model works and what are the nuanced differences at each of the stages and sub-stages. Probably get yourself profiled because there's nothing like trying it out for yourself and having the experience of a developmental debrief to really understand how it's going to be applied. Then use one or other of the various profiling tools to get a baseline for all of the people in the cohort. Once you have got that information, you can look at the content or experiences you normally put people through and you'll get a sense of whether they are going to fit for that cohort or whether actually there are things that need to be supplemented or replaced."

At the moment a lot of development programmes really emphasise the personal and interpersonal aspects of leadership and probably spend less time on helping people learn to develop their task complexity skills or their strategising skills. That means that cognitive complexity development tends to be missing. You will probably, therefore, need to think about how you build that in and in a

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way that really suits the stage of your cohort. Apart from that a lot of the approaches you are already using will be working and they probably just need tweaking, it's not about a whole new revamp and that's one of the things I think is attractive."

Using this approach would therefore enable a review of my current programmatic activities and content and to really hone in on what would get best bang for buck given the target group that I would be working with.

Karen: "Yes and not just what is going to get you the happy sheets but the things that are really going to push people at the absolute edge of their development. Sometimes when we are running programmes we do get the 'you are making me think too hard' kind of response but that's a good response. You want people to be straining towards something that is slightly out of reach for them at this stage because that's what is most developmental and that's what they look back on and go 'right that really worked for me and I can see that I made a shift'. One of the things that we most commonly get reported by people who come on our programmes that are designed in this way is 'I didn't think when I started, that I would be able to do what I can do now and it is new'.

We've indulged in talking a lot of theory. If I was trying to engage a Chief Executive with this, what's the commercial payback, why they might want to take notice or deploy this type of approach?

Karen: "I think it differs depending on whether you are a large corporate organisation or a smaller entrepreneurial in one of the new industries. If I start with the corporate, one of the biggest problems that senior leaders in corporates talk about is the very great difficulty in attracting and retaining talented people. What they mean by 'talented' (high capacity in our language) is people who've got plenty of room to keep stretching themselves and are going to keep moving in that way throughout their careers. If senior leaders understood what they really meant by talent and they used these ideas to harness the capacity of those individuals, they would be able to identify better ways of recruiting people and holding on to them. In turn, that has an enormous effect on their ability particularly to develop and implement good strategies and respond to sudden changes in the organisational environment. Otherwise

organisations tend to rely on quite a small number of people who can work in that way, often less than 10% of the managerial population - whose judgement they can rely on to make all of those big decisions, to be able to respond quickly in situations which are changing fast. As I said, those are the people who are referred to as talented and it's holding onto them that's important.

In smaller organisations, in the newer industries which are constantly in that volatile, uncertain environment, the argument's even easier. They've got to have the majority of their people being able to manage in different situations, be able to cope with rapidly moving complexity, be able to work their way through ambiguity to find a new way forward. For the people running those organisations, it becomes not just about the leadership cadre, it becomes about pretty much everybody you employ - if you can then identify and develop those capacities in people, really from quite a young age, that gives you an enormous advantage and it allows you to respond to whatever opportunities are coming up."

What's next in the evolution of this approach of your work?

Karen: "We're in a very live phase of research at MDV Consulting, working with a wide range of practitioners, thinking about all the different strands that we want to bring together in relation to the overarching set of ideas. We want to look at the neurobiology, to understand the neurological foundation of development. We want to look at some of the somatic body and mind aspects of development. We are also beta-testing in a number of organisations, working with our clients to really find what's the practical application of this. We think we know what that is but let's try it on a larger scale than has been used before."

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MDV Consulting

Mike Vessey is Managing Partner at MDV Consulting and was talking with Karen Ellis. Karen started her career in management consultancy, where she realised that the key to any intervention was really all about the people in the organisation. This spurred an intense period of learning around organisational psychology, personal development and large-scale change strategies. Still looking for the real answer, she came across the Torbert and Cooke-Greuter development frameworks in her early 30s and thought 'that's the thing I've been missing; there's something about how people's capacity develops over time and this capacity is developable'. Over the past 15 years, pretty much everything Karen has done has been something to do with this aspect of development - with verticality as it's now called (although it didn't used to be called that!). She now spends most of her time helping individuals and groups think about not only how they move forward but what are the things that are holding them back in their development. This has been a fascination both in her individual practice, in her consulting and in the programmes she has run ever since.

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