



*Molly D. Shepard
CEO, The Leader's Edge*

Molly's Letter

Since 2000, our company has dedicated itself to assisting women overcome the myriad of hurdles preventing them from achieving their career goals and, more specifically, advancing into the C-Suite if they so desire. We also have helped many male leaders refine their executive skills to understand and embrace the needs of the complex and diverse workplaces which exist in our global companies and to encourage people who are different from them to succeed. Often I am perplexed at the disappointing news that still comes across my desk about the progress of women in business; women not advancing as fast as men, women not earning as much as men, women not being selected for board positions as frequently as men, and the list goes on. However, I would like to take a positive view in this letter and point out some of the significant advances that women have made over the past few years so we can celebrate all that we have accomplished, while still vigorously pursuing true equity in the workplace.

Women now make up over 50% of the workforce, which is terrific considering we were only about 40% of the workforce in 1980. More impressive is our advances in managerial and professional director-level positions. In 1980, women made up only 26% of management positions and now, in 2010, women outnumber men in management and director-level positions holding steady at 51.4% of all director-level positions. We have almost doubled our progress at this level! And we are now queued up to move into the executive suite. *(Continued Page 3)*



To Assess or Not Assess... Identify the Best Candidate for the Job!

by Nila Betof, Chief Operating Officer, *The Leader's Edge*

As productivity and profits continue to be of paramount importance in our economy, companies are looking for ways to ensure that they put the right people in the right jobs. Using pre-employment assessments as part of the selection process can help.

The Leader's Edge/Leaders By Design recommends using the Hogan Personality Inventory and the Hogan Business Reasoning Assessments for identifying candidates along with an interview with the candidate(s) as part of the selection process. The Hogan Personality Inventory provides a picture of a candidate's strengths, how they may respond under stressful conditions, and also their personal values which are important in determining cultural fit. While most personality assessments identify areas of strength and some tendencies under stress, the third component that the Hogan provides on values completes the picture. Just recently, we were asked to assess candidates for an organization who had terminated their CEO not because of technical competence but because he didn't fit the company's cultural style. With 40% of executives derailing in their new roles, hiring a candidate who is technically competent, but not culturally a fit can be an expensive mistake. This time the hiring company turned to our alliance partner, Diversified Search Odgers Berndston, to conduct the search for a replacement and identify candidates who are technically competent and who also would be a good fit culturally.

Although we have evaluated numerous assessments and like Hogan the best, there are other good personality and cognitive assessments in the marketplace. Here are some important advantages for using personality and cognitive assessments in the selection process:

- Personality and cognitive assessments can reduce business costs by identifying individuals for hiring and promotion who possess the needed competencies to meet the job requirements.
- They are very cost effective when taking into account that it will cost a company two and a half times the salary if the organization has to replace the individual selected.
- Personality and cognitive assessments are easy to administer and can be done online.
- Many assessments, like the Hogan, are standardized and are highly reliable.

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Tips for Travelers

As business increasingly takes us around the globe, travelers need to be diligent about safety on out-of-town business trips. The high-tech environment we live in these days makes it too easy for people to violate our personal privacy. Keep these tips in mind whether your jet-setting internationally or traveling domestically. Better safe than sorry when it comes to avoiding sickness and staying out of harm's way!

- Use laminated business cards as luggage tags. Anyone checking the address will not know your home address or personal information.
- Always place the "Do Not Disturb" sign on your hotel room door to discourage anyone from entering your room while you are away.
- When staying at hotels, always check the window and door lock, especially if there is a sliding door.
- When traveling, especially for women, cover up your peephole – you want to make sure whatever is on the outside can't see in.
- Travel with a small, high-powered flashlight in case of emergencies.
- Projecting a confident attitude and walking with intention is one of the best ways to stay safe and avoid hassle. Even if you are unsure of your destination, people will bother you less if you appear to be going somewhere.
- If you are expecting a package or take-out food from outside the hotel, have it delivered to the front desk or concierge.
- Pull up your sheets and check for bed bugs!
- Avoid ostentatious jewelry; you could be injured if a thief who is attracted to your jewels tries to yank a bracelet off your wrist or a necklace from your collarbone.
- Never give out your room number. If a clerk announces it out loud, request a room change.
- Use disposable cups in your hotel room—there's no guarantee the permanent mugs have been washed.
- Use your baggage to hold the door to your hotel room while you check the closets. Even better, ask someone from the front desk to accompany you to your room while you check it out.
- When working late on your laptop in a hotel room, make sure to physically close your computer as there is aggressive software available to hackers who can hack into your computer camera and see everything you do. Send emails clothed!
- Never volunteer the fact that you are traveling alone!

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Client Perspective:

Claudia Franco

Chief, Client Services

Inter-American Development Bank (IDB)

Overview: The IDB is the main source of expertise for multilateral financing and sustainable economic, social and institutional development in Latin America and the Caribbean.

Clients: Central governments, provinces, municipalities, private firms and non-governmental organizations.

Role & Responsibilities: I work in the Finance Department where I report directly to the CEO. I am the Head of Client Services in charge of structuring value added financial solutions in loans our clients receive from us – from evaluating how borrowers can utilize our financial products, to developing new products that can best serve their needs and their debt management strategies.

TLE/LBD Involvement: Participant in the KPMG Executive Leadership Institute for Women run in partnership by *The Leader's Edge/Leaders By Design (TLE/LBD)* and the audit, advisory and tax firm KPMG.

Tell us a little about your background?

I am Colombian, but have been working in the United States since 1983 when I got a job at the World Bank where I worked for 6 years. In 1991, I received my MBA from the Wharton Business School. My first position out of business school was with JPMorgan where I worked for eight years. I then moved on to work for the Colombian government in the U.S. as a financial representative and advisor to the Finance Minister. I joined the Inter-American Development Bank in 2004. I started as a Senior Advisor to the Executive Vice President and interacted with our public sector borrowers for 1 ½ years. This position gave me an introduction into the high-levels of the IDB organization. In 2005, I moved to the finance department to my current role as the liaison with our borrowers when it comes to financial structuring of loans.

What has your experience been with *The Leader's Edge/Leaders By Design* through your participation in the KPMG Executive Leadership Institute for Women?

I was selected by my human resources manager for participation in this year-long program and was very glad for the opportunity. I feel very fortunate that Nila Betof has been my cohort leader in the program. She is fantastic! Nila has been doing executive coaching and leadership development work for a long time and her experience is obvious. She has worked with many senior people and can relate to the challenges we face in the workplace. Her guidance and expertise has been invaluable to my personal development as a leader.

What has been the greatest benefit of your participation in the KPMG Executive Leadership Institute for Women?

The other participants! Through the program you get to listen to other professional women and hear what challenges they face on a daily basis in managing their teams and the issues that emerge in their companies. This dialogue provides an awareness that you are not alone in situations – that there are other people who are having to make similar workplace decisions. The other program participants are genuinely interested in your issues and help generate ideas for you and give advice on how to approach certain situations.

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Client Perspective *(Continued)*

Do you find it difficult to make time for development?

I have found it hard to find good training seminars that I really want to do and that are value-added. You don't always know where to look for them. But thanks to the fantastic experience in the KPMG Executive Leadership Institute for Women, I am already thinking what I will do next year!

Any other thoughts about the importance of development?

My advice is to try to make the time. It's easy to forget that you can indeed learn new things and open up new possibilities by pursuing development training – even as senior leaders in our organizations. We all get busy, but making the effort to work on yourself both personally and professionally can give you the tools to become an even more effective leader.

Upcoming Events

March 2011

*KPMG Executive Leadership
Institute for Women*
Washington, DC,
Philadelphia, PA,
& Chicago, IL
Enroll Now!

April 2011

Women On Board Program
Philadelphia, PA

May 2011

Physicians as Leaders event
in partnership with Diversified Search
Odgers Berndtson
Philadelphia, PA

Molly's Letter *(Continued)*

With talent at a premium, women will have to be tapped to fill open top jobs at our companies in the next few years.

While women hold only 13.5% of executive officer positions in Fortune 500 companies, there are still several notable women who have made their marks at some of the biggest, most powerful companies across the United States. Katherine Graham became the first woman CEO of a Fortune 500 company, The Washington Post, in 1972. The first woman CFO at a 'Big Four' accounting firm was Marsha Cohen, who took that position at Pricewaterhouse Coopers in 1997. Andrea Jung, CEO of Fortune 500 company, Avon, is the first Asian-American woman and first woman of color to hold that position. In addition, 12 women today hold the CEO position in Fortune 500 companies.

Women have also made significant strides in academia as well. In 1984, for the first time more women than men received bachelor's and master's degrees. Now, women earn 57% of all bachelor's degrees and 60% of all master's degrees. Doctorate degrees are at an even 50/50 split between men and women as it stands right now; however, projected data has women earning more Ph.D.'s overall than men by 2018. The American Council on Education (ACE) says that 23% of college presidents are women, a marked improvement over 1986's 10%. Notable achievement was by Ruth Simmons, who became the first African-American woman president of an Ivy League University in 2001. More women are attending medical school now than men which will change the landscape in medicine and science significantly overtime. More women are majoring in Chemistry and Biological Science disciplines than ever before.

As the statistics show, the tides are definitely changing. Traditionalists and Baby Boomers alike are now seeing their daughters enter the workforce and these conventional men who have held top executive positions captive are now beginning to see the value of gender diversity as it relates to the type of environment that their daughters are entering into. In a workplace that downright shunned women decades ago, the women of the Millennial generation seem destined to break the glass ceiling with their intelligence and credentials. There is more and more research linking gender diversity at the senior ranks of our companies to real financial success. With the upcoming retirements of the Baby Boomers, there will be more openings at the top than ever before. And, most importantly, men are beginning to appreciate and understand the value of having different diverse voices at the decision making and strategic levels of their companies.

Unfortunately, government is a particularly distressing industry. Senate Republicans blocked the Paycheck Fairness Act this month and really set back efforts to equalize pay for women. This is incredible when, as I stated above, women are now over half the workforce and many are the sole wage earners in their families. Women still earn 77 cents on the dollar compared to men, better than when I started this company, but still wholly inadequate. There are notable women who have made their mark in government - Sandra Day O'Connor, first woman justice of the U.S. Supreme Court (1981); Madeleine Albright, first woman Secretary of State and highest ranking woman in the U.S. government (1997); Condoleezza Rice, first African-American woman to be appointed to Secretary of State (2005); Nancy Pelosi, first woman to become Speaker of the House (2007) – but the 112th Congress will mark the first year since the 96th Congress (1979 – 1981) that less women will be in office than the year before.

We have much to celebrate when it comes to women making advances across industries, but there is still reason for concern. Our efforts for advancing and advocating for women need to remain a distinct focus as we move into the next decade. Women are here to stay as mothers, caretakers, wives, politicians, government officials, executives, friends and invested stakeholders in business!

Happy Holidays to all!





So, You're a Leader! Are You Coachable?

By Peter J. Dean, Ph.D.

President, Leaders By Design

Leadership development executive coaches from *The Leader's Edge/Leaders By Design* have discovered over and over again that one of the more important tasks today in our global workplace is to ensure that our key executives remain 'coachable' about their leadership impact. As executives move up the ladder in organizations, the one thing that they receive less and less of as they ascend higher and higher is feedback about their leadership impact. By seeking, receiving and using feedback from another executive, a human resource professional or a professional leadership development coach trained in the field of leadership studies, executives maintain the potential to be more reflective, effective, visionary and successful as leaders.

At a time when the world faces economic confusion, with much of the blame being put on a lack of good executive leadership, we must comprehensively re-examine our notions about leadership. The traditional, fear-based, boss-centered, command and control type of 'management' used still too frequently is seriously flawed and has failed to prevent executives from following their own selfish agenda. Also, workers' productivity is confined by this type of 'management'. Workers must not be held captive by a few managers who selfishly hold 'leadership' hostage from others under the cover-story of 'management'. Executives should be able to move into a more integrated understanding of 'leadership' involving all stakeholders, with an integrative focus on completing the mission to achieve the organization's strategic vision. We need to allow 'leadership' practices to flow to all areas of the company's 'management' structure.

If your practice of 'leadership' was derived from the traditional, linear models of 'management' of the past, then you may not be prepared for the non-linear world of a global economy. If you want to lead, to be a leader or inspire others, then you must know the story of 'leadership' and how it is different from the story of 'management' as set forth in our executive coaching protocols. Furthermore, some practices of 'management' may even be harmful to your practice of 'leadership' unless the executive remains 'coachable'. We have learned from experience that there are executives who are not coachable and their careers may derail while their people suffer in silence.

Executives who do remain 'coachable' will thrive by avoiding the limitations of management and thus prevent professional derailment. Remaining coachable is driven by and succeeds because of the executive's ability to remain open to personal feedback. If one truly wants to learn 'leadership', it is important to make an honest and earnest attempt to learn, grow and develop specific collaborative skills, offered as feedback from those above, alongside and below them in the management structure.

In our coaching protocols, we provide an executive with the fundamental principles and practices of leadership needed in today's global market. Coaching helps executives apply positive 'leadership' behaviors, and avoid actions that cause derailment (inflated self-importance, ego gone awry, inability to work with different types of people, overuse of position power, not using good communication and influence skills, inability to form functioning teams, inability to change, etc.). Simply put, executives must address the causes of derailment with personal resiliency and interpersonal awareness.

Finally, coaching provides an excellent start for an executive to build a 'leadership library' and a foundation of knowledge in the field of leadership studies. It is time for executives to step up and take a stand for bold, honest and positive 'leadership' by knowing it as a field of study as well as a process for self-development. Leader development is not about obtaining a "corner office" or a "lofty position title" in an organization. It is about mastering the fundamentals of leader development as listed below:

- Understanding the short-term focus of 'management' but using the long-term view of 'leadership';
- Monitoring and managing a healthy ego, emotional intelligence and professional ethics;
- Using the sources of power (Intrapersonal Power, Knowledge Power, Interpersonal Sensitivity, Position Power and Political Power) appropriately and effectively;
- Communicating comprehensively (Dialoging, Listening, Empathizing, Attending, Presenting Yourself, Speaking & Networking);
- Learning the dynamics of work groups as they develop into effective and efficient teams;
- Aligning work systems using the interplay between individual performance, team performance and productive work systems.

Leadership development coaching will bring executives many steps closer to embracing a full repertoire of true 'leadership' principles and practices that, once they are understood and applied will enable the leader to remain 'coachable' in the future. Remaining coachable is the key variable for the executive leader. **A 'coachable' executive seizes opportunities for leadership that exist in everyday interactions with colleagues, bosses, customers, analysts, vendors, etc. Being 'coachable' requires a healthy ego, integrity, fair-play, participation, productivity, responsibility, emotional intelligence, knowledge of how to use power and influence, comprehensive communication skills, know-how in developing teams collaboratively and how to implement strategic change.** These opportunities for moments of leadership must be approached with a new revitalized and comprehensive understanding of 'leadership' with the center-piece of remaining 'coachable'.

Kudos

Kudos to Friends & Colleagues of *The Leader's Edge/Leaders By Design!*

- **Kate Kinslow** has been named the new CEO of Aria Health.
- **Madeline Bell** has been promoted to President & Chief Operating Officer of the Children's Hospital of Philadelphia.
- **Karen Gotting-Smith** has been named Vice President, Strategy, Portfolio and Performance at AstraZeneca.
- **Melissa Coopersmith** has accepted the position of Vice President, Development for the Philadelphia Library.
- **Julie Jacobs**, KPMG Institute Participant, was promoted to General Counsel at AOL.
- **Chau Tran**, KPMG Institute Participant, was promoted to Managing Director at KPMG.
- **Kavya Gopal** has transitioned into a new role at Novartis Pharmaceuticals as the Director, Strategic Planning for Sandoz, Inc.
- **Katherine Waltman Johnson**, PharmD, was promoted to National Director, Primary Care Medical Unit at Novartis Pharmaceuticals.
- **Catherine Sohn** is Founder and President of Sohn Health Strategies, a new healthcare consulting firm.
- **Michele Volpe**, Executive Director & CEO, University of Pennsylvania Health System, is the 2010 American Heart Association Chair of the Start! Heart Walk.
- **Stephanie LaRue**, KPMG Institute Participant, Wilmington Trust Company, has joined the bank's Legal Department as Counsel with oversight responsibility for all aspects of bank examinations and regulator relations.
- **Lora Sellers**, Wilmington Trust, was promoted to the Chief Diversity Officer position - a newly created role.
- **Jennifer Strong**, KPMG Institute Participant, was promoted to Partner at KPMG.
- Congratulations to **Kim Kuryea**, KPMG Institute Participant, who gave birth to Cole Jacob Martin born October 12th and weighed in at 7lbs 7oz!
- Congratulations to **Emily Denney**, KPMG Institute Participant, on the birth of her son Connor Brian Denney born July 15, 2010 and weighing in at 9 lbs!

To Assess or Not Assess... Identify the Best Candidate for the Job! *(Continued)*

- Assessments can provide useful feedback to candidates regarding both onboarding and developmental opportunities that can help them be successful in the future.
- When an interview with the candidate(s) is also included, the assessment process can provide an opportunity for a two-way exchange of information and clarify any confusing results from the assessment and provide clear behavioral examples of competencies and/or developmental opportunities.
- Personality assessments can be used to help with the onboarding process so that the candidate has the best chance of being successful.
- Personality assessments are typically less likely to differ in results by gender and race than other types of tests.

However, when using cognitive assessments as part of the selection process, there are a few key issues to keep in mind:

- The assessment(s) should be standardized and normed against different groups and has been demonstrated to be highly reliable.
- It is important to use an assessment that does not violate the federal anti-discrimination laws by disadvantaging any candidates due to gender or race.
- Cognitive tests can assess reasoning as well as skills in arithmetic and reading comprehension. Cognitive tests should not be equated with intelligence tests. For individuals who have been out of school for many years, there is a potential that a candidate may achieve a lower score because of lack of practice rather than as a function of intelligence.

Assessments, while useful and very beneficial, should be only one piece of the overall selection process and not the sole determinant for the decision to hire or not hire a candidate. We generally recommend that clients narrow their search down to their top 2 or 3 candidates before using assessments, and we highly recommend coupling the assessments with an interview. We, The Leader's Edge/Leaders By Design, also include onboarding recommendations, in addition to assessment feedback, based on our assessment of the selected candidate to help the final candidate be as successful as soon as possible in his/her new role. Although an organization must ultimately always make a decision on whom to hire, assessments can add a real richness to the process of candidate selection and gives the organization an excellent opportunity to make the best-rounded decision possible based on multiple factors.

The Leader's Edge / Leaders By Design

Leadership Consulting and Development for Executive and High-Potential Men and Women

- Molly D. Shepard, MS, MSM, *President & CEO*
- Nila G. Betof, Ph.D., *Chief Operating Officer*
- Peter J. Dean, Ph.D., *President, Leaders By Design*
- Elizabeth Reeder, PCC, *Regional Vice President, NJ*
- Mary Jane Reed, *Regional Vice President, DC & MD*
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