

## Grooming Financial Leaders

By Anne Stuart

Jeff Anderson can sum up the job of preparing the next generation of financial leaders in two words: Hard work.

“No question about it,” says Anderson, a former corporate-finance and global-development executive for RR Donnelly & Sons Co., the commercial printing giant. “Leadership development is a difficult, time-consuming task.”

But, he adds, it’s a necessary investment—and one that, done well, will pay off handsomely when today’s promising finance and accounting professionals become tomorrow’s top finance and accounting executives.

And it’s no cliché to say any successful effort begins at the top, says Anderson, now associate dean for leadership development at the University of Chicago Graduate School of Business. “It starts with the organization making leadership development a genuine priority,” he says.

That, of course, is easier said than done. “I don’t find a lot of resistance to the concept—in fact, I find almost universal buy-in,” Anderson says. “It’s the actual implementation that often falls short.”

### **An ongoing responsibility: How to get a leadership development initiative started**

Getting a leadership-development initiative off the ground also requires individual commitment by anyone who supervises finance and accounting talent. That, too, is typically more challenging than it sounds at first.

“The world is complex and moving fast, and in those roles, you have plenty of competing priorities,” says Anderson, who’s also a CPA and veteran executive coach. “It really takes an effort to make sure that as a leader or a manager, you’re allocating enough of your energy to leadership development.”

In addition, grooming next-generation leaders is an ongoing responsibility, not an occasional one. Anderson compares the job to panning for gold, relentlessly scrutinizing what you have, and looking for what you want. “You’re constantly taking a hard look at who you have, who you want to develop,” he says. “Then you have to figure out how you’re going to do that.”

The conventional-wisdom answer: a corporate management-training program. Anderson’s answer is a far more customized approach. Two ways to provide that personalized attention:

**Formal mentorships.** Anderson, who’s been both a mentor and a mentee, says many people mistakenly view mentoring as a short-term, almost “transactional” process. “But the best relationships are very long-term, and they’re very holistic,” he says.

“When I’m in a mentoring situation, I develop a relationship that has a professional dimension, but I get to know the other party personally as well.” That kind of in-depth, ongoing mentorship is most likely to help develop a future leader.

The key to successful mentoring: “Make time for the other person. Show an interest in his or her career. Make yourself available. Try to connect in very human ways,” Anderson says.

That’s another investment likely to yield a high return, he adds: “You’ll benefit from the relationship as well. I continue to learn every day from the executive clients that I interact with.”

**Customized coaching.** “Standardized training programs use a one-size-fits-all approach. They don’t get into areas of individual need,” Anderson says. Instead, he recommends pairing promising employees with external consultants who can help them address their weakest areas.

As an example, he describes a staffer who might be highly talented at accounting, but who lacks the communication skills that are key to any leadership role. “So what that person specifically needs is help learning how to interact with groups of different sizes, help telling [business] stories,” he says. “There’s no substitute for doing that and getting honest feedback.”

Managers can continue that personalized approach by giving staffers “thoughtful, challenging assignments geared to the skills they’re looking to improve,” Anderson says.

Another tried-and-true method for grooming finance and accounting leaders: Get them out of their own departments for awhile. “Having them spend time in non-finance disciplines—for instance, in operations—will make them much better finance leaders. They’ll learn a lot of things from spending time in other areas.”

### **Assessing efficacy**

Paradoxically, any successful leadership-development program must allow room for occasional failure. When an otherwise promising leader makes a mistake or supports a project that falls through or flops, Anderson recommends following up with a non-punitive conversation.

“Take a moment to sit with the person and say, ‘What did you learn from that? How might that impact the way you approach a similar problem next time?’” he says. “The right coaching or mentoring in that kind of situation can make all the difference to someone’s career.”

And that approach illustrates Anderson’s essential philosophy. Leadership development—in finance and accounting as well as in most other disciplines—ultimately involves learning first-hand what works and what doesn’t.

“The most powerful leadership education is just experience,” he says. “Having been through things and having taken time to reflect on them—that’s the best kind of learning.”