

Critical Thinking a Top Skill for Future Leaders

By Phaedra Brotherton

New survey finds organizations are doubtful about the readiness and competence of the next generation of leaders.

With the continuous economic upheaval, the speed of technological change, and the ongoing need to deal with uncertainty and complexity, critical thinking skills have risen to the top of the list of competencies needed to lead organizations effectively into the future. And many organizations have little confidence that the next generation of leaders will be ready or even have the skills to lead, according to the *2011/2012 Trends in Executive Development: A Benchmark Report* published by Pearson TalentLens and Executive Development Associates Inc. (EDA), which creates custom-designed executive development programs.

“The leaders at the helm of today’s corporations—most of whom are Baby Boomers—are telling us that they believe the next generation of leaders are not prepared to move into the executive suite and face the challenges of effectively making critical decisions, solving complex problems, and thinking creatively and strategically,” says Judy Chartrand, consultant chief scientist at Pearson TalentLens, which designs performance assessments.

Leaders from 81 large national and multinational corporations participated in the survey, which has been conducted by EDA every two years since 1983 to follow the trends, growth, and evolution of executive development in corporate environments.

Survey respondents were asked to name the top three conditions that will influence executive development

efforts during the next two to three years. Topping the list was lack of bench strength at 55.7 percent, signaling a need for clear succession planning in light of changing demographics. The next two conditions to most affect executive development are the need for more collaboration across the organization (31.5 percent) and the readiness of the “next generation” of employees (24.1 percent), who are viewed as having different needs, interests, and values.

“We have a few theories about why these up-and-comers are not ready,” note the researchers. “It could be that the Baby Boomers are hoarding the ‘suite’ seats. It could be that the next generation leaders are Gen Xers, and they are behaving too independently to adequately prepare. It could be that organizations as a whole had their heads in the sand concerning the mass Baby Boomer exodus and just didn’t prepare.”

Designing effective leadership programs requires emphasizing the right topics. And this year—for the first time—the most important topic, according to respondents, was critical thinking skills at 34.6 percent. Critical thinking skills include strategic thinking, creative thinking, problem solving, and decision making. While the concepts can be taught, the development of critical thinking skills comes through intentional practice, the report notes.

Leadership (28.2 percent)—which includes creating vision, and enrolling and empowering others—and strategic execution (20.5 percent) followed

The BIG Number

55.7%

Percentage of companies that believe that lack of bench strength is the most important condition affecting executive development during the next two to three years.

>> Top Conditions Influencing Executive and Leadership Development Efforts

- 55.7%** Lack of bench strength
- 31.6%** Need for increased collaboration across the organization
- 24.1%** The “next generation” of employees who have different needs, interests, and values
- 22.8%** Rapid growth of the organization
- 22.8%** Globalization

Source: *2011/2012 Trends in Executive Development: A Benchmark Report*, conducted by Pearson TalentLens and Executive Development Associates Inc.

critical thinking to make up the top three. Leading the next generation was fourth at 16.7 percent.

Another finding from the survey was the need for talent management to be a competence for all executives, not only human resources.

“Every leader is finding it necessary to think about how to acquire, manage, and retain the best talent for his/her organization,” notes the report. “Leaders now need to know how to deal with talent just as much as they need to know how to execute strategy.”

Phaedra Brotherton is senior/writer editor for ASTD; pbrotherton@astd.org.