

**BOOK REVIEW****THE LEADERSHIP PIPELINE  
HOW TO BUILD THE LEADERSHIP POWERED COMPANY****Dr. Sunil Karve<sup>1</sup> and C.S.Balasubramaniam<sup>2</sup>**

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**Book** : **THE LEADERSHIP PIPELINE**  
**How to build the leadership powered company**

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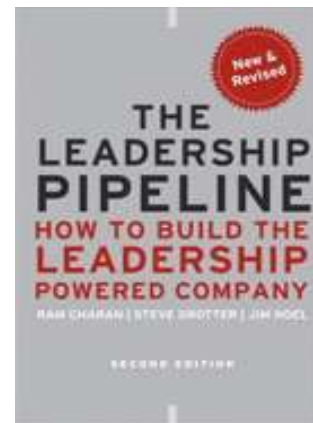
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**ABOUT THE AUTHORS**

**Ram Charan** is a highly sought after business advisor and speaker famous among senior executives for his uncanny ability to solve their toughest business problems. For more than thirty-five years, Dr. Charan has worked behind the scenes with top executives at some of the world's most successful companies, including GE, Verizon, Novartis, Dupont, Thomson Corporation, Honeywell, KLM, Bank of America, and MeadWestvaco. He has shared his insights with many others through teaching and writing. He earned an engineering degree in India and soon after took a job in Australia and then in Hawaii. He earned MBA and doctorate degrees from Harvard Business School, where he graduated with high distinction and was a Baker Scholar. After receiving his doctorate degree, he served on the Harvard Business School faculty.

**Stephen Drotter** is the chief executive of M/s Drotter Human Resources, an executive succession planning, leadership performance and organization company design company serving a large company base. He has guided a number of leading companies all over the world in a period of four decades.

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### **ABSTRACT**

Strong Leaders at all levels within an organization are a requisite for business success. Yet the leadership pipeline –internal architecture for growing leaders is often broken or nonexistent. This updated edition of the bestselling book has been revised to help address the challenges of today's business environment. Anchored in experience based case studies, this remarkable book synchronizes a proven model for planning leadership succession and development for corporate organizations. The Second edition is an improvement based on learning and review of the authors who have drawn their work at more than one hundred international companies over a period of ten years since the first edition of the book with the same title was published. The book under review is addressed to the leading corporate organizations, where the succession path of leaders/ chief executives is being formulated and executed on a continuous basis to perpetuate the organization and make it strong and robust while facing trials and tribulations of corporate growth and success.

### **INTRODUCTION**

It opens with the dramatic developments that have taken place in the corporate enterprises over the last decade with the commencement of the, globalization, IT revolution and changing organizational perspectives of the New economy. The New economy has raised organizational consciousness about human side of business. The failure of Dot.com companies and the weaknesses of mainstream companies in attracting the talented leaders from the new economy companies have been aptly elucidated. A quick summary of the six leadership passages is also made here.

The book is divided into two sections. The first section (Chapters One through Seven) focuses on defining each leadership passage and illustrating the skills, time applications and values required for the pipe line requirements vis a vis rather than the job-title responsibilities of star performer of each passage. The Second section (Chapters Eight through fourteen) concentrates on how to apply the Pipeline model to leadership problems and opportunities within an organization. This section also fortifies the organizations with tools and techniques for coaching leaders dealing with succession issues, preventing leadership failures and maintaining the flow in the functional offshoot of the pipeline.

**Chapter 1** provides an overview of the “Six leadership passages “model with the discussion of the unique needs and varied skill requirements of the star performer vis a vis conventional performers of each passage with an understanding of the challenges faced by the organization. The knowledge about each passage helps reveal “hidden “ leadership problems at every organizational layer and in establishing appropriate requirements of six leadership levels which could facilitate the succession planning exercises in the organizations. A unique organizational architecture called ‘leadership passage ‘has been developed by the authors to demonstrate the usefulness in evolving a leadership powered organization that is sustained against all kinds of odds and challenges within and outside the

organization over a number of years. Though the model has been framed primarily to address the large scale enterprises, the model can be fitted to work for the requirements of small businesses as well.

**Chapter 2** lucidly brought out the first passage 'from managing self to managing others' is lucidly. The growth of the star performer/leader to the other first line managers in terms of skills, time application and work values is made explicit. In articulating the leadership goals, it is important to go beyond the listed goals and requisite skills. The rising power and expectations of individual contributors, achievement levels of first time Managers in terms of skills, time application and work values are vividly portrayed. To unclog the pipe line problems, the tactics of preparations, monitoring and intervention are applied in the context of the well known "General Electric Leadership Matrix". It identifies the responsibilities for training the first line managers with Managers of managers to be a star performer

**Chapter 3** identifies the signs of misplaced managers of managers and further develops the third passage 'Managing Managers'. The symptoms of a misplaced manager of managers are diagnosed along with a discussion on the essential skills that a manager should employ to upgrade the leadership passage and the organization. It emphasizes on the accountability of first line managers and insists upon the efficient use of resources which would enhance organizational effectiveness. It places emphasis on the appropriate measures for reaching the effectiveness levels which are important for the growth of the organization. A role model of a Manager of managers is developed in the process.

**Chapter 4** vividly portrays the fourth passage of Functional Manager and elaborates the necessity of having functional maturity for this executive. It identifies the dysfunctional signs created by some executives who are not capable of managing themselves and other managers below them. It insists upon emotional maturity as a prime requirement for the executive of this level. The common flaws of new era functional managers are described and stresses on developing a strategic mind set and a holistic approach towards the organizational development for the manager of this layer. It warns to the organizations about the dysfunctional symptoms that would affect the organization and emphasizes on developing a mature strategic manager is vital for organizational growth.

**Chapter 5** a tremendous sense of ownership is brought in while discussing the fifth passage of Business Manager. The Value shift is to be built in valuing one's own function to valuing all functions appropriately for the executive while managing complexities and learning to value all functions within the business unit. A significant technique 'the Alignment Triangle' has been developed by the authors for evaluating the competencies and building up the competitive advantage and strategic direction for the business unit. It addresses the challenges of E-Commerce business and warns about the signs of leadership transition troubles. It stresses upon the custodianship of the organizational culture for the executives of this layer.

**Chapter 6** describes in the form of succeeding indirectly, developing the business managers and connecting the business unit to the bigger corporation the requirements of a Group Manager who manages the business managers are described. The Group Managers must exercise restraint in managing the business in the same way he was doing when he was a business manager in terms of business strategies, pricing, consolidation exercises etc. It insists on learning the measuring skills of evaluating multiple performance areas within an organization to enhance the overall effectiveness of an enterprise.

**Chapter 7** draws a transition to Enterprise Manager and chief executive officer (CEO). The CEO has to meet several challenges while developing himself along with other group managers within the corporation. These challenges are identified as delivering consistent results, setting enterprise direction, shaping soft side of the enterprise, maintaining the edge in execution and managing the broader Global context of the enterprise. The authors also insist that a star performer should be learning the core competencies of the business along with the functional diversity to reach the position and the experience for the CEO. Thus the authors warn the organizations not to skip the levels of CEO development while selecting a CEO for the enterprise. The authors caution the organizations that appointing the external consultant as CEO who struggles and fail an organization being a cultural misfit, rather than being a success.

**Chapter 8** identifies the leadership pipeline problems and possibilities and develops early warning signals having elaborated all the passages as given above and the authors move on to prepare diagnostic tools. An individual perspective as well as group perspective is vividly illustrated in furthering the thoughts and thus the authors establish the merits of the Pipeline model. With a view to strengthen the enterprise growth, many organizations commit the mistake of the 'high potential' performers who are given quick promotions and allowed to zoom through or bypass crucial leadership experiences and the authors alert the organizations not to do this practice.

**Chapter 9** emphasis on role clarity and arriving at performance standards is discussed in this chapter. The essential measures which define the standards for judging performance levels are elaborated. A novel tool of four circles in the form of full performance, not yet full performance, exceptional performance and inappropriate performance are portrayed in the chapter to develop dynamic strategies for the growth of the organization.

**Chapter 10** identifies the clear standards to assess potentials for the executives in the form of turn potential, growth potential, mastery potential who are needed at for different stages of changes in the organization. The authors work towards evolving a definition of succession planning in this chapter. A novel five step plan to develop succession plan with the use of the Pipeline model is detailed. While discussing the succession planning, the authors develop useful tools of Potential performance matrix, sustained performance levels using the above mentioned leadership potentials.

**Chapter 11** moves on to identify potential pipeline failures and takes steps to prevent the institutional failures. While discussing the institutional failures, a framework for leadership, a language for discussing problems and standards for judging performance of executives are elaborated by the authors.

**Chapter 12** clarifies the needs and problems of Group functional managers who form an important element in the organizational structure. It identifies the signs which would help finding out whether a Group Functional Manager is performing or not. It adds the distinctive skill requirements to the cerebral aspects of their jobs as part of the functional strategies of these executives. The signs of a functional manager who is not performing up to the standards are observed at group level and the enterprise level.

**Chapter 13** highlights how coaching of the executives in the leadership pipeline to become future leaders is arduous task to be performed within the organization. It prepares a coaching framework and also emphasizes on how the company will benefit by all such efforts. A clear,

complete and compelling feedback on the coaching program for the managers is necessitated.

**Chapter 14** is a concluding chapter and the substantial benefits up and down the leadership pipeline have been developed in this chapter. The benefits of the model has been illustrated with the example of the best practices at the hotel giant Marriot International in its Leadership Talent Development Process. The Marriot story been chronicled in detail in the discussions of this chapter It arrives at the leadership effectiveness through the process of combining the attributes with results. This process makes organizational development actionable and understandable and provides the Board of Directors with insight and information which is critical. The strength of the Pipeline model in assessing the enterprise and its ability to face the competitive market forces and evolving at a dynamic strategy for its holistic growth are characteristically qualified by the authors.

### **OBSERVATIONS**

- The three authors have built a highly synchronized model which can be adapted to major international corporations as well as small business enterprises. They show how a company can develop leadership in each layer of their organization by defining the skills required as leaders move from one level to the next.
- The various chapters contain highly successful thoughts that have guided the various corporations while providing enlightened visions for their organizational growth. They explain how time should be applied differently, how ethical and enhanced work values that would improve the organizational effectiveness and success. They are candid in their discussion on the steps that would upgrade the effectiveness of the organization. The book contains exhaustive deliberations on corporate succession path and articulates the bench mark of leadership for the organizations by its strategies and case studies.
- The case studies and observations from the field along with frequently asked questions and the answers by the authors have provided rare insights. These would lighten the tasks of guiding the consultants who are engaged for organizational development process.
- The role of macroeconomic forces in which the organizations grow is not made explicit in the development process as portrayed in the book. This becomes obvious particularly in the light of recent economic crises that swept all over the Globe and impacted the growth of many companies. The authors overlook the impact of the crises on the leadership succession in organizations.
- The authors admit that the Human Resources Department in many is by and large staff function and often fails to identify the leaders who would perform and make the organisation grow .At the same time, the authors are unable to clarify how the HR department can aid in identifying and equipping the leaders with competencies and skill sets in making the organizations perform and grow.
- The authors address the leadership pipeline model evolved by their consultancy assignments and in depth case studies to corporate organizations and tend not to apply the model to family owned enterprises, research based organizations, public sector enterprises, cooperative sector and non profit voluntary enterprises. Such

organisations also face live problems and fail in the context of leadership succession and organizational effectiveness. The leadership qualities of Dr.V. Kurien (1921-2012) in making 'Operation flood and Anand model a unique success and its recent organisational debacles and leadership succession challenges are relevant here.

**CONCLUSION**

The book acts as rich source of information on "Corporate Succession Planning", which can be utilised by board members in strategies. This book is also useful to "Corporate leaders" to further fine-tune leadership skills. The academicians can use it for imparting syllabus based information in HRD to students. This book is great asset for trainers.