



THE IRS Story

(Prior to his recent appointment with the FBI, James Trinka served just over 4 years as the Internal Revenue Service's (IRS) Director of Leadership and Organizational Effectiveness with total "corporate" responsibility for the development of over 10,000 managers and succession planning for over 110,000 employees. Under his guidance, IRS leadership development and succession planning programs became the benchmark in both the US public and private sector. He has been recognized by numerous organizations such as GAO, Brookings Institute, and the Corporate Leadership Council as "best practice." He earned the IRS' top award, the Commissioner's Award, in 2002 and in 2003, ASTD bestowed it first annual, prestigious "BEST Award" to the IRS for training excellence.)

Drawing conclusions from several sources of empirical research and concluding that **"great leaders make a great difference in organizations,"** under the guidance of Trinka, the IRS began grappling with two very specific people development questions:

- What are the common behaviours (competencies) of a great leader?
- How can we develop more great leaders?

In completing their surveys and internal research, they realised that several organisational myths required urgent attention and remedy:

- 360° assessments do not accurately reflect on the job performance
- Leadership development should focus entirely on correcting weaknesses

- Managers should concentrate directly on a targeted competency for best development

What next?

Secure with this information, the IRS developed a more structured approach in Leadership Development. Specifically, they based their programme on:

- A research based competency model
- Implementing 360° degree assessments, to be supported by structured on going coaching processes
- Managers would be shown their results vs. the average
- Development targeted at the weakest competencies
- Best you they could hope to be is "not bad"

Critically, they were looking to develop the organizational objective –

"We need to make our good leaders great"

Part of the IRS initiative was based on the research completed by Jack Zenger and Joe Folkman, which culminated in acclaimed book *"The Extraordinary Leader"*

Trinka and his team identified several strategic imperatives from that publication:

- Leadership effectiveness impacts balanced measures :
 1. *Employee satisfaction* i.e. great leaders have lower staff turnover
 2. *Customer satisfaction* i.e. great leaders have more satisfied customers
 3. *Business results* i.e. great leaders generate higher business income
- It takes a substantial behaviour change in leadership effectiveness (perceived

by 360°) to greatly impact balanced measures

The project team sought to understand...
What does "Great" look like at the IRS?

- They compared **great** (top 10%) to bottom 10% to determine what competencies were perceived to really drive **greatness** - 11 competencies set the **great** leaders apart from the rest
- They compared the development approach of building key strengths vs. correcting weaknesses to determine which approach most increases perceived leadership effectiveness
- Result – Leaders building just one more profound strength into a key competency achieved a 10-95% improvement in overall perceived leadership effectiveness
- Also - Building strong competencies to very high levels could increase perceived effectiveness to 80th percentile and employee engagement scores to about 72%

As well, Trinka and his team identified several new insights:

- Identification of "**companion**" competencies e.g.
 - target competency – *Technical Credibility*
 - companion competencies – *Strategic Thinking, Developing Others*
 - Building companion competencies by 2% builds targeted areas by 5% and indirectly affects others
- IRS identified five companion competencies that had the greatest effect on the key eleven (can assist in targeted group leadership development programmes)

They also introduced the term "**Feed Forward**" ...

- Thank people
- Tell them what you will be focusing on
- Ask for their advice on improving the competencies
- Don't "feedback" – concentrate on developing the future
- Ask for more interactions
- Frequency of involvement is the critical factor

Where can you learn more about it?

Much has been written about 360°. Among the better sources are:

Bracken, D.W., Timmreck, C.W., Fleenor, J.W. & Summers, L. (2001, Spring). 360° feedback from another angle. *Human Resource Management*, 40 (1), 3-20.

Lepsinger, R. & Lucia, A.D. (1997). *The art and science of 360 degree feedback*. San Francisco: Pfeiffer (Jossey-Bass).

Peiperl, M.A. (2001). Getting 360° feedback right. *Harvard Business Review*. Jan. 2001, 142-147.

Toegel, G. & Conger, J.A. (2003). 360-degree assessment: Time for reinvention. *Academy of Management Learning and Education*. 2 (3), 297-311.

For a more thorough discussion of Lominger's views on feedback systems and their relationship to leadership development systems, see *The Leadership Machine*, by Michael M. Lombardo and Robert W. Eichinger (3rd edition, Lominger, 2004)

We continue to focus on topics of practical use for organizations, coaches, HR professionals, bosses, mentors, and anyone else with a stake in helping others improve performance and effectiveness.

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