

## **Why should someone invest in leadership development?**

Research has shown that those organizations who invest in the development of their human capital, including leadership development, see a significant return in financial performance. In fact, a 2007 *Harvard Business Review* study by Laurie Bassi and Daniel McMurrer revealed a strong correlation between leadership skills and company profit. Bassi and McMurrer's study examined the leadership and financial performance of 11 publicly traded companies. The results revealed that those companies who emphasized the development of human capital saw stock market returns five times higher than those companies who did not.

However, leadership development is not only strongly linked to better financial performance but also to talent acquisition and retention. Research conducted by Bersin & Associates shows that providing leadership development for internal employees is more effective than hiring external talent. The reason for this is that internal employees are already familiar with the organization and committed to projects, while hiring external talent is difficult, expensive and time consuming. Furthermore, by investing in leadership development, an organization is showing their commitment and confidence in employees, which will lead to significant improvement in talent retention.

There is also a strong link between long term performance and leadership development, according to Bersin & Associates. Those organizations who are built to sustain long term growth and profitability have systematically implemented leadership development programs. The benefits not only lie in the development of leaders, but in fostering a culture of performance and an organization that relishes the pursuit of goals as well. Bersin & Associates also identifies an overwhelming benefit from leadership development in times of organizational change. According to their research, 86% of companies with strategic leadership programs are able to rapidly respond to changes in the business environment compared to just 52% for companies with less established programs.

The bottom line is this, now more than ever, leadership development programs are critical to an organization's performance. With challenges and pressure culminating from technological expansion, volatile economical conditions, globalization, and talent wars, organizations will undoubtedly need high performing leaders in order to succeed.

## **Why choose to make that investment with IOL Tool?**

An organization or individual leader should choose to invest in leadership development with IOL Tool for the following reasons:

- Cost effective
- Academically and scientifically proven
- Anonymous and easy to use assessment process
- Intuitive and straightforward result presentation
- Quantifiable method for developing leadership which can track improvement over time
- Consistent quality and automated process
- Ability to brand your assessment

## **How does IOL Tool differentiate itself in the market?**

1. Leadership development with IOL Tool is cost effective and does not require a large financial investment
2. IOL Tool measures the actual real world impact of leadership or organizational culture, rather than providing a subjective leadership profile
3. The IOL Tool assessment process requires only about 5-10 minutes to complete
4. The IOL Tool report is easy to understand and applicable to real world business
5. The IOL Tool focuses on simplicity and making leadership development available to all leaders