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Helping Leaders Grow Up: Vertical Leadership Development in Practice

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Abstract
This research reinforces arguments for the use of adult vertical development theory to transform traditional leadership development practices to prepare leaders for the volatile, uncertain, complex, and ambiguous (VUCA) world. Vertical leadership development strategies and practices were assessed in fifteen large organizations. Multiple factors impacted implementation of vertical development practices. The primary factor was the overall leadership development mindset (the organization's learning strategy and its theory of individual change). Secondary factors include senior leader engagement, space for openness and vulnerability, capability and experience of practitioners, alignment in business processes, and expanded understanding of risk-taking. Our results illustrate that accelerating leadership capacity through the implementation of vertical development practices requires significant personal and organizational commitment.

Introduction

Global changes have transformed the demands placed on leadership and are reshaping what it means to be a successful leader. We have long associated character and values with leadership capacity (Bass & Steidlmeier, 1999). Over time, social and organizational sciences have sought to define leadership as specific traits and values so that leaders can be identified and trusted (Gini & Green, 2013; Kouzes & Posner, 2012). However, as our global and organizational environment becomes more volatile, uncertain, complex, and ambiguous (VUCA), a high degree of character/virtue is no longer sufficient for leadership success (Ko & Rea, 2016). To address today's VUCA world, leaders need the capacity for enhanced perspective taking that comes with adaptability, self-awareness, boundary spanning, collaboration, and network thinking (Petrie, 2014a).

Unfortunately, research suggests that most leaders are unprepared and fall short in these essential areas, creating a gap between the leadership we have and the leadership we need for the future (Ghemawat, 2012; Weiss & Molinaro, 2005). As our social ideas about fairness and justice evolve and the role organizations play in society becomes increasingly interconnected and complex, this gap will likely continue to grow. Trait or character-based notions of what makes an effective leader will not be sufficient for effective — let alone transformational — leadership. We propose that helping leaders increase their mental complexity, the domain of vertical development theory provides the means to close the development gap.

Vertical development interventions prepare leaders to continuously learn and develop in accordance with the changing demands of the environment concomitantly increasing self-awareness. Vertical leadership development provides a philosophy that moves from focusing on *what* leaders know towards understanding *how* leaders make sense of knowledge acquired. This difference in philosophy illustrates why despite "widespread investments in management and leadership education, companies still are not able to deal with the 'leadership crisis' in their organizations" (Kegan & Lahey, 2010). These investments are focused too much on *skills* individuals possess and insufficiently on the *development* of the individuals themselves.

Understanding Vertical Development and the Need for Change

Vertical development refers to an individual's progressive growth through stages of increasing socio-emotional and cognitive sophistication, shaping how they interpret and interact with their environment (Cook-Greuter & Miller, 1994; Kegan, 1982; Petrie, 2014b; Torbert, 1987). With each stage, individuals develop an increasingly complex and inclusive point of view. This contrasts with traditional horizontal development which focuses on the development of skills and abilities from a technical perspective and supplies useful strategy when problems and their correlating approaches for resolution are clearly defined (Petrie, 2014b).

Vertical development has its genesis in constructivist developmental theories (Loevinger, 1963), largely situated within the domains of psychology and moral philosophy (Kohlberg, 1976). This work rarely crosses disciplinary boundaries and has not been widely integrated into leadership development research and practice. Despite this divide, two models of adult vertical development have begun to permeate organizational discourse: *Kegan's Orders of Consciousness* and *Torbert's Action Logics*.

Kegan refers to his stages of vertical development as Orders of Consciousness, identifying five distinct levels of development: Impulsive Mind, Imperial Mind, Socialized Mind, Self-Authoring Mind, and Self-Transforming Mind (1982, 1994). Progressing through higher orders requires a more sophisticated sense of self in relation to others and other perspectives. People at higher levels of development have a greater ability to learn and solve complex problems. They can question their own assumptions about the world and are more likely to accept paradox while remaining centered and confident in their ability to take action. Kegan found that less than thirty four percent of adults ever reach the Fourth Order while three to six percent were in various phases of transitioning between the Fourth Order and Fifth Order with no individuals fully attaining the Fifth Order (1994).

Torbert's Action Logic model highlights seven levels of leadership: Opportunist, Diplomat, Expert, Achiever, Individualist, Strategist, and Alchemist. The levels are distinguished by

differences in how a leader perceives the world and processes information. An Opportunist sees the world through a lens of power and seeks personal gain. Alternatively, an Alchemist moves away from viewing the world in artificially segregated categories, and begins to understand the complexity and temporal nature of events (Torbert, 1987). Similar to Kegan's Orders of Consciousness, research has found only four percent of the studied population had reached the Strategist level while less than one percent attained the Alchemist stage (Rooke & Torbert, 2005). *Table 1* compares the two models.

Table 1: **Comparison of Adult Vertical Developmental Models**

	Kegan's Orders of Consciousness (Cognitive Development)	**% of pop**	**Torbert's Action Logics (Ego Development)**	**% of pop**
Pre-Conventional	**First Order: Impulsive Mind** - Unable to understand self in relation to other objects; subject to impulses and perceptions of the world			
	Second Order: Imperial Mind - Develops greater control over impulses but is subject to needs and desires; relationships represent a transactional way to meet needs	6%	**Opportunist** - Wins in any way possible. Self-oriented; manipulative; "might makes right"	5%
Conventional	**Third Order: Socialized Mind** - Develops an understanding of needs and desires as separate from the core self; is subject to the interpersonal relationships through which the self is defined; seeks external validation of the self	58%	**Diplomat** - Avoids overt conflict. Wants to belong; obeys group norms; rarely challenges the status quo	12%
			Expert - Rule by logic and expertise; seeks rational efficiency	38%
			Achiever - Meets strategic goals. Effectively achieves goals through teams; juggles managerial duties and market demands	30%
	Fourth Order Self-Authoring Mind - Develops an understanding of self outside of relationships; is subject to ideologies and values systems; shapes a more nuanced and values-based understanding of the world	35%	**Individualist** - Interweaves competing personal and company action logics. Creates unique structures to resolve gaps between strategy and performance	10%
			Strategist - Generates organizational and personal transformations. Exercises the power of mutual inquiry, vigilance, and vulnerability for both the short and long term	4%
Post-Conventional	**Fifth Order Self-Transforming Mind** - Develops an understanding of the limits of self; begins to view others separate from themselves; views their ideologies as limited; develops a greater ability to hold paradox, but is subject to the dialectic between ideologies	1%	**Alchemist** - Generates social transformations. Integrates material, spiritual, and societal transformation	1%

Vertical Development in Practice

To stimulate vertical growth, a few models designed for practical organizational application have emerged. Petrie (2015) suggests a framework for creating developmental experiences that encourage vertical growth naming three primary conditions: Heat Experiences (Initiation — The What), Colliding Perspectives (Enablement — The Who), and Elevated Sensemaking (Integration — The How). Heat Experiences are events that disrupt the individual's habitual

way of doing things and open the individual's mind to search for new and better ways. Colliding Perspectives occur when the individual is exposed to people with different worldviews, opinions, and backgrounds which challenge the individual's mental models and encourages the leader to think more extensively. Finally, Elevated Sensemaking refers to the individual's process of integrating and making sense of new perspectives to develop a larger and more advanced perspective.

While Petri's conditions are helpful in thinking about specific practices in an organization, Kegan and Lahey take the implementation of vertical development further with their Deliberately Developmental Organization™ (DDO™) framework (Kegan et. al., 2016). Inspired by the potential indicated in adult vertical development, Kegan and Lahey expanded their research to organizations that were intentionally creating environments which supported vertical development. Their research shares case studies of organizations that have successfully created these environments and provides a framework highlighting three essential dimensions needed to create and sustain a developmental environment: Edge (Aspiration), Groove (Practices), and Home (Community).

For an organization to begin its transition to a DDO™, the work of creating Community can be the most effective and challenging first step. Kegan and Lahey (2016) emphasize the importance of Community by saying that "growth can happen only through membership in workplace communities where people are deeply valued as individual human beings, constantly held accountable, and engaged in real and sustained dialogue" (p. 108). As a baseline, organizations aspiring to become a DDO™ must prioritize trust and safety in their culture; otherwise, employees may not have the support necessary to engage in the meaningful and challenging work required for their personal development.

Aspiration refers to the core philosophy and strategy of the organization. For any organization seeking to become a DDO™, a deep belief in individual development as a critical component to business success must be part of the core operating system. An "organization can sign on to the principle in spirit, value it as a nice to have, and even make investments to promote more of it — but this is very different from asking, 'From the ground up, have we designed our organization so that it supports the growth of its members...?'" (Kegan, Lahey et. al., 2016, p. 88).

Once a supportive community and strategy have been cultivated, deliberate Practices help the developmental vision extend throughout the organization in a way that people, managers, and individual contributors alike can understand and foster reaction when warranted. When taken together, these three components support an organization that strives to vertically develop its people in the process of running a successful business.

As these models suggest, vertical development requires a different approach than traditional skills-based views of leadership development. For organizations to effectively develop the leaders with the mindsets required for a VUCA world, they must think differently about what leadership looks like and how they can support their people to evolve accordingly. While some organizations have begun exploring vertical development in practice, to our knowledge this study is the first that examines the extent to which vertical strategies for growth are present in organizations while identifying which barriers and enablers exist to support the implementation of vertical development.

Methods

Data Collection

This study used a qualitative approach, with data collected through hour-long, semi-structured, one-on-one interviews (Maxwell, 2013). This approach was chosen to better understand the experience of practitioners engaged in leadership development activities and how principles of vertical development were being used. Interview questions were designed and modeled after Kegan and Lahey's framework for Deliberately Developmental Organizations™ (DDO™), and Petri's conditions for vertical development (Kegan, Lahey, Miller, Fleming, & Helsing, 2016; Petri, 2015). These frameworks were used to ensure that all components of the vertical development experience were addressed in the interviews. The interview questions were tested and refined through peer review by two practitioners familiar with theories of vertical development. A comprehensive literature review and subsequent peer review served to establish the face validity of the instruments.

To identify and solicit interview participants, this study used a purposive and convenience sampling approach (Creswell, 2014). Nineteen internal practitioners came from fifteen large (over 1,000 employees) organizations in the technology, professional services, manufacturing, healthcare, and government/philanthropy industry sectors. These respondents held a strategic-level position that allowed them to understand the leadership strategy of the organization. In two cases respondents represented global manager development, and two respondents oversaw executive development specifically. Other respondents had titles such as Global Talent Officer, Chief Learning Officer or Vice President of Learning and Organizational Effectiveness. Additionally, six respondents were external leadership development consultants, all running their own consulting or coaching firm.[1]

Data Analysis

Each interview was taped and transcribed and the data was analyzed and deductively coded. In the first phase of analysis, all interview transcripts were read and initial organizing ideas were identified. These ideas were used to begin open coding. Codes were a word, phrase, sentence, or multiple sentences that offered insight or knowledge regarding the application of vertical development theory. Coding was performed iteratively until the coded data reflected the underlying raw data. The resulting code was organized into macro and micro codes that formed the backbone of the analysis. Initial coding was verified by a second rater, and the data exhibited an inter-rater reliability of 90%. After validation, the language was refined and content was organized to more effectively reflect and communicate the state of practice.

In addition to the coding of key factors influencing the implementation of vertical development, analysis of the interview data also produced themes related to the organization's leadership development mindset. This was based on data that reflected the organization's learning strategy and how that strategy was enacted.

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[1] The intention behind our qualitative paper was not to generalize, but rather to gather rich information about this new area of study. Our approach was to interview a homogenous group of people in a particular position in an organization — in our case nineteen individuals who held a strategic-level position (e.g., Directors of Development) in organizations that have over 1,000 employees. To support that data, we also interviewed 6 external practitioners who work in these organizations to give us saturation. While there are a number of ideas around saturation, Guest, Bunce, and Johnson (2006) propose that saturation often occurs around 12 participants and Latham (2013) suggested 11 participants.

Results

The results of the study show that the degree to which an organization implemented vertical development depends largely on the organization's leadership development mindset as well as upon a number of secondary factors: senior leader engagement, space for openness and vulnerability, capability and experience of practitioners, alignment in business processes, and expanded understanding of risk-taking. Additionally, the results of this research illustrate that accelerating leadership capacity of an organization through the implementation of vertical development requires significant organizational commitment and change.

Organizational Leadership Development Mindset

A key factor that differentiated the 15 organizations was the mindset they used to conceptualize and communicate leadership development. The overall mindset was comprised of two important components: 1) the organization's learning strategy, and 2) the organization's theory of individual change. The learning strategy refers to how the organization articulated leadership and what is required to develop it. Three distinct learning strategies emerged: Skill-Based Prescriptive, Values-Based Prescriptive, and Core Principles.

Within these categories it was clear that the strategies differed further, depending on whether the organization was intentionally using vertical development principles or horizontal development principles. This nuance resulted in the leadership development mindset framework (see *Figure 1*).

Figure 1: **Organizational Leadership Development Mindset**

Organizations characterized as having a Skill-Based Prescriptive learning strategy identify skills and competencies that tend to be role-specific. Their frameworks largely focus on the tactical aspects of leadership versus relational or personal characteristics. For example, one organization using a Skill-Based Prescriptive mindset had five leader "qualifications" that were subdivided into competencies; a qualification was being "*Results Driven*" and the key competencies identified were "*Accountability, Problem Solving, and Decisiveness.*" Other organizations differentiate sub-competencies according to various positions in the organization. One participant from a Skill-Based Prescriptive organization explained the use

of competencies "*to design training…to frame performance reviews where we look at who is ready now, who will be ready in a couple of years, and what kind of developmental plan do they need to have based on the competencies.*"

Organizations having a Values-Based Prescriptive learning strategy use a leadership framework rooted in their core organizational values. These frameworks emphasize behaviors that are less technical than those seen in the skills-based category and include more interpersonal behaviors, imbued with a substantial emphasis on what it means to be a leader in the unique cultural context of the organization. For example, one organization articulated collaborating with others, including others, establishing trust, and having fun as competencies required to support their organizational value of "*Partnership.*"

Additionally, both values- and skills-based strategies tended to be more complex, using frameworks that consisted of multiple levels of sub-competencies, behaviors, or metrics. One participant from a Values-Based Prescriptive organization described how their values pervade employee development, providing "*a set of management and leadership competencies that roll out of those core values … We assess managers and leadership around those competencies.*"

The Core Principles learning strategy present in six of the participating organizations emphasizes the foundational truths of the organization versus the detailed behaviors expected of leaders. All organizations using this strategy had no more than three principles. For example, one organization projected three broad principles: "*Create Clarity, Generate Energy, and Deliver Success.*" Each of these was accompanied by three independent sentences describing the principle.

In addition to the organization's learning strategy, organizations differed in their theory of individual change. The theory of individual change refers to how the organization views individual change, either horizontally or vertically. While both aim to create shifts in behavior that stimulate growth and development, they do so in different ways. Organizations using a horizontal theory of individual change have specific behaviors that are identified, tracked, and measured to stimulate growth. Organizations with vertical theories of individual change use a broader set of tools to engage individuals in deeper levels of personalized change. Participants using this theory spoke more about the individual leader, the significance of self-awareness, the long-time horizon, and the challenge of measuring progress. One participant using a vertical theory of individual change described it in this way:

> *As you look at the research and the more you talk to practitioners about this idea of adopting a new mindset or elevating your thinking from vertical, is that it takes a multi-year, multi-stage process, that cannot and should not necessarily be solved through any type of specific program. It could be introduced in a programmatic way but really articulated in a long-term focus of recurring practices.*

Across the 19 internal participants, 14 utilized a horizontal approach, while 5 utilized a vertical approach. All six external participants used a vertical approach. The continuum in Figure 2 shows how the components of the leadership development mindset relate to one another across the organizations represented in the data.

Figure 2: **Organizational Leadership Development Mindset Continuum**

Notable in this categorization is the fact that all participating organizations intentionally using vertical development practices were employing a Core Principles learning strategy, and a vertical theory of individual change. Importantly, none of these intentionally developmental organizations in the top half of the continuum outlined detailed behaviors, measures, outcomes, or expectations for leaders. They instead provided a narrative of the foundational principles of the organization, which in many cases they expected all employees to adhere to, including leaders. One organization in this category explicitly distinguished its use of both vertical and horizontal development, the vertical focused on leadership and the horizontal focused on requisite job skills. This distinction created space in the framework for both the necessary specificity of role-specific skills and a more open description of leadership that makes room for different kinds of individual leadership growth.

However, using a Core Principles learning strategy to inform leadership in an organization does not ensure the implementation of vertical leadership development. Two organizations utilized a Core Principles strategy but did not have a vertical theory of individual change as is demonstrated in the bottom right of *Figure 2*. These two organizations eliminated their traditional leadership competency frameworks, but still upheld a more tactical and data-driven approach to behavior change. Hallmarks include specific connections between leadership expectations and performance reviews, enterprise goal setting, and pre-determined learning paths for leaders. Our data did not find any organization using a prescriptive learning strategy that also employed a vertical theory of individual change. Only organizations that had transitioned away from using specific and detailed views of leadership, as seen in the two prescriptive strategies, created room for vertical practices to emerge.

Secondary Factors Influencing the Implementation of Vertical Practices
In addition to the organization's leadership development mindset, our interviews indicated that an organization's ability to develop leaders and make the essential shifts required for vertical development depend in large part on these five factors: 1) senior leader engagement (mentioned by all 25 participants), 2) making space for openness and vulnerability (mentioned by all 25 participants), 3) capability and experience of practitioners (mentioned by 19 participants), 4) creating alignment in business processes (mentioned by 15 participants), and 5) an expanded understanding of risk-taking (mentioned by 14

participants). These critical factors were present in all organizations, irrespective of their leadership development mindset, but as the following examples show, the impact they generate and the way in which they are managed are unique in organizations using a vertical theory of individual change. Vertically developmental organizations understand clearly how these factors impact leadership development, while other organizations in the research were just gaining awareness and struggling with how to manage some of these factors.

Senior Leader Engagement. A major organizational factor that supports an organization's capacity to adopt a vertical approach to leadership development is the engagement of senior leaders. Respondents discussed senior leader engagement in three key ways: investment and sponsorship, role modeling behaviors, and setting the tone.

Senior leaders' engagement often determines what can be done by practitioners. The topic of investment and sponsorship was prevalent in conversations about behavioral role modeling and setting the tone as much of that behavior is derived from whether or not the leaders are personally committed to supporting the work of vertical development themselves. When asked what would produce the most significant difference in their ability to more effectively develop leaders, nine respondents specifically stated that support from the top of the organization was key. One response is shared below:

> *I mean, if you ask [senior leaders] to come kick off something, they will come, they will say the right things, but in terms of practice it is still a challenge … You can talk about leadership, but as long as people are still approaching it from their technical skills, staff in general will pay more attention to technical skills than leadership skills.*

Notably, all but one of the organizations using vertical development principles discussed the high level of involvement of their senior leaders and their CEO. Overall, when discussing the participation of senior leadership teams, the tone of developmental organizations was much more positive than horizontal organizations, many of whom felt they had little meaningful support from the top.

The importance of role modeling by senior leaders emerged specifically in six interviews, from two vertical external consultants and from four horizontal organizations. Rather than emphasizing the role modeling of competency-aligned behaviors, vertical respondents spoke of the significance of leaders' role modeling developmental work. This includes being open in front of others about the developmental work they are doing personally. The following response offers one example of awareness of developmental work:

> *And, of course, it is very powerful when senior leaders in the room begin to see something in their thinking that they begin to perceive as limited and they share it. That is a very powerful moment. There is a collective exhale in the room. Employees see something shifting at the top and they say 'Okay, I guess this is real. We are not just playing games here.'*

Even in companies that described themselves as less hierarchical — without controlling top teams — the influence of senior leaders was still an essential ingredient to successful leadership development. In both concrete and less tangible ways, senior leaders are the lynchpin to having vertical development embraced in organizations.

Making Space for Openness and Vulnerability. Another organizational factor influencing the adoption of vertical leadership development practices is the organization's ability to make

space for openness and vulnerability. All 25 interview participants expressed that their organizations or clients are challenged or inhibited by personal vulnerability and emphasized the importance of managing this perceived hindrance in order to enhance leadership development. For practitioners employing vertical development, increasing the level of openness and vulnerability in their organizations and their clients is a main area of focus. They acknowledged that the lack of openness in organizations is not just preventing leaders from developing, but it is preventing them from being themselves, with serious consequences. One respondent articulated the significance of this cultural dynamic:

> *Most leaders are not in psychologically safe environments, so they can't show up fully... There are leaders who are DEEPLY hungry for someone to be able to fully meet them, intellectually, emotionally, in their messiness—and it needs to be more than a coaching relationship that happens once a week.*

The way that senior leaders are able to show up with openness and vulnerability in their own organizations impacts them psychologically; it also impacts the way that leadership is viewed in the rest of the organization. This can limit the range of acceptable behaviors and development activities in the organization. When asked what one thing she would change to make leadership development more effective, one participant in a horizontally developmental organization said: "*I wish our leadership could let their walls down. I wish that they could feel that it is okay to want and need development ... So for me the walls would be the one thing that I would want to crumble down first.*" Another commented: *We are terrible at [leaders being open about their development] ...Two years ago when we got rid of ratings we turned on a feature in Workday on how to give feedback. We were trying to drive transparency, openness and a little bit of vulnerability and it was SUCH a hot topic.*"

Capability and Experience of Practitioners. The next most frequently referenced organizational factor that influenced the adoption of vertically developmental practices was the capability and experience of practitioners. This factor had three sub-themes: 1) understanding of the theory, 2) an ability to translate the theory and show impact, and 3) experience with their own personal vertical development.

Some practitioners said understanding the theory of vertical development was a significant challenge for their organizations. One participant said that finding people to build his team and do vertical work in the organization was his biggest barrier to more effectively developing leaders. He said, "*The capability and skills of the people on my team...I need to have someone who understands the [vertical] field and is also an A business player and I can't find them.*" Another respondent, when asked about why he thought so few people are familiar with theories of vertical development, responded in the following way:

> *I think it is really a failure of academia...How many Harvard Business Review articles have spoken explicitly about adult development? ... Why isn't Fast Company talking about it? ... Where are the New York Times best-selling business books on vertical development? They don't exist!*

In addition to understanding the theories of vertical development, practitioners must also be able to effectively translate this to organizational practice. While this is a challenge in all organizations, translating and showing the impact of vertical development is far from mainstream leadership development conversation. Where this challenge was discussed, respondents from all four vertically developmental organizations said that the best way to get

leaders to understand and support the topics is to engage them in the work and help them understand ideas of vertical development through their own experiences. They also expressed challenges with proving the impact of leadership development interventions of all kinds. One vertical practitioner discussed how she coaches leaders to see and understand the positive impacts of their development by focusing on measurable business outcomes:

> *Some of them really struggle with it in the beginning, so I have to logically line it out for them. So then we have a measurable business outcome and could show ROI to the business. And they [the leaders] feel more invested … they feel more proud in looking at the impact of how they are growing into their work.*

While individuals can work with coaches to track changes associated with their own growth, as described above, a more substantial challenge is showing impact on the business at large when only these personalized approaches exist. No respondents had an answer for the challenge of measurement, and many noted that while one can observe trends, it is virtually impossible to show more than just correlation. One respondent attributed her organization's lack of focus on leadership development to this issue, saying that even when focus is found, the organization rarely sustains it, instead developing other models in a constant search for something that the business will readily adopt. All of this, she said, stems from the inability to measure or prove the impact of leadership development work, which for developmental practitioners is compounded by the lack of availability of vertical development assessments. Even if leaders are to accept the concept of vertical development, measuring progress or conducting pre- and post- assessments is a challenge.

Adding to the challenge of identifying practitioners and demonstrating impact is the importance of practitioners having experienced the work personally. This final sub-theme was unique to vertical development practitioners. In describing the importance of personal work one said, "*The client can only go so far as you have gone within yourself …They are not going to go there if you won't go there yourself.*" Another respondent described, "*Practitioners sometimes get in the bad habit of saying oh you should do all these things but they themselves haven't actually gone through that process or that inquiry and there is a hypocrisy in that, you know …The power of this work comes from it actually transforming yourself first.*"

Given the lack of awareness of the theories of vertical development in general, finding people with meaningful personal experience in vertical development is a barrier to more organizations adopting vertical approaches. The challenge of finding practitioners who have a mastery of all three of these things — vertical theory, ability to translate and apply that theory, and experience with their own development — is a pervasive impediment to bringing theories of vertical development into organizational leadership development in a sustainable and effective way.

Creating Alignment in Business Processes. Creating process alignment across the organization, from the smallest practices to fundamental ways of working together, is another organizational challenge to the adoption of vertical development. Frequently cited in this context were performance reviews and promotions. Respondents highlighted that their performance review process challenged leadership development because it focused on technical aspects of the job without rewarding other skills and capabilities. One participant from a values-based horizontal organization gave this example of how her organization's performance management process is inhibiting leadership development:

> *We have some challenges in our performance review process. It asks employees to rate themselves and for others to rate them based on only one half, and what impact they made that half. It is not rewarding any long-term changes. And there is nothing on there about "How did you learn? How did you fail?*

While performance processes and general integration were the main focus of responses from horizontal organizations, vertical organizations took the idea of integration further, raising the idea that the entire organizational system might be contributing to the struggles of effectively developing leaders. All internal practitioners who utilized a vertical theory of individual change spoke about how the entire talent process, including performance management and promotion, has traditionally been an impediment to leadership development. Instead of working around these traditional methods, they are trying to use more developmental approaches to career progression, including getting rid of job descriptions and ranking processes, and encouraging employees to identify roles they are interested in instead of following a predetermined promotion path.

Beyond these examples, all respondents characterized as vertical cited the challenge of working within larger systems that do not hold the same developmental values. The sentiment was that the system often restricts individuals from engaging more fully in their own vertical development. One respondent explained, "*Say a team is really progressive, doing all of this stuff, but they are still caught within the larger system of performance management, of promotions, these things that can be a lower level design. That is a whole, huge OD change.*" Another commented, "*When we look at the individual we need to look at the team and we need to look at the organization. It is very systemic... there are a lot of good leaders out there and they are not able to move into their fullest potential because of the limitations of the organization.*"

Expanded Understanding of Risk-Taking. Fourteen respondents indicated that their organizations did not provide safe spaces for experimentation and risk, thus impeding the growth of leaders. Changing a culture of risk-aversion is not easy, and one participant from a vertical organization described it as the most important breakthrough they needed to enhance leadership development:

> *We are described as a gathering of valedictorians. Extremely high achieving...there is always having to have the right answer, and having to be ready at a moment's notice to give that right answer and give it in an eloquent, McKinsey bullet-pointed kind of way. And so that [culture] is an enormous impediment to vertical development.*

Another participant in a self-described risk-averse organization said, "*You get rewarded for having all the answers so that [being right] becomes really important, and there is a big identity piece around that for our leaders.*" Another participant referenced fear-based leadership and its impact: "*It really relates to speaking up. To lead from a confidence-based map rather than a fear-based map. There is a lot of aversion to risk in that respect.*"

The concept of innovation came up frequently in conversations about risk. Organizations want to encourage risk in service of more effective innovation, but for many organizations not used to risk taking, this is a big step. One participant described this frustration:

> *I think we should be coming up with ways to talk about risk taking...One of [our] Leadership and Management principles is about being innovative...Implicit in that principle is some amount of acceptance that risk taking is a good idea.*

Participants also discussed innovation as part of their leadership competencies or organizational values, a critical ability for employees and leaders alike. Several examples were shared of organizations trying to support innovation in their business practices — hiring innovation officers, creating incubators, conducting after-action reviews, and teaching design thinking tools. However, when asked about how these practices impact the organization beyond research and development or other technical functions, the examples lacked detail or were absent altogether.

Vertical practitioners spoke of the need to support risk-taking in terms of not only organizational innovation but also of personal growth, and in a far more integrated way than those using a horizontal model. In the work they are encouraging leaders to undertake, these practitioners talked about how to steer leaders toward their "*growing edge*," "*as close as possible to the friction,*" by finding the right combination of "*commitment — almost fear, but excitement.*" This difference in tone illustrates how developmentally minded practitioners see risk-taking. The vertical perspective moves risk away from the possibility of being wrong to the potential of learning and growth. One participant reflected, "*One of our mindsets is innovate everywhere, so there is some tension between, 'I am not allowed to fail here' and then 'My CEO is saying innovate everywhere. 'But we can't innovate unless we fail sometimes so there is some real tension there.*"

In summary, the data from this study, as presented here, produced two key findings:

1. *Organizations that are more successful integrating vertical development theory have a specific leadership development mindset that includes a non-prescriptive learning strategy and a vertical approach to individual change.*

2. *Organizational factors that have long impeded leadership development are still present for those integrating vertical development, and pose a challenge to the success of vertical development practices at the systemic and cultural levels.*

Implications for Practice

As this paper and others before it demonstrate, leaders lack the capacity needed to tackle today's complex challenges (Leslie, 2009; Weiss & Molinaro, 2005). Many have critiqued the leadership development industry and asserted that its failure to adapt and evolve its methods have contributed to this critical capacity gap (Avolio et. al., 2005; Bolden, 2006; Kellerman, 2004, 2012; Pfeffer, 2015). To cultivate new ways of effective leadership development, this field needs to surpass just a change of approach and seek a transformation of how it thinks about leadership development (Kellerman, 2012; Leslie, 2009; McGuire & Rhodes, 2009). Transformation must transcend horizontal skill development to include vertical development, which supports the development of an increasingly complex and inclusive point of view (Kagen, 1982; Petrie, 2014b; Torbert, 1987). As this research has illustrated, practitioners interested in introducing vertical development to their organizations will, for the most part, be pioneering in their work. They will face more complex variations of traditional challenges that have plagued the development industry, as well as deeper and more systemic challenges driven by the culture and processes of their organizations.

The implications and recommendations articulated here are intended for those practitioners who are pioneering in the field of vertical development, working to bring these concepts to their organizations or clients. Successful implementation of vertical development practices

requires both an individual and organizational level approach. At the individual level, this research has shown that practitioners of vertical development must have had developmental experiences themselves. Therefore, practitioners should assess their own developmental experience, asking how they could deepen their personal work to show up more effectively in their organizations. At the organizational level, our research has shown that there are significant organizational impediments to successfully implementing vertical development. Given the systemic nature of these impediments, we recommend that practitioners take an incremental approach to changing their organization's practices to become more vertically developmental over time. See *Tables 2* and *3* for suggested approaches at both the individual and organizational level that will support vertical growth.

Table 2: **Recommendations at the Individual Level for Implementation of Vertical Development**

Criteria	Questions	Examples from Developmental Practitioners
Heat Experience	What does the edge of my comfort zone look like? What would it look like to step into a learning experience or development experience that pushes me out of my comfort zone? How can I step into my own discomfort?	There are significant heat experiences that emanate from bold risks, or large planned initiatives, but often just as much heat can be generated in the small moments of our everyday work. One practitioner discussed how they are bringing more challenge to individual growth goals through a cohort-based learning experience where leaders share their experiences with others.
Colliding Perspectives	How often do I seek out viewpoints that contradict my assumptions and beliefs? What would it look like to cast my net wider and gather more perspectives?	There are many ways to acquire new and different perspectives, but developing a strong practice for reaching beyond your current thinking can help you regularly return to the process of seeking out new perspectives. One practitioner discusses how he uses frameworks to help leaders test their own ways of thinking and strengthen their perspective-taking muscles.
Elevated Sensemaking	What do I do to pause and reflect on situations that I encounter? How often do I make time for reflection and integration of new perspectives? Am I aware when I'm on autopilot?	Consider incorporating activities that support your own reflective practices. One developmental coach discussed how he works with leaders to solidify their reflection practices, that overtime help them to be able to meaningfully reflect on their behavior in real time.

Table 3: **Recommendations at the Organizational Level for Implementing Vertical Development**

	Questions to Consider	Examples from Developmental Practitioners
Leadership Development Mindset	How prescriptive is the organization in its definition of what leadership is and how it is developed/measured? How does the organization view the process of leadership development?	A key part of the developmental process is shaping your organization's leadership development mindset. One practitioner discussed how he is working to move his organization away from prescribed behaviors toward a developmental approach by showing senior leaders the vertical research and helping them create succession and development plans based on this developmental approach.

Leadership Support	Does everyone in the organization recognize the importance of vertical development, including the senior leaders? Is there a commitment of time and resources to support leadership development at all levels of the organization? Do leaders model their own development for others?	Find ways to give current senior leaders a voice and a platform to talk about their own development in a way that opens the door for others, like this impressive program where leaders publicly discuss their developmental opportunities and respond to feedback.
Openness and Vulnerability	Are weaknesses seen as an asset and errors as opportunities? Is it culturally acceptable for people to talk about their development and ask for help? Do people feel safe expressing their concerns, feelings, and needs?	Think about how you could support practices that help teams become more open about their development with one another, bringing a growth mindset to their day-to-day work and interactions. One practitioner shared a tool they made for their team leaders to facilitate growth-oriented conversations on their teams.
Business Practice Alignment	Is there an alignment between developmental strategies and performance review and compensation practices? Are assignments and career pathing based on what people are prepared for or what would be growth opportunities or aspirational paths? Do your organizational processes support individual development?	Consider what tools or frameworks your organization is using across the business and how they could put more emphasis on development. One practitioner approached this by breaking down barriers between the OD, Learning and Development, Change Management, and HR functions in his organization and emphasized the use of a common set of tools across all the teams.
Tolerance for Risk Taking	Is the organization willing to sacrifice short- term gain for long-term growth that results from new ways of thinking and acting? Is everyone at all levels empowered to take risks that support their growth? Is there a process for vetting experiments that challenge existing ways of doing things?	Give your leaders experiences that have real risks involved, like one where a set of leaders were chosen to create a new business strategy for the organization.

Discussion and Conclusion

Practitioners intentionally using vertical development struggle to persuade leaders and teams to prioritize the time required for development, which, for meaningful vertical development, is often a greater investment than a skills-based approach requires. From initial assessment to coaching conversations to personal reflection and follow-up, the comprehensive process of vertical development demands quality time from those engaged in the process. Practitioners implementing vertical development referenced the challenge of time — as well as the sense of being overwhelmed that leads people to believe they don't have time — as a barrier to development throughout the process.

Additionally, vertical development inherently requires a deeper level of long-term engagement from leaders. In the context of this long-term development, vertical practitioners still have to

identify ways to create a meaningful transfer of learning, moving away from static interventions to more deeply embedded practices (Avolio, 2005). This often requires more support from others throughout the business and a deeper integration of developmental philosophies into the day-to-day work of the organization. This kind of support can be doubly challenging for developmental practitioners who face even greater obstacles to measuring progress than some traditional leadership development methods. They still struggle with measuring impact and proving ROI, for individuals and for the business (Kellerman, 2012).

Those seeking to implement vertical development face added challenges of creating business alignment, expanding risk-taking, and making space for openness and vulnerability. These challenges illustrate the deep, systemic, and cultural challenges to vertical development that are embedded in the way organizations have always operated.

Finally, a willingness not only to self-reflect, but to engage in deep reflection with others, is essential to vertical leadership development. Organizations that do not support a culture of openness and vulnerability will not be able to become fully developmental.

Those who are committed to implementing vertical development in their practice can find examples in pockets. Nevertheless, practitioners who choose to implement vertical development will, for the most part, be pioneering in their work. Furthermore, practitioners seeking to make these profound changes will face more complex variations of traditional challenges within the industry, as well as deeper and more systemic challenges driven by the culture and processes of the organization. The acceleration of effective and sustainable integration of vertical development will require transformation at the organizational level. Despite new and improved theories, in order to make meaningful change, practitioners can no longer look at leadership development in isolation. Every piece must be examined in relationship to the broader system.

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