

Building strategic capability in senior engineers

The Situation

The continued success and growth of a global engineering company is considered to depend on its ability to develop the business and strategic skills of its engineers. At the career transition into senior management roles, the strong technical and management skills of senior and high-potential professional engineers must be augmented by leadership skills and strategic judgement.

Some development of personal behavioural skills has already taken place, and there is now a need to address the financial and strategic insights of this challenging and high-profile group.

The Analysis

Within the target group for this development initiative there is a wide range of financial sophistication. There is also a range of experiences of making the operational and strategic decisions involved in running business units. Ideally the development process will:

- 'level up' and develop the engineers' understanding of key financial statements, and their ability to use them to make soundly-based decisions
- provide them with a set of strategic tools with which to evaluate options, including the analysis of major capital projects, and practice in applying these tools
- offer opportunities to confirm and build on the personal leadership and team skills already established

The Solution

Richard Smith Associates has collaborated closely with the company OD team, with ProfitAbility Learning and Development Services, and with a senior external finance and strategy specialist. One of ProfitAbility's simulations focuses on the interplay between financial management and business strategy, and this is selected as the basis for the development.

- This competitive strategic simulation is adapted to create a group of marketplaces which reflect key elements of markets faced by the engineering company.
- The way the simulation is run is extended to incorporate graded inputs and practical exercises developed and presented by the strategy specialist.
- Planned templates are developed to encourage reflection by individuals on leadership and team effectiveness behaviours displayed while running the simulated businesses.
- A final exercise is developed in which the teams each have to handle a shareholder conference call about their business and then value one another's businesses, consolidating the strategic and financial experience.

The Outcomes

This senior and experienced international group has expressed satisfaction with various aspects of the learning experience, its relevance and value, in the range 82% to 92%. One characteristic comment from a participant was this:

"The game is perfect ... it engaged the concentration on the topic. Success and failures affect you and made you learn more."