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10 March 2011

Heads or tails for effective leadership

A recent study by Aon Hewitt, the global human resources consulting and outsourcing business of Aon Corporation (NYSE:AON) found that only 51% of employees consider their leaders to be effective.

The study of over 170,000 Australian and New Zealand employees in over 300 organisations, compared perceptions of leadership across seven major industries. Financial Services was the highest scoring industry with 54% of workers deeming their senior leaders to be effective. The results for the Resources sector were significantly less compelling with only four in ten employees (41%) claiming to trust their senior leaders or believe them to be effective in their roles.

“The results across the board are concerning, even within the highest ranking industries. Hopefully this is the wake-up call companies need to assess, and more importantly improve, their leadership strategy” said Tim Powell, CEO of Human Capital Consulting for Southeast Asia and the Pacific.

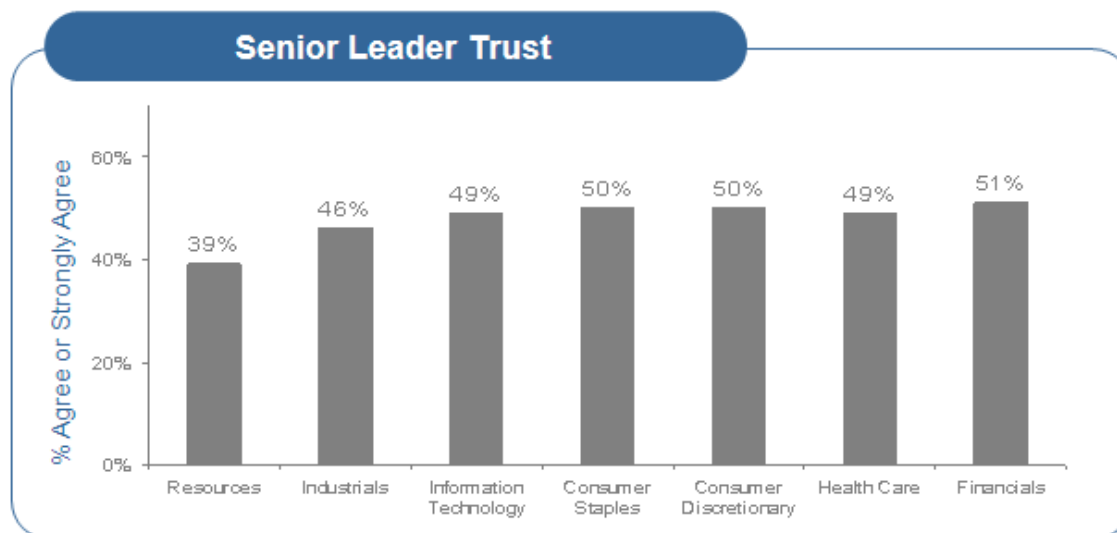
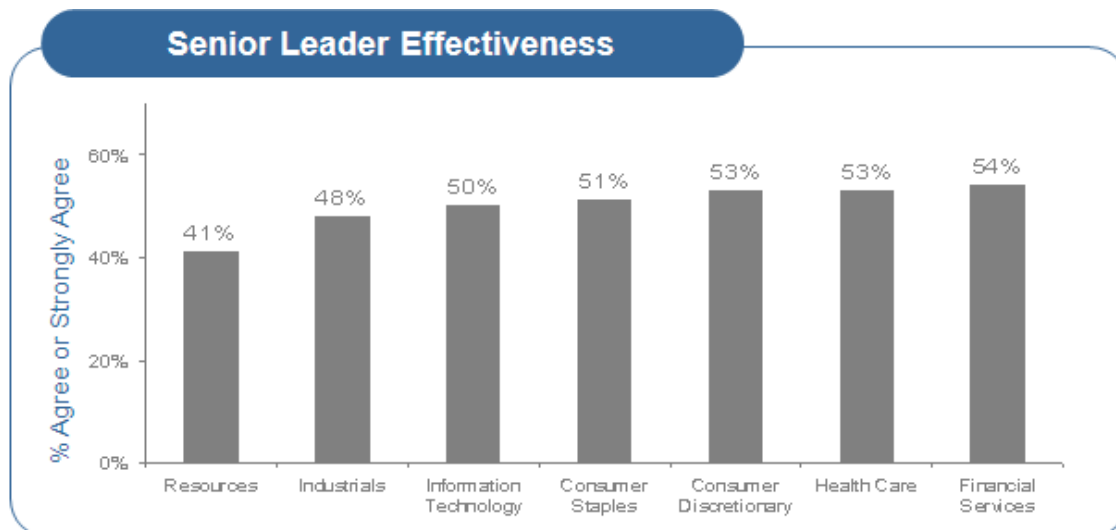
“In a time when many people are promoted on the basis of past achievements and technical competencies rather than managerial capabilities, it isn’t surprising that the Resources sector is struggling due to the highly technical nature of roles. Then you combine that with the current volatility in the industry and the fact that most teams are geographically dispersed, and the challenge ahead becomes much clearer.” Comments Powell.

Aon Hewitt advises that senior leader effectiveness is best described by the ongoing interplay of three equally important components.

Capability and Know-How: What the leader knows about leading people is critical to driving team member engagement and performance. The step from knowledge to know-how to effectively lead individuals and teams is becoming increasingly important in a time where many people are promoted on the basis of past achievements or technical competence - factors that are often unrelated to future leadership potential.

Style: The leader's individual style has an enduring impact on the behaviours and culture of the people and teams that they lead. Raising leader self-awareness of their style is an important place to start, particularly for aligning the intentions of a leader (which are often good) with what it takes to have a positive impact on team members —this impact can often differ from what was intended.

Time Effectiveness: The choices that leaders make about how they spend their time will impact on their own and their teams’ performance. Good choices about spending time with the right people on the right activity will position a leader for an improved chance of success. Poor time management choices and inadequate delegation will limit the effectiveness of a leader.



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About Aon Hewitt

Aon Hewitt is the global leader in human resource consulting and outsourcing solutions. The company partners with organisations to solve their most complex benefits, talent and related financial challenges, and improve business performance. Aon Hewitt designs, implements, communicates and administers a wide range of human capital, retirement, investment management, health care, compensation and talent management strategies. With more than 29,000 professionals in 90 countries, Aon Hewitt makes the world a better place to work for clients and their employees. For more information on Aon Hewitt, please visit www.aonhewitt.com

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