

Take on Board Podcast – Episode 205

Transcript – Marcele de Sanctis has thoughts on using metrics to find the right board mix.



Helga Svendsen 0:00

Today on the Take on Board podcast, I'm speaking with Marcele de Sanctis about board capability and culture. Before we start that discussion, I'd like to acknowledge the Traditional Custodians of the land on which we record today. For me, I'm on the unseeded lands of the Wurundjeri People of the Kulin Nation and I pay my respects to Elder's past and present, I acknowledge their continuing connection to land to waters and to culture. I support the Uluru Statement from the Heart and I encourage others in the take onboard community to do the same. Now, let me introduce myself. Marcele has 10 years experience working with global ASX listed private and government organisations, supporting boards, CEOs, sea level executives and senior leaders in capability development and competency architecture, leadership assessment, leadership development, executive coaching, talent management, and all sorts of things that are of interest to boardrooms. She currently sits on the National Education Advisory Committee for the Australian Institute of company directors. Welcome to the Take on Board podcast, Marcele.

Marcele de Sanctis 1:07

Thanks so much Helga for having me look forward to the conversation.

Helga Svendsen 1:11

It is awesome to have you here. And whilst I'm really keen to dig into board capability and culture, before we do that, I'd like to dig a little bit deeper about you. Sure. Tell me about your upbringing, what lessons you learned, what you've got up to, and what the leading influences were on you and how you thought and what you did.

Marcele de Sanctis 1:30

Yeah, that's a very great place to start. Thank you, I don't often take the time to think too much about my upbringing and where I've come from, because I'm often working with leaders exploring

their upbringings and their early experiences. So I feeling very lucky to be able to have this time and space to do that. So thank you. In short, I was born in Australia, my grandparents on both sides were immigrants from Italy and from Malta. And so my parents were also born here, from really early on, I had instilled in me as the firstborn child, and the eldest grandchild, a strong sense of responsibility of hard work, and a really the opportunity to create something out of nothing and continue the work that my grandparents did when they arrived here. And so that's really kind of carried through my life, I guess, there's been a very strong value and focus on education, on creating our own destinies on the value of hard work. My family have always been quite entrepreneurial, and had their own businesses, no one really had a corporate career. My grandfather owned some taxis, my dad had has had a real estate and property business from the very beginning. And my mum was a teacher, and had a really strong affiliation with language. So she was a French teacher and a drama teacher as well. So throughout my life, the early experiences around entrepreneurship, education, teaching people have really been important features of my journey. And I think coupled with the fact that I am the firstborn, there's a very strong perfectionistic, streak, high achieving streak and competitive streak. And that's led me down the path of competitive swimming, which I did at a national level, until the law of a social life when I was the kind of 17-18 onwards derailed that swimming journey. But that's really been a big part of of me as well, that desire to win, to compete. And to sort of push myself has been a big part of my journey as well. And then so it's really taken me to this present day where I sort of have married this interesting business, this interest in entrepreneurship, this desire to know leaders and their journeys and how they go and do wonderful things and how they create success with a very deep interest in motivation, the human psyche, what makes people tick. And that really set me up for a career in Organisational Psychology, and in the science of leadership, which I did at site at University, and which I've then carried forth in creating CLA in my own consultancy, as well as through the work that we do, which is supporting leaders with their development.

Helga Svendsen 4:51

Oh, there's already so much I could dig into there. Yeah, it's interesting just hearing those themes about the background and then entrepreneurship and education and you've brought them together beautifully in where you're at now. So interesting.

Marcele de Sanctis 5:05

Thank you. Yeah, I feel really good. I actually got into a commerce degree initially, because I do have a really strong interest in business. And then when I looked at all the studying around economics and accounting, it concerned me a touch, but I got my, I guess, numbers fix in the form of statistics in psychology. So that was good fun. But I do feel like there's a really nice marrying now of hearing leaders and their stories and hearing how they've gone and built wonderful things in their careers and in their lives, married with this desire to sort of educate and share knowledge, which I also have satisfied through the leadership development work that we do. And the kind of psychology bent around why people do what they do. And I actually spent the first five and a half years of my journey in executive search, when I finished my studies at Uni, where I literally just got to hear leaders talk

about what they'd grown, what they transformed, what they built. And I learned so much about leadership through hearing all of those stories through interviews. So it was a great journey.

Helga Svendsen 6:14

You know, sometimes feel like that with this podcast, I get to interview people. I just get to hear interesting stories all the time. Yeah, it's a similar thing. I'm interested in CLA, the Center for Leadership Advantage that you founded? Did you have a board for your organisation?

Marcele de Sanctis 6:32

No, we didn't. And we didn't have a board. So CLA which year was called Center for Leadership Advantage, founded in 2016, we didn't have a board. But we had an advisory network of individuals who myself and my co founder Terry Coyne regarded highly who we would engage with and stress test and bounce ideas around with. And as the organisation grew, it became apparent that over time, we would need that presence, perhaps more formally established to stress tests to help us be future ready and think about strategically where we needed to go. Because we certainly were moving from working in the business to working on it as the firm grew. But then in 2021, so nearly coming up to two years, we were acquired by future leadership. And so we've now formed part of that organisation, and we are now known as CLA only. And so that's where we do now have that really strong governance focus with the board of future leadership, and all of the wonderful strategic support for our brand to continue to grow with the robust governance structures around it that will support that growth.

Helga Svendsen 7:53

Well, I'm torn almost on whether to dive into that governance, I'm going to stick with ours because there will be no doubt aspects of it that link to but there's the work that you've done around board capability and culture with the many organisations and boards and C suites that you've worked with. Where should we start the conversation around board capability and culture?

Marcele de Sanctis 8:13

Yeah, look, I mean, I've always been really interested in probably two elements, and whether we get to both, we'll see how we go. But the first one is around, like, what are the capabilities that are really important around that boardroom? And do boards have the right conditions that are in place to enable those capabilities to flourish and be demonstrated to their full potential? And what is the shifting nature and profile of successful directors. And the second comment I'd make that I'm also really interested in is this idea of high performing team dynamics in the boardroom. So we know that often for boards, we have independent directors, and we actually do need to operate as individuals contributing to conversation and that diversity of thought is critical to direct the decisions that are

being made. But equally, we have to be enough the same that we are aligned on things and we do have to be enough the same but enough different. So I'm always interested in at what point do we realize that we are enough the same? And do we foster these high performing team dynamics to operate as one unit, even though we're a collection of individuals.

Helga Svendsen 9:31

Such an interesting balance that robustness of conversation, get the psychological safety to to have those robust conversations in a way that is constructive and positive? It's a really fine balance.

Marcele de Sanctis 9:42

Yes, I agree entirely. Yep.

Helga Svendsen 9:45

What would you say the capabilities in the boardroom are that we need for these really high performing boards, leaving aside the environment? What are the capabilities?

Marcele de Sanctis 9:53

Yeah, so we've been doing quite a bit of work in this space as future leadership and also CLA, we have created the Future Leadership Capability Framework which represents our position on leadership capabilities that are required for the future. And that framework is built on a number of years of research around well validated capabilities that we know are important for the world of work. Also our own experience and position on what we believe is emerging in terms of critical capabilities. And we've also structured the framework to represent capabilities from emerging leader level or frontline leader level through to a representation of these capabilities at the board level. So that's quite an interesting element, because usually most leadership capability frameworks will tap out at the C suite. Yeah. But we have said, Okay, well, let's actually create an articulation of these capabilities at the board level as well. It's just a way of us continuing to think about, yes, there are some contexts where the capabilities that are required for success at executive levels are different to board level capabilities. But in some instances, they are the same. It's just a progression and maturity from what you're demonstrating at the C suite, for example, as you move into that board space. So the way that we've structured the framework is really along four dimensions, we have capabilities that are associated with how we lead change, how we lead others, how we're thinking about problem solving, and how we think about leading ourselves as well. And so there's a whole range of capabilities and things about 16 capabilities within the framework. And some of the really important ones that we are seeing, really resonate with organisations and resonate with clients are things around digital acumen, are not just about seeing the technology function in an organisation as being the ones that should be leading the way on digital literacy acumen and the

way that we use technology to collaborate. But that actually being the work of everybody to have a point of view and some level of acumen around those things. Definitely capabilities around critical thinking and the ability to really challenge and critically appraise information that's being put to them, but also this balance of judgment, know when to take things as a given, because that seems right. And know when something warrants further interrogation, through to capabilities that really represent connecting the work of others to strategy and purpose. So this idea that the role of leaders and absolutely I think the role of directors is to be able to articulate and therefore engage a workforce, on how the work that everybody does is connected to strategy and is connected to purpose. There is alignment, people understand what they're contributing and how it matters. And we are all sharing one story on that. So they're kind of a three that spring to mind as being really important at the moment.

Helga Svendsen 13:14

Interesting. And they're also I think, three examples of things that yes, the C suite needs and the board needs, like they're not unique to the boardroom, or unique to the C suite. So I'm wondering, what are you observing might be different about the way for example, digital acumen, or that critical thinking or that connecting what's different in how board members do it versus what's needed in the organisation?

Marcele de Sanctis 13:40

Yeah, so I mean, if I think about some of the differences, and again, it kind of depends how big the organisation is, as well, because different capabilities will be represented differently. There'll be different levels of maturity and requirements based on size and scale and complexity. But in a nutshell, you know, if I think about this idea of digital acumen, technology literacy, for example, when we are at the sort of GM C suite levels, we are really seeing that there's a need to champion a structured approach to data governance. We are keeping abreast of data governance issues and thinking about security in a big way. But we would expect that as we move into that board space, we are really setting the tone culturally for sound digital governance practices. We are thinking further ahead in terms of what's coming up over the horizon for the management of digital risk and what we need to be doing in that area. We are helping to conceptualize an operating model. So that technology is well embedded, and then and having say suite leaders lead coach embed that in ensure that it's well understood. So subtle differences, we would expect that the board would be bringing best practice and obviously thinking from different industries and different experiences to the table to help shape the roadmap of what a tech strategy looks like. And then at the executive level, they're really feeding up all of the information, the pros, the cons, the benefits, the risks, that can help shape that, but I think it still needs to be a collaborative effort.

Helga Svendsen 15:37

Yeah there's never a nice neat line, I think, between those things, and I agree wholeheartedly about the size of an organisation. In fact, I think the size of the organisation often has more of an impact than what sector that organisation is in a small, not for profit, or a small private company, or a small commercial company, or a small government organisation will probably operate quite similarly, or as large, all of those different to each other in the sector, but not the size impacts. So I'm wondering the leadership capability framework, and it's got all of the different levels of it, and the different capabilities required in the four different areas? How do you use that? How is it used in maybe recruitment of board members? Maybe an evaluation of either C suite, or boards? How are you using it in practice?

Marcele de Sanctis 16:24

Yeah, in a few different ways. So when the firm that we are a part of which includes two brands, the Future Leadership brand is our parent brand. But then we have the Fisher Leadership brand, which is focused on executive search, the Gig Interim brand, which is focused on interim appointments, and the CLA brand, which is focused on advisory, the framework gets used to help assess executives in the official leadership part of the business around role readiness and role capability. So it's used in the form of interview questions with that map to the framework. And it's used to interpret a leaders capability and readiness for particular roles. We also use the framework to map to psychometric tools that we're using to help support those search methodologies. So interviews, mapping, psychometrics to get more data around this common leadership language that we're looking for is one way that it's using a search capacity. We also use the framework when it comes to development. So for example, where we're using the framework quite a lot when clients are wanting to build leadership development programs and understand what are the modules, what's the curriculum? What are the topics that we need to be developing our workforces in? And we're using the framework to help shape the content creation, and the learning experiences and what we're actually going to focus on in those leadership development programs using the framework. And we're also using the framework in talent management. So for example, clients who are wanting to understand what is the readiness of our high potential talent? And to what extent are they ready for moving into the C suite, for example, we will select the capabilities that are really important for leadership at those stretch levels. And then we will assess the participants against those capabilities through various data points, and play back to them. What was strengths? What were development areas? And what were the cohort themes around common strengths and common development areas when it comes to those capabilities?

Helga Svendsen 18:42

Have you used it in a similar way at all with boards overall, like, you know, that whole assessment process for boards and where the strengths are and where the weaknesses are, both individually and collectively? Could be really interesting. So I'm wondering if it's been used in that context at all?

Marcele de Sanctis 18:56

It is, it's really interesting, because we haven't used it to a great extent in the boardroom, other than talking generally about director readiness, and for some boards that are using psychometrics to help appoint their directors, using it in that context to playback the insights, the themes and the so what factor for inclination to demonstrate the capabilities that are in the framework. But I have to say overall, that's a conversation that's still evolving because not a lot of boards will use psychometrics for Director appointments is what I've observed. So the approach to recruitment at the director level is still a little bit different to what it would typically be at a direct at an executive level.

Helga Svendsen 19:46

Actually, I'm interested then, what's your view about using psychometrics for board recruitment?

Marcele de Sanctis 19:52

Yeah, well, look, I mean, I'm a psychologist, so I'm always take the view that more data is good and that ultimately we want to have more data to make decisions and who we are recruiting is one of the most important decisions that we can make. So psychometrics provide a lot of that data. But so do an evaluation of someone's previous experiences, the things that they've done, the potential that they have, which can be measured by their motivation, their aptitude, their learning agility. So I always take the view that psychometrics are additive, and they add something really valuable that perhaps wouldn't have been flushed out otherwise. I think that sometimes the view is that because a director role is not a full time commitment, that we don't necessarily need to have psychometrics or all the data points in play. But I again, take the view that more data is best. So I'm a big advocate for using them in all recruitment processes, not just executive or senior leader ones.

Helga Svendsen 20:53

Yeah, they're not broadly used. And in fact, shout out Take on Board community, if you're listening in and if you're on a board and you're have used psychometrics as part of your recruitment, let me know, I'd love to interview you on the pod because I think it's an interesting area is only one board role that I've applied for in the past where they did use psychometrics. And I gotta say, I don't think they use them. Well, yes, yep. Okay, as a candidate very much felt like a ticket box, like I tried to engage them in the conversation about look, I'm interested, we've done this, what is it in particular, you're looking for? How are you going to use this to define between candidates? Like, is it somebody who'll be high on this on low on that? Or what are you looking for? And I actually don't think they knew what they were looking for, which is a real shame and a real missed opportunity, I think, and very frustrating for the candidate, it must be said,

Marcele de Sanctis 21:39

Yeah, that's exactly right. You know, unfortunately, there have been instances that are quite common, where tools haven't been used well, or the candidate experience hasn't been a positive one. It's sort of a one sided experience. And it has meant that it really deters people from using them, or they just don't see as much value. But, you know, I do think that the decisions that we make around who is in our team, board executive, whatever forum, it's in a really important and if we can have more information on that, then I think we're in a much more powerful position. So when done well, I think they add enormous value.

Helga Svendsen 22:19

I agree wholeheartedly, I don't share that story as a way of saying we shouldn't do it, they can be really valuable. And you're right, whatever forms of data, whether it's an assessment against the leadership capability framework, whether it's using any number of the myriad of psychometrics, whatever it may be, it's useful, as long as the process behind it for any of these things is strong. But that can be the same whether you're just getting people to apply sending a resume and interview them, there still needs to be a strong process behind it about the way that will be done. Yes, yep. Oh, Marcel with, I feel like we've barely scratched the surface. And we definitely haven't gotten to the second part of it. So we might need to continue this in a second conversation.

Marcele de Sanctis 22:58

Yeah, no worries.

Helga Svendsen 23:00

What are the key things you want people to take away from the conversation that we've had today?

Marcele de Sanctis 23:04

Look, I think taking a multiple data point approach to the decision that you make when it comes to talent in the boardroom is really important. And the role of capabilities featuring very strongly in that methodology is one that I certainly advocate for. So if you're interested in learning more about what types of capabilities are important in the boardroom, how they're being measured, how you can measure them, and really have them as a robust part of that conversation, then very happy to talk further. But that would be the key takeaway.

Helga Svendsen 23:41

Is there a resource you would like to share with the Take on Board community?

Marcele de Sanctis 23:45

Yeah, very happy to share the Future Leadership Capability Framework, which I hope that is a resource that everyone can connect with and really find some value in. So happy to share that.

Helga Svendsen 23:56

Fantastic. Well, look, I'll make sure there is a link to that in the show notes for people to access and have a look at it, folks, when you do after you've listened to this podcast and you've had a look at it. Both engage in the conversation we'll have in the Facebook group, but also let myself know what you think of it.

Marcele de Sanctis 24:12

Yes, would love the feedback? Absolutely.

Helga Svendsen 24:14

Oh, fabulous. Thank you so much for you know, literally answering the call. You know, could you come on the podcast and talk about this. Thank you so much for making yourself available to do that and sharing your wisdom with the Take on Board community today.

Marcele de Sanctis 24:27

Thanks so much. Absolutely. Pleasure to be a part of it.

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