

Leveraging Leadership Development for High Growth in First-Level Leaders at Mercado Libre



Mercado Libre, the largest online commerce and payment ecosystem in Latin America, is growing at an unprecedented rate, expecting to double its workforce in the next five years. To support this growth, they needed to accelerate leadership development among frontline leaders, team leaders and supervisors, some of the most quickly growing and pivotal groups of leaders at the company. The majority of this population was composed of first-time managers, who were facing the typical challenges of new leaders in a rapidly changing and growing environment.

With this context in mind, Mercado Libre partnered with BTS to create a leadership development program designed to provide clarity about what great leadership looks like at Mercado Libre. This meant creating awareness around the need for people development to support business growth, developing and training managers' abilities to make decisions involving people, and developing specific tools and models to improve day-to-day interactions, including: communication, best practices for delegation, feedback, and high impact questions.

A Customized Learning Journey for Sustained Growth

To create this solution, BTS and Mercado Libre partnered to conduct a series of intensive interviews to better understand what leaders did on a daily basis. Gaining this understanding of the day-to-day behaviors of first-level leaders allowed BTS to define what "great" looked like for leaders at Mercado Libre, and what "not-yet-so-great" behaviors looked like. Distinguishing the high performers allowed BTS and Mercado Libre to develop a Great Playbook that pinpointed the most effective behaviors in the pivotal moments these leaders faced on a daily basis.

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Using the Great Playbook as a basis for design, BTS and Mercado Libre created an experience to address the needs of leaders, ensuring that it would be possible for every leader to be great. The learning journey they created consisted of a:

- A two-day workshop featuring a customized business simulation
- Pre- and post- program 360 assessments
- Six "Go-Do" activities, which were designed specifically for Mercado Libre to ensure that the learnings from the program would be implemented back on the job in the context of their performance management process
- A one-day closing event at the end of the journey

The First-Level Leader Experience

Before the program, all participants completed a 360 assessment as pre-work for the event. This allowed participants to gain visibility into their strengths and opportunities for improvement. Additionally, the Mercado Libre leadership team gained insight into the frontline leaders' base level of knowledge and skills prior to the program, and, by comparing the results to the post-program 360, benchmark their progress after the program's completion.

Next, the leaders attended a two-day in-person workshop. In the session, leaders experienced a customized leadership simulation, which provided them with scenarios tailored to the specific challenges they experienced in real life, allowing them to exercise the tools and build the skills they would need back on the job in a risk-free environment. They practiced making decisions involving people, and worked on the specific tools identified as areas of focus. After this experience, participants were set up with "Go-Do" activities, where they would be held accountable for applying learned skills back on the job. As part of confirming that participants would make progress towards their "Go-Do" goals, participants would receive electronic check-in notifications and reminders throughout a period of time following the program, at a rate that ensured real actions back on the job. This reinforcement was complemented by posts in Mercado Libre's workplace system, which encouraged participants to stay on track.

At the end of this journey, participants attended a one-day closing workshop to reinforce what they had learned and acknowledge what they had accomplished with the "Go-Do" activities. They also completed a post-program 360-degree evaluation, allowing participants to see areas where they had improved as a result of the program and where they needed further development. The 360-degree evaluations also allowed the senior leadership team to evaluate the effectiveness of the program and view the aggregate of improvements in skills and behaviors that the participants had gained as a result of the experience.

Measurable Results & Immediate Impact

The program was extremely well received across the board, garnering evaluation scores including a 4.9 out of 5 for the classroom session.

Furthermore, the experience had a lasting impact in terms of business results back on the job. Notable improvements occurred in every category, but the most prominent were: a ten percent

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increase in asking for feedback, a seven percent increase in conducting performance reviews and involving team members in this process, and a six percent increase in providing frequent feedback. After the program, first-level leaders were doing a better job dealing with the critical moments – employing more great behaviors than before.

Additionally, the two most notable “Go-Do” activities were communication and feedback, producing impressive results. The “Go-Do” for improving communication was completed at a rate of 74 percent, with 94 percent of participants’ teams reporting improvements in leader communication, and 16 percent reporting huge improvements. The “Go-Do” for giving feedback was completed at a rate of 70 percent, with 96 percent of participants’ reporting an improvement in giving feedback, and 23 percent reporting huge improvements.

Above all, the program produced enormous success for its participants. 49 of 380 participants were promoted in the next year, 75 percent of supervisors were rated “above” on the quality of feedback, and there was a 16 percent improvement in understanding of the evaluation process. 14 percent of teams reported improvement in feeling supported in by their team, meaning that as a result of the program, the target audience did a better job being empathetic towards their coworkers. Moreover, in the “Great Place to Work” competition, Mercado Libre increased its standing from the fourth best place to work in Argentina to the third best place to work.

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Leadership Development for the Future

Through partnering with BTS to leverage [the Great Framework](#), customized business simulations, 360 assessments, and “Go-Do” activities, first-level leaders at Mercado Libre were able to transform their behaviors and performance. Mercado Libre clearly demonstrates how high the return can be for investing in your organization’s leadership – and how critical it is for maintaining impressive growth into the future.