Assessing and Developing Adaptable Leaders for an Age of Uncertainty

“Institutionally, the ability to be agile enough is the gut issue in leading an organization today.”
James McNerney
CEO
BOEING
Assessing and Developing Adaptable Leaders for an Age of Uncertainty

Relax, It's Only Uncertainty
Randall P. White

The Many Faces of Learning Agility
Kenneth P. De Meuse, Guangrong Dai, & George S. Hallenbeck

Assessing Flexible Leadership as a Mastery of Opposites
Rob Kaiser & Darren Overfield

Handouts available at www.kaplandevries.com
**Relax, It's Only Uncertainty**

The Case for Higher Order Leadership Skills

Randall P. White, Ph.D.
2009 SCP Mid-Winter Conference

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Uncertainty gap

- Uncertainty in problem or situation
- Capability to deal with uncertainty
- Uncertainty gap

The Future of Leadership, White, Hodgson & Crainer, 1996
C-suite executives reveal a high degree of ‘being comfortable with discomfort.’ They accommodate ambiguity and the uncertainty it brings. They tend to have ‘solid cores’ that allow them to accept not knowing everything. They tend to have a longer view because they see time as a continuum in which uncertainty will come and go as they progress. Being uncertain doesn’t stifle them.

— Liz Mellon, Duke Corporate Education

We have a hypothesis ... that emerging market (non-Western) leaders are actually much better suited to the way the world is going ... The classical leadership way of thinking that many business schools and many corporations used ... assumed a world that was controllable and predictable ... one of the things our leaders have always had to do was deal with masses of ambiguity, enormous amount of change.

— Christine Williams, Standard Bank (South Africa)
Three types of leadership

- Command and control—leader knows where to go and how to get there

- Empowerment—leader knows where to go but not how to get there
  - Quality
  - Acceptance
  - Time

Situational Leadership, Paul Hersey, 1979
Three types of leadership

- Learning—leader faces great uncertainty about where to go and thus doesn’t know how to get there

  
  
<table>
<thead>
<tr>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficult learning</td>
<td>Value to the organization</td>
</tr>
</tbody>
</table>

  
<table>
<thead>
<tr>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Possibility of failure</td>
<td>High</td>
</tr>
</tbody>
</table>

  Relax, It's Only Uncertainty, Hodgson & White, 2001

- Command and control—leader knows where to go and how to get there

- Empowerment—leader knows where to go but not how to get there

- Learning—leader faces great uncertainty about where to go and thus doesn’t know how to get there

In each case, the leader is teacher versus followers who are learners.
Missing variables in assessing leadership

- Learning agility
- Dealing with ambiguity/uncertainty
- Leadership versatility
- Emotional intelligence
- Tacit knowledge
- Optimism

Leadership leaps

- Be strategic
- Deal with ambiguity
  - “I can’t do this job all by myself.”
- Give up technical mastery
- Direct and motivate creative problem-solving
- People are a problem.

Making the Wrong Choice, White & DeVries, 1990
Enablers

- Mystery seekers
  - Continually curious people attracted to areas and problems unknown to them

- Risk tolerators
  - Make decisions when necessary, despite incomplete information, and will risk failure

- Future scanners
  - Either futurists, gazing into the future and imagining the possibilities or drill deep, asking the right question at the right time

Enablers

- Tenacious challengers
  - Motivated when told that something can’t be done or has never been tried

- Invigorators
  - Inject enthusiasm and spontaneity into the work and invigorate the team

- Flexible adjusters
  - Make on-line adjustments, recognizing the situation has changed or can sell change to colleagues
Enablers

- Simplifiers
  - Convey ideas and information simply yet completely. They can be essence detectors who get to the core of the description, clarifiers who ruthlessly eliminate ambiguity and uncertainty, or interpreters who use symbols or images to communicate crisply and easily.

- Focusers
  - Keep an eye on a few specific objectives, no matter what else may be going on.

Restrainers

- Trouble with transitions
- Not motivated by work
- Conflict avoiders
- Muddy thinkers
- Complex communicators
- Detail junkies
- Narrow
- Tethered to the past
Alpha Coefficients

Motivated by Mysteries       .69
Risk Tolerant                .76
Scans Ahead                  .83
Tackles Tough Issues         .78
Creates Excitement           .85
Flexible                     .78
Simplifier                   .88
Focus                        .73
Restrainers                  .86

Situational Leadership

**Historically**
- Fiedler (1967)
- Vroom & Yetton (1973)
- Graen et al. (1982)

**Recently**
- McCall, Lombardo & Morrison (1988)
- Brousseau et al. (2006)
- Goldsmith & Reiter (2007)
Learning Agility

- **Definition**
  *Ability and willingness to learn from experience, and then apply that learning to perform successfully under new situations.*

- **Focus – Vertical Leadership**

- **Identification and development of Hi-Po’s**

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The Leadership Pipeline

Adapted from *The Leadership Pipeline* (Charan, Drotter, & Noel (2001))
Historical Roots

- People develop on the job
- Development depends on raw talent, the experiences one has, and what one does with them
- Some experiences are more developmental than others

Glaring difference between successful people and those whose careers falter… is their ability to wrest meaning from experience (i.e., learning agility).

The Lessons of Experience
McCall, Lombardo, & Morrison (1988)
Half the leaders I have met don’t need to learn what to do. They need to learn what to stop.

Learning Agility

Leaders create meaning out of events and relationships that devastate non-leaders... they look at the same events that unstring those less capable... and see something useful ... The signature skill of leaders is the ability to process new experiences... and to integrate them into their life.

Geeks and Geezers: Bennet & Thomas (2002)
Learning Agile People Do Four Things Well

1. They are **critical thinkers** who examine problems carefully and make fresh connections

2. They **know themselves** and are able to handle tough situations

3. They like to experiment and **can deal with the discomfort of change**

4. They **deliver results** in first-time situations through team building and personal drive

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Learning Agility: A Multi-Dimensional Concept

- **Know themselves well**, learn from experience, treat others constructively, cool and resilient under the pressures of change
- Think through problems from a fresh point of view, are comfortable with complexity, ambiguity and explaining their thinking to others.
- **Curious**, have a passion for ideas, like to experiment with test cases, and engage in skill building activities
- Get results under tough conditions, inspire others to perform beyond normal, exhibit the sort of presence that builds confidence in others.
Description of Mental Agility

- Curious
- Reads broadly and has wide interests
- Gets to root causes
- Comfortable with ambiguity and complexity
- Finds parallels and contrasts easily
- Questions conventional wisdom
- Finds solutions to tough problems

Description of People Agility

- Self-aware
- Comfortable with diversity and differences of opinion
- Understands others
- Can play many roles simultaneously
- Politically agile
- Deals with conflict constructively
- Relishes helping others succeed
- Skilled communicator
Description of Change Agility

- Loves tinkering and trying new things
- Easily accepts challenges
- Accepts responsibility and accountability
- Introduces new slants on old ideas

Description of Results Agility

- Resourceful
- Builds high-performance teams
- Has tremendous drive to accomplish tasks
- Very flexible and adaptable
- Has significant personal presence
Distribution of Learning Agility
Are All Learning Agile Created Equal?

- Multi-dimensional construct
- High on one dimension – Low on another
- Profiles of high learning agile people
- Implications
  - Selection by profile
  - Develop by profile

Learning Agility Distribution
The Problem Solver

The Thought Leader
The Trailblazer

The Champion
The Pillar

The Diplomat
The Energizer

How do you identify high potential talent?
Beware of the *Self Report*...

![Bar chart](chart.png)

Low Middle High

- □ Self
- □ Others

The Many Faces of Learning Agility

Kenneth P. De Meuse
Guangrong Dai
George S. Hallenbeck
Assessing Flexible Leadership as a Mastery of Opposites

Robert Kaiser
Darren Overfield

In concurrent session, Assessing and Developing Adaptable Leadership for an Age of Uncertainty

Flexibility is crucial...

But how to assess it?

The obvious answer...

Trait – flexibility as a generic tendency to adapt behavior to changing circumstances

<table>
<thead>
<tr>
<th>Items</th>
<th>Not compelling conceptually</th>
</tr>
</thead>
<tbody>
<tr>
<td>Varies approach with the situation</td>
<td>Not behaviorally precise; hard to act on</td>
</tr>
<tr>
<td>Makes adjustments in behavior</td>
<td>Weakly related to effectiveness</td>
</tr>
<tr>
<td>Takes ideas different from own seriously</td>
<td></td>
</tr>
<tr>
<td>Not set in his/her ways</td>
<td></td>
</tr>
<tr>
<td>Thinks in terms of trade-offs</td>
<td></td>
</tr>
</tbody>
</table>


An Alternative

Mastery of Opposites — capability and skill with complementary behaviors that seem incompatible

- Conceptual/theoretical basis
- Behaviorally specific/prescriptive
- More predictive of effectiveness

**Tough-Love**

Push for productivity while *also* building cohesion & morale


**Practical-Vision**

Adapt/introduce change *and* maintain stability & predictability

“...playing multiple, even competing roles, in a highly integrated & complementary way” Hooijberg & Quinn (1992). Behavioral complexity

“...leader effectiveness entails the mastery of countervailing behavior patterns“ Zaccaro (2001). Nature of executive leadership

“...using opposing approaches, unrestricted by bias for one and prejudice against the other.” Kaplan & Kaiser (2006). The versatile leader

Assessment

- Behavioral content
- Measurement method
- Quantifying a higher-order concept
  - integrating opposing scores
### Behavior

<table>
<thead>
<tr>
<th>Tough-Love</th>
<th>Practical-Vision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiation</td>
<td>Consideration</td>
</tr>
<tr>
<td>Autocratic</td>
<td>Participative</td>
</tr>
<tr>
<td>Task-oriented</td>
<td>People-oriented</td>
</tr>
<tr>
<td>Transactional</td>
<td>Transformational</td>
</tr>
<tr>
<td>Short-term</td>
<td>Long-term</td>
</tr>
<tr>
<td>Stability</td>
<td>Change</td>
</tr>
<tr>
<td>Efficiency</td>
<td>Innovation</td>
</tr>
</tbody>
</table>

### Management

- **Self-assertive and directive**
  - Taking Charge and Initiative
  - Autocratic and Decisive
  - Expectations and Accountability

### Leadership

- **Collaborative and supportive**
  - Empowerment and Delegation
  - Democratic and Participative
  - Supportive and Considerate

### Interpersonal

- **How**

### Organizational

- **What**

### Management

- **Realizing efficiency through command and control**

### Leadership

- **Inspiring people with a vision for change**

### Short-term execution

- Implementation and Tactical Details
- Efficiency and Conservation
- Stability and Reliability

### Long-term strategy

- Vision and Direction Setting
- Growth and Expansion
- Innovation and Adaptation
Measurement

1-to-5 rating scales
➢ “Opposites” are positively related


New response scale

Polarity effect

\[ r = -0.59 \]

\[ r = 0.21 \]

\[ N = 484 \text{ middle to senior managers} \]

Methods Matter

\[ r = 0.49 \]

\[ r = -0.59 \]
**Integrating opposing scores**

Different response scales, different methods

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>not at all</td>
<td>Too little</td>
<td>The right amount</td>
<td>Too much</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Much too little</td>
<td>-4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Barely too little</td>
<td>-3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Barely too much</td>
<td>-2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Much too much</td>
<td>-1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Integrative balance = \[(k-1) - (|X - Y|)\] * \[(X + Y)/2\]

- X and Y are opposites to be integrated
- X and Y are measured on a k-point scale

**1-to-5 Ratings**

"Too much/Too little" Ratings

Predicting effectiveness

Leadership Versatility Index®

<table>
<thead>
<tr>
<th>Forceful</th>
<th>Enabling</th>
<th>Operational</th>
<th>Strategic</th>
</tr>
</thead>
<tbody>
<tr>
<td>taking the lead and pushing for performance</td>
<td>creating conditions for others to lead and contribute</td>
<td>focusing the organization on the short term</td>
<td>positioning the organization for the future</td>
</tr>
</tbody>
</table>

How You Lead

**Forceful Leadership**
- Takes charge
- Declares/decides
- Pushes

**Enabling Leadership**
- Empowers
- Listens/includes
- Supports

What You Lead

**Operational Leadership**
- Execution
- Efficiency
- Order

**Strategic Leadership**
- Direction
- Growth
- Innovation

Effectiveness indicators

- **Perceived overall effectiveness**
  Single-item rating on 10-pt scale,
  5 = “adequate”, 10 = “outstanding”
  (peer ratings)

- **Team performance**
  *Vitality* (subordinate ratings of morale, engagement, & cohesion)
  *Productivity* (superior ratings of quantity, quality, & overall output)


Research method

- **484 managers**
  126 GM or Executive
  204 Functional head, Middle manager
  110 Manager or supervisor
  44 did not indicate level

- **Mostly N. American (<20% EU, AP)**

- **Each rated by avg of 13 coworkers**
  2 Superiors
  5 Peers
  6 Subordinates

- **Method**
  Use avg. All Coworker ratings of behavior to predict effectiveness
  Peer ratings of Overall Effectiveness
  Subordinate ratings of Team Vitality
  Superior ratings of Team Productivity
Team Vitality (subs) β

Overall Effectiveness (peers) β

Team Productivity (boss) β

How

Forceful-Enabling Versatility

.30***

.32***

-.02

Strategic-Oper'l Versatility

.38***

.16*

.38***

What

Model R

.64***

.46***

.36***

N = 484 middle to senior managers. Versatility based on average rating across all coworkers. Effectiveness based on peer ratings; Team Vitality based on subordinate ratings; Team Productivity based on superior ratings.
10. Pays attention to detail—has a finger on the pulse of day-to-day activities.

11. Thinks broadly—takes a big-picture perspective.

**Relative Advantages**

**Trait Approach**
- Simple and intuitive, familiar method
- Requires fewer items, esp. important if required to use elaborate competency model
- Straightforward computation of scores (compared to “black box” in Mastery of Opposites methods)

**Mastery of Opposites**
- Reflects the tensions and tradeoffs managers are familiar with
- More highly related to leadership effectiveness
- Behaviorally specific; more diagnostic value
- Dovetails with theory
  - Situational (“when to do what”)
  - Developmental (Jung, Erickson)
Applications

- Use existing tools based on mastery of opposites.
- Apply methodology to existing competency models/360s.
- Create your own assessment protocol.

Create your own

- Construct leadership models in terms of opposites.
- Cover interpersonal how and organizational what.
- Don’t assume “more is better”—assess for too little and too much.
“The test of a first-rate intelligence is the ability to hold two opposed ideas in the mind at the same time, and still retain the ability to function.”

F. Scott Fitzgerald
"The Crack-Up" (1936)