



White Paper

What you need to know about leadership

Analysis of 4,500+ corporate leaders reveals surprising results

Executive summary

Since the inception of business, organizations have searched for clues to help identify and select successful leaders. They have searched for men and women of vision with that rare combination of traits that help them serve as motivator, business driver, and authority figure. The concept of leadership has been widely observed and frequently studied, but a thorough understanding of what defines successful leadership has remained just out of reach.

Infor® Talent Science™ set out to find the answers to the age-old question, “What makes a great leader?” After studying the behavioral attributes of thousands of business leaders, the resulting data could reveal commonalities that define strong leadership. What similar patterns or behaviors might possibly be found over and over again? By forming a concise “leadership recipe,” the never-ending search for quality leaders could finally be simplified to a standardized set of characteristics that might help predict successful leadership in any organization. But could we successfully apply science and behavioral psychology to extract these leadership “revelations” from the data?

Talent Science centered its investigation on 30 behavioral leadership models that were used across 24 unique companies encompassing 4,512 business leaders from all performance levels. These companies included several from the Fortune 500 list. Each of the 30 leadership models was analyzed to identify the most common behaviors that differentiate higher performing leaders from low-performing leaders. Talent Science findings compiled from this data set revealed new evidence that must serve as a foundational piece of every leadership hiring or training endeavor.

Explanation of the study

Leadership is a concept that is difficult to fully capture. You know it when you see it, but it is difficult to quantify. The components of leadership are often examined and observed, but the ability to predict successful leadership has thus far avoided the confines of a repeatable recipe. Many approaches have been used in an attempt to document commonalities among successful leaders, but only with mixed results at best. Taking a new approach to the issue, we set out to study the behavioral characteristics of successful leaders in comparison to leaders of lower performance levels.



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The two main objectives of this study were:

- To identify the three most important behaviors that are predictive of leadership performance.
- To identify the level or degree of the three most common behaviors that are predictive of leadership performance.

Behavioral leadership models

Before discussing the study findings, it is important to lay the groundwork of this study using the behavioral leadership model. The behavioral leadership model is the cornerstone to this research study since it is designed to capture the behavioral preferences of successful leaders currently working in the position. Essentially, the behavioral leadership model captures the unique combination of behaviors that predicts success. Each unique model was created using the same methodology, but the customization was made possible by using performance data related to a specific position. To create a behavioral leadership model, each organization used the following three-step process.

Define success

Traditionally, leadership success is determined by education, experience, potential, or other non-performance related measures. For this study, success was determined by actual performance on the job. We wanted to better understand the behaviors of the real leaders who produce results on a daily basis.

To keep the study focused on leadership productivity, we allowed each company to define success based on their business practices, and their leaders were evaluated on their ability to produce the desired business results. Those who did not produce the desired outcomes were considered ineffective leaders while others who produced the desired results were considered successful leaders. Each organization utilized specific performance data captured from those leaders actively engaged in the leadership role. The types of performance data collected ranged from subjective data (i.e., performance evaluations, soft achievement ratings, etc.) to objective data (i.e., store sales, percent to plan, profit metrics, etc.).

Use a behavioral assessment—The objective in this step is to capture the behavioral preferences of each leader (across all levels of success). The leaders in each organization were assessed using the Talent Science behavioral assessment tool that measured 38 core behaviors*. The 38 behaviors provided insight into the deeper motivations and preferences of each leader.

Build a leadership model—To create the leadership model, the behavioral assessment data was combined with the performance data for each leadership role. The result was a behavioral depiction of successful leadership across 38 behaviors. The leadership model determined how important each dimension was when compared to all 38 behaviors. Understanding the importance provides insight into the comparative ability of each behavior in predicting leadership performance. Equally as important is the degree in which the dimension needs to exist (ex: “high” Attention to Detail, “medium” Assertiveness, or “low” Insight into Others). The degree of a behavior will greatly affect leadership in terms of productivity, communication, and many other leadership activities.

*The current version of the solution now measures 39 behavioral characteristics.

Each leadership model was constructed in the same manner. The specific combination of dimensions (both importance and degree) was a reflection of current performance data from active leaders in the role. The models were customized to capture the true essence of leadership as it exists on the job and as it relates specifically to daily performance or contribution to the organization.

Behavioral leadership study

For this study, leadership roles were analyzed across 30 leadership models using the behavioral and performance data of 4,512 business leaders. For each role, a unique leadership model was created to assemble the strongest predictors of leadership according to behavioral preferences as they relate to actual quantified performance on the job. The process included comparing each of the 30 leadership models in a search for common behaviors predictive of leadership success (also considering the importance and degree). The study was based on the following parameters:

- There were (n = 24) companies represented, some with multi-billion dollar annual revenues, across (n = 10) industries: medical, grocery, retail, financial, restaurant, hotel, food service, property management, industrial, and customer service.
- Successful leadership was defined as a consistent and quantified achievement of current business objectives as designated by the organization. For example, in situations where the organization defined leadership success as achieving a higher “percent to plan,” good performance was reflected through a consistent and strong production of high “percent to plan” numbers.
- The average tenure for the (n = 4,512) leaders with varying performance levels was 2,242 days (over six years).
- For descriptive purposes, leadership roles were banded according to range of responsibility. For this study sample, Level 1 leaders, or 36.67%, are responsible for a small direct group of employees. Level 2, or 56.67% of the sample, are responsible for a location, site, store, or entire office. Level 3, or 6.67%, were responsible for a region, multiple sites, multiple stores, multiple locations, or multiple offices.

Leadership study findings

Importance—Most frequently occurring behaviors

Over the course of the study, each of the 30 leadership models was analyzed and the top ten “most predictive” behaviors were recorded and compared. The objective was to use the top ten behaviors across the 30 models as the method to capture the most predictive behaviors. The next step was to identify the three most common behaviors (out of the top 10) across the 30 leadership models. The focus was limited to the top three most common behaviors to provide a more concise view of successful leadership. By identifying the three most frequently occurring behaviors, insights would be gained into the three most important behaviors that predict leadership success across a wide variety of leadership roles in a wide variety of industries.

The data showed some surprising results:

- Interestingly, **all 38 behavioral dimensions were represented** somewhere within the lists of top ten behaviors across the 30 leadership models.
- **Least important behaviors**—There were two behaviors that were consistently the lowest in importance. Reflective (deep thinking and/ or the ability to anticipate long-term outcomes) and Team orientation (desire to work with groups) had the lowest frequency, occurring in just 10.00% of the models.
- **Most important behavior**—Across all 30 of the leadership models, Energy appeared in the top ten more than any other behavior (14 out of 30, or 46.67%) among all the leadership models. The mere presence of Energy in the behavioral model did not indicate the degree most suitable for the position, only that it played an important role in the overall behavioral equation for successful leadership.
- **Second-most important behavior**—The dimension of Competitive Fierceness appeared in 13 out of 30, or 43.33%, of the top 10 lists of the leadership models studied. Some successful leaders may be more competitive while others prefer a supportive environment. As we found with Energy, Competitive Fierceness was found to be a primary part of many behavioral models in varying degrees.
- **Third-most important behavior**—Acceptance of Authority appeared in 12 out of 30, or 40.00%, of the top ten lists of the leadership models studied. Whether these 12 behavioral models required a high, medium, or low degree of this dimension required further study (see the following section).

There were 38 behavioral characteristics studied across the 30 leadership models. The objective was to find the most predictive or most frequently occurring behaviors that drive successful leadership. The research data revealed that Energy, Competitive Fierceness, and Acceptance of Authority appeared in the top ten lists most frequently. The most predictive or most frequently occurring behaviors provide the avenue to further explore the degree or amount of each behavior needed to predict leadership success for each of these three behaviors.

Challenging leadership assumptions

Based on the three most important or predictive leadership behaviors (Energy, Competitive Fierceness, and Acceptance of Authority), assumptions were formed based on common (natural) assumptions of successful leadership. It is a common practice to assume that successful leaders exhibit a strong relation to, or very high degree of, a particular behavior. For the purpose of this study, we examined the varying degrees required to be successful across each of these three important behaviors.

Assumption #1: Leaders must be “high energy” to be successful

Energy was considered the most predictive (or most frequently occurring) behavior in 14 of 30, or 46.67%, of the leadership models. The data revealed unique behavioral targets taken from the 14 leadership models where Energy was one of the top ten behaviors.

- 21% of the models required below average Energy levels
- 37% of the models required average Energy levels
- 21% of the models required an above average Energy level
- 21% of the models required high Energy levels
- 0% of the models required an extremely high level of Energy

Although the majority of the leadership models required an above average amount of Energy, there were no models that required extraordinary levels of Energy.

Assumption #2: Successful leaders must be highly competitive to be successful

Competitive Fierceness was a top 10 behavior in 13 of 30, or 43.33%, of the leadership models studied. The data revealed unique behavioral targets taken from the 13 leadership models where Competitive Fierceness was one of the top 10 behaviors.

- 23% of the models required a more supportive approach
- 39% of the models required a balance between being supportive and competitive
- 38% of the models required a more competitive approach
- 0% of the models required a high level of Competitive Fierceness
- 0% of the models required an extremely high level of Competitive Fierceness

The majority of the leadership models required an average to slightly above average level of Competitive Fierceness. None of the leadership models required a high or extremely high level of Competitive Fierceness.

Assumption #3: Successful leaders need a more rebellious nature to be a high performer

According to the data studied, Acceptance of Authority was considered one of the most predictive behaviors in 12 of 30, or 40.00%, of the leadership models. The data revealed unique behavioral targets taken from the 12 leadership models where Acceptance of Authority was one of the top 10 behaviors.

- 42% of the models required a more rebellious approach
- 41% of the models required a balance between accepting authority and being rebellious
- 17% of the models required a more Acceptance of Authority approach
- 0% of the models required a high level of Acceptance of Authority
- 0% of the models required an extremely high level of Acceptance of Authority

According to the data studied, 84% of the leadership models required a below average or average level of Acceptance of Authority. None of the leadership models required a high or extremely high level of Acceptance of Authority.

Conclusions drawn from the study

Data point #1:

All 38 behaviors play a role in successful leadership. It is important to point out that across the leadership models studied, all 38 behaviors appeared in the top ten of at least two or more of the leadership models. The entire group of 38 behaviors was present and accounted for in identifying successful leadership. This helps us to better understand the need to view each behavior as potentially valuable.

Conclusion:

There were no behaviors that could be ignored or excluded from the recipe for successful leadership.

Data point #2:

Successful leadership behaviors are situational. Even the most common or frequently occurring leadership behavior showed up in less than 50% of the models. Stated another way, slightly more than half of the 30 leadership models did not consider Energy (the most frequently occurring behavior) as an important differentiator in identifying successful leadership. The data does not support the notion of a universal or “off-the-shelf” behavioral leadership model that will predict successful leadership.

Conclusion:

There was no cut-and-dried combination of behaviors that predicted successful leadership (not even some of the time).

Data point #3:

Most leadership roles required higher than average levels of Energy, but not as high as you might think. Only 21% of the leadership models required high levels of Energy and none of the leadership models required extremely high levels of Energy.

By definition, a high level of Energy is often manifested through increased activity, but the negative byproduct is hyperactivity, waste, and inefficiency. Practically, an above average level of Energy translates to the leader’s ability to keep a group of people focused and moving at the proper pace and in the proper direction without the frustration of hyperactivity. From the follower’s perspective, it is important to understand the implications of a sporadic or over-reactive leadership style (extremely high Energy). Think of how frustrating it is to do something and then redo it “just to stay busy” or doing busy work just “because the boss can’t sit still.” Associates perceive this style as scattered, confusing, and they struggle to find success and fulfillment under such a leadership style. Over time, credibility and respect can be lost, leaving this type of leader ineffective.

Conclusion:

The most successful leaders possess above average amounts of energy, but not too much.

Data point #4:

Great leaders are competitive, but they also understand the importance of being supportive. According to the data, 23% of the leadership models required a more supportive approach to leading others. Combined with the 39% of leadership models that required a balanced approach, these findings provide helpful insights to the task of understanding strong leadership. Intuitively, the concept of balancing support with competition makes leadership sense. Leaders must know when competition is appropriate and when being supportive of those around them is more valuable than competing. Think of it as healthy competition—knowing when to turn the competitive juices on and when to turn them off. Without a firm grasp of this concept, overly competitive leaders may alienate those around them and create toxic environments.

Conclusion:

A balance of competitiveness and supportiveness is a common predictor of successful leadership.

Data point #5:

This we know to be true: successful leaders tend to challenge conventional structure and rules. In fact, 42% of the leadership models required a more rebellious approach to leadership. Many organizations rely on their leaders to challenge the current structure and methods that have been historically successful (or unsuccessful, as the case may be). Strong leaders often have an eye for creating positive change that removes stumbling blocks to success.

However, do not go overboard and think that your next leadership hire must behave like James Dean in “Rebel Without a Cause.” Keep in mind that 41% of the leadership models required a balance between following authority and challenging the establishment. Not to be forgotten, another 17% of the leadership models required leaders to accept and embrace the structure around them. The practical reality is that successful leaders know how to “choose their battles.” Sometimes being a rebel is productive and provides the necessary change, but that must be balanced with the recognition of situations where one must accept the current structure and operate within it.

Conclusion:

Successful leaders often have a “rebellious streak” that leads them to challenge the current structure and methods, but they choose their battles wisely.

Summary of findings

Remember our original question: “What makes a great leader?” Contrary to our preconceived notions of what we expected the answers to be—for example, all successful leaders must be high-energy and extremely competitive while battling the powers-that-be at every opportunity—what we found was not nearly so clear cut. In fact, successful leaders were scattered all over the behavioral board, ranging from a below average degree of one behavior to a high degree of another.

What do these findings tell you about your organization? Everyone is different, and every leadership behavioral model will vary from company to company. Any so-called “leadership model” that offers a one-size-fits-all solution is most likely a failure waiting to happen. As proven in our data for over 4,500 leaders, your leadership staff is very different than the one at the company across the street. As a matter of fact, Talent Science has documented extreme differences between leadership preferences in groups working together within the same organization.

What is the solution to identifying and hiring successful leaders for your team? Learn your organization’s strongest leadership traits that translate into success on the job. To accomplish this task manually, look to your own executive and managerial team for clues as to the behaviors that help leaders succeed. A thorough understanding of their job function, productivity expectations, and behavior will provide insight into what makes one person more effective than another in a particular role.

There is an easier way to determine the perfect leadership recipe for your organization across multiple behavioral dimensions. The “automated” method is to use a good behavioral assessment to measure the behaviors of your incumbent leaders. In approximately 30 minutes—the time it takes to complete a validated, reliable behavioral assessment—you could have access to a behavioral profile for every assessed leader in the company. From this data, a profile of a successful leader can be generated and used to duplicate your current crop of successful leaders through better hiring decisions. In addition to bringing more successful leaders on board, behavioral profiles provide content for an employee development program that will drive higher productivity for years to come.



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