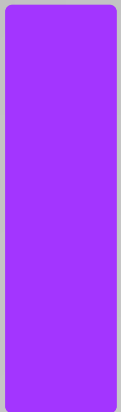




GREAT LEADERS

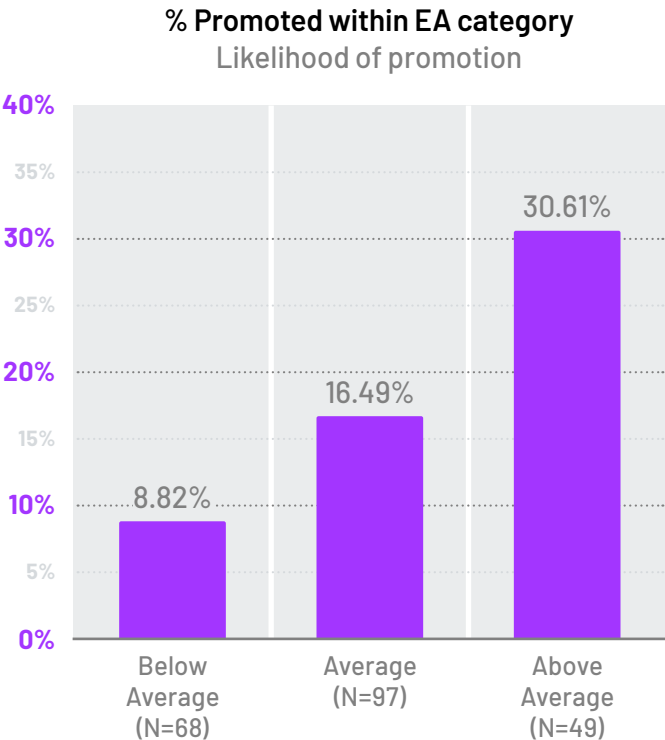
What they do
differently



We all know that having great leaders is critical for success for most organizations. However, less clear are the behaviors great leaders engage in that others do not. We designed a research program around shedding insights into this issue. In order to answer this question we used our proprietary executive assessment (EA) process to assess current leaders. Then we gathered outcome information (e.g., promotions, salary increases, behaviors) so we could see the correlations between assessments scores, job outcomes, and leader behavior.

How do we know who the great leaders are?

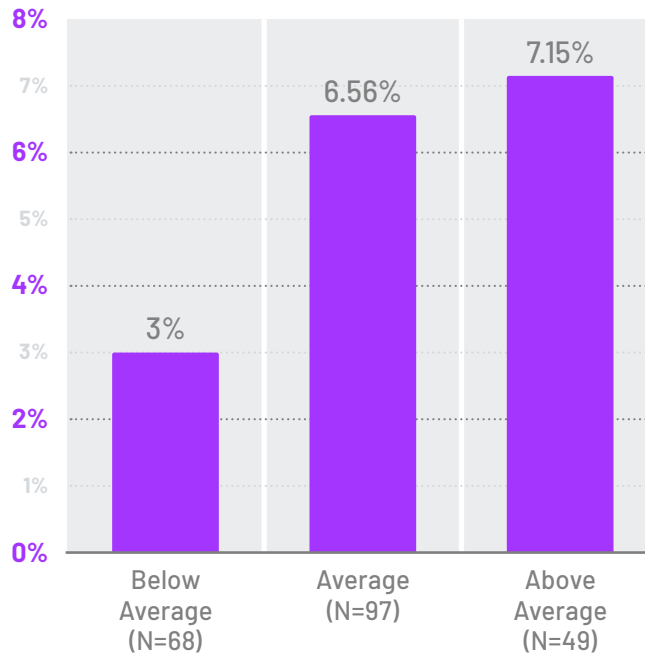
First off, how do we know that we are distinguishing between great leaders and not so great leaders? We were able to confirm that the executive assessment process is distinguishing between these groups because a significant positive relationship was revealed between the overall assessment result and outcome variables that indicate that the organization values these leaders. Specifically, there was a significant relationship revealed between the overall executive assessment score and the number of promotions received after completing the process. You can see a visual depiction of the percentage within each group that were promoted in the chart below:



Specifically, we can see that the Above Average group was two times more likely to be promoted than the Average group, and three times more likely to be promoted than the Below Average group.

**Average percent salary change
by EA category**

To further illustrate this point, we also examined the average salary increase for each of the executive assessment categories. Again, a significant relationship was revealed between overall executive assessment results and the total percent salary increase received after completing the process.



Here we can see that the Above Average and Average groups received about two times greater salary increases than the Below Average group.

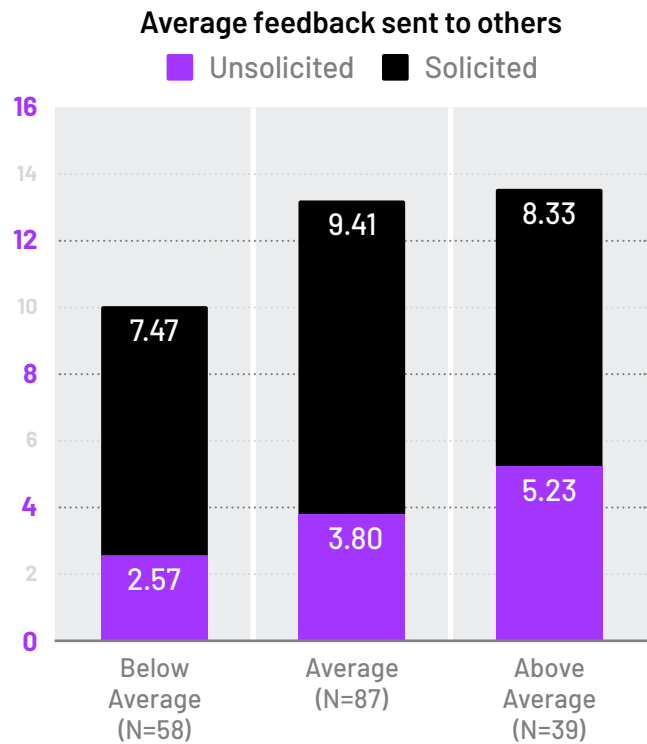
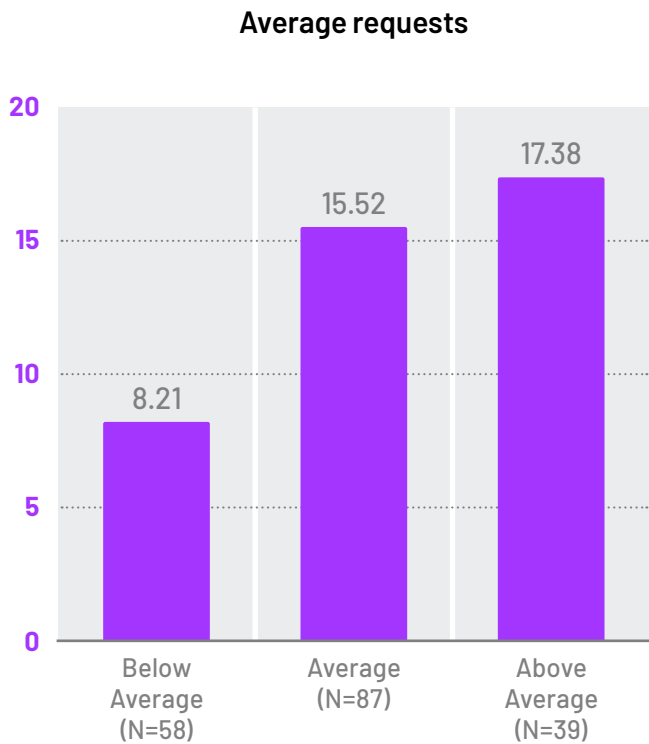
Clearly, the organization would not be promoting and increasing the salary of leaders who are ineffective. Rather, they will promote and allocate more salary to those individuals who are the most effective and influential individuals within the organization. As such, we believe that the executive assessment process is successfully discriminating between effective and ineffective leaders. While these results are profound, even more interesting results are revealed when examining the types of behaviors that great leaders engage in that set them apart from the rest.



What do great leaders do differently?

We also had access to interesting behavioral criteria. One such set of criteria surrounds the usage of a feedback system. This system allows individuals to request feedback on various components of their job or work. For example, if someone delivered a presentation they could leave the meeting and immediately send a feedback request to the meetings' members to ask for information regarding how well they did on that specific presentation. Having this type of access to real time feedback is important and useful for continued growth and development of both leaders and their subordinates. Therefore, we were interested in how the executive assessment results would relate to the usage of this feedback system.

The results of these analyses revealed significant relationships between the overall executive assessment results and the number of requests for feedback, the number of feedback instances received, and the number of feedback instances sent to others that were unsolicited.



Above Average and Average groups ask for feedback 2x more than Below Average group

Below Average group sends less feedback overall, especially unsolicited feedback



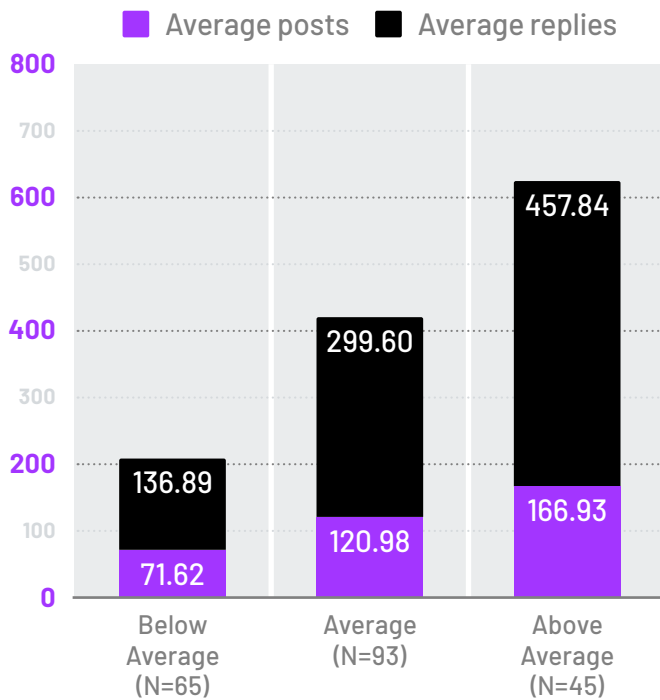
One of the important takeaways here is that top leaders tend to be more willing to request feedback on their own performance. If leaders strive to be great, it is important for them to identify their strengths and weaknesses in order to improve in areas where development is needed. These results demonstrate that the most effective leaders at this organization are requesting this information at a higher rate than less effective leaders.

Additionally, top leaders are providing more feedback to others than their less effective counterparts. They are providing this feedback at a higher rate both when employees ask for it, and also when they do not. Just as it is important for the leaders to obtain feedback on their own performance, it is equally as important for them to develop their subordinates by providing feedback to them even when they are not directly asking for it. Good leaders need to be comfortable providing information to subordinates regarding their strengths, but also areas where improvement is needed. Sometimes these types of conversations can be difficult, but it is a necessary part of the job and the best leaders will take them in stride rather than avoiding them. We can see here, that the top leaders at this particular organization are more likely to provide this type of feedback.

Another set of criteria surrounds the usage of an internal social networking system (like Facebook or Yammer). The purpose of these systems is to increase engagement and facilitate networking, interest groups, and information sharing among employees. Some of the activities that the system includes consist of creating posts, replying to others' posts, sending messages, joining groups, following others, and being followed by others. Statistically significant relationships were revealed between the executive assessment score and each of these criteria.



Average posts and replies



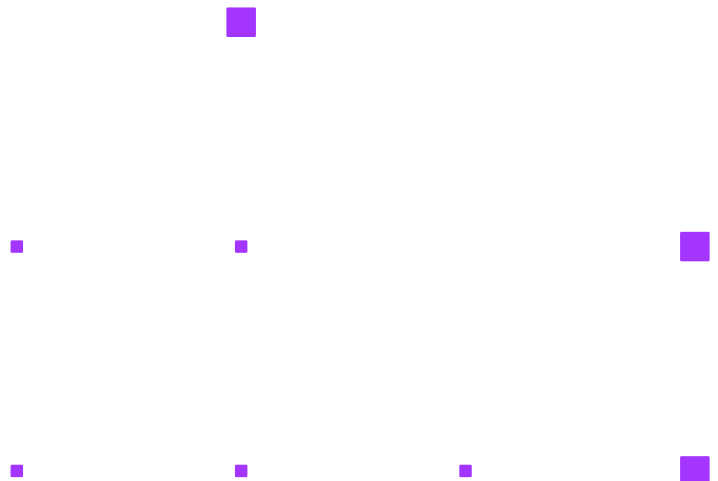
Top performers use the system more than others:

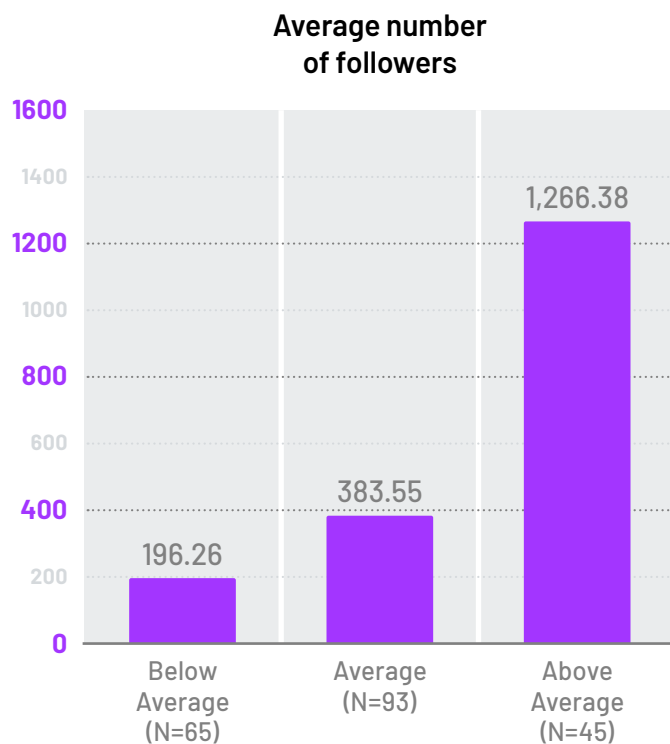
- 33% more than Average EA group
- 70% more than Below Average EA group



As observed here, the top leaders are using this system to a greater degree than those scoring lower on the executive assessment process. Specifically, they are posting more content and replying to more posts made by others. This is indicative that these individuals care about the engagement of others within the organization and are doing their part to foster engagement by being active in the social media system. They likely also have great insights to share and this is a good medium to do that, so they may also be spreading more useful information as well.

Perhaps the most interesting result though is captured in the chart displaying the average number of followers that leaders in each group have. While a weak (although significant) relationship was revealed between the executive assessment score and the number of individuals the leaders are following, a much stronger relationship was found between the executive assessment score and the number of individuals that are following the leaders. Specifically, leaders in the Above Average group have six times as many followers than the Below Average group. While following others is another indicator that top leaders are more active in this system, being followed by others is more indicative of the influence that leader has within the organization, as perceived by others. It appears that not only are those in the Above Average category the best leaders at this organization, as reflected by promotions and salary increases, but they are also being recognized as such by other members of the organization, as evidenced by the huge number of followers those individuals have. In other words, these are the people that everyone has their eyes on likely because they are perceived to be the most influential and important members within the organization.





Above Average group has 6x more followers than Below Average group

Conclusion

So, what do great leaders do differently than others? For one, they want to obtain an accurate view of their skills and capabilities by requesting feedback from others. It appears to be important to them to obtain such information so they can use it to continue to develop themselves as leaders within the organization. Continued improvement of themselves will transfer into better outcomes for the organization in the long run, as their leaders continue to develop. Secondly, they find value in providing this type of feedback to others as well. They are willing to provide feedback on someone's good or bad performance even when the employee does not ask for it. It appears that they have the organization's best interests in mind because they are allocating effort to developing individuals below them, as well as themselves. Again these actions will likely translate into positive outcomes for the organization by having more well-rounded and

self-aware employees. Finally, they care about engagement and information sharing and go out of their way to interact with others through formal and less formal methods, such as the social networking system. Clearly all of these efforts do not go unnoticed as many members within the organization are taking notes and keeping these great leaders on their radar.

In sum, hiring great leaders can have a significant impact on the outcomes that organizations observe. To ensure you are hiring great leaders it is necessary to put extra effort into identifying and selecting those who have the most potential to succeed. The executive assessment process has been shown to be successful in distinguishing between great and not so great leaders in this organization. Therefore, if hiring great leaders is a goal of your organization, perhaps an executive assessment system is the right path to pursue for you as well.

