As an academic institution with a 75-year heritage in management development, our goal is to support leader development for real impact on leader and organizational performance. To maximize the impact on performance, we have extended our reach into strategic talent development.

The first opportunity to maximize impact on performance is by focusing development where it will make the biggest difference. IMD’s Leader Performance Model is an evidence-based perspective on the ten behaviors that are most important for leaders to create value today while laying the foundations for new sources of revenue and success tomorrow. This brochure provides an overview of these behaviors.
The Leadership Challenge

IMD Talent Development is an approach for supporting leaders to enhance performance.

The research that IMD conducted - led by Professor Mikolaj Jan Piskorski and Professor Ric Roi – identified key behaviors that leaders needed to navigate the big challenge for organization’s today – dual transformation. Leaders need to be able to master behaviors that enable them to extract value from existing businesses and solutions today while creating new business ideas for tomorrow. In addition, they need to be primed for accelerated adaptation to address increased complexity and ongoing change.

This overview provides additional information on the research behind these behaviors. In this document, we aim to bring to life the key ideas behind the ten behaviors identified by Professors Piskorski and Roi. We explore more of the evidence behind how these behaviors drive outcomes that are critical for the ongoing success of leaders, teams and organizations.

A full academic paper is about to be published, in addition to empirical studies showcasing. This paper provides an accessible overview of the background research for discussion.

SUMMARY: FOUR KEY IDEAS FROM THIS PAPER

- Leaders who are successful draw on a range of behaviors, including behaviors that are naturally opposing.
- Successful application of these behaviors relies on cognitive flexibility, being able to take different perspectives on situations.
- In addition, leaders who are most successful build behavioral flexibility, choosing the right behavior based on their appraisal of the situation.
- Underpinning both types of flexibility is self-awareness of the leader’s preferences, biases and perspectives.

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Future Ready Talent

**Ambidexterity**
IMD’s research-based Leader Performance Model defines the characteristics and capabilities needed to deliver value from business today while transforming for sustained success tomorrow.

**Accelerated Adaptation**
Building individual capabilities to continually learn, adapt and reskill, considering cognitive, interpersonal and individual factors, including purpose and motivation.

**Leadership Ambidexterity**
In a recent survey, 80% of CEOs reported that they are addressing the challenge of Dual Transformation - seeking to extract value from the core business while establishing the foundations for tomorrow. In the same way as ambidexterity means being able to use both hands with equal ease, so ambidextrous leaders need to be able to develop and demonstrate sets of opposing behaviors, and the capacity to switch between them. This dynamic model reflects the realities of leader performance in an environment characterised by change and complexity.

This notion of leader success driven by opposing behaviors is important. Demands on leaders are increasingly complex and multifaceted, requiring leaders to be nimble and to adapt while balancing a range of diverse and opposing demands in their roles. A review of recent research and publications from consulting firms and business publications make the point clearly that leaders must be increasingly flexible and adaptive.

Leadership ambidexterity as the foundation for performance addresses the need to adapt and balance the paradoxes faced by today’s senior leaders. This performance model refers to the simultaneous use of explorative (risk taking, experimentation, and innovation) and exploitative (refinement, efficiency, and execution) activities by leaders (Rosing et al., 2011). Successful ambidextrous leaders achieve success through the appropriate mix of contradictory yet complimentary explorative/transformational and exploitative/transactional activities.

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Domains of Leader Performance

Leadership Breadth
In addition to mastering leadership ambidexterity through the ability to demonstrate opposing behaviors supporting both exploitation and exploration, leaders need to apply these behaviors across the full breadth of their leadership role. The research conducted identified five key domains of the leadership role in which ambidexterity was required.

Leading Strategy
Combining knowledge of the market with customer centric mindset, the leader develops long-term transformational plans as well as strategic adjustments to take advantage of short-term opportunities.

Leading Execution
The leader drives operational rigor, manages risk, grows new capabilities, organizes work efficiently, and consistently delivers results.

Leading People
Coaches and motivates individuals and teams to achieve extraordinary things while also holding them accountable for performance.

Leading Stakeholders
Able to leverage formal and informal channels and structure to influence, build relationships, and accelerate change.

Leading Self
Having the courage and authenticity to accept one’s shortcomings, the leader embarks on a journey of personal growth that translates into inspirational leadership and organizational impact.
Leading Strategy

Transformer behaviors

Transformer behaviors require that the leader frequently conceives of new ways of generating revenue and profit from new products or new customers using new business models that the organization has not tried. Skilled transformers produce ideas that are complementary to existing business, but they are also not afraid to devise strategies that disrupt the existing business before a competitor does.

Operator behaviors

Operator behaviors entail thoroughly scanning the environment to take advantage of market opportunities to create additional profitability within the confines of existing strategy. Skilful operators anticipate these opportunities before any competitors do and have a very precise process for doing so.

THEMES FROM THE RESEARCH

Adaptive firm behavior in a diverse and rapidly changing environment requires a trade-off between exploiting known sources of reward and exploring the environment for more valuable or stable opportunities, a trade-off originally described as the exploration/exploitation dilemma by March (1991). Leaders face this dual transformation challenge across different time scales of decision making as they strive to distribute scarce resources to support sustained success.

Leading Strategy with ambexterity requires:

- Leaders with high levels of cognitive flexibility. This isn’t only about fluid intelligence, it is about the ability of the leader to switch attentional modes from broad attention for situations that are ambiguous, uncertain and rapidly changing (Weick and Sutcliffe, 2006) to more focused attention on key areas (Nelson and Winter, 1982). From a neuroscientific perspective, these two states (phasic for exploitative and tonic for explorative) cannot occur simultaneously, so leaders must cultivate both the ability to operate in both modes AND to be able to switch between them (Laureiro Martinez, Brusoni and Zollo, 2010).
- Leaders who can recognize their biases and dominant strategic orientations (Carpenter et al, 2004), to ensure they are looking at issues from multiple perspectives
- Leaders who can integrate and align strategy across functions, business units and corporate-level approaches (Carter, 2014), thereby creating shared mental models across top management to enable effective adaptation to change (Adner and Helfal, 2003).
Leading Execution

Experimenter behaviors

Experimenter behaviors require that the leader conceives a set of hypotheses related to new activities that might improve the performance of existing or future businesses, sets out to collect the right data to test these hypotheses, analyzes the data, and implements successful experiments at scale, or learns from failed experiments.

Implementer behaviors

Implementer behaviors entail drawing up plans to ensure that strategic goals are met, converting these plans into detailed procedures for others to follow, creating budgets to support these goals and procedures, drawing up contingency plans, continuous monitoring of execution goals, and quickly rectifying any issues that might arise to ensure success.

THEMES FROM THE RESEARCH

While Leading Execution may seem like a task-focused and primarily cognitive activity, the best results take account of both thinking and feeling. As detailed above, Leading Execution requires both behaviors connected to a future-focused vision, with hypotheses and calculated risks enabling the business to find new ways to improve business. It also requires Implementer behaviors, with a focus on planning, tracking and course correcting performance fuelled by attention to potential problems and risks.

Yet Leading Execution also requires a high degree of focus on emotions. For example, Leading Execution requires emotional range (Bird, 1992) and the ability to manage emotions during failure (Shepherd, 2004), which helps to lead the team authentically through repeated cycles of failure as part of experimentation.

Advances in neuroscience enable us to understand more about the crucial role that leaders play in creating the conditions for both types of execution (Jack et al, 2013).

- When leaders use Experimenter behaviors, they trigger the parts of the brain associated with the future, learning, collaboration and imagination, with team members more likely to focus on possibilities and motivated to find ways to reach these possibilities.
- When leaders use Implementer behaviours, brain responses are located more in areas associated with current problems, risks, compliance, focused attention and stress responses.
Leading People

Coach behaviors

Coach behaviors are demonstrated when the manager consistently demonstrates authentic empathy and concern for the well-being and development of the employees and teams in their organization. This results in employees feeling motivated, loyal and empowered.

Conductor behaviors

Conductor behaviors ensure that each employee role, KPIs, and the overall team composition are aligned efficiently to deliver on the organization’s mandate and objectives. Conductors are skilful in applying performance management practices and tools to consistently monitor and deliver outcomes.

THEMES FROM THE RESEARCH

Leading People with ambidexterity draws heavily on the research into transformational and transactional leadership behavior.

- Transformational leadership, defined as “moving the follower beyond immediate self-interests through idealized influence (charisma), inspiration, intellectual stimulation, or individualized consideration” (Bass, 1999, p.11), motivates followers to reach high performance. Coach behaviors contain the most predictive elements of transformational leadership.
- Transactional leadership establishes an exchange-based relationship by clarifying goals, rewarding goal achievement, and by intervening only when necessary (Bass, 1999). The essence of transactional leadership is captured in the Conductor behaviors.

There is evidence that these alternative leadership styles differentially impact the behaviors of others. Transformational leadership fosters unconventional thinking and solutions that go beyond current knowledge, supporting exploratory innovation with an effect size between .19 and .46 (Keller, 2006). Transactional leadership was linked to product success in market and exploitative innovation with an effect size of 0.3 (Jansen et al, 2009), which is about using existing capabilities in new ways.

What is clear from the research is that leadership which delivers high performance is inherently dynamic. Leadership for innovation (explorative) and leadership to deliver results (exploitative) requires a combination of different leadership styles applied flexibly and dynamically in a changing environment (Rosing, Frese and Bausch, 2011). Leaders who drive performance have the ‘temporal flexibility’ to adapt their leadership styles to different situations (Lewis, Welsh, Dehler and Green, 2002). They also demonstrate behavioral differentiation, which Hoojberg (1996) describes as the capability to select and perform the appropriate behavior for the situation.
Leading Stakeholders

Networker behaviors

Networker behaviors entail forming personal relationships based on mutual trust with several stakeholders inside and outside the organization, carefully understanding their needs, and thinking through different ways of meeting them. Skilled networkers will scrutinize the structure of the relationships to look for opportunities to introduce people to each other, or form coalitions, all in the service of creating social indebtedness that then can be turned into influence.

Administrator behaviors

Administrator behaviors emphasize identifying the needs of others, and then asserting control over resources wanted by others, with the intent of providing these resources in exchange for influence. Skilled administrators try to anticipate how the formal power structure might change to develop contingency plans to ensure that their formal power stays intact despite organizational changes.

THEMES FROM THE RESEARCH

The two opposing behaviors under Leading Stakeholders – Networker and Administrator – are macro categories that describe different ways of influencing stakeholders. A meta-analysis of influence techniques (Higgins, Judge, Ferris, 2023) reveals further insights:

• The two influencing styles most strongly associated with extrinsic success (others’ perceptions of work performance) were rationality and relationship-driven influencing. Rationality is about using data and information to make a logical argument supporting the proposition, while relationship-based influencing involves using behaviors designed to increase interpersonal engagement and positive social capital.

• All influencing tactics were associated with positive work outcomes but there was a subtlety to success based on choosing the right approach for the situation. For example, assertiveness, which was being forceful in communicating ideas and value propositions was more strongly related to career success, but sometimes negatively impacted on supervisor perceptions of performance.

Research on Leading Stakeholders consistently highlights the importance of emotional intelligence, which includes social awareness (tuning in to the needs and concerns of others) and self-management (choosing the right behavior based of the needs of the situation and other stakeholders). This reinforces the dynamic nature of effective influencing. The most successful leaders draw on a range of influencing strategies – both Administrator and Networker types – and have heightened emotional intelligence to enable them to choose the right strategies for the situation.
Leading Self

Regenerator behaviors

Regenerators often engage in a variety of practices that create deeper mindfulness, which can include mediation or talk therapy. They also engage in a set of practices that allow them to disconnect from the work environment, including hobbies or sports, that allow them to recenter quickly.

Explorer behaviors

Explorers constantly expose themselves to new experiences outside the domain of their expertise, their comfort zone, or people they know. They know how to spark creative anxiety that they will fail as leaders unless they constantly learn and grow.

There is ample evidence that self-awareness and work self-compassion are beneficial for leader performance, especially in the context of change.

- Self-awareness is linked to leader performance and success (Showry and Manasa, 2014). In the context of demanding environmental conditions and change, self-awareness contributes to self-efficacy (Caldwell and Hayes, 2016), contributing to the leader’s ability to take effective action even in the context of uncertainty or challenge.
- Self-compassion, which is a mindset of kindness, gentleness, and care toward oneself as an employee, contributes to leader performance and wellbeing via motivation and resource capacity, enabling leaders to tackle increasingly challenging opportunities and business situations (Jennings, Lanaj and Kim, 2023).

Self-awareness is the foundation stone for self-compassion and has two components (Carden, Jones and Passmore, 2022).
- An intrapersonal components, which comprises purpose, beliefs and values, understanding personal preferences and traits and monitoring emotional and physiological states.
- An interpersonal components, which includes awareness of how the leader is being perceived by others and the impact that leader is having on others.

Self-awareness provides insight into the leader’s current state, while self-compassion is about the emotional adjustment of the leader in relation to this awareness. Leading Self comprises behaviors to leverage this self-awareness and self-compassion to maintain the leader’s equilibrium and resources to address ongoing demands (Regenerator) and the leader’s resource capacity and growth mindset to gather more information on their capacity by seeking out opportunities and challenges (Explorer). The mechanism that facilitates both of these processes can be described as ‘practical reflexivity’ (Erksen, 2009), which is questioning of one’s self in the moment of action or retrospectively.

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The research detailed on the previous pages highlight the drivers of leader performance as multi-faceted, dynamic and synergetic. This has a number of implications for developing leaders.

- Linear models of performance correlation and prediction – which have been the dominant lens for over 100 years – become less useful. **More complex analytics and models of performance are needed to enhance our ability to identify and development talent effectively.**

- Past performance is less likely to predict future performance. In a rapidly changing environment, the ability of past performance to predict future success drops from an already mediocre 40% to as low as 15%. **We must be less reliant on demonstrated experience and behaviors to identify talent, capitalizing on new technologies to generate predictive insight.**

- It enables us to unlock the potential of individuals with greater precision. An understanding of how the factors interact and where development needs are greatest not only enables precision identification of what development is required, it enables this development to be personalized for maximum impact. **Targeted development based on complex models of leader performance enables access to broader and more diverse talent pools with greater confidence.**
A theme from the literature review highlights the critical role of Situational Judgement. **Situational Judgement** is a dynamic factor that, like the electron in an atom, moves dynamically around the nucleus impacting on how the molecule behaves. Research suggests Situational Judgement can be broken down into four sub-factors, shown below. These broadly mirror the learning cycle, enabling accelerated learning and adaptation in the context of changing environments. Leaders primed to constantly learn and adapt to new environments deliver stronger financial performance (0.42) and enhanced non-financial performance on measures such as innovation, efficiency and job satisfaction (0.53).

- **Acuity** is the capacity to scan the horizon by drawing on a broad range of information sources and synthesize insights to anticipate likely trends or events.

- **Agility** is the ability to look at insights and information from multiple perspectives in order to ensure a robust consideration of the situation. From the literature review this includes cognitive flexibility (the ability to switch attentional modes), the ability to change perspectives,

- **Adaptability** is the capacity to choose behaviors, strategies or actions based on what is needed, guided by insight rather than preference, habit or other factors. This includes the ability to create shared mental models across diverse groups, emotional range and leadership style flexibility and emotional intelligence.

- **Audacity** is having the courage to step forward, to take the action and to move ahead in the context of ambiguity and uncertainty and under the glare of scrutiny from stakeholders. It includes courage, grit and resilience, underpinned by high levels of self-confidence and self-awareness.
References


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Through evidence-based integrated approach to talent development, we can:

- **Increase the impact** of leader development on performance
- Provide a seamless **business-relevant learning journey** with immediate benefits for job performance
- **Increase ROI** for talent development investments
- Support individuals to achieve their **full potential faster**
- Ensure that organizations have the talent they need to deliver their strategy today and sustain success tomorrow by developing **Future Ready capabilities**
- Harness diverse sources of talent, tapping into broader talent pools

Build Talent for Today & Tomorrow

Schedule a consultation and learn more about IMD’s Strategic Talent Development at [https://www.imd.org/research/initiatives/voyager/](https://www.imd.org/research/initiatives/voyager/)