LADDER OF LEADERSHIP

A behavioral competency model for driving the highest level of performance at three corporate leadership levels

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OVERVIEW OF THE RESEARCH

The SuccessFinder Ladder of Leadership is a model of the behavioral competencies necessary for the highest performance at three key levels of leadership. It is designed to provide organizations with a data-driven framework to better understand high performers at each level.

Why behavioral competencies?

In addition to technical skills, academic background and professional experience acquired, an individual’s natural behavioral tendencies are key elements to achieving success at work. Our goal in creating this model is to provide better ways for organizations to capture these natural behavioral tendencies and leverage them to develop the strong, resilient leaders required to drive today’s business strategies.

The SuccessFinder assessment tool measures 85 behavioral traits and how they combine in different dynamic combinations to predict business and career success. These combinations constitute the complex behavioral trait dynamics that we see in the workplace and can be measured using competencies.

In addition to technical skills, academic background and professional experience acquired, an individual’s natural behavioral tendencies are key elements to achieving success at work.

SuccessFinder competencies are clusters of traits (3-6) that are statistically derived using factor analysis to determine which traits may be related to each other. They predict a broad span of complex behavioral dynamics that a single trait may not encompass.

For example, the Leads Decisively competency is a mix of assertion, power, decisiveness, negotiation, self-confidence, and leadership which translates into a strong and forceful leadership style and a readiness to directly influence others.
High performer role profiles: The building blocks of a ladder of leadership

Now, more than ever, leadership is evolving. There are new criteria to define success in a leadership role at different levels of an organization. Navigating through this, it is important to understand the nature of work in terms of behaviors that drive success at each level. The SuccessFinder team spent over two years researching and validating our findings across three corporate levels of leadership:

- First/Intermediate-Level Management
- Senior-Level Management
- C-Level Management

In developing this model, these were the questions we wanted to answer:

1. What style or mindset makes for a high-performing First/Intermediate-Level Manager? What behaviors characterize an exceptional manager or director?
2. What behaviors are required for Senior-Level leadership? How do executives gain the followership needed to inspire and engage the departments they run?
3. How does leadership look at the CEO or C-Suite level and how is it different from the executive level? What are the behaviors necessary to drive a company forward in the face of an uncertain and ever-changing environment?
4. What does a leadership transition from one level to the next represent?
5. What is the behavioral shift or agility required to move successfully from one level to the next?
METHODOLOGY

Sample

We used a database of 1003 high performers, split by leadership level, including:

- **711 First/Intermediate-Level Managers**
  (including managers and directors)

- **209 Senior–Level Managers**
  (including senior directors and vice-presidents)

- **83 CEOs**

Performance criteria (KPIs) used by organizations to identify high performers

Tenure (10 years or more in the role), consistent managerial ratings (composite average of 3-5 supervisors’ ratings of the individual’s performance in a formal yearly performance review), 360° feedback ratings and special designations or awards.

Procedure

Voluntary participants took the online SuccessFinder assessment as part of an assessment exercise (i.e.: leadership development, coaching, team alignment, or selection).

Results were analyzed to identify which competencies were the most distinctive of high performance at each level. Comparisons between groups were made. Particular attention has been paid to consistency across level in the model (e.g., making sure there is no gap at any level). A final cross validation was made of traits from top competencies with SuccessFinder’s level-appropriate role-specific benchmarks.
EXECUTIVE SUMMARY

Our research suggests that there are two fundamental behavioral competencies that are important at every level of management, from First/Intermediate-Level all the way to CEO. These competencies are: Leads Decisively and Thrives in Chaos.

Our research also shows that there are different competencies that are necessary at each leadership stage. We identified 9 key First/Intermediate-Level Management competencies, 10 key Senior-Level Management competencies and 10 key C-Level Management competencies. In addition to the two fundamental competencies, certain competencies are key in more than one level as one progresses up the ladder. We explain not only core competencies by level, but also address transitions between levels. Some stay important through a leadership transition, and some behaviors are less relevant, and therefore their demonstration must be adjusted to be an effective leader.

Using this model can help organizations identify high potential employees for succession planning and talent management initiatives as well provide a basis for meaningful individual career planning one, two and three moves ahead.

Our research suggests that there are two fundamental behavioral competencies that are important at every level of management, from First/Intermediate-Level all the way to CEO. These competencies are: Leads Decisively and Thrives in Chaos.
OVERVIEW OF SUCCESSFINDER’S LADDER OF LEADERSHIP

Important competencies at each level are summarized below. The leadership competencies are segmented by color.

BLUE = competencies unique to each level
GREY = bridging competencies, shared from one level to the next
ORANGE = fundamental competencies (important at all levels)
Business leaders must maintain a high level of efficiency even in an unstructured, chaotic, and unpredictable environment and feel comfortable making difficult decisions. From the moment that an employee moves from first level people manager to consecutive levels up the chain, these two key behaviors will contribute to high impact leadership.

Fundamental Leadership Competencies

**SUCCESSFINDER FINDINGS: THERE ARE 2 COMPETENCIES THAT CHARACTERIZE HIGH PERFORMANCE ACROSS ALL 3 LEVELS**

<table>
<thead>
<tr>
<th>Fundamental Leadership Competencies</th>
<th>Leads Decisively</th>
<th>Thrives in Chaos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Important at all 3 levels</td>
<td>Managers at all levels demonstrate a strong and forceful leadership style and a readiness to directly influence others.</td>
<td>All people managers are shown to be highly efficient under seemingly chaotic demands and overlapping priorities.</td>
</tr>
</tbody>
</table>

The next section presents not only fundamental competencies but all competencies needed for success at each leadership level.
CORE COMPETENCIES BY LEVEL

First/Intermediate-Level Management Roles

First/Intermediate-Level Managers must naturally seek to broaden their horizons to carry out the projects and mandates that have been entrusted to them. To rally their troops, they must align with and communicate the directions and decisions that are taken by executive leadership and be able to build a common understanding of the tasks and projects to be accomplished with the members of their team.

SUCCESSFINDER FINDINGS: THERE ARE 9 CORE COMPETENCIES THAT CHARACTERIZE HIGH PERFORMANCE IN FIRST/INTERMEDIATE-LEVEL MANAGEMENT ROLES

Communicates Clarity: First/Intermediate Level Managers demonstrate a persuasive and clear communication style to ensure everyone understands the solutions/conclusions. They present ideas well and comfortably – regardless of the group being addressed.

Builds Consensus & Maintains Accountability: They develop the talents of others through effective team meetings that encourage everyone’s contributions. They also have a natural style of seeking out and taking on additional responsibility and ownership for what is being promised, shouldering accountability for the work of others/work outside of one’s immediate span of control.
First/Intermediate- and Senior-Level Competencies

**Reasons Critically & Thinks Conceptually:** Individuals at the first levels of the organization have a common-sense and analytical approach to solving everyday problems, with a depth of understanding to solve them at their source. This natural style brings meanings together in a composite whole – they offer practical, and pragmatic solutions that are feasible to implement.

**Overcomes Adversity & Demonstrates Character:** From beginning to end, their motivation and commitment levels remain consistent. They have an internal discipline, willpower and resourcefulness to complete a task, regardless of personal likes or dislikes for that task. Strong principles and forthrightness allow them to do the right thing and convey that trustworthiness to direct reports.

**Fundamental Leadership Competencies**

**Important at all 3 levels**

**Leads Decisively & Thrives in Chaos:** Certain and resolute, they assertively take a managerial role when others are not acting with the same work ethic and sense of accountability. They enjoy the daily pressures of fast-paced challenges and keep up a consistently high pace throughout the day.

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**Senior-Level Management Roles**

In this role, the executives formulate and implement the strategic plan that guides the direction of the business or their area of responsibility. They exercise leadership with regards to other leaders (manage not just one team, but a team of managers/directors who themselves manage several teams).
SUCCESSFINDER FINDINGS: THERE ARE 10 CORE COMPETENCIES THAT CHARACTERIZE HIGH PERFORMANCE IN SENIOR-LEVEL MANAGEMENT ROLES

<table>
<thead>
<tr>
<th>Core Senior-Level Competencies</th>
<th>Manages Stress: Senior-Level Executives cope effectively with the stresses of the workplace. They are at their best when “under the gun” of tight deadlines or other external pressures and they can withstand the high risks/high-stakes associated with the responsibility at this level.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Only found at this level</td>
<td></td>
</tr>
<tr>
<td>Senior- and C-Level Competencies</td>
<td>Demonstrates Energetic Enthusiasm &amp; Focuses on Results: Individuals in an executive role have a natural and consistently high stamina (physical and mental energy) that allows them to handle the intensity of work at this level and the industrious effort required. They are highly dedicated to their careers and to driving the execution of large initiatives.</td>
</tr>
<tr>
<td>Important at this level and the next</td>
<td></td>
</tr>
<tr>
<td>First/ Intermediate- and Senior-Level Competencies</td>
<td>Inspires Others: They express opinions and perceptions confidently and persuasively. Excellent at promoting the company philosophy and rationale of the business, they are able to sell ideas and instill confidence in their abilities in the eyes of others.</td>
</tr>
<tr>
<td>Important at this level and the next</td>
<td></td>
</tr>
<tr>
<td>Fundamental Leadership Competencies</td>
<td>Reasons Critically &amp; Thinks Conceptually: Possessing a high level of common-sense and an analytical approach to solving challenging problems at their source, executives grasp the underlying complexity of a problem and have foresight to uncover complications that may not be obvious at first, but that could return to impact the business later.</td>
</tr>
<tr>
<td>Important at all 3 levels</td>
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<tr>
<td>Demonstrates Character &amp; Overcomes Adversity: Senior Managers demonstrate a high level of integrity, are very straightforward and have no-nonsense, disciplined approach to the workplace to ensure delivery on what they say they will do.</td>
<td></td>
</tr>
<tr>
<td>Leads Decisively &amp; Thrives in Chaos: They are certain and resolute, enjoy making decisions and easily assert their point to others. Thriving on challenging assignments, they enjoy the day to day pressures of a fast-paced, ever changing environment.</td>
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</tbody>
</table>
C-Level Management Roles

C-Levels are the starters, the innovators, the drivers of the organization. They define and set ambitious objectives, identify opportunities, and launch initiatives to turn them into a reality. They are the external outward-facing representative of the interests of the organization, and must manage the complex interests of different stakeholders within the organization.

SUCCESSFINDER RESULT: THERE ARE 10 CORE COMPETENCIES THAT CHARACTERIZE HIGH PERFORMANCE IN C-LEVEL MANAGEMENT ROLES

Core C-Level Competencies

Seeking Innovation & Exercises Political Influence: Individuals at the CEO/C-Suite level are intuitive thinkers, they rely on inner judgment to provide sense of direction and they readily grasp the essential meaning or significance of the problems confronting them. They understand the necessity to “read between the lines” when dealing with people, enabling them to be street-smart and resourceful when necessary, tailoring their conduct and solutions according to the results they are striving to achieve. At this level, political sense and negotiating skills are used to better understand the interests of stakeholders to ensure the sustainability and renewal of the organization.
Drives Achievement & Initiates Independently: C-Level leaders possess an intense drive to constantly pursue greater and greater challenges and must also lead their executive leadership team to develop ambitious innovative projects to always be able to surprise and surpass the competition. They prefer to act on their own and are proactive when there are entrepreneurial opportunities.

Sustains Profitability: They are the keepers of the profitability of the organization. Their high profit awareness makes them easily recognize and act on financial opportunities; every decision or action has a profit and loss factor built into it.

Focus On Results & Demonstrates Energetic Enthusiasm: At the highest level of the organization, individuals demonstrate an impressive work ethic, they keep pace throughout the day; it is not a sacrifice for them to work hard and to be fully involved in work.

Inspires Others: They express opinions and perceptions confidently and persuasively – as well as are able to sell ideas and instill confidence in their abilities in the eyes of others. Their charismatic presence allows them to establish a quick rapport with others (internal and external to the business).

Leads Decisively & Thrives in Chaos: CEOs and C-Suite leaders act assertively and decisively with a sense of efficiency. They have little patience for systems and structures that limit them. Seldom to second-guess their abilities or experience self-doubt, they are rarely intimidated or put off by others.

The next section provides a summation of the competencies that change as a leader moves from one level to the next.
LEADERSHIP TRANSITIONS

When transitioning to a Senior-Level Management role, what do you need to leave behind and what you need to focus on?

First/Intermediate-Level Managers and directors are proximal with teams, and the focus is on accountability for themselves and their team members at the task level. Here, communication is key to the transmission and interpretation of the organizational direction in the day-to-day operations. Consensus, communication and shared responsibility and accountability are most essential at the First/Intermediate-Level and highlight this proximal management style.

Senior-Level Management (executives) are less oriented towards consensus and more towards inspiration. Therefore, focus on communicating for interpersonal presence and visibility to gain followership, and better manage from afar. Here the intensity of the workload and level of responsibility requires energy, dedication, and resilience – new behaviors that continue to be important at both Senior- and C-Levels.
When transitioning to a C-Level Management role, what do you need to leave behind and what you need to focus on?

In this leadership transition, focus moves from running a department or division to driving the continuous growth and building strategies to ensure the organization continues to thrive. This is not just about driving strategy execution, but about defining the strategy and direction of the business.

While executives must concentrate on understanding issues at a deep level, reasoning critically and thinking conceptually to understand how to solve any setbacks to their initiatives, the C-Level’s interest isn’t on depth but rather on how the issues will affect the strategy, the organizational goals, and the agenda for change. The landscape at this level is less black-and-white, and C-Levels need to always be ready to identify potential threats to organizational growth and to negotiate accordingly. They must read and understand the hidden interests of others as they negotiate with competitors and external partners.

Interesting to note that while stress management is of course important at the C-Level, it is not as critical to distinguish high-performing C-Levels from Senior-Levels.
FINAL CONCLUSIONS

As Marshall Goldsmith’s book says, and we agree, “What got you here won’t get you there.”

This model serves to show the behavioral propensities or styles that are demonstrated to characterize exceptional performance at each leadership level, as well as the transitional behaviors that will be necessary to adapt from one level to the next.

This research has:

• Highlighted fundamental leadership competencies across all levels.
• Pinpointed competencies that change during transitions.
• Generated role-specific insights at each management level.

Through this model, we believe organizations can more effectively:

• Identify high potential employees for succession planning and talent management initiatives.
• Provide a basis for meaningful individual career planning one, two and three moves ahead.

For more information on SuccessFinder or this research, please contact us at info@successfinder.com.

What got you here won’t get you there. The Ladder of Leadership provides a clear road map for understanding the behaviors necessary for success from first level Manager to CEO.
RESEARCH TEAM

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Anais is completing her fifth year of PhD in industrial and organizational psychology at the Université du Québec à Montréal. Her research work aims to better understand the link between compensation, motivation, and employee performance. Specializing in psychometrics and statistics, Anais works as a solution consultant at SuccessFinder, where she brings her expertise in statistics and analytics to develop expert models for selection, conduct applied research, and participate in psychometric validation.