



Energy and Experience: Two Key Components of Successful Leadership

Recent Research on the Impact Of Age on Leadership Style

By Robert Kabacoff and Helen Peters

It was a hot morning in early July. The three professional white water guides stood on the bank next to the big gray rafts, watching the water's headlong rush downriver. After a heavy winter, California's Tuolumne River was still running over 10,000 cfs (cubic feet per second), instead of the normal 3000 cfs. At this level and speed, the power of the water was capable of moving giant boulders overnight, instantly changing the configuration of rapids. The normal routes of safe passage that would allow the guides to avoid the holes that would flip the boats, or worse yet, suck them under, could be moved or destroyed.

Don was the lead guide and responsible for the overall safety of the crew and passengers. A wiry man of medium height, Don was almost 40, old by white water standards. He was soft spoken and patient, but there was never any doubt as to who was in charge. Lars and John were more typical of white water guides, university students who spent their summers on the river, partly for the money but primarily for the pure joy of it.

As they made their way downriver, Don sat at the back of his raft, silent but watchful. He made his way through the rapids by expertly reading the rocks and the nuances of current. His oar hit the water at just the right point, with just the right amount force to maneuver the raft exactly

where he wanted it. Don's style seemed effortless on the surface, but underneath was 20 years of experience.

Not surprisingly, Lars and John had an altogether different approach. They faced the rapids head on, confident that they could power their way through them. Whenever the river would seem to be winning, they would stand up at the back of their boats, put all their weight into the oars, and pull the raft out of danger by sheer force and bravado.

For the last 15 years we've frequently heard the business environment referred to as "white water" - - challenging, tough to read, constantly changing, unpredictable, and unstoppable. But what about the business leaders themselves? Our recent research indicates they may have much more in common with these white water guides than you might think.

Management Research Group® (MRG) is a firm specializing in the creation of behavioral assessment instruments used for individual and organizational development. We have information about the behavior, leadership style, and level of effectiveness of over 400,000 managers worldwide. Our extensive database can be used to address a wide range of questions regarding leadership. In one recent research project, we looked at both the leadership style and the leadership effectiveness of a group of managers ages 25 to 35 compared to a group of managers ages 45 to 55. Our questions were these:

- Does the approach to the leadership role change with age and experience?
- Are there differences in the perceived effectiveness of younger and older managers?

Here is what we found.

Our Research

For this study, we searched our database for younger managers (ages 25-35) and older managers (ages 45-55) who could be matched on the type of industry they worked in, the functional area they worked in, organizational level, and gender. This matching process helped ensure that we would be looking at age related differences in leadership behavior and effectiveness, rather than differences arising from other variables.

All the managers had been assessed against MRG®'s leadership model using the Leadership Effectiveness Analysis™ Questionnaire. The Questionnaire measures twenty-two specific leadership dimensions.

THE LEADERSHIP EFFECTIVENESS ANALYSIS™ MODEL

The model is comprised of twenty-two specific dimensions of leadership behavior that are measured against six essential functions of the leadership role:

CREATING A VISION

- Conservative
- Innovative
- Technical
- Self
- Strategic

DEVELOPING FOLLOWERSHIP

- Persuasive
- Outgoing
- Excitement
- Restraint

IMPLEMENTING THE VISION

- Structuring
- Tactical
- Communication
- Delegation

FOLLOWING THROUGH

- Control
- Feedback

ACHIEVING RESULTS

- Management Focus
- Dominant
- Production

TEAM PLAYING

- Co-operation
- Consensual
- Authority
- Empathy

These dimensions define the managers' ability to develop a vision or direction for the organization, to engender the support of others for that vision, to implement the vision in organizational terms, and to ensure that things happen according to the plan. The managers' orientation towards achieving results and their ability to work within a team environment were also measured.

What We Learned About the Leadership Approach of Younger and Older Managers

From our database, we were able to identify 640 matched pairs of mid-level managers. (A matched pair consists of one manager age 25-35 and one manager aged 45-55, both of whom work in the same industry, in the same functional area, at the same level in the organization, and are the same gender.) The managers came from 49 US states, 8 Canadian provinces, and a wide range of industries and functional areas. 70% of the managers were male and 30% were female. Many were university graduates and almost 30% had a graduate level education.

All managers included in the study completed a questionnaire rating their perceptions of their own leadership behavior. All 1,280 managers were also evaluated on a 360-degree basis (by bosses, peers, and direct reports) using the same questionnaire format, yielding a total of 12,482 completed questionnaires. Peers and direct reports completed evaluations anonymously. In addition to assessing leadership behavior, the peers, bosses and direct reports also rated each manager on his or her effectiveness.

Leadership Approach Changes With Age and Experience

There were a number of differences in perception of the leadership styles and behaviors of the older and younger mid-level managers, but seven key dimensions emerged on which the managers and their observers (bosses, peers, and direct reports) agreed.

The leadership style of older managers is more oriented toward:

- Studying current problems in the light of past practices to ensure predictability and minimize risk.
- Accommodating the needs and interests of others by being willing to defer performance on their own objectives in order to assist colleagues and gain the greatest good for the organization.

- Demonstrating an active concern for people and their needs by forming close and supportive relationships with others.

The leadership style of younger managers is more oriented toward:

Older managers are more apt to minimize risk, put organizational needs ahead of their own, and build strong, supportive relationships with others.

- Operating with a good deal of energy, intensity, and emotional expression; having a capacity for keeping others enthusiastic and involved.
- Seeking to exert influence by being in positions of authority, taking charge, and leading and directing the efforts of others.
- Pushing vigorously to achieve results through an approach that is forceful, assertive, and competitive.
- Adopting a strong orientation toward achievement; holding high expectations for themselves and others.

In other words, like our Tuolumne guides, younger managers are more apt to power their way through organizational white water. Older managers are more apt to rely on their experiences, the subtleties of the situation, and the give and take between and with other people.

Younger Leaders Are Seen as More Effective Than Older Leaders

As mentioned earlier, the mid-level managers were also rated on their effectiveness as leaders, as well as their behavioral approach to the leadership role. Twenty questions that address issues of effectiveness are included in the Leadership Effectiveness Analysis™ Questionnaire. Responses to these twenty questions are aggregated into three major measures of effectiveness:

Overall Effectiveness: Including measures of effectiveness in current position, future potential, and credibility with senior management.

Business Skills: Including understanding financial issues, aptitude for business, and the ability to quickly get to the heart of issues.

People Skills: Including such things as sensitivity to others, likableness, and ability to listen.

For the mid-level managers, all three observer-groups (bosses, peers, and direct reports) rated the younger managers higher than older

managers in terms of Overall Effectiveness. Differences in effectiveness ratings were most pronounced with bosses. All three groups also found the younger managers more effective in terms of Business Skills and People Skills.

Quite frankly, we were surprised by the extreme bias toward younger managers that we found in the effectiveness data. There are several possible explanations:

- Younger individuals who have attained management positions may be seen as up and coming stars – particularly by their superiors. Older managers may be seen as having climbed the corporate ladder over a normal time frame, and may not be viewed as having as much future potential for advancement.
- The more dynamic and energetic approach of younger managers may garner more attention and thus be seen in a more positive fashion.
- The hard driving, short-term, goal oriented behavior of younger managers may be a better fit to the overall current corporate culture of North American corporations. The relentless need for constantly increasing quarterly growth and profits may have driven more moderating values around people and processes off the radar screen of many executives.

Organizations and teams need the enthusiasm of the younger managers balanced against the wisdom and experience older managers have to offer.

In spite of these results, we don't think anyone is suggesting that a company like GE should be put in the hands of an inexperienced twenty-five year old. What we do think is that energy and enthusiasm, combined with a high desire to perform, are attributes that are highly valued in American leaders. But with the burst of the dot-com bubble, some of America's infatuation with youthful enthusiasm has waned. Peter Crist, a vice chairman of executive search firm Korn/Ferry International, was recently quoted in the Wall Street Journal as saying, "Companies are asking for mature adults, safe hands, a certain risk aversion – instead of the risk orientation we saw in recent years."

Implications

The challenge facing organizations is to find ways of using and valuing the unique contributions of both younger and older leaders. Younger leaders bring an energizing presence, are open to change, and are focused on achieving results. Older leaders bring a calmer, more considered approach, steeped in past experience and the traditions of the organization. While younger leaders may be focused on self-

development in career and abilities, older leaders may be more focused on the development of those workers below them.

Organizations need change agents, but they also need individuals who can help to maintain the corporation's past learning. They need high achieving individuals who will drive production. At the same time, they need to develop their talent pools through a process of mentoring. In today's organizations, older and younger leaders are likely to be working together in team-oriented endeavors. A mutual understanding of the strengths and weaknesses each group brings is crucial to future success.

Navigating white water requires both innovative risk taking and a calm approach that values past wisdom, people, and processes. There is room for Don's steady hand and concern for others, as well as Lars and John's ability to power through the rapids. All the boats, and all the passengers, need to make it downstream safely and successfully into the future.

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