Center for
Effective
Organizations

Using Experience to Develop Managerial Talent
A Professional's Guide to On-the-Job Development

CEO Publication
G 89-8 (151)

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CONTENTS

PREFACE

Developing top level executive talent is a serious challenge for U.S. corporations, and, according to some experts, essential to the future competitiveness of those firms. Corporate strategies for grooming executive talent reflect the belief that most development occurs through on the job experience, and job rotations, special assignments, and early responsibility are common practice in large firms.

While corporate instincts appear to be in the right direction, research conducted over the last several years has made progress in identifying which kinds of experiences have the most developmental potential, isolating the elements that increase or reduce the potency of different experiences, and cataloging the kinds of lessons the different experiences can teach.[1] This work has led to guidelines for individual learning as well as for the design of corporate systems.[2]

With all this information and complexity, there seemed to us to be a need for a straightforward "user's guide" to on-the-job development that summarized for each significant developmental experience, (1) what it is and isn't, (2) how corporations might make use of it, and (3) what to watch for in a person as he or she goes through the experience. Fortunately, the substance of such a guide already existed, embedded in the highly detailed technical book on the research,

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[1] McCall, Lombardo, & Morrison, 1988; McCauley, 1986; Lindsey, Homes, & McCall, 1987; McCall, 1988.

[2] See especially McCall, Lombardo, & Morrison, 1988.

Key Events in Executives' Lives,[3] which we wrote in 1987. We appreciate permission from the Center for Creative Leadership to adapt and excerpt selected material from that report and make it available here. While this guide is more convenient than the original book, it is considerably narrower in its presentation and is no substitute for the in-depth material presented there.

This guide is intended for line executives and human resource professionals who make decisions about the developmental movement of high potential managers. There is no magical solution to what will or won't work, and there is no pat answer to how to develop talent. Worse yet, there is no guarantee that a specific individual, given the best possible developmental opportunity, will make anything of it. What we provide here are ways of thinking about different kinds of experiences and the opportunities for growth that they present. We hope that our ideas will provide a framework for discussion and thought that will improve the ways experience is used.

M.W.M.
E.T.H.
V.H.

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[3] Key Events in Executives' Lives by Esther Hutchison Lindsey, Virginia Homes, and Morgan W. McCall, Jr., can be purchased from: Publications, Center for Creative Leadership, P.O. Box P-1, Greensboro, NC 27402.

INTRODUCTION

It's hard to imagine how anyone could figure it out, but American business spends over $40 billion annually to "educate" more than 8 million "students."[4] Citing an article in Training and Development Journal, Alice Short noted that "One out of every eight working Americans participates in a formal training course each year."[5] There can be no question that formal programs play a significant part in corporate education in general, and management development in particular. Asked how much it invests in developing managerial talent, a common corporate answer is the budget for internal and external training programs.

How effectively training programs develop managerial talent is difficult to gauge. In a recent study of 15 firms with outstanding reputations for management practices, John Kotter observed that formal training was seldom the central ingredient in development at these firms."[6] In fact, Kotter noted, it was firms with reputations for poor leadership that more often said that training was the primary means for developing managers.[7]

If training is not the centerpiece of development, then we must look at where people spend the bulk of their working time--on the job. Indeed Kotter observed that all of the 15 great-reputation firms he studied used challenging job opportunities to develop their high-potential managers. There seemed to be no simple formula for challenge, other than stretching people, challenging them

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[4]Short, 1987.

[5]Short, 1987, p. 24.

[6]Kotter, 1988.

[7]Kotter, 1988.

to lead. Various companies created high-responsibility jobs for younger managers, purposefully kept or created large numbers of small but challenging general manager jobs, or encouraged numerous new ventures with leadership challenges. Many found ways to add to challenge by enlarging jobs, creating special developmental jobs, or assigning people to task forces. Some made sure that challenging opportunities were available by forcing "churn," moving people out who blocked key assignments.

These results are not surprising to anyone who has worked with good corporations. Executives may be inclined to view such challenges as "testing grounds" rather than as developmental opportunities, but they see to it that their promising young managers face significant job challenges. What is surprising is that so little systematic research attention has been devoted to learning on the job. A recent review of such research by Cindy McCauley[8] turned up only a few studies, and none that took a comprehensive look at development through experience. This might not matter, if using challenging jobs for development were obvious and straightforward. Many important questions remain unanswered. For example, what work experiences make the most difference? How should a company use these experiences? What might we expect someone to learn from them?

This guide tackles these questions, suggesting ways to use experience for developing high potential managers. The conclusions were drawn from a base of information on 191 high-potential and successful key executives from six major corporations who described "key events" in their careers (things that led to

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[8] McCauley, 1986.

lasting change in them as managers), and who told us exactly what they learned from those events.[9]

Exhibit 1 lists the sixteen kinds of experiences that these executives considered developmental in their careers. We will consider each of them in this guide, beginning with the seven different kinds of assignments that we classified as early jobs, short term assignments, or major developmental assignments. These are followed by developmental experiences resulting from contact with other people, in this case almost exclusively immediate bosses or other senior managers. Two different experiences are described here, role models (involving a longer association with the person) and values playing out (usually a brief episode with the person).

Next, we'll consider four experiences that are usually quite painful, but can be developmental. These hardships are not things a corporation would deliberately manipulate, but regrettably they often occur in the course of executive lives. The particular challenge here is to enhance the learning and growth possible as the result of a hardship--to take advantage of circumstance.

Sometimes growth results from career setbacks, which might be seen as hardships that are within corporate control. This guide considers how drastic measures such as demotions might have developmental implications.

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[9]These exceptional people gave us 616 stories of pivotal developmental experiences, and 1,547 lessons they said they learned from those experiences. Through an elaborate and painstaking process, this raw material was sorted by similarity into 16 kinds of experiences ("events") and 34 categories of learning ("lessons"). Additional analyses examined what these various kinds of experiences had in common (the "core elements," if you will, that made each kind of event unique). These findings are fully documented in Lindsey, Homes and McCall, 1987, from which this guide was excerpted.

Exhibit 1
16 Developmental Experiences

The Early Jobs

Early Work Experience--early non-managerial jobs
First Supervision--first time managing people

Short Term Assignments

Line To Staff Switch--moving from line operations to corporate staff roles
Project/Task Force--discrete projects and temporary assignments done alone or as part of a team

Major Developmental Assignments

Starting from Scratch--building something from nothing
Fix-It/Turn It Around--fixing/ stabilizing a failing operation
Scope--Increases in number of people, dollars, and functions to manage

Exposure to Significant Other People

Role Models--superiors with exceptional (good or bad) attributes
Values Playing Out--"snap shots" of chain-of-command behavior that demonstrated individual or corporate values

Taking Advantage of Circumstance

Subordinate Performance Problem--confronting a subordinate with serious performance problems
Business Failures and Mistakes--ideas that failed, deals that fell apart
Personal Traumas--crises and traumas such as divorce, illness, and death
Breaking a Rut--taking on a new career in response to discontent with the current job

Drastic Measures

Demotions/Missed Promotions/Lousy Jobs--not getting a coveted job, or being exiled

Away from the Job

Coursework--formal courses
Purely Personal--experiences outside of work

Finally, there are experiences away from the job that have left developmental marks, including taking courses and involvement in personal, non-work activities.

THE DEVELOPMENTAL ASSIGNMENTS

Most of the developmental experiences that executives told us about occurred at work. And, not surprisingly, many of them were specific kinds of assignments. Executives described the managerial challenges they had faced, not just their formal positions or their titles. We identified seven different kinds of assignments that could be used for development, and for this discussion, have divided them into three groups: early jobs, short term assignments, and major developmental assignments.

These assignments can be seen as a catalog of what job challenge means to a talented manager. Rising to the occasion meant successfully playing for big stakes in full view of higher management; influencing groups of people never worked with before; coping with unbelievable hours, strain, and stress; building new skills on the run; or constantly dealing with and making decisions about things only partially understood.

Meeting such challenges, according to the executives who lived through them, required learning hand-over-fist. It was on-line that executives said they learned, in essence, the lessons of leadership: the toughness and independence to make decisions; the interpersonal skill to get cooperation from people who had no reason to be cooperative; enough knowledge of the intricacies of the business to take intelligent action; and the stamina to cope with ambiguity, stress, and complexity.

The Early Jobs

Even though they may have occurred twenty or even thirty years before, pre-managerial and first managerial jobs still stood out for many of the executives we studied. While many significant events had intervened, the early years were not only vividly recalled, but still viewed as powerfully developmental even considering later challenges.

For developmental purposes, we will consider two types of early assignments. The first type, which we labelled Early Work, subsumes the jobs people held prior to managerial responsibility that they felt developed skills useful later in their managerial roles. The second type, called First Supervision, covers managerial initiations that had lasting impacts.

Early Work Experience

Early work experiences were debuts in the world of work. Whether in sales, engineering, accounting, or the military, three aspects characterized these experiences: there was a "first time exposure" to the realities of an organization or, at least, to a part of one; there was some kind of confrontation with these realities, especially those aspects of work other than one's technical specialty; and there was a decided emphasis on discovering that working with other people (customers, colleagues, bosses) was problematic.

Diversity was the rule in these events, but degree of challenge seemed related to depth of learning. More potent experiences involved major projects, overseas assignments, and dealing with major customers. These had in common that they pushed individuals beyond their formal training. In contrast to First Supervision (discussed next), where helpful bosses were often important to the new manager, bosses in Early Work were typically just another part of the perplexing new world.

Strategic Uses of Early Work. The importance of early job challenge has been documented in numerous research studies.[10] While much of the challenge in early work experiences had to do with the specialty area involved, executives we studied found additional challenges in working with people different from themselves and in struggling with the vagaries of getting things done in a complex (and baffling) organizational environment.

In some respects, Early Work and First Supervision have similar effects. Both potentially teach fundamental lessons critical to later managerial development. The former is broadly focused on working with other people and with organizational dynamics, the latter with the more narrowly defined arena of supervising others. It would appear that there is considerable merit in keeping the events separated; specifically, not making the first job in an organization a managerial job. Something seems to be gained from trying to apply one's technical training in the organization, focusing on that context without the additional complexity of supervising at the same time. Our guess is that a fundamental understanding of how difficult it can be to get things done as an individual contributor is important to later development as a supervisor of individual contributors.

Because this understanding seems so fundamental to later development, it makes sense to do this Early Work in some core aspect of the business. In a large organization, high-potential managers often move quickly through the managerial levels. Early Work experience may be the primary or only opportunity for future executives actually do the work of this particular business, whether selling a customer, designing a piece of equipment, or handling financial

[10] See McCall et al., 1988, for a review of these studies.

transactions.

What To Look For. If the reasoning above is true, Early Work is a time to look for adaptability. Early Work experiences pale compared to later challenges, but they are, nonetheless, critical transitions: from school to work, from one kind of organization to another, from working alone to working with others. The lessons reflect two major themes of organizational life: learning to deal with organizations and with dependency on other people. Correspondingly, Early Work is revealing in that the individual must adapt to get the job done. The learning involves gaining comfort in ambiguity, finding alternatives in solving problems, grasping the organizational "rules of the game," and finding ways to work with and through other people.

First Supervisory Experiences

The first supervisory job isn't often forgettable. Even after the intervening years and subsequent tough assignments, a large number of executives still listed First Supervision as a key event. These were not jobs where technical expertise alone could carry the day, nor were they jobs where supervision took care of itself.

First-time supervision is an encounter with people in which the new supervisor discovers that there's more to this managing business than meets the eye. The potent First Supervision experiences occurred relatively early in a career, involved direct supervision of non-managerial employees, and held the supervisor accountable for a unit's performance. Often there was a kindly boss to whom the supervisor could go for advice or counsel. Like most other events, First Supervision was often laced with adversity. In its most severe form, the adversity came in life and death decisions in combat. Milder forms included having to "lead" former peers and older or more experienced people or to face tough business conditions.

The essence of learning from the event is surprise. Whether supervision required them to go beyond procedure manuals or to face that having the technical/rational answer doesn't assure compliance, supervisors discovered that managing people was a whole new ball game. In addition, carrying responsibility for linking a group to the larger organization forced them to see the world from a different (and broader) perspective.

Strategic Uses of First Supervision. Numerous prior studies have emphasized the importance of early job challenge in general, and the first supervisory job in particular.[11] There was considerable diversity in the kinds of experiences described by the executives we studied, but more developmental first supervisory jobs were similar to later Scope assignments (discussed later on), only on a smaller scale. Where possible, First Supervision should have the following characteristics:

* Occur early in a career. (When First Supervision occurred later, mid-thirties or so, it usually came as a large-scale change. Unfortunately, the learning reported was still primarily the lessons of First Supervision rather than the lessons of Scope. For this reason, it seems a wise strategy to expose people to supervision at an early age and a lower level.)
* Involve exposure to a situation that requires active supervision of others, where technical knowledge or procedures will not be enough. (A unit that "runs itself" is a poor bet for development.)

[11] See McCauley, 1986, for a review.

* Involve accountability for at least a modest level of achievement under at least moderately adverse conditions.
* Provide as a boss someone who is sensitive to the inevitable mistakes of a first-time supervisor and able to provide constructive feedback and counsel. (But who won't over-manage--it's important that the new supervisor be able to make some basic mistakes.)

What to Look For. The lessons of First Supervision are management fundamentals. They involve a modest lifting of blinders as one moves from individual contributor to manager. It is a job in which mistakes are common, but from them should emerge two realizations that set the stage for future development.

First is that managing people is different from technical or individual work. People have different needs, frames of reference, and values that must be considered. Second is the realization of how various activities fit into a larger organizational system, what some executives describe as "seeing the broader view" or realizing how the various parts fit together.

In short, development in the first supervisory jobs is overcoming the myopia of the individual contributor/specialist and devoting energy to understanding how to get people to do what needs to be done. At this early stage of a career, one should see the beginnings of sensitivity to human needs and willingness to deal with individuals as individuals.

Short Term Assignments

Project/task force assignments and line to staff moves have in common their relatively short-term nature and focused tasks. Because they are relatively easy to create and don't necessarily require a permanent job change (or extensive prior experience), they are flexible tools for development. But they can be deceptive. The very ease of their use can cause us to overlook the crucial importance of the task and the demands it makes in these kinds of assignments.

<u>Project/Task Force Experience</u>

Project/Task Force assignments appear deceptively simple--throw a few people together, give them a task, and wait for individuals to blossom. While Project/Task Force is one of the most flexible developmental assignments, it is also one of the easiest to mishandle. Most organizations are constantly spinning out committees, ad hoc task forces, study teams, and the like, most of which are only marginally developmental or, at worst, aggravating wastes of a manager's time. What characteristics effectively neutralize their development potential?

1. Trivial problems. Task forces often emerge as a means to carry out projects that no one wants to do, usually of an administrative or otherwise routine nature. The less significant the issue to the organization's primary function, the less developmental the experience will be. Deadly projects include redesigning the performance appraisal system, fleshing out personnel policy, handling festive occasions, reorganizing clerical and support functions, coordinating purchasing activities, allocating office space.
2. Undefined problems. Vague, amorphous, philosophical projects also tend to flop. Examples include defining corporate values, speculating on future states (more than a few years out), or other activities with no direct action implications.
3. Unbounded time frames. A project so ill-defined or unbounded that it has no meaningful deadline is a dead giveaway. Either no one really cares about the outcome, or there is no real action required

within a foreseeable future. At worst, the task force may evolve into a standing committee.

4. Unaccountable. Task forces that are not responsible for an outcome or do not report to a significant manager/executive lose developmental potential.

5. Politically staffed. Task forces where membership is based on political as opposed to problem-solving grounds (division x <u>has</u> to be represented) run afoul for numerous reasons, among them that: irrelevant members are disruptive, or at least distracting, and stacking makes groups cumbersomely large.

Developmentally Effective Projects/Task Forces are driven primarily by the nature of the project or problem. Usually because what must be done is very significant to the business, other necessary characteristics follow. The task is focused, a specific outcome is demanded, the seriousness of the issue mandates a deadline, and important managers/executives are in charge. If the project requires a team, membership is based on the need for individual skills or knowledge that no single individual has. This latter element means members of the team will <u>have to</u> develop an understanding of what other members know or can do.

Examples of potent projects/problems are mergers, acquisitions, divestitures, major reorganizations, cutbacks, crises, joint ventures, labor negotiations, major contracts, new product roll-out, new technology, new markets, plant closings, diagnosing major disasters or failures.

<u>Strategic Uses of Project/Task Force Assignments</u>. Potent Projects/Task Forces are extremely flexible developmental experiences. A primary advantage of their short-term, critical-problem focus is that managers gain broad (and

sometimes in-depth) knowledge of the content area the project addresses in a very short time. Depending on the problems and the other members, Projects/Task Forces can expose a manager to product lines, technology, different divisions; to functional specialties (e.g., finance, legal, planning, marketing, manufacturing); to external groups (e.g., government, clients, unions, suppliers); to various executives (up to and including the board). Not only is there content learning, there also can be significant exposure to how other people from different specialties or backgrounds think about problems and issues, and how the various perspectives come together to bear on a larger issue.

Because no manager can work in every division and function of a large corporation, Projects/Task Forces can be extremely useful ways to gain understanding of other parts of the organization without permanent assignment to them.

Project/Task Forces can be used in addition to a manager's full-time assignment or as a temporary assignment. The former has advantages because the focused, intense project time forces the manager to learn ways of delegating more of the current job to have time for the project. The latter is useful for a manager between permanent jobs (rather than allowing stagnation). It can be extremely powerful if a project is undertaken while at the same time returning to school in a relevant area (e.g., taking a finance course while serving on an acquisition task force).

Projects/Task Forces are easily manipulated to provide important opportunities for either inexperienced or experienced managers. Varying the importance of the problem, areas spanned by members, etc., can significantly reduce or enhance the demands of the experience. Less mature managers can experience elements of Fix-It and Starting from Scratch assignments by working on project teams--at relatively low individual risk.

Some projects involve a manager working alone on a problem. The ability to get cooperation from people over whom there is no formal authority is still demanded, however, and may be even more difficult when those people aren't part of a formal task force.

In short, Projects/Task Forces and staff assignments are major vehicles for exposing managers to various parts of the business and getting them to focus broadly on a limited problem. These kinds of assignments are also primary exposure areas to working with executives, especially in an advisory role.

What to Look For. Projects/Task Forces focused on an important problem within a tight deadline test numerous abilities. Primary among them are (1) the ability to grasp, quickly, the parameters of a problem; (2) the ability to draw on the expertise of others and integrate their perspectives into a broader understanding of both the problem and its solution; and (3) to come up with a recommendation and present it to critical executives. Depending on the area of focus, specific skills (e.g., negotiation) may also be seen.

Particularly visible in Projects/Task Forces are the inabilities to handle crucial aspects. For example, a manager may seek a technical haven, contributing only his/her expertise and not integrating that knowledge with other people's. At the other extreme, a task force member may effectively grandstand, not listen to others and, once again, fail to integrate diverse perspectives.

Also visible is how the person deals with executives, in ability both to package a lot of work into a short presentation (or report) and to deliver it in a way that executives can understand. Then comes the crucial test of whether the person can defend the recommendation in the face of criticism.

Because Projects/Task Forces often involve negotiation (with a union, a partner, another organization), they can be a significant test of a person's ability to really understand someone else's point of view (a key to effective negotiation).

At its heart, then, Project/Task Force is all about a manager's ability to solve a problem, working with and through people over whom he/she has no control, and selling and defending the solution to people who have a great deal of control over the manager.

<u>The Line to Staff Switch</u>

We have no way of knowing whether the infrequent appearance of this assignment as a developmental event is due to a paucity of staff jobs or to a lack of developmental impact (i.e., whether executives seldom have such jobs or they have them but don't get much out of them). Probably both are true, but making a staff assignment challenging to a line manager is not an easy trick.

As was true for Projects/Task Forces, a developmental staff assignment is clearly <u>not</u>:

1. A trivial job in terms of major corporate mission.
2. Buried in obscurity, with little or no involvement from important executives.
3. Undemanding intellectually, for example, with a manager serving only support or advisory roles.

The most potent developmental staff assignments have the following key elements:

* They involve analysis of a major product or business--somehow forcing the manager to analyze a whole piece in a way he/she wouldn't normally analyze a situation (this might be through use of formal

analytic models, involve projecting the future, require a strategic or financial analysis, etc.).

* They require a change of venue. Moving to corporate (or divisional headquarters) from another part of the organization carries with it exposure to different norms and perhaps culture.
* They require working for (or at least reporting to) executives, preferably several levels higher.

Strategic Uses of Line to Staff Switches. Like Project/Task Force Assignments, staff jobs are flexible. They can serve their developmental purpose in a short period of time (about a year), can be sandwiched in between line jobs (but preferably after a manager has held significant line jobs), and can be juxtaposed with formal training. More effective posts we've heard about include positions as a staff planner, financial analyst, business analyst, market analyst, and assistant to an executive. Such jobs can be high in exposure to different functions, divisions, products, as well as to analytical techniques.

For some line managers, the absence of bottom-line responsibility and of subordinates makes a staff stint very frustrating. For this reason, it is wise to time-limit the assignment and to inform the manager of the developmental purposes for the move.

It should be noted that staff jobs dealing with routine administration, personnel, training and the like were notably rare as developmental events. Clearly, analysis of a business, product, market, etc., as sterile as it was often seen, provided a strategic thinking experience of value. This, coupled with having to submit one's findings to executives, gave the assignment its punch.

What to Look For. Don't expect a line executive placed in a staff role to like it or want to stay in it. But do look for ability to deal with abstraction, to learn the tools necessary for the kind of analysis involved, and for evidence of the all-important ability to think strategically. Far and away the most prominent learning from a staff job involves technical and business knowledge, the acquisition of which should reflect itself in a strategic perspective. In addition, staff jobs can demonstrate how effectively a person works with executives. And, because many staff jobs (e.g., business analyst) are mystifying to line types, they are good places to see how well managers handle themselves under ambiguity.

Major Developmental Assignments

Big scope managerial jobs, start-ups, and turnarounds have been labelled major developmental assignments because they usually (1) involve a permanent job change, (2) have significant financial implications, (3) make tremendous demands on the manager, and (4) can be career threatening if a manager fails. It follows, therefore, that the potential for learning is equally major, and such experiences need to be used carefully for developing talent.

Change in Scope Experiences

Assignments involving a Change in Scope (like a promotion to a larger unit) are both frequent and varied, but they share the common attribute of requiring a manager to handle a larger scope than before in an organization that's doing reasonably well. Some aspects of the business may have problems (elements of Fix-It) and some aspects may be starting up (elements of Starting from Scratch), but the focus in Change in Scope is on maintaining and/or moving forward. As suggested by the name itself, Change in Scope implies larger responsibility. Developmentally viewed, meaningful Changes in Scope are <u>not</u>:

1. Just a little bit more of the same. Modest jumps, such as straight line promotions with a few more people, etc., don't pack much wallop.
2. Temporary assignments. Impact comes from being in charge--brief rotational assignments have little developmental pay-off, especially in Scope changes. Because the business is doing all right, it takes time to hurt or help it.
3. Diffuse in accountability. Being part of a management team with shared responsibility or being second-in-command negates the developmental potential of Scope.

Change in Scope assignments with high developmental impact have three core features. They force the manager to cope with scale, in either a relative or an absolute sense. They put the manager in charge of a whole something, in its purest sense, "the bottom-line." They demand that the manager learn something new; a new function or product line or site(s). At the highest developmental level, we are talking about being responsible for an operation whose scale is beyond the manager's ability to stay on top of everything. The demand is learning how to manage when you are responsible for results, but you can't do it all yourself.

<u>Strategic Uses of Change in Scope</u>. The many forms of Scope, from single promotion to gargantuan leaps, make it a versatile developmental tool. These assignments lend themselves to the gradual stretching approach, where a manager can be given successively larger pieces to handle. In addition, increased scale permits the sprinkling of other developmental elements such as turning around a piece of the operation. As mentioned earlier, however, the key to these

assignments is staying in them long enough to have an impact (probably two to three years). This means that there can be only be a few Scope changes in a career if a manager is to have diversity in developmental assignments. One way to get maximum advantage is to view the use of Scope changes against two separate developmental goals. One is managing the whole, being responsible for a significant piece. The other is confronting scale (in an absolute sense) in terms of numbers of people, dollars, sites, functions, and the like. This way of thinking leads to a strategy of putting young managers in charge of a small operation as early as possible (but after the first supervisory job), dealing later in their careers with issues of scale. Some organizations find ways of getting this early exposure through international assignments (where operations are often smaller and consolidated) or through assignment to small businesses or operations (sometimes acquired deliberately for developmental purposes).

It was suggested earlier that scale is both relative and absolute. That is, increases in responsibility are relative depending on what the manager has done previously and absolute in terms of sheer magnitude. Experience with scale increases are also embedded in Fix-It, Starting from Scratch, and sometimes staff jobs. It is inefficient developmentally to use successive Scope assignments to gradually expand a manager's exposure.

What to Look For. A Change in Scope job of any magnitude tests several major attributes essential to executive leadership. Foremost among them is the ability to manage things with which the manager is unfamiliar (e.g., new functions, sites, businesses, people). This "ability" has many components, including sizing up the staff, delegating responsibility, identifying trouble spots, developing competent subordinates to manage pieces of the operation, etc. This constellation was best described by an executive as "learning to manage by remote control." At a psychological level, Change in Scope requires accepting responsibility for outcomes which are largely determined by the work of others. Thus, the major demands are downward.

Scope changes are also revealing because, by definition, the operation is doing well when the manager enters it. This means that the manager has to improve it some (which may be hard to do) while at the same time not destroy it. This requires both diagnostic skill and an ability to judge the reasons things are going well. Whatever changes are made must be carried out without disembowelling the reasons for success to date.

<u>Starting from Scratch Experiences</u>

By definition, something is there for the learning when someone brings something new into existence. But the primary lessons of start-up assignments involve leadership, and the forces driving powerful lessons are hardly modest. This means that a highly developmental start-up assignment does not contain "substitutes" for individual leadership. Substitutes are things that replace individual initiative--that put responsibility for deciding what should be done, and how, somewhere else. Starting something from scratch is less potent when (1) there is a well-oiled, highly skilled implementation team sent to implement a well-defined plan (the manager has "experts" to make the decisions); (2) the new thing has been done before and has well-defined procedures and steps--the manager can follow a cookbook (e.g., procedures manual); (3) the start-up is closely supervised from the home office and/or by corporate staff, who either tell the manager what to do or seriously constrain his/her action by requiring sign-offs, authorization, approvals; (4) the manager's own experience is so complete that he/she thoroughly knows all that must be done.

The essence of Starting from Scratch is taking action under high uncertainty and inspiring others to believe in those actions. Taking action implies authority--either directly given or assumed by virtue of isolation ("There wasn't time to check with corporate"). High uncertainty implies adversity which, in start-ups, takes many forms. The manager may not know if the new thing can be done at all, or the context in which it must be done may be so adverse that even things done before are still risky. What's interesting is that the adversity, unlike that in Fix-It events, is primarily external; a strong "we against the elements" flavor. The staff may be inexperienced, but they look to the manager for leadership. Developmental Starting from Scratch events are characterized by making do, scrambling, giving up "the book," doing whatever must be done (the manager might be seen digging a ditch if that was the pressing need), and sometimes by taking a personal risk when, to get the thing done, the manager has to ignore policy or directions.

Strategic Uses of Start-up Assignments. Mature corporations often have a shortage of big-time start-up assignments, but they are one of the most potent experiences a seasoned manager can have. If something valuable is rare, the best strategy is to use it carefully.

Fortunately, elements of these assignments are common in other kinds of assignments, so managers can get some exposure to start-ups, even when there aren't many pure ones. Many big scope jobs, for example, have start-up components. It's common to see project teams assigned to roll out a new product or start up a new plant, or cultivate a new market. Some companies routinely introduce or change products and services. The unfortunate side of modest start-ups is that they don't demand the leadership of a full-blown "scratch."

Some companies try to hire managers who have started their own businesses, presumably to buy this particular entrepreneurial leadership ability. While this may be the only option for some corporations, there is substantial risk that such a manager will have difficulty adjusting to the constraints of a corporate setting. Starting something from scratch can be one of the most exciting, demanding, exhilarating events in a managerial career--one that makes other assignments look sedate. Thus, the major corporate backfire from hiring or developing strong individual leaders is that they must then tolerate and prize them within a bureaucratic setting.

<u>What to Look For</u>. The demands of Starting from Scratch are such that to be successful, a manager must demonstrate specific abilities. Primary among them are:

* Out of a thousand things to be done, the ability to grab hold of a few priorities and get on with it.
* Ability to make quick decisions under high uncertainty, without overdue dependence on corporate approval or policy.
* Problem-focusing par excellence; ability to solve problems across a wide variety of domains--"doing whatever it takes." This means putting what needs to get done ahead of managerial status or functions.
* Ability to inspire others--to build a team from inexperienced people, providing them with a sense of mission and progress, leading them through setbacks, maintaining their confidence.

<u>Fix-It/Turnaround Experiences</u>

A developmental Fix-It is not minor surgery. The problems that must be faced do not come from a single source (e.g., recessionary pressures), and are not amenable to a single cure (e.g., better control systems). In spite of their complexity, developmental Fix-Its do not allow solutions to emerge at a leisurely pace--there is an urgency that belies the complexity. Finally, the manager does not walk in with a restoration plan ordained by corporate.

Potent Fix-Its are in fact real messes. The manager is sent in to resurrect an operation besieged with problems internally and externally, with no obvious single cure, and is under considerable pressure to work a miracle fast ("if it's not turned around in six months, we'll sell that dog"). Usually the decline has been underway for some time, meaning that downward momentum is established. Action on at least two fronts is required, both of which can be sticky indeed. The inherited staff is resistant or incompetent, or both. Various bodies outside of the unit are at best leery, if not downright hostile, which forces the manager to persuade, cajole, and win back any of a number of constituencies (clients, suppliers, other divisions, top executives, unions, whatever). No amount of authority will assure the cooperation of these outside bodies; and while authority is potentially more useful downward, it still isn't sufficient. As one manager put it, "you can't fire everyone." In its most developmental form, a Fix-It carries with it formal authority to act.

Strategic Uses of Fix-It Assignments. A major turn-around is no job for a rookie and may well be the toughest assignment a manager can face. Still, in a real mess almost anything a manager does will improve something, so a key developmental strategy is to keep the manager in the job long enough to see if the Fix-It sticks. As Jack Gabarro[12] has documented in his study of new general managers, the initial actions may only clear away enough junk for the real

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[12]Gabarro, 1987.

problems to appear. It may take three years before the long-term effectiveness can be determined.

Milder Fix-It exposures for less senior managers are developmental and easily available. There are always countless parts of an organization not performing up to par. Common strategies include assigning people to fix a particular piece of something either as a manager (e.g., turning around a department or small unit), as a trouble shooter, in a staff assignment, or as a member of a task force or project team.

What to Look For. A big time Fix-It is one of the most revealing assignments in that it requires such a broad range of skills. The variety of staffing problems demands multiple strategies for handling subordinates: firing, intensive one-on-one feedback, counseling, reorganization, morale boosting, coaching. An effective manager will not blindly adhere to one approach (e.g., fire everybody) in all cases. Obvious here is the manager's ability to use authority sensitively and effectively.

Equally demanding is the variety of external relations in need of repair. These damaged relationships are a real test of a manager's finesse, ability to establish credibility, and ability to persuade others who have no reason to be persuaded.

Above all, perhaps, a Fix-It demands the utmost in diagnostic skill. Individuals must be "sized up" (who's demotivated, incompetent, salvageable). Multiple causes of poor performance must be unpacked (is it marketing, manufacturing, technology, shipping, invoicing, control?), multiple outside constituencies must be understood (each may be alienated for different reasons). The diagnostic demands are confounded by two major complicating forces: the confusion of cause versus symptom, and the need for quick improvement versus longer term fixes. This requires an ability to apply effective band-aids, while at the same time working toward more permanent solutions (and underlines the need to keep the manager in the job long enough to observe the longer term strategy).

Finally, the adversity of the situation ("I was as welcome as a skunk in church") tests the manager's ability to shoulder responsibility and to make tough decisions--all the while rebuilding confidence within and outside of the operation. It's important to note that such situations can reveal whether the tough decisions that must be made can be carried out with compassion.

EXPOSURE TO SIGNIFICANT OTHER PEOPLE

Dealing with other people is at the very heart of the managerial job, and it figures prominently in the development of executives. Customers, bosses, suppliers, negotiators, subordinates, managerial peers, politicians, regulators--there were no bounds on who might be involved in a developmental event. But the fact that almost all developmental events involved other people did not mean that those people, in and of themselves, and independent of the event, "taught" the executives anything.

There were, however, two kinds of events in which other people were the central feature, not just part of the context. In retrospect, perhaps we misnamed these two events because, in most cases, these significant other people were superiors (not peers or subordinates), and in virtually all cases these events involved a hierarchical relationship. We might better have called this section "bosses," for that's what they were.

The two kinds of events are "Role Models" and "Values Playing Out." While both involved an exceptional person (or behavior) to which the manager reacted strongly and which forced a confrontation with basic values, the nature of the interaction differed substantially. Role models were bosses (or higher level superiors) with whom the manager worked for a period of time (usually between six months and three years). In contrast, the events we called Values Playing Out were usually brief episodes in which superiors (or the managers themselves) demonstrated their values by doing something spectacularly bad or good to someone else.

Whether from a more lengthy association with a particular boss or from a brief vignette, the lessons produced were similar. They dealt with values--human, managerial, or political. From observing behavior and its impact, especially the behavior of senior managers, one's own values as well as the "values in action" of the organization came under scrutiny.

<u>Experiences with Role Models</u>

Role Models and Mentors have received a lot of research attention and have become a focal point for advice on managerial development. But the Role Models who made a difference to these executives differed in many respects from the common folklore. For example, there was little evidence of mentors--defined as long-term, apprentice-like relationships. Nor were the Role Models singularly good at coaching, giving feedback, providing "street savvy." Some were, many were not. Further, Role Models were hardly all positive--bad bosses taught poignant lessons too (about one third of the Role Models were ogres).

Role Models who made a lasting difference were at once very similar and very different. They were alike in being exceptional in some way, but what was exceptional varied all over the lot. They may have been outstanding at doing something (motivating, business analysis, delegation, giving feedback, opening doors, etc., etc.), or horrible at it.

They were also alike in being a superior in the hierarchy, either an immediate boss or maybe two or more levels higher (peers, friends, colleagues, subordinates, families were almost never mentioned). And, they were similar in that the relationship was relatively short, usually one to three years.

So basically significant Role Models were exceptionally good or bad bosses, sometimes all the more noteworthy because they became conspicuous successes or failures later in their careers.

<u>Strategic Uses of Role Models</u>. The basic strategy for exposing developing executives to Role Models is diversity over the course of a career. This means trying to expose a manager to bosses with a variety of exceptional skills and a variety of styles. Such exposures can be relatively short (long-term relationships defeat the purpose and, as we know, can even derail a manager). Variety over time allows the manager to see excellence in several different skill areas and requires the manager to adapt to bosses with different styles. Obviously we do not advocate assigning a manager to an ogre of a boss--but this is likely to happen by chance during a career, and when it does, an outside intervention may be needed to help the manager survive it.

Teaching bosses to be better coaches might be useful to the organization as a whole, but coaching skills are not the critical aspect of Role Models. What <u>is</u> critical is that the boss be <u>exceptional</u> in some managerially significant area--a mediocre boss who has some training in coaching skills but no exceptional attributes is unlikely to make much difference. Formal mentoring programs also may be an inefficient use of resources, particularly if "mentor" is defined narrowly (e.g., a person with a special coaching/teaching ability). In short, it is one thing to assign a developing manager to a variety of exceptional bosses, but quite another to try to force a particular relationship.

Achieving variety may mean that managers receive some assignments more for exposure to a certain boss than for the job itself. It is also true that the presence of a positive boss seems more beneficial in some kinds of assignments than others, notably in the first supervisory job and when huge increases in Scope occur.

Another key to effective use of Role Models is what the organization does to the exceptionally good and bad bosses. In an ideal world, the good are recognized and promoted, while the bad eventually "get theirs." In the ideal world, observer-managers learn positive values from both events. In the flawed world the bad are sometimes rewarded, and cynicism may be the result. But the world is seldom uncomplicated, so particularly potent lessons are conveyed by what happens to bosses with an exceptional talent <u>and</u> a glaring flaw. When such a boss is rewarded, the message is that the flaw is okay. A common example was the boss who "got results" but got them at the expense of his people. The value transmitted by what happens to such a boss is powerful--if rewarded, "results are all that matters"; if punished, "no matter how good you are, you must treat people decently to succeed." In the long run, the most important use of Role Models may be the setting of organizational values through example.

<u>What to Look For</u>. Learning from a Role Model is somewhat complex. When a manager is working for a boss who is exceptional at something, learning requires that manager to recognize what the exceptional talent is, observe how the boss uses it, figure out how to integrate it into his/her own style, and finally actually incorporate the relevant parts. Managers who try to imitate the boss in a lock-stock-and-barrel way, or who fail to recognize that there's anything to learn are probably at risk of failure themselves.

A very revealing and critical event occurs when a developing manager is assigned to a boss with a very different style (e.g., a go-go marketing manager gets a slower paced boss) or to an ogre. Such occasions require considerable adaptation.[13]

Over time and bosses, one hopes to see evidence that the manager has learned a variety of new skills and that content has been incorporated into his/her own behavior. One also hopes to see evidence that the manager can accept that there is no one way to lead and can adapt effectively to the styles of many types of bosses.

Experiences with Values Playing Out

"Values Playing Out" is a category of events involving a dramatic behavioral display, usually between a boss and a subordinate, that conveys a crystal clear values lesson to the observer. The main thing about these values vignettes is that they are almost totally beyond an organization's control. They aren't orchestrated events.

Because these slices of life occur au naturel, they are potent communicators of values. They are the symbolic acts which demonstrate to the developing manager what the corporation stands for. They seem to occur in greatest number when the organization faces important challenges that test its values--reorganizations, mergers, reduction-in-force, plant closings, catastrophes, and the like. Will managers, in the face of pressure, hang on to their values--or will their espoused beliefs turn out to be hot air?

Strategic Uses of Values Playing Out. The event itself is beyond the organization's control, but what happens afterward is not. After all, it's how

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[13]Discussed more fully in Lombardo and McCall, 1984.

the observer-manager interprets the vignette that makes the lasting impression. A foreman chews out a worker for thinking. Does the foreman get reprimanded? Rewarded? Nothing happens to him? There lies the message and, as we saw with Role Models, the issue is how seriously the organization takes the values it espouses.

Part of this, of course, depends on how well an organization clarifies its values, communicates them to its managers, and deals with those who fail to live up to them. Many managers fail to realize the symbolic impact of their role, especially in events as they unfold in the day-to-day enactment of their jobs. There is perhaps a need for training courses that clarify values and prepare managers to handle values-testing events. Training experiences in which managers are allowed to share their personal values vignettes--both good and bad--may be useful for values clarification.

Organizations with no clear value system may suffer negative consequences when values play out within the group. Culture will be transmitted by the individual acts of managers with no context for interpretation. Organizations that espouse a value system (through credos, codes of conduct, and the like) but do not enforce it will suffer perhaps the most. In these cases, the context blares hypocrisy. It is no small thing to attempt to manipulate symbols, and it is folly to do so if the values beliefs are not bone deep.

<u>What to Look For</u>. Values displays will happen. What matters for development is how the developing manager interprets them and incorporates their lessons. From even the most appalling scenes can come affirmation of positive values, of learning what not to do from the travesties of others. On the other hand, cynicism and political gamesmanship can also be learned. What to look for is not just the stories managers tell, but the morals that they draw. Just as

developing managers take values lessons from the acts of others, their own actions reflect their values. The ways they treat others, how they respond to pressure, and how they deal with tough situations, are the telltale signs.

TAKING ADVANTAGE OF CIRCUMSTANCE

Many of the assignments executives described were tough, even traumatic. But these trials by fire, demanding as they were, ended in the exhilaration of success. Their lessons, too, were those of success, of overcoming the odds, of meeting the challenge. But the successful executives we studied did not have lives of unbroken victories. Like the rest of us, they faced setbacks and outright failures. They blew it--on the job, in their personal lives, in their climb up the corporate ladder. Four hardship experiences are discussed in this section:[14] "Subordinate Performance Problems," "Business Failures and Mistakes," "Personal Trauma," and "Breaking a Rut."

Hardships range from severe personal traumas like death and divorce to events with happy endings (like the discovery of a new career after the ordeal of giving up the old one). As different as these hardships were from one another, when they were developmental, they shared three characteristics: managers accepted appropriate personal responsibility for the mess they were in; during the worst of it, they experienced a strong sense of aloneness or lack of control over events; and the situation forced them to confront themselves. It was this struggle with "who (or what) am I" that made these events unique and triggered intensely personal learning. Indeed, it was from the Hardships that

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[14]A fifth hardship, "Demotions/Missed Promotions/Lousy Jobs" is the subject of the next section.

executives recognized their personal limits (sometimes obscured by long strings of success) and developed strategies for coping with events beyond their control.

The Hardships, as a group of developmental events, are problematic. The idea of deliberately manipulating failure or trauma, even for development, raises serious moral and ethical issues. Preparing people for possible hardships, or helping them cope with them, is perhaps useful, but the biggest challenge may lie in helping people learn from hardships when they do occur. Just because an experience is painful does not mean that learning from it is automatic, or always positive. It was in the stories of Hardships that we saw cynicism and bitterness in many of the lessons. Furthermore, Hardships lose their teaching potential if people are not realistic about their responsibility for what happens, and some organizational cultures encourage such denial. Perhaps the keys to development from Hardships are bipolar. On one hand, such learning is an intensely personal (and private) confrontation with self, an event that the organization has only limited right to interefere with. On the other hand, learning from setbacks can be a cultural issue, having to do with the climate an organization fosters. When people make mistakes, can they admit them, and move past them?

<u>Experiences with Subordinate Performance Problems</u>

The problems reported in this category weren't the run-of-the-mill performance confrontations that come with the turf of the managerial job. Nor were they matters of personal chemistry, where a boss and a subordinate just couldn't get along.

Subordinate Performance Problems were definitely major events. An inherited subordinate was a serious performance problem, and the buck had been passed to the current manager. Usually, the impact of poor performance was compounded by circumstances that generated pathos: the employee was a long-service person, or had personal problems, or had come on hard times. What made these subordinate problems difficult, in short, was the emotional overlay on the need to act. Typically, the pathos of the situation led to a personal commitment on the part of the manager to do everything possible to turn the situation around. Because the situation had been ignored for so long, salvage was a long shot. If efforts failed, there was the final option to be faced: dismissal of the employee.

Confronting these situations forced a manager to come to grips with several very tough issues. First was recognizing that something had to be done--the problem couldn't be ignored. Second was the emotional and personal involvement in trying to do something about it. Finally came the realization that avoiding the problem did no one any good--manager, employee, organization unit.

Strategic Uses of Subordinate Performance Problems. As is true of many hardship events, this one is not something to manipulate. In an ideal world, with effective appraisal and feedback systems, problems like these would not arise. But the world is imperfect and, for many managers, facing a tough subordinate performance problem will occur sooner or later. As is often the case, it boils down to how the manager handles the situation and what he/she learns from it. The organization can be an invaluable resource by providing special programs for retraining, medical and counseling services, outplacement, and the like. In a nutshell, organizations can provide services that help a manager in the salvage attempt. If reasonable attempts have been made, the organization also can help by backing the manager's decision to terminate the employee.

What to Look For. Even though the event is not manipulated, the organization can learn a great deal from it. The first lesson comes from the fact that the problem arises in the first place. These cases were inherited--the organization might reasonably ask why previous managers failed to act.

The things to look for in the current manager's actions have already been mentioned, but bear repeating:

* The courage to act where others haven't.
* The compassion to invest significant time and energy in turning it around.
* The wisdom to recognize when it's a lost cause and to stop.
* The toughness to terminate.
* The insight, If it's mishandled, to learn that procrastination does no one any good.

Events like these also reveal, often starkly, the organization's own values regarding its people. Is the organization willing to invest its resources to save its people and, if so, are there adequate support systems to call upon?

A final note: Organizations with extensive support systems (e.g., counseling, retraining, outplacement) need to be alert to an unintended effect. A manager faced with a subordinate performance problem may in effect pass the buck by turning it over to one of the support groups ("you fix it"). The central theme remains the same--learning comes becasue a person has to handle the situation.

Business Failures and Mistakes

Business Failures and Mistakes are serious blunders almost always involving a manager's ability to deal effectively with someone. Learning from mistakes hinges on the blunderer's willingness to accept responsibility for the error, which underlines the importance of the organization giving high-potential managers responsibility and accountability for their actions. Failures and mistakes, while not programmable, can be critical events for a developing manager, particularly one with a history of successes. These jolts can open a door to learning that may have been closed by overconfidence.

Strategic Uses of Business Failures and Mistakes. Failures and Mistakes are not amenable to direct manipulation. But they happen to everyone, so the essential ingredient is an organizational environment that allows managers to make mistakes without resultant decapitation. A first prerequisite, then, is a managerial culture in which mistakes are not fatal. The second prerequisite is that responsibility is clear--learning will be negated if a manager can blame his/her mistakes on others or on "circumstances."

As with the other Hardships, learning from Business Failures and Mistakes is largely dependent on the manager's internal confrontation with self. The organization has no control over the internal process, but it can influence both the likelihood of accepting responsibility and the possibility of learning how to do things differently next time. The former is in part a result of a culture that accepts mistakes when people learn from them (e.g., the famous story of the manager who offered his resignation after a $100,000 mistake--his boss replied, "Why should I let you resign when I've just invested $100,000 in developing you?"), but also depends on clarity in accountability. Projects (especially when carried out by teams), matrix structures, and fuzzy responsibility all create settings where blaming others for one's mistakes is relatively easy. So there is no substitute for clarity before a mistake.

The second piece, of course, is information on what went wrong and what might be done differently. A sufficiently insightful manager may glean this for him/herself, but feedback from the other party or the boss can be crucial here.

After a faux pas is a critical time to be sure that the manager is learning the appropriate lessons.

What to Look For. In our study of derailed executives,[15] we found that one factor that distinguished them from their more successful counterparts was how they handled mistakes. Where the derailed were prone either to blame others or to keep the error under wraps while they tried to fix it, the more successful executives (1) forewarned others, (2) did what they could to fix it, and (3) put it behind them and got on with business. Managerial mistakes may be one of the most revealing events in a career. First and foremost is the manager's willingness to accept responsibility for the mistake (without which there can be little forewarning of others or even corrective action). Second, having "fessed up," is the manager's ability to learn something from it--can he or she understand what was done wrong and how it might be handled differently? Third, is the resilience to bounce back, keep on going, "get back on the horse."

In the best of all worlds, mistakes don't unduly rock the confidence of a developing manager, but do serve as reminders that we all blunder from time to time. This not only keeps a person open to learning ("every time I make a mistake, I learn something that will help me win next time"), but also as a manager, helps him/her learn to accept the mistakes of others.

Personal Trauma

There seems little to say about events of this magnitude. Certainly, no one would wish traumatic events on someone else. There seem to be two critical implications for organizations to consider: (1) people can learn incredibly significant lessons from traumatic events, and (2) people may need considerable

[15] McCall and Lombardo, 1983.

help and support during them. These implications translate into three specific actions an organization can take to help people get through traumas and learn something from them.

First, the organization can try to create a climate in which people aren't automatically blacklisted as result of disasters in their lives. We have encountered cultures in which it is assumed "that an executive who can't manage his personal life can't manage a business." Things like divorces or delinquent kids are, in some places, career threatening. We hope that the evidence of growth from trauma is sufficient to dispel such organizational reactions. The last thing a person facing a traumatic situation needs is the additional fear that his/her job is on the line as well. It is useful to remember that disaster can strike anyone.

Second, an organization that cares about its people will help them in times of crisis. Recognizing that individuals react differently to traumatic events, the best strategy appears to be making resources available to help people through the hard times. For some people, availability of counseling, financial help, time off, etc., may make all the difference. For others, the key may lie in continuing their work, or even in additional work challenge as a way of getting back in control. Organizational flexibility, not paternalism or pretending nothing has happened, seems essential.

This brings us to the third aspect, the role of the immediate boss. There is no reason to believe that bosses are any more comfortable than the rest of us in dealing with people undergoing a traumatic life event. Yet in terms of implementing an organizational response, the boss is the primary figure. This suggests that managers should receive some training in helping their people deal with trauma and in helping find the resources they need to cope. It is as important for the boss to have access to professional guidance as it is for the person involved.

The long and short of it is that terrible things can happen to people. How they handle these events and what they learn from them is largely up to the individuals. But organizations can play a role in helping people through tough times, and it is in their own interest to do whatever possible to help talented employees get through terrible situations.

Experiences with Breaking a Rut

Breaking a Rut is a major shift, but not one initiated by the "pull" of a new career. It is precipitated by the push of discontent and accompanied by high risk. Notably, these risky career shifts did not fail; they were, in retrospect, for the best.

What They Are. Breaking a Rut events were total career changes prompted by intolerable job situations. Often, the move was made at a time when other circumstances made it even scarier--"my wife was pregnant, we'd just bought a new house . . ." Even though the change was made at the manager's initiative, there was no way at the time of the decision to know if it would work out.

Strategic Uses of Breaking a Rut. There is not much an organization can do to control these extremely personal decisions. In spite of the learning that can result from a career change, the organization hardly benefits when a high-potential manager quits. One way to look at rut-breaking is to view it as an extension of a Demotion/Missed Promotion/Lousy Job: instead of bouncing back, the manager bounces out. Thus, the main implication is to prevent the discontent that leads to turnover of desirable people, and to provide opportunities for talented people to switch careers within the organization. Leading sources of discontent are intolerable bosses, lack of challenge in a job, lateral and downward moves, lack of authority or responsibility.

Nearly all lessons about controlling one's own career came from successfully broken ruts. This suggests that organizations might do more to make managers aware of their own responsibility for their careers. It's one thing to make opportunities available, but quite another to get people to take them. Once again, candid career counselling can make all the difference in explaining why a certain move might be useful or why a possibility is an opportunity to be taken seriously.

What to Look For. It takes courage to change, and people who do it successfully sometimes find what they want to do. They may also learn to be more proactive in their own career choices. Perhaps the important place to look is at the situation prior to the jump: not only the nature of the discontent, but what the person tried to do to deal with it. Sometimes running away, even if courageous, indicates an inability to handle problems head on.

Once the break is made, of course, a central issue is how the person adapts to the new career, how effectively he or she gets on top of the new content and establishes new relationships.

Over the course of a career, numerous career shifts may not be a good sign. Research indicates that knowledge of the business accumulated over time is a factor in executive success and that many effective executives spent a substantial part of their career mastering a specific function or profession.[16] A person who has totally switched careers several times might not have the necessary depth in any of them.

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[16] Kotter, 1982.

DRASTIC MEASURES

In our original framework, Demotions/Missed Promotions/Lousy Jobs were clustered with the other Hardships. From a developmental point of view, however, these kinds of experience are within the control of the corporation, whereas the other four experiences are not. It becomes a strategic issue, then, whether and how the corporation wants to use punishment in its developmental repertoire.

Demotions/Missed Promotions/Lousy Jobs

Career setbacks are stunning surprises, heavily laced with embarrassment (if not downright humiliation). Typically, the set back manager has been quite successful and, even if a problem has been mentioned before, the disciplinary action comes as a shock. The real issue here is how a manager deals with the setback, which in turn depends upon the manager's willingness to accept at least some responsibility for his/her fate.

Many of the setbacks were, in fact, punishments. But many others were the result of circumstance (a random shuffling in the chaos of a merger or reorganization) or were actually developmental assignments that no one bothered to explain as such. Regardless of organizational motive, the manager saw the action as a slap in the face.

Strategic Uses of Demotions/Missed Promotions/Lousy Jobs. Because of their potency, deliberate use of setbacks can be a risky business. What may be intended as a slap on the wrist could cause a high-potential manager to quit outright or to turn cynical toward the organization. On the other hand, a setback accompanied by detailed feedback may teach lessons that could enhance potential for the future. We, therefore, suggest a conservative strategy. The manager should be given detailed feedback first, in hopes that a warning (or two) will result in the desired change. If this has no effect, and <u>if the flaw is a serious one</u>, then a setback accompanied by feedback may be a last resort. Missed Promotions and Lousy Jobs are milder than Demotions, but the psychological impact is strong regardless.

Some organizations cushion setbacks by incorporating them into the culture. Being exiled to a Lousy Job for a period of time is viewed as being put in "the penalty box" rather than banished forever. Still a harsh remedy, temporary exile that is acknowledged as such, and accompanied by specific feedback, can be a potent agent of behavioral change.

One of the serious dangers is that what a manager perceives as a setback is not intended to be one, for example when a lateral or (perceived) downward move is made for developmental reasons. It is very important at such times to explain the circumstances to the manager (as simple as that sounds, it's amazing how often it isn't done). The same is true if someone else is promoted to a slot a manager covets--if the reasons a manager missed out are not intended as a message, they should be clarified. Because the lessons from a set back can be cynical, it's important that organizations be sensitive to inadvertent messages it sends.

<u>What to Look For</u>. When a setback is intentional, the obvious goal is to see a manager change his/her behavior in the desired direction. After "serving time" in the penalty box, the slate is clean and things return to normal. But the lessons from setbacks can be cynical or negatively political. When this happens, the manager may have a serious negative effect on the organization and further action may be required. It is a matter of judgment, because the first reaction to a setback is frequently bitterness or anger. After a period of time to work this through, though, there should be a recognition of the problem and

an attempt to change. Thus, the main thing to look for is emergence from depression or bitterness into positive action to improve.

AWAY FROM THE JOB

Two experiences are, to varying degrees, separate from on-the-job activities. Coursework is a frequently reported developmental event, and it includes formal education programs and managerial training. This will be of particular interest to those responsible for managerial training and educational programs.

The second experience, "Purely Personal," is even further removed from the job. This category contains a diverse array of off-the-job experiences, including holding political office, community service, religious experiences, and other personal events.

Experiences with Coursework

Courses that made a big difference usually weren't routine: they weren't in the normal, straight-through educational process (undergraduate and graduate work done contiguously); from the individual's perspective they weren't run-of-the-mill regular courses; they weren't unconnected from work or career relevant issues.

When coursework made a big difference, it dealt with a relevant and important issue and occured at a good time for the manager. Ironically, the major outcome was not the content, but the confidence engendered by the experience. This took several forms:

* Self-confidence resulting from being chosen for a plum--an exclusive or high prestige course (e.g., Harvard, Sloan, etc.).

* Confidence from discovering that one knew more about some area than one thought (e.g., a manager who learned finance on the job and discovered that he/she knew what the course covered).
* Confidence from discovering that the manager was as capable as managers from other firms who also attended the course.

The content itself made the biggest difference when the manager needed it at once back on the job. For example, one manager took a course in organizational design while assigned to a task force to redesign the corporation. Another attended a workshop on stress during a particularly stressful time.

While the kinds of courses that mattered included both internal and external programs, advanced management programs at "big-name" schools were common: Harvard, Dartmouth, MIT, and Wharton in particular.

Strategic Uses of Coursework. Clearly, the highest impact occurred when a course came later in a career (after some managerial experience and success), involved other capable managers who also were successful, and dealt with issues relevant to the job. In a sense, timing and colleagues were everything. This does not mean that other kinds of courses have no value, but it does suggest that some common practices may have less impact for high-potential managers. Among them:

1. Lock-step course sequences for all managers at a given stage (e.g., middle management entree).
2. Courses with no prestige factor (highly heterogeneous mixes of talent and success among participants).
3. Courses whose content has little connection with the work the manager is doing (e.g., abstractions like managerial style or content

unrelated to the job, or general models that hold little specific utility).

4. Courses whose instructors lack credibility--whose experience or capability is inferior to that of the manager.
5. Remedial or forced courses, where a manager has to attend against his/her own desires or needs.

Like other experiences that make a difference, high impact courses have an element of a test. Am I as good as executives from a renowned company? Do I know as much about "x" as the experts (where "x" might be marketing or finance or global competition)? Can I handle the intellectual demands of a Harvard? Can I deal with a full-time job, school, and family all at the same time?

Of course, as executives ascend and their responsibilities grow, finding time and inclination to invest in courses becomes more difficult. One strategy is to couple such experiences with staff or project assignments, where a manager will need course content to achieve the goals of the assignment. Another strategy is to design and schedule courses to coincide with difficult transitions, for example when taking charge of a general manager job for the first time (a la Gabarro's work).

What to Look For. The theme of Coursework learning was confidence, and that's what should be expected. At their best, courses provide insight into strengths and areas in which a manager might improve or try new things. So look for increased self-confidence coupled with experimentation: trying something different on return. A little like learning from Role Models, the issue is not straight transfer of learning. The manager needs to pick and choose from the content platter, then modify to fit with his/her own style and issues. A manager who totally rejects the course, or who attempts to apply it lock, stock, and barrel, is raising a red flag.

Purely Personal Events

The emphasis in our research has been on on-the-job experiences, but it is simply not true that the work place is the sole source of development. Life offers many choices and opportunities, and other research has demonstrated that executive development is a life-long proposition. Personal events, outside of the organization, shaped many of the executives. While the specific events ran the gamut--from athletics to politics, from early family life to running volunteer organizations, from private inspiration to military leadership--the developmentally significant personal events shared the same characteristics as job-related ones: diversity, working with other people, getting a job done in the face of obstacles.

Strategic Uses of Purely Personal Events. Because these experiences occur away from the work place, there is little the organization can do to shape them. Some organizations have a norm of community involvement, others simply allow people time to get involved, and still others actively discourage it. The last would appear a self-defeating stance, since the lessons of experience may be found outside as well as inside the organization.

Our personal view is philosophical, rather than research-based. A managerial career is extremely demanding, and one of the dangers of immersion is a resulting narrowness. We believe that exposure and involvement outside of the organization plays an important part in helping an individual gain perspective, especially on him/herself as an individual. The lessons taken from such experiences reflect these perspectives, including confidence in one's self, formation of basic values, and understanding of the perspectives of others.

What to Look For. There is some research indicating that success in leadership roles in school is related to later successes on the job. Perhaps the major implication of Purely Personal events lies in recognizing that activities away from the job can be developmental and can provide important perspective. However, the organization's intervention in or manipulation of experience outside of work raises important ethical questions. Perhaps the domain of Purely Personal events should remain exactly that. The organization stands to gain from encouraging and supporting its people's involvement outside of work, but attempting to force or manipulate it is another matter entirely.

POSTSCRIPT

Because it is a handbook and not a paper, this guide has no integrating conclusion. Development of executive talent is an inexact science at best, and one with no guarantees. Experience can be the best teacher, but knowing what experiences might teach what things is not enough by itself. Such limited knowledge begs the question of how to help an individual learn what could be learned from a particular experience, or how to select individuals who have a higher probability of learning from an experience, or how to sequence experiences so that learning will accumulate progressively. How do you know if a person is "ready" for a particular experience? How do you keep from throwing people in over their heads? What do you do when someone fails?

The only way to find answers to questions such as these is to know a lot about the person in question. Ultimately, development has to be driven by the person developing, not by someone else. Perhaps the most useful thing we can do is to focus our efforts on empowering talented people to take charge of their own development, then provide them with the opportunities and resources to do so.

In a sense, of course, this is an even more challenging task. It means working at the organizational level to create and enhance learning opportunities. That might mean holding on to small businesses so that younger managers can be in charge, or keeping a pot of money around to support start-ups, or overcoming resistance to make movement across boundaries possible. It could mean designing substitutes for direct experience when certain job opportunities don't exist, for instance through innovative use of training.

While such activities are challenging, the greatest challenges may lie in figuring out ways to help people learn, or learn more, from the experiences they have. What can you do to prepare people for the next assignment--as a learning event? The answers aren't at all obvious, but at least we may be asking the right questions.

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