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Becoming a Leader: Early Career Challenges Faced by MBA Graduates

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Leadership development is often cited as an important organizational priority. Despite the criticisms of MBA education, MBA graduates represent one important source of future leaders. Although we have amassed significant knowledge about the roles and functions of senior leaders, we know far less about the challenges faced by younger ones. Indeed, Linda Hill's seminal work on new managers is predicated on the study of only 19 recently promoted sales managers from two companies (Hill, 1992). Our work here investigates the early career challenges of 55 young leaders who had graduated from an MBA program in the past decade. Based on in-depth interviews, we identified three types of transition that these young leaders described as particularly important to their development, and the four most common challenges they struggled with throughout these transitions. The process of working through these challenges led many of these young leaders to fundamentally change the way they thought about and practiced leadership, thereby facilitating their evolution from individual contributor to experienced leader. Drawing on these observations, we provide suggestions for how MBA programs can be modified to help students prepare for the experiences they will likely have to navigate early in their careers.

> "In content and pedagogy, the education many business schools provide does little to prepare managers for their day-to-day realities (Porter & McKibbin, 1988: 258)."

> "Business schools appear to be producing MBA graduates ill-equipped for the challenges of the real world (Chia & Holt, 2008: 471)."

In their well-known evaluation of the state of business schools, Porter and McKibbin (1988) lamented the fact that business schools, in their quest for rigor, had lost their relevance. In the two decades since, little seems to have changed. Critics still charge business schools with being largely irrelevant to leadership and the practice of management (e.g., Bennis & O'Toole, 2005; Ghoshal, 2005; Pfeffer & Fong, 2004). Mintzberg (2004) has put it most pungently, claiming that we are teaching the wrong material with the wrong methods to the wrong students.

If these claims are true, why have business schools failed so abysmally? Critics have identified a number of potential reasons, one of which is that recent MBA graduates lack the skills necessary to effectively manage people. Conger (2004) argues that academic models of leadership typically adopt a one-size-fits-all approach rather than acknowledging that leadership requirements may vary across levels and circumstances. Compounding this, MBA programs typically concentrate on the skills needed by general managers but largely ignore or are ignorant of those needed by their graduates to succeed in their early careers. Indeed, in a symposium on leadership development, Steve Kerr, a scholar-practitioner, observed that "[t]he developmental needs of 'early' employees are usually not well known" (Kerr, 2004: 120).

The primary mission of business schools is to prepare people to practice their skills in the business world. Unfortunately, many academics do a poor job of developing and organizing new knowledge in a way that can be useful to practicing managers. Instead of teaching what the students need, we often teach what we know—our disciplinary expertise (Tushman & O'Reilly, 2007). An unanswered question is do we know what our students need to know? In their critique of MBA education, Pfeffer and Fong (2002) suggest that business school faculty need to do three things to improve the relevance of MBA education: be more problem or phenomenon focused, listen more to our subjects, and be concerned with applicability as well as theory.

Managers clearly would benefit most if these developmentally challenging experiences occurred earlier in their careers rather than later.

To address this problem, several prominent researchers in leadership development have suggested straightforward solutions. Hill (1992), for example, suggests that "[m]anagement training should focus on what it means to be and what it feels like to be a manager" (249). McCall (2010) argues that development efforts should "focus not on attributes of the leaders we might call effective leaders, but on the experiences that teach lessons that might, over time, produce effective leaders" (681). These suggestions all argue for a greater understanding of the real challenges faced by younger leaders as opposed to the current preoccupation with theoretical and analytic skills. Hackman and Wageman (2007) note that we need a better understanding of both *what* should be taught as well as *how* leaders can be helped to learn.

Leadership Development

There can be little doubt that leadership development is an important topic. A Google search on leadership reveals 141 million hits. Friga, Bettis, and Sullivan (2003) report that corporations spend more than $2.2 trillion on education and training. Hannah and Avolio (2010) estimate that $10 billion is spent on leadership development alone. Mintzberg (2004) notes that the United States produces more than 130,000 MBA graduates annually and that in 1998, 42% of the *Fortune*-100 CEOs had MBA degrees. Pfeffer and Fong (2002) even point out that management and management skills have been identified as a core competence for economic prosperity.

Yet, evidence for the failures in leadership abound. Several books have documented the failure of large firms and attributed these to failures in leadership (e.g., Carroll & Mui, 2008; Finkelstein, 2003). McCall (2010) observes that "[c]onsidering the damage done by lousy leadership, and the possibilities for good in extraordinary leadership, it seems obvious that it is important, indeed crucial, to invest in developing leadership talent" (705). In a study of managerial derailment within one company, Lombardo, Ruderman, and McCauley (1988) estimated the cost of a single failed manager at $500,000. Even the American public seems to regard leadership as lacking in the United States. A 2005 Yankelovich study using interviews with more than 1,300 people reported that 73% believed that leaders were out of touch with the average person and only 27% were the "best and the brightest."

Leadership is an individual capability. It is about what you do, how you think, and who you are. The acquisition of these skills may be partly dispositional, but much comes through learning and experience. From this perspective, improvements in leadership development could be well served by better understanding what aspects of "doing" leaders struggle with and why. Understanding the early "doing" challenges will likely produce significant insight into the other aspects of leadership as well.

MBA Programs—Problem or Solution?

Although academics love to debate whether leaders are born or made, the evidence is quite clear: "It is not a matter of whether leaders are born or made. They are born and made" (Conger, 2004: 136). Avolio, Rotundo, and Walumbwa (2009) estimate that 30% of leadership is heritable, while 70% is developed. These estimates are consistent with the finding that successful performance in most domains can be attributed to experience, practice, and coaching rather than innate talent (Gladwell, 2008). Other evidence suggests that there can be significant positive returns to the investment in leadership development (Avolio, Avey, & Quisenberry, 2010).

However, to be effective, leadership development should start early in a person's career and, as McCall (2004) notes, "pay special attention to crucial transition points" (128). One such transition occurs as students move from MBA programs into jobs that require them to manage others.

If we want our graduates to flourish, it is imperative that we help them acquire the skills, abilities, attitudes, and knowledge required to do so. But do we know what it is that our students need to know? Wren, Halbesleben, and Buckley (2007), in a study of 525 members of the Academy of Management, argue that academics in business schools don't always see their jobs as developing and organizing new knowledge in a way that it can be useful to practicing managers. Chia and Holt (2008: 471) illustrate how a preference for abstract causal explanation over practical knowledge has led to detached contemplation rather than involved action when it comes to business school teaching. Indeed, in a survey of the curricula of top-rated business schools, Navarro (2008) found a lack of emphasis on the integration and experiential components needed to develop leaders.

Many authors agree that beginning to develop leader-managers early in their careers is important. McCall (2004) observes that most organizations begin executive development processes at very senior levels, but to be truly effective he suggests that leadership development should begin much earlier. Hill (1992) also notes that "[t]here can be significant benefits to intensive education for younger managers" (2). Although many scholars have observed that experience, rather than formal training, may be the best way to develop leaders, educational training that replicates developmentally challenging experiences can enhance leadership skills by motivating people to think critically about the situation, teaching them to analyze underlying causes and consequences of problems, and enabling them to develop new ways of dealing with others (DeRue & Wellman, 2009). Managers clearly would benefit most if these developmentally challenging experiences occurred earlier in their careers rather than later.

We expect that educational experiences could be especially impactful if the form and content of what is being taught reflects the specific requirements of the leadership audience's near-term needs. Thus, in teaching leadership to MBAs, that we design experiences to reflect the actual challenges our students will face early on is critical, in addition to more abstract theories. When designing development efforts, the ideal is to present the right challenges at the right time to people who are motivated to learn such that they are prepared to extract all that their subsequent experiences have to offer. This requires that we have a good understanding of the specific situations and challenges that young managers typically face.

The First-Time Manager

In her book *Becoming a Manager* (1992) Linda Hill followed 19 first-time managers for a year and documented the challenges they encountered. She characterized the challenge of becoming a manager as one of a transformation in identity, which also challenged new managers to develop new skills—skills which their previous experiences had not prepared them for. Because the nature and significance of this transformation required not only learning new skills but also changes in attitude and self-awareness, Hill surmises much of the emphasis on imparting managerial knowledge through classroom learning may be misplaced—the education many business schools provide may do little to prepare managers for their day-to-day realities. To address this misalignment, Hill advocates training that emphasizes the specific challenges faced by new managers with a focus on what it means to be and feel like a new manager.

But what are the specific challenges faced by recent MBA graduates? Hill's study focused on 19 first-line sales managers from two firms—10 branch managers in a securities firm (average age 36) and 9 sales managers in a computer company (average age 30). Whether any were MBAs or how their experiences might generalize to the roles and responsibilities of recent business school graduates in other firms or industries is unclear. Would the specific challenges be the same? We set out to extend Hill's work by focusing directly on the experiences of new managers who have graduated from an MBA program.

METHODS

Study Design

To identify specific leadership challenges faced by MBA graduates early in their careers, we gathered data from managers across a variety of organizations. Our goal was to understand the experience of recently minted MBAs—from their perspectives—with a focus on the types of situations they found most difficult to navigate. Specifically, we wanted to know: (1) Were there particular experiences that MBA graduates frequently fumbled or struggled with? (2) if so, what was it about these situations that they found particularly difficult or surprising? and (3) what insights or lessons, if any, could be learned from these experiences? Because we wanted to understand the world from the eyes of those who lived it, we relied on key informant interviews as described by Gilchrest (1992). *Key informant interviewing* is an ethnographic approach used across a variety of disciplines including anthropology, medical sociology, and education. It is sometimes described as "research listening" (Miller & Crabtree, 1992) because the goal is not to test a set of specific hypotheses, but to discover a sense of reality that is shared by a given group or constituency. The difference in orientation is important to note because researchers using key informant interviews seek to learn *from* people and understand their informants' interpretation of events rather than studying people and forming interpretations of their own (Spradley, 1979). This approach allows for the discovery of phenomena that might not have been considered otherwise, in addition to new ways of conceptualizing and analyzing problems of interest.

Sample Selection

Key informants are individuals who possess special knowledge or status; who are willing to share their knowledge; and who have access to perspectives, experiences, or observations that are not directly available to the researcher (Goetz & LeCompte, 1984). In addition, Gilchrest (1992) points out that key informants differ from other informants in the nature of their relationship to the researcher. In many cases, the relationship may be one of longer duration, it may span different settings, and it may be more intimate or familiar. Notably, key informants are not selected randomly. Random sampling is based on the assumption that the phenomenon under study is represented equally across the population—in this case, graduates of MBA programs. We make no assumption that the knowledge or perspective we are seeking—perceived challenges experienced by early-career managers—and the ability to share these challenges, is equally distributed among the population of MBA graduates. Our intention was to learn as much as possible about the situations described most frequently as difficult or hazardous to a novice manager's career.

With these considerations in mind, we wanted to interview a set of informants who would have unique insight into the types of leadership challenges that MBA graduates pursuing a managerial career are likely to struggle with early on. To generate our sample, we obtained a listing of all students who had graduated from the MBA program of a top-ranked U.S. business school between the years of 1997 and 2006. The listing included each subject's date of graduation, current organizational affiliation, their title, the city within which they worked, and relevant contact information. The data set was sorted by graduation date and organization, allowing us to compare graduates on the basis of their career progression within and across comparable companies.

Consistent with ethnographic methods, our sampling aimed to yield a reasonable number of informants who could provide a representative picture of the types of leadership challenges experienced by the population of MBA graduates pursuing a management career. The sampling was purposeful and strategic, guided by our theoretically formed judgments (Johnson, 1990). Because we were explicitly interested in the challenges associated with managing others, we excluded from the sampling pool graduates working for organizations with a partnership governance structure (i.e., management consulting, private equity, venture capital, and investment banking). Although interesting in their own right, we were concerned that the career paths, election processes, and equity requirements in these firms could introduce unique variation that might not generalize to firms with more traditional corporate governance structures. We also dropped from our sample those who were clearly not in management roles (e.g., technical specialists, such as analysts, buyers, staff engineers, etc.).

For each graduating class we identified graduates whose current job title suggested that they held a role with significant managerial responsibility. We reasoned that individuals who had advanced to more senior positions during a given period, or who had founded and led their own organizations, were likely to have had a broader range of experiences. In addition, Fetterman (1989) and others have recommended that key informants, ideally, should be individuals who are articulate, thoroughly enculturated, and currently active within the domain-of-interest, in this case management. Our previous discussions with more experienced leaders suggested that individuals occupying more senior roles were no less likely to encounter significant leadership challenges on their way up. Rather, they were simply more likely to have learned from the challenges they experienced (McCall, 2010). Ultimately our interviews appeared to support this claim: We discovered that despite their apparent success, many of our informants had experienced significant setbacks at some point during the first 5–10 years of their careers. Last, we aimed to select informants representatively across industry and cohort (i.e., number of years since graduation).

To the extent young managers were able to figure out which assumptions and behaviors to leave behind and which new ones to incorporate into their evolving repertoire, they accomplished the learning necessary for making important transitions in their leadership.

We sent e-mail invitations to 62 graduates, inviting these former students to take part in a 60–90 minute interview as part of our "Young Leaders" study. Fifty-five of the 62 graduates agreed to participate. One declined our request and six failed to respond to the invitation, possibly due to outdated contact information. Figure 1 reports the distribution of respondents by class year, gender, and company size. The sample reflects a representative distribution of graduates by gender, with a slight oversampling of those who had graduated 4–6 years prior to the study to ensure that we identified challenges associated with newer managers.

Interviews

Once a graduate-informant agreed to be interviewed, we sent a list of discussion topics to review prior to the conversation. We conducted interviews in person at the informant's workplace, at a convenient location nearby, or by telephone when the participant's schedule or location made meeting in person prohibitive. Phone interviews typically lasted 60–75 minutes and in-person interviews typically lasted 90 minutes, although a few ran as long as 2 hours. A single interviewer—one of the coauthors—conducted all interviews to maintain consistency.

Because our goal was to uncover patterns and generate new insight, we began each discussion with some broad, open-ended questions that allowed the informant to set the stage for the rest of the discussion (Gilchrest, 1992; Spradley, 1979). After describing the career path since graduating and the scope of current responsibilities, each informant was asked to recount the most challenging leadership issues faced in their career to date. These questions focused the discussion on the specific situations, management dilemmas, and personal issues that these early-career leaders found as most challenging, surprising, or difficult. We asked our informants to describe each situation in-depth and to articulate what made the issue particularly difficult. We also asked how their business education had either prepared or failed to prepare them to handle the challenges.

Last, we asked what, if anything, our informants had taken away from their experiences—what had they learned or changed? We did not assume that the informants had learned anything from the experiences they described or that any of their takeaways were necessarily the "right" lessons. They were merely an accurate rendering of the managers' perceptions as they had experienced a given challenge. Once we exhausted our discussion of the first issue, we asked informants to recount others, repeating the process until the individuals could recall no additional examples or until we ran out of time.

After each interview, the interviewer transcribed the discussion, creating a detailed set of interview notes. These notes included descriptions of the informants' career histories, their characterization of the most challenging experiences they had faced since business school, the context in which these experiences occurred, what actions they took, and any reported learning. In many cases, participants described their learning in terms of how their leadership views had changed and what they would do differently if the situation occurred today. When relevant, direct quotes were included in the interview notes, capturing the participants' experiences in their own words.

After all the interviews were completed, we independently reviewed the transcribed notes to identify and group the challenges and discover themes that emerged from the data. We iterated back and forth to compare interpretations, discuss thematic categories, and resolve any differences in coding or conclusions (Glaser & Strauss, 1967). This coding process yielded approximately 125 separate descriptions of incidents or problems.

As the final part of our study, we contacted 15 of the graduate-managers whose transitions, challenges, and learning appeared to be most representative or informative of the full sample. We conducted two additional interviews with each participant, exploring and documenting in greater

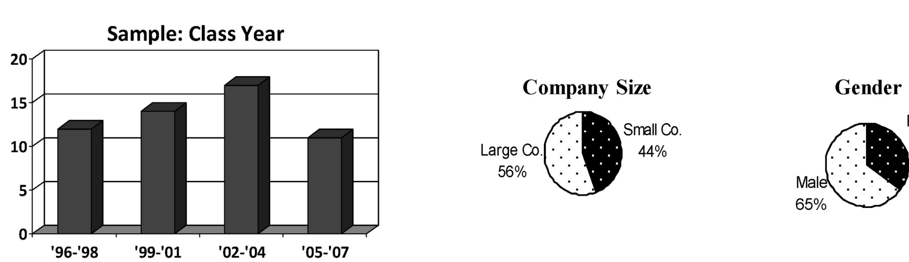

FIGURE 1
Sample Characteristics

depth the leadership issues they described. The second interview was videotaped and used to produce a series of leadership video vignettes that we created for teaching purposes.

THREE TYPES OF TRANSITION

The first goal of our study was to identify the situations that MBA graduates struggled with early in their careers. The logic driving our investigation was simple: If leadership learning is cumulative, as some research suggests (Charan, Drotter, & Noel, 2001; McCall et al., 1988), then it is important to understand what leaders must learn early in their development if they are to progress and perform well in more senior roles. To the extent that developing managers struggle early on or fail to learn the right lessons from their experiences, they are less likely to establish the foundation needed to navigate and learn from even more demanding experiences later (McCall, 2010). Moreover, should they handle the learning process poorly, the initial impressions they make on others may have strong and lasting effects, which could easily limit or slow their access to subsequent opportunities (Willis & Todorov, 2006). As we tried to characterize the situations and challenges described by our key informants, it became evident that most involved change and transition. In almost all cases, the informants described struggling with something they had not encountered before, usually a new set of circumstances that required them to tackle multiple challenges all at once. Often these challenges included rethinking (and letting go of) old assumptions, developing new skills and attitudes, negotiating new relationships, renegotiating existing ones, and most difficult of all, changing their behavior and self-concept. As McCall (2010) has pointed out, "When situations change dramatically, as is the case when a person is given an assignment that is quite different from what he or she has done before, either development or derailment may result" (701).

Previous research on careers and leadership development has demonstrated that transitions are critical periods for learning and development and can be a defining element in managerial success or failure (e.g., Ibarra, 2003; Nicholson & West, 1988). When things go well, individuals move from one level of mastery to the next. For example, Hill's seminal study of first-time managers showed that the transition from individual contributor to manager was a time when individuals began developing "not only managerial knowledge and skills, but also managerial interests and a managerial temperament" (Hill, 1992: 159). That said, there is no guarantee that the right learning—or any learning, for that matter—will occur simply because managers encounter a transitional moment. The situational and psychological demands of transition can be quite taxing and, if experienced as too stressful, may preclude some individuals from expending the cognitive energy needed to adapt their existing routines. Indeed, research by DeRue and Wellman (2009) suggests that leadership skill development begins to diminish when experiences move beyond an optimal level of difficulty, when there is little access to feedback, or when an individual lacks the necessary learning orientation.

The extent to which a young leader successfully navigated the leadership transitions described in our study depended on their ability to learn from the challenges brought about by a change in their immediate context—for example, a job change or changes in important relationships. As we listened to our informants' accounts, we came to realize that the experiences they described weren't just about *managing* transitions, they, in fact, *created* transitions.

There is an important distinction here that is worth clarifying, namely, the difference between change and transition. Bridges (2004) observes that *change* is situational, whereas *transition* is psychological. The circumstances that create a new situation—for example, a promotion, changing business conditions, or differences with a boss—represent change. Transition, by contrast, is the process by which individuals work through, learn, and come to terms with the new challenges and conditions that change creates. The emerging leaders in our study had to contend with changes that presented specific challenges, which in turn, forced them to reexamine some of their most fundamental assumptions, working models, and practices. In short, they were forced to reevaluate and often adjust the very things that had made them successful to date. To the extent young managers were able to figure out which assumptions and behaviors to leave behind and which new ones to incorporate into their evolving repertoire, they accomplished the learning necessary for making important transitions in their leadership. If they did not, they would continue to struggle with the same challenges until they ultimately mastered the appropriate learning or derailed.

As we analyzed our data, we were able to group the transitions described by our informants into three broad categories. Each category was (1) triggered by a particular change in context, (2) had the potential to instill a specific type of learning, and (3) could be characterized by a single dominant question (Table 1).

TABLE 1
Early Career Transitions

	Role Transitions	Business Transitions	Personal Transitions
Type of instigating change	Change in Role	Change in business/stage in organizational life cycle	Situation creating values conflict
Incidents identified by informants	• From individual contributor to first-time manager • Taking responsibility for team performance • Managing other managers • Managing transitions in function or scope	• Launching a new initiative or business • Managing growth • Turning around a group or business • Taking a team/business to the next level	• Managing strategic differences with a boss • Navigating and correcting ethically questionable practices • Blending work, life, and family • Dealing with professional setbacks
Learning	Role Requirements *"What does it mean to be a leader in this new role?"*	New Strategies and Tactics *"How can I get things done in a different business context?"*	Judgment and Integrity *"How do I stay true to myself?"*

The first category was *role transitions*. As the name suggests, these were transitions that occurred after a manager took on a new role. The specific role transitions described by our informants involved the move from individual contributor to first-time manager; from managing a few individuals to being accountable for a team; from managing teams to managing other managers; and, from leading one functional domain to leading a different function or much broader business unit. Through these transitions, emerging leaders learned how to lead new and different types of people and how to shift priorities as they assumed responsibility for larger, more complex units. Surprisingly, new role requirements were rarely spelled out for early-career managers. Although they often discussed the business objectives of a new role with their superiors, and they generally understood that the parameters of a new position would be different (e.g., more people, different people, and different objectives), they were not usually prepared for how their leadership would have to change to address these differences. They had to learn through trial and error about new demands, expectations, and ways of working. And, through this trial and error, they sometimes discovered that their previous leadership practices were not only insufficient to the demands of their new role, but also capable of producing unintended consequences that made the new job even more difficult. Ultimately, the fundamental question that characterized the transition around role change was "What does it mean to be a leader in this new role?"

Business transitions—more specifically, being responsible for leading a significant change in the business—were the second type of transition that our informants struggled with. As with role change, leading a significant business change challenged implicit assumptions and rendered previous leadership tactics insufficient for dealing with new demands. The difficulties that managers experience when leading during times of organizational change has been described by Greiner (1998) and others who have studied the organizational life cycle. This research suggests that transitions between an organization's developmental phases rarely go smoothly due to an inevitable paradox: The very leadership styles and practices that help organizations thrive during one evolutionary stage become entirely unsuitable for sustaining them into the next. Consistent with our informants' accounts, Greiner observed that this paradox often "haunts and confuses the managerial psyche," as leaders struggle to understand how the practices they used successfully at one point "eventually sow the seeds of their own decay" (Greiner, 1998: 5, 8).

Business transitions appeared to be less about role and more about context. Consistent with the task-related characteristics of developmental jobs described by McCauley, Ruderman, Ohlott, and Morrow (1994), these transitions were triggered by challenges that emerged because of changing business conditions. In some cases, our informant-managers remained in the same role, but the business around them changed significantly. These situations often involved managing growth. In other cases, managers kept their role but were asked to head up new organizational initiatives designed to fend off stagnation and enhance a company's competitiveness. Last, some managers were placed in new roles specifically to lead a business transition, for example, a turnaround effort. These leadership transitions could be especially difficult because they challenged relatively inexperienced managers to master new role requirements while simultaneously requiring them to figure out how to lead strategic changes or organizational transformation efforts. The fundamental question characterizing this type of transition was "How can I get things done in a very different business context?"

We labeled our third category *personal transitions*. These involved personal conflicts that often put a developing leader's values to the test. The fundamental question characterizing personal transitions was "How do I stay true to myself in the face of competing values?" Personal transitions were often triggered by situations that required young managers to work their way through delicate issues such as managing strategic differences with a boss, dealing with ethically questionable practices, or balancing the demands of work- and family-life. These transitions also sometimes occurred in the wake of major mistakes or setbacks that forced young leaders to acknowledge limitations and carefully evaluate what was most important to them.

Personal transitions were often very emotionally charged. In fact, several young leaders in our study chose to leave their jobs rather than deal with the emotional tensions surrounding a given situation. Unlike those who worked through the challenges more effectively, managers who decided to leave their jobs typically believed there was nothing they could do to resolve the situation—they saw themselves as essentially powerless. Unfortunately, leaving the situation tended to slow their learning. It allowed them to avoid self-examination and sidestep issues they found particularly upsetting. In contrast, when young managers chose to work through these values dilemmas or other emotionally charged situations, the learning appeared to be quite significant. Emerging leaders began to realize that managing values conflicts was not a one-time occurrence, but rather an inevitable and fundamental part of being a leader.

FOUR CHALLENGES

To better equip graduates for these key transitions, we wanted to identify and understand the specific challenges they struggled with. A review and parsing of the more than 125 incidents generated by the 55 interviews suggested a host of challenges that confronted these managers early in their careers. Based on our coding and review, we identified four main themes or types of problems reported across a majority of respondents (see Table 2). These four types could be further organized into two broad categories: (1) Challenges associated with managing others, and (2) Challenges associated with

TABLE 2
Four Common Leadership Challenges

Managing Others

1. Managing and motivating subordinates
   - Understanding others with different values and motives
   - Appreciating the importance of B and C players—not just A players
   - Listening to others rather than problem solving
   - Establishing credibility—especially when others have more experience
   - Being clear about what your value added is as a manager
   - Dealing with poor performers and problem employees
   - Setting clear expectations
2. Managing relationships with peers and bosses
   - Recognizing the importance of relationships—process and content
   - An inability to resolve differences with a boss
   - The importance of understanding others' priorities—not just your own
   - Balancing competition and cooperation among peers
   - Being right versus being effective—appreciating that peer conflicts taint all involved, regardless of who is "right"

Managing the Self

3. Developing a leadership mind-set
   - Understanding that individual skill and effort are no longer what makes you successful
   - Looking to solve problems—not simply identifying them
   - Developing others
   - Being intentional
   - Deriving satisfaction from others' success
4. Coping with setbacks and disappointments
   - Maintaining poise and composure under pressure
   - Understanding how you react to a setback may be more important than the setback itself
   - Being overwhelmed
   - Balancing work and family pressures

managing oneself. Challenges managing others could be further segmented into *difficulties managing and motivating subordinates*, and *difficulties managing relationships with peers and bosses*. Similarly, challenges managing oneself could be divided into *developing a leadership mind-set* and *coping with personal setbacks and disappointments*. Many of the individual challenges did not map neatly onto specific transitions; rather, any one transition might involve challenges from any number of these categories. Our data are too limited to definitively assess whether specific challenges were more prevalent during some transitions than others. Nonetheless, a preliminary review suggests that developing a leadership mind-set and difficulties managing and motivating subordinates were common challenges mentioned when describing role transitions. Similarly, difficulties managing relationships with peers and bosses appeared to be more prevalent when navigating business transitions. Coping with setbacks and disappointments were central to successfully navigating personal transitions.

Managing Others

When asked to describe their most difficult leadership challenges to date, informants typically began by describing issues or problems they experienced in their efforts to manage subordinates. This is understandable because these issues frequently coincided with their very first managerial assignments. In addition, however, many informants also described problems managing difficult relationships with other individuals, namely, their peers or bosses. As such, these challenges required emerging leaders to learn important lessons about managing laterally and upward, as well as downward.

Managing and Motivating Subordinates

The most common theme mentioned in one form or another by almost all informants centered on the challenge of managing and motivating people with different skills and values from themselves. A common tendency of young managers, especially high achievers, is to assume that others share their values and motivations. In her study of new managers, Hill (1992) came to a similar conclusion, noting that young managers often assumed they could use themselves as role models in understanding how to manage their subordinates and, over time, came to realize "how limiting it was to use themselves as models for predicting how others would interpret situations or respond to their actions" (170).

The critical recognition for these new leaders was appreciating that their performance was no longer a function of their own skill and effort but contingent on their ability to unleash the talent of those who worked for them.

Confronted with the reality that not all people shared their levels of motivation and skill, several respondents talked about the challenge of managing "real" people—and the importance of getting the engagement of all employees. As one former Navy SEAL said, "You can't project your level of motivation onto others." An entrepreneur with his own start-up talked about the need to create a "crusade" to motivate his employees, since he could not afford to motivate them with money. Another young leader in the entertainment business described how important it was to not only find the "A players . . . but also about developing the B, C & D players." Acknowledging these differences, many of the informants came to realize:

> No one model works to motivate all people . . . You have to understand each person and their interests . . . My job is to get people not to hit the snooze button on the alarm each morning.

> [Business School] doesn't prepare you to manage a wide swatch of people . . . the most difficult part of my job is the people aspect.

One informant who was failing in his role as a manager lamented:

> Managing people is a headache . . . you have to deal with different personalities, performance reviews, and (all their) problems . . . You feel responsible for their career development and guilty if there aren't opportunities for them.

To succeed, young managers came to appreciate the importance of listening without judgment and demonstrating empathy to build trust. A young divisional manager expressed surprise at the number of personal problems he had to deal with. "The technical aspect is not all that hard . . . my people typically come to me with problems about people." Reflecting this challenge, another young manager in a large financial institution described how he kept an ongoing document with notes about each employee so that he could be more helpful in providing feedback. Often, this feedback was not about problem solving but simply about demonstrating interest and concern: "As a new manager you have to recognize that your direct reports do not always want you to 'fix' or 'solve' their problems. Often, they just want to be heard and understood." The risk, as another observed, was that if a manager was always providing answers for subordinates, they would fail to create a team that felt responsible for results. Instead, the team would always look to the leader for solutions.

But this advice, to listen and be empathetic, also had a downside when it came to dealing with poor performers. Here, too, new managers often struggled. Confronted with a problem employee, young managers often either ignored the issue or became overly involved in trying to help the poor performer. Others unfortunately, often misinterpreted their attention as legitimating the problematic behavior. As the CEO of a start-up noted, "One negative person affects everyone." In her study of new managers, Linda Hill recognized this problem. "When asked to identify what was most stressful about their jobs, most new managers replied without hesitation that it was the problem subordinate" (1992: 133).

With experience, young managers came to realize the importance of dealing with poor performers quickly. Many started to realize that "[i]n almost every case, peers were relieved to see the poor performer go."

> I delayed for 6 months in letting the person go, which was regrettable and tainted the organization. It slowed our growth rate and led to internal politics. Then the person quit with only 7 days notice—which created a hardship for the team.

> Saying "no" and discussing poor performance is a challenge for a lot of [MBA] students because most haven't had setbacks. But, in the real world, 7 out of 10 things go wrong. You must be able to discuss performance issues and expectations without being an [expletive].

The common underlying theme when dealing with people issues again had to do with beliefs and assumptions our informants had drawn from their own past experiences and success. Often, their tendency was to assume that their subordinates held the same motivations and aspirations that they did when, in fact, the subordinates often did not. A variant of this was to assume that subordinates understood and agreed about what they were supposed to accomplish. But young managers frequently discovered that they had failed to adequately clarify expectations at the outset. For instance, one respondent described how he initially treated his subordinates as "partners" (rather than underlings), only to realize that doing so confused people about expectations and, therefore, made it more difficult to call people on poor performance. Another informant echoed this lesson and talked about how she learned that being clear about performance expectations helped her feel "less guilty" when she had to fire people who weren't living up to those expectations. She went on to note that letting go of poor performers was critical because invariably poor performers affected their teams. "It is," she said, "disrespectful to the team *not* to let the poor performer go." Another young manager observed that unless he set clear standards, it was hard for people to hear critical feedback.

In the absence of clear expectations, early-career managers tended to avoid performance issues or tried to solve subordinates' problems themselves. With their analytic skills and strong problem solving capabilities, many MBAs simply forgot about the people aspect: "The people part of my job, it's never top of mind for me . . . I need to consciously think about it." As they developed their managerial capabilities, some informants began to realize that setting clear expectations was only part of the solution; it was also important to articulate a vision that motivated subordinates to pursue expectations by engaging them emotionally. "Employees see past the money," said one. "You need to make people feel like they are invaluable, irreplaceable . . . even though no one really is." A young vice-president in a large financial institution confessed that she was initially uncomfortable with the concept of a vision statement, considering such efforts as too "airy-fairy." But as she experimented with new approaches, she was surprised by how much her employees responded to having a well-articulated vision. "They'd been in the desert and needed some water." In talking about the importance of setting a vision, another informant argued that it was essential for subordinates to see the big picture to get them motivated and excited about their work. In short, a key lesson for many young managers was learning how to express emotion in ways that allowed them to convey passion and create authentic connections with their subordinates.

Relationships With Peers and Bosses

Many of the managers we interviewed described difficult relationships with peers and bosses as another significant challenge. As with the previous theme, working through these challenges often produced significant learning, which, in turn, facilitated the leadership transitions described earlier. Once again, these difficulties often arose because of the propensity to prioritize task-related concerns over relationship-building concerns. Young managers initially had a tendency to apply their own skills and effort to resolving problems rather than undertaking the messier task of involving others. As with the first theme, these were sometimes exacerbated by the assumption that others shared the same goals and motivations as the rookie manager. Over time, however, young managers came to understand that performance in organizations was seldom a matter of individual achievement or even a single group. They began to appreciate that being successful often required coordination and cooperation across unit boundaries.

> I was 2–3 years out of business school and I was used to being in situations where you could get by on intellect and hard, diligent work. I now realize how important social relationships are—if there are relationship building opportunities (i.e., social), you should be there.

> How well you work with peers is important because you need to be able to get things done and accomplish your goals. You don't get anything done by yourself. You have to be able to work with others across functions and divisions to be successful.

> Even if you think you know the answer, you have to bring others along. This is especially critical when you have to reach decisions that cross functional areas. You have to win people over one by one.

One young manager described how in his first role in a business development function he vied aggressively to get visibility with his superiors. As a result, he demonstrated he could do deals and was subsequently promoted to head his unit. But his competitiveness alienated his peers, and three of the five people in his group quit shortly after he was promoted. As one might imagine, this didn't send a particularly good signal. Luckily, because of this experience, he quickly learned "[y]ou can't be successful in a new role if those below you with critical knowledge and experience leave or don't cooperate." Afterward, his advice to younger managers was always to "treat your peers as though they might someday be your boss or direct reports."

Several informants reflected on how poor relationships with peers made both sides look bad—regardless of who was actually responsible for a conflict. For example, one manager described a conflict with a peer who was heading another unit but failing to provide the support she believed was appropriate.

> He wasn't as smart as I was . . . I thought he was a whiner. He wasn't managing his team well. I thought he was an idiot. I didn't see it as my job to solve his problem . . . he needed to [expletive] lead his team.

For the MBA graduates in our study, transitional periods were a time of great potential and great risk.

As she continued to struggle with her peer, she came to realize, "my problem with my peer was a problem *for* my boss, and you don't want to be a problem for your boss." With more experience, she learned to soften her interactions: "It doesn't matter who is right or who is wrong, if your boss has to resolve the conflict both parties are tainted." Like other managers, she concluded that it was more important to be effective than to be right.

Perhaps the most troubling of these relationship issues occurred when problems arose with the person's boss. Several respondents acknowledged that problems with a boss had led to missed promotions or, in several cases, the manager's decision to leave the organization. For example, several graduates described taking jobs where subsequent disagreements with their bosses necessitated their leaving, either because of what they felt were ethical issues or because the relationship led to unfavorable performance reviews. In two of these cases, rather than emphasizing their achievements, the managers' performance evaluations highlighted their lack of teamwork and sensitivity to others. In a third case, the person delivered what he believed to be a success only to learn that he had failed to clarify important priorities with his boss, and therefore, missed the mark.

In several other cases, however, differences with a boss were resolved successfully. In one instance, the subordinate was able to build a coalition of others who helped to overturn what she believed was an ethical breach by the superior. In another, the young manager was able to calmly articulate his differences with his boss, which led his boss to change his views. Because of these experiences, many informants emphasized the importance of clarifying priorities and expectations with the superior as early as possible. This could be done in a variety of ways, such as putting priorities in writing or getting to know the boss at a personal level to facilitate open exchanges and keep the boss in the loop with frequent updates. Studies of management careers have shown that the inability to craft a successful relationship with a superior can be a significant derailer (McCall, 1998; Van Velsor & Leslie, 1995).

As with the previous theme, the challenges of managing difficult relationships with peers and superiors again reflect the respondents' earlier strengths of problem solving and individual achievement. If unchecked, the tendency of many of these young managers was to assume that others shared their focus on getting the right answer and to ignore or underplay the importance of relationships. When faced with conflict, many resorted to logic and analysis. "I'm used to presenting a powerful case—the logic and course of action necessary—and it's easy for me to fall into this pattern and enter into a debate. I'm trying not to do this," said a manager in the entertainment business. For many, it was only after a setback that they realized the importance of clarifying expectations and nurturing relationships.

Managing Oneself

Although the proximal problems described by young managers often began with the challenges of managing others, many of our informants ultimately recognized that their own thinking needed to change if they were to be effective leaders longer term. Not only did they have to think differently about their role, they also had to think differently about their goals and priorities, their orientation toward others, and the basis of their accomplishments. In short, to be effective they had to shift their mind-set about who they were and what they needed to accomplish. This also entailed figuring out how to weather the inevitable mistakes and setbacks that would be a critical part of their learning and personal growth.

Developing a Leadership Mind-Set

Having worked in roles where hard work, intelligence, and strong analytic skills were expected and rewarded, most informants had become successful by demonstrating their ability to solve problems on their own. However, as managers, the very things that had made them successful in their individual contributor roles were no longer as important—and in some cases were problematic. Many young managers discovered that trying to gain visibility for themselves, demonstrating their analytic prowess, and simply working longer and harder would not serve them well when leading others. They had to change—not only their behavior, but the very assumptions that guided their behavior. What was required was a new set of assumptions—a new leadership mind-set.

Looking back on some of their most trying experiences, many of these emerging leaders commented on the difficulty of letting go of old assumptions and work habits:

> It was a big shift for me to let go of my expertise (i.e., doing things myself). My job became setting goals, motivating, holding people accountable, providing resources, and assigning projects. I didn't get much training in this. If you continue to use the "just put your head down and work approach," you'll shoot yourself in the foot . . . you'll crash and burn. You have to get your work done through others, even when there are only 2–3 people.

For instance, one graduate described his attitude as a young manager: "I was a real pain in the ass for my boss. I would fire off missives identifying all sorts of problems." Later he realized that his role as a manager was not just to identify problems but to take responsibility for solving them, often without being asked and even when they were beyond his formal scope of responsibility. This usually entailed working with and through others. The leader of a private school described moving from a mind-set of thinking about how he could get the most out himself to one where "I can develop others and help them get better." Making such recognitions required these emerging leaders to fundamentally shift their assumptions about their roles from independence to interdependence.

The critical recognition for these new leaders was appreciating that their performance was no longer a function of their own skill and effort but contingent on their ability to unleash the talent of those who worked for them. "[Y]our performance is completely a function of other peoples' performance. Your primary responsibility is building a team, not just fixing immediate problems," said one respondent. Several informants noted how threatening this recognition was. If they could no longer rely on those strengths that made them successful in the past, what was their added value as new managers—especially when, as young managers, they were managing people who were more experienced and knew far more than they did? They began to realize that their earlier mind-set about the importance of demonstrating their own capabilities was less useful than a new set of assumptions about the importance of helping others to develop. This new perspective often required more listening and less problem solving.

> It's about listening, hearing and digesting, rather than reacting and debating . . . Younger leaders often mistakenly think it's more important to articulate their logic and demonstrate that they're right. In many cases, there's no upside to this.

As they began to better understand the value they added as leaders, they also became more aware of the significance of their words and actions. As leaders they were constantly being scrutinized and therefore had to be especially intentional about what they said and did: "Now I'm in the spotlight where I can't really afford to blow it" said one. Another described how she needed to be careful about making flip comments. When she jokingly commented in a public setting that "the business was in the toilet" it was translated as "she's saying we're all t**ds." One successful start-up CEO came to realize that what he said was often taken as gospel—sometimes with negative consequences. Another noted how over time, he began to prepare more carefully for meetings, became less spontaneous, and learned to stay on message.

> Leadership is all about "intention." You must think carefully about how you want to "show up" and what you want to accomplish in each interaction . . . If I only have one interaction a month with someone, I have to be intentional about what I want to accomplish.

A final element in the adoption of a managerial mind-set was the recognition that success no longer came from actually doing the work but from deriving satisfaction from the accomplishments of others. One respondent working for a pharmaceutical company noted that, unlike an individual contributor, managers often don't get a lot of positive reinforcement from the people above them. "This means you have to derive satisfaction from your impact on the organization and the people below you—you get 90 percent of your enjoyment from the people below you." For some, this is a difficult transition and doesn't provide the fulfillment of being an individual contributor.

> I'm the caretaker for something larger than myself . . . It's not about me, it's about finding the right answer . . . It's about something larger than yourself . . . it's something that you're stewarding. It's not personal.

> There *are* a lot of things I hate about being a manager. I no longer get to do things that allow a lot of self-expression and creativity. Now I simply set goals and oversee. I have to get satisfaction from corporate performance. I now get more excited by the accomplishment of team goals. It's different—a shift in pride.

Overall, this required a shift in mind-set from one that emphasized individual skills and visibility to one that focused on growing others and deriving satisfaction from their accomplishments. It meant changing their assumptions about what their roles were and what success looked like. It also meant that they had to be more conscious and intentional in how they dealt with others.

Coping With Setbacks and Disappointments

A final theme that was frequently mentioned, especially when discussing personal transitions, was the importance of learning from mistakes and personal setbacks. Prior to business school, most participants had enjoyed a lifetime of professional success. They had yet to experience major setbacks or professional challenges that couldn't be fixed by simply working harder and doing more of what they had always done well. Therefore, when they experienced setbacks, failures, and values dilemmas that seemed beyond their control it came as a shock to many. In some cases, these setbacks came in the form of a surprisingly negative performance review:

> I got a 360 that showed that I didn't involve peers in decision making, I didn't make people comfortable with dissenting views, I wasn't seen as collaborative, I hoarded knowledge, and didn't coach others . . . I was totally blind to this. From my perspective I was the heroic, decisive leader.

> Things were growing, I'm getting awards, and my ego went up. Then [my boss] called me into his office. I was expecting the best . . . that we would talk about growth

> plans. What I got instead was some really tough, slap-in-the-face feedback that [our division] wasn't going as well as we thought. The experience was really humbling. It was the worst day of my life.

In some cases, setbacks came in the form of disappointing business results or personal relationships that caused young managers to feel unappreciated or even betrayed. People responded to these setbacks in a variety of ways. At one extreme, some young managers hit a wall and essentially fell apart. For example, one junior manager found himself failing in a new position and didn't know how to turn things around:

"I was way in over my head . . . I was literally pushing paper from one side of my desk to the other, not knowing how I could impact the business."

Without an understanding of the transitional challenges he was stepping into, the manager lost credibility with his team and experienced a "total loss of confidence . . . Life got out of control to the point where I ceased operating." Luckily, such dramatic reactions usually only lasted a short time. However, because the jolts were rarely anticipated, they were particularly poignant and could have dramatic effects ranging from job loss to significant learning and self-discovery.

Some managers responded to setbacks by denying responsibility and blaming their perceived misfortunes on others. When one manager was passed over for a promotion, he responded by challenging the person who was promoted ahead of him, constantly finding fault with his new manager's decisions. Looking back several years later, he acknowledged that such behavior had simply made him look cocky, uncooperative, and professionally immature. He had missed an opportunity to better understand his own shortcomings and had, in effect, reinforced the very impressions that caused him to be passed over.

Resigning or leaving one's job was another common, but unfortunate response to a setback or values conflict (Gentile, 2008). Young managers who lacked appropriate coping skills appeared to be slower to learn from their setbacks and mistakes. Rather than reflecting on their behavior, accepting feedback, and believing they could change, they tended to feel victimized. For example, one young manager simply wouldn't accept the feedback he was given and subsequently decided to leave his job rather than acknowledge his mistakes:

> I walked into my review and what really irked me about the whole thing was he said, "Listen, you alienated your peers and you really need to be careful about that. You really kind of missed the boat on culture." I stepped back and said "You're kidding me, right? Let me ask you this: If I had developed (the product) three months late, but was nice along the way, as opposed to bruising some toes . . . do you think I'd be having a better review right now?" He said "yes" and I said "I frankly don't agree with that."
>
> [Before] I fundamentally believed in meritocracy—that if you did good work and achieved your objectives, the rest would follow. I don't believe that anymore.

Young managers who had difficulty working through setbacks often extracted lessons that had less to do with changing their own behavior than protecting themselves from the behavior of others they saw as unreasonable or out for political gain. Nonetheless, they still tended to feel powerless or ill-equipped to deal with the unpleasant issues they faced and often decided to avoid the situation altogether by leaving. Ironically, escaping the situation also denied them the opportunity to experiment with actions that would have helped to build the very influence skills they lacked.

Fortunately, several of the managers in our study seemed to have developed critical coping skills early in their careers. It wasn't that these young leaders were somehow smarter or made fewer mistakes, they were simply hardier and did things that allowed them to learn and recover from their mistakes more quickly. We noted several similarities in the how these resilient young managers responded to the mistakes and setbacks they experienced. First, they all appeared to engage in some form of emotional regulation (Goleman, Boyatzis, & McKee, 2002; Reivich & Shatte, 2002). Although the setbacks they experienced uniformly generated strong emotional reactions, resilient young leaders refrained from making rash decisions or acting impetuously. They took time to decompress and get away from their emotionally charged surroundings. As one disappointed manager remarked after being demoted to a less attractive position: "I didn't go off the deep *end*. I was gracious about the choices given me . . . I didn't show all of my hurt . . . I cried at home, not at work."

Second, those who handled setbacks best sought out feedback and social support. Rather than withdrawing or quitting, successful coping involved getting a realistic understanding of the situation, no matter how painful. This meant talking with others, getting their assessment, and asking for input. In almost all cases, reaching out helped people to see the situation more objectively and reduced the tendency to interpret it as more catastrophic than it actually was. Perhaps even more important, young managers discovered that setbacks and mistakes could be an opportunity to strengthen relationships rather than run from them (Maddi & Khoshaba, 2005). As one young manager noted, "I clearly failed; but others were very understanding because they knew I would learn. They took it as a huge sign that I was capable of change and development."

Finally, those who weathered setbacks well came to realize that *how* they responded to the setback was more important than the setback itself. They took a longer term perspective, saw their situation as an inevitable part of the learning process, and recognized that the initial unpleasantness would ultimately lead to a better outcome for the organization or themselves (Maddi & Khoshaba, 2005). They also engaged in a great deal of personal reflection and often came to terms with specific shortcomings or errors. Through this process of self-examination, emerging leaders opened themselves up to important learning, became more skillful at managing their emotions, and ultimately gained greater self-confidence. They also developed a clearer sense of personal resolve and began to build the strength, judgment, and professional maturity required to handle similar challenges in the future. In other words, they learned and worked their way through yet another important leadership transition.

DISCUSSION

We designed this study to explore the challenges confronting MBA graduates as they moved into leadership roles. Consistent with previous research (Charan et al., 2001; Dotlich, Noel, & Walker, 2004; Hill, 1992), the 55 in-depth interviews confirmed that to be successful, young managers must deal with both a significant set of transitions and a set of common challenges. These results reinforce several important findings from previous research and highlight some new insights that have implications for how we might improve leadership education for MBA students and other managers in the early stages of their careers.

First, adopting a leadership mind-set is not a trivial matter. It involves developing a fundamentally different way of thinking about one's role and what it means to be effective and successful. For the most part, the MBA graduates in this study did not appear to fully grasp the implications of these differences until they began managing people after business school. It is important to point out that relatively few of the graduates in our study had much direct management experience prior to business school and few moved right into managerial roles immediately after. Instead, most took jobs as functional specialists, joined training programs, or launched their own endeavors. These early job experiences served to further reinforce the notion that success meant distinguishing oneself from peers and others competing for opportunities. However, as these recent grads moved into managerial roles, they began to realize that self-promoting attitudes were counterproductive to managerial success. Difficulties motivating subordinates or gaining cooperation from fellow managers often stemmed from perceptions that the rookie managers cared more about their own interests than those of their subordinates or peers. As young managers began to shift their orientation in an effort to understand and support the needs and motivations of the people they worked with, they discovered that their teams (and colleagues) often reciprocated by taking more responsibility for their collective success.

The enormity of this shift in mind-set was not always immediately apparent to the new managers. As individual contributors, their goal had been to stand out from others. As managers, their goal was to help their subordinates stand out. Where before they had labored intensely to perform at the highest levels for their bosses, now they had to take responsibility for the mistakes and indifference of subordinates who didn't always share the same values or ambitions. Where before they had relied on their managers to coordinate their activities and smooth the way, now they were expected to resolve issues with their peers on their own. For high achievers who had long based their self-esteem on being competent and doing things right, this responsibility-without-control was particularly unsettling. Having not yet internalized what it meant to be a leader, they felt powerless—almost victimized—when subordinates showed little enthusiasm for work, ignored or challenged their direction or, in some cases, quit jobs or transferred to other units. Over time, they gradually came to realize that their power, and their success, rested in their ability to help others—both subordinates and peers—become more effective and more satisfied in performing their own work.

This shift in mind-set had three significant benefits. First, it changed the way emerging leaders interacted with their teams, as well as their peers. When they saw their role as growing and enabling others, they reported becoming less competitive and more collaborative. Second, it gave them back some of the control they thought they had lost. With a leadership mind-set, they no longer felt like helpless victims when their subordinates made mistakes or lacked motivation. Instead, they felt responsible for developing people who had the capacity to learn and improve. By valuing and accepting people—rather than judging and dismissing them—they discovered that they had far more leverage to make their situation better. Last, when emerging leaders saw their role in terms of others (rather than themselves), they seemed to be more adept at controlling their emotions and taking difficult relationships less personally. Rather than viewing difficult relationships (or people) as a statement about themselves, they began to realize that "it wasn't *all* about them." With this insight, emerging leaders were able to remain less emotionally embroiled and were better equipped to explore conflicts dispassionately.

Another theme that was pervasive in our study was the tendency for inexperienced managers to over-rely on previous strengths when entering unfamiliar territory. This is especially troubling for junior managers for two reasons. First, it has been well documented that under conditions of stress, people fall back on overlearned skills that have worked well for them in the past (Fiedler, 1996). This can be quite effective when someone has a broad range of experiences to draw on but is far less effective when experiences are limited. A number of empirical studies suggest that when situational stress is high, high leader intelligence can impair performance (Fiedler, 1996; Fiedler & Garcia, 1987). In other words, leader intelligence and experience may actually interfere with each other when leaders perceive situations as highly stressful due to interpersonal conflicts or otherwise. Clearly this does not bode particularly well for intelligent business school graduates who are moving into challenging (potentially stressful) leadership roles, especially when they have a fairly narrow range of nonmanagerial experience to fall back on.

As we saw in this study, it was not unusual for MBAs to be placed in roles or situations that challenged them in significant ways. However, as we've discussed, it is precisely when situations are perceived as stressful (as these early management transitions often were), that leaders tend to draw less on their intellect and more on their experience. Because rookie managers have relatively little experience, it is especially important that we provide metacognitive strategies (Clark, 1992) that can help them to anticipate and prepare for stressful periods and that will allow them to leverage their cognitive strengths and analytic capabilities more effectively. Arming them with an understanding of the key transitional periods they are likely to experience, knowledge of what those transitional experiences may feel like, and strategies for handling them more productively may vastly improve the efficiency and effectiveness of a young leader's early-career development (e.g., Bridges, 2004; Maddi & Khoshaba, 2005; Reivich & Shatte, 2002; Watkins, 2009).

Without question, transitions represented particularly critical moments in a young leader's developmental journey. As McCall (2010) notes, while one can debate the number of transitions that are needed on the path to effective leadership, there is little question that these are times when much is on the line. For the MBA graduates in our study, transitional periods were a time of great potential and great risk. For some, working through difficult transitions, making mistakes, and learning from their successes and failures produced significant growth and development. For others, the transitions were more disorienting. It was clear that some of these young managers struggled with the adaptive challenges of specific transitions for months, and even years, as they tried to make sense of their personal experiences.

One of the most striking findings in our investigation was the sheer number and diversity of transitions that our emerging leaders weathered. This is important because recently it has been argued that understanding and improving key transitions precipitated by early job experiences could go a long way toward improving development over an entire career (McCall, 2010). The results of this study take us a step in that direction. When many people think of leadership transitions, their first thoughts go mainly to role transitions, much like the first category we describe in Table 1 (e.g., Charan et al., 2001; Hill, 2004). The early-career leaders in this study pointed to a variety of situations—beyond role changes—that produced significant transitions in the way they thought about and practiced leadership. These included leading significant business changes, much like those described by Watkins (2003), and dealing with situations that required clarifying and standing up for personal values and interests (Gentile, 2008).

One of the reasons we think that emerging managers sometimes struggled with their transitions, or failed to complete them, was because they typically didn't recognize that they were actually going through one. Transitions tend to take place over a period that often begins before people are fully aware of what is happening (Ibarra, 2003). Moreover, these can be particularly confusing and lonely times, even when the changes that sparked the transition are seemingly positive ones. For example, although an exciting new job with a bigger title can feel good initially, later it can seem like a mistake as a (previously successful) manager struggles to understand a new role, tries to navigate a new culture, and misses the old colleagues and well-worn networks of the previous job. This is because people interpret events partly by their past experience and expectations (Fiske & Taylor, 1991), which means that managers at different points in their development are likely to have different transitional experiences in response to the same change. One young manager may reflect on the circumstances, reevaluate old assumptions, and use the experience to learn and move on. Another may not yet have the knowledge base, learning orientation, or skills needed to draw out the appropriate learning and will likely repeat the process in a different context or with different people (Bridges, 2004; DeRue & Wellman, 2009). Unfinished transitions are destined to repeat themselves because when the necessary learning does not happen, inexperienced managers tend to exit—mentally or physically—without realizing that it is not the situation that needs to change, but themselves.

Perhaps one of the most critical transitions for early-career leaders was the personal adaptation required to cope successfully with a professional setback. Those in our study who had done particularly well in terms of career advancement almost invariably mentioned the valuable lessons they had learned in dealing with a significant mistake or failure. In fact, most credited these transitions for subsequent promotion opportunities or job offers. To the extent that young managers developed resilience and professional maturity in working through these transitions, they built not only confidence, but credibility. However, if they let their emotions rule and failed to take the actions necessary for learning, they sometimes lost confidence and credibility and, at least for a time, lost their way. As such, the personal transitions that occurred in response to life's inevitable setbacks had perhaps the greatest impact on an emerging leader's career, either opening up new and greater opportunities or substantially derailing their development.

Implications for MBA Education

The raison d'être for MBA programs is to prepare students to be managers and leaders of organizations. Unfortunately, as Pfeffer (2009) observes, many faculty in business schools choose to focus on topics that have only minor implications for the problems that managers face. Of equal concern is the lack of attention to the significant challenges and hurdles that managers do have to overcome, especially those that occur early in a career. It isn't that our research is irrelevant but rather that, unlike our colleagues in medical schools, faculty too often are unfamiliar with the actual problems that managers encounter in their day-to-day business (McGrath, 2007). In Jean Bartunek's terms (2007), our research and teaching often lack "intended rationales for action."

If we are to help our MBA students acquire the skills, abilities, attitudes, and knowledge needed to be effective leaders, our challenge is to ensure that our curricula not only provide abstract concepts and frameworks but are also grounded in the real problems that our students will have to navigate. McCall (2010) asserts that this requires "[s]tarting from what managers do rather than what they are like" (681). Hill (2004) echoes this sentiment, noting that "[s]pecial emphasis should be given to matters on which new managers are prone to make mistakes" (256). The data from this study can help in this respect by informing us about some of the most difficult challenges that young managers struggle with and the important transitions that must occur if they are to develop as leaders. By understanding these challenges, we can design highly relevant content that can be directly applied in their new roles, and therefore, have a greater impact on their performance (Conger, 2004).

Assuming that we have identified the right challenges and transitional experiences, the next task is figuring out how to design our pedagogical material to adequately support the development of something as complex as leadership. To understand how, we need only turn to the work on human performance technologies. Based on more than 40 years of research, cognitive scientists striving to improve human performance in the workplace generally agree that there are two very different types of knowledge that people can acquire: (1) *procedural knowledge*, which tells us *how* things are done, and (2) *declarative knowledge*, which tells us *why* things work the way they do (Clark, 1992). People use procedural knowledge to master job tasks that can be accomplished in discrete steps or stages; whereas they use declarative knowledge to understand (or explain) why things work in certain ways or to predict how things will turn out if we engage in certain actions. Procedural knowledge has the advantage of becoming automatic with practice and can be accomplished without attention. Declarative knowledge has the advantage of being more flexible and allowing for creativity, but people can only think about a limited number of declarative things at once because declarative knowledge requires conscious attention (Clark, 1999). This is likely why people revert to overlearned behavior when dealing with stressful situations—it requires less cognitive expenditure.

Leadership is best characterized as a combination of both procedural and declarative knowledge. The declarative aspects of leadership allow managers to apply principles, concepts, and facts to creatively address problems in each new situation. They also help managers form procedures and decide when to use them. Over time, as procedures are applied consistently and produce positive outcomes, they become automatic. So, for example, young managers may learn about the importance of establishing clear expectations and providing feedback (declarative knowledge) and receive instruction on the discrete steps involved in conducting feedback conversations (procedural knowledge). If they practice consistently and receive feedback on their performance, over time, the steps involved may become more or less automatic.

There are problems, however, with how these seemingly straightforward aspects of leadership are taught in many business schools. First, there is a common misconception that skill development and knowledge development are best learned—and should be taught—in different ways. As such, many business schools relegate skill development to special classes, labs, cocurricular modules, and so on, that are largely experiential, and knowledge development to more traditional classes, which are largely case-based. The experiential classes emphasize practice and feedback with a light concept introduction, while the case-based classes typically focus on frameworks and strategy, leaving skill development to others. The problem is that when it comes to learning, our minds make no distinction between knowledge and skills—they only pay attention to the procedural or declarative aspects of what we're trying to learn. Most important, both skills- and knowledge-based tasks (e.g., active listening and empowering others) require procedural and declarative knowledge to support successful application (Clark, 1999). As such, classes focusing on one or the other type of task or knowledge may be insufficient for learning the complex bundle of knowledge that translates into well-performed leadership acts. Moreover, simply assuming that students will be able to combine and integrate knowledge across classes on their own is not only unrealistic, it is unfair. As many faculty will acknowledge, the coordination of pedagogical material across classes is typically loose at best, even if the school's marketing efforts claim otherwise. And, even if our coordination were better, expecting novices to accurately integrate complex knowledge introduced from varying perspectives devoid of any real context or cross-curricular support seems unreasonable.

Second, just because novice leaders remember and understand a concept does not guarantee they will be able to apply it effectively. And, just because someone can apply a concept does not mean that they are necessarily fully aware of how they did it. Memory and application of both procedural and declarative knowledge operate independently (Clark, 1992). Again, this has two implications for current pedagogical practices. First, teaching leadership principles without sufficient application opportunities runs the risk of making complex leadership concepts appear simple and obvious. Certainly, it is easy to cognitively grasp the importance of being empathetic or making other people successful, but it is difficult to appreciate the challenges or subtleties involved without actually trying to do it when other things are at stake. This may lead some students to underestimate the value or significance of our leadership offerings. Second, many business schools attempt to bridge the application gap by having practitioners teach leadership electives or speak in classes about their leadership experience. While this can have many benefits, such as exposing students to real-life situations and different leadership styles, practitioners with extensive experience have often reached the point of automaticity. That is, they may not be able to accurately articulate exactly how they do complex leadership tasks such as delegation or trust building, even when they think they can.

Last, the transfer of knowledge from the educational context to the work setting is a complicated process. It involves both *near transfer*—routine uses of knowledge—and *far transfer*—creative uses of knowledge (Clark, 1999). We know from behavioral psychology that near transfer is greatly facilitated when the specific problems presented in the training context closely mirror the application setting and corrective feedback is provided. We also know that far transfer is enhanced when educators help students to link seemingly unrelated, yet actually similar events to new problems, thereby clarifying a broader concept or honing a practical insight (Conger & Xin, 2000). But there are ways that far transfer can actually be inhibited if the pedagogical approach overemphasizes near transfer and vice-versa. The increasingly behavioral orientation of many schools' skill-building efforts—much like the overuse of competencies in the organizational context—runs the risk of throwing the proverbial baby out with the bathwater. While leadership skills, such as giving feedback, setting goals, active listening, communication and influence techniques are certainly important, repeatedly practicing a specific skill on similar types of problems (e.g., role-plays with peers) can inhibit creativity and give young leaders the false impression that by following recommended steps to the letter, they are in fact practicing good leadership. Without the relevant declarative knowledge and interpretive frames (i.e., mind-sets), young leaders may lack the capacity to reflexively adapt their responses in ways that are consistent with the concepts they are trying to apply.

One solution to these pedagogical misalignments is to create courses and other offerings designed to enhance creative problem solving while at the same time promoting the development of practical skill. Approaches that combine procedural and declarative knowledge building increase the chances that students will be able to apply what they learn in the classroom to the ever-evolving leadership challenges they face on the job. To this end, we created a series of short (10 min) leadership video vignettes designed purposely to develop both forms of knowledge relevant to leadership. Our goal was to truly integrate problem solving and skill development.

These video vignettes portray early-career leaders trying to manage their way through real situations fraught with the challenges described by the young managers in our study. They also capture some of the emotion that these problems contain, which enhances engagement and learning (Bartunek, 2007; Weick, 1999). The videos are interactive, allowing students to analyze the situation in class, discuss what they might do, and then see how it might play out. Faculty moderate the discussion, often incorporating role-plays so that students gain practice applying their suggestions, using specific procedures, or experimenting with concepts. Faculty can selectively combine vignettes in a way that allows them to build on previous learning or, more importantly, vary specific parameters of a given leadership challenge. By changing aspects of the problems, faculty can help students learn how to adapt their responses to different circumstances and contexts which, in turn, makes future managers more adept at applying the leadership concepts to real situations.[1]

[1] The course syllabus and teaching notes are available from the authors. The video vignettes are available for free from the Stanford Center for Leadership Development and Research. See www.leadershipinfocus.net for a further description and access to these materials.

The video vignettes can also be used to underscore the importance of a leadership mind-set. In our experience, the topic of leadership mind-set gets relatively little attention in many business schools. We know from a long tradition of research in social cognition and other fields that individuals actively construct their own reality based on the organized beliefs or social schema they hold. Schemas about roles and self shape our perceptions and the inferences we make (Fiske & Taylor, 1991). Recently, Dweck (2006) has argued convincingly that the mind-sets leaders hold about ability can dramatically shape many of the practices they put in place in their organizations, as well as the quality of their interactions with peers and subordinates. When students see firsthand through the video vignettes how mind-sets play out in very real situations and how they can undermine their leadership efforts in tangible ways, the learning can be quite powerful. When they begin to actively experiment with leadership mind-sets, they become more self-aware and better able to regulate their behavior in ways that are consistent with the leadership concepts we emphasize in class.

CONCLUSIONS

In recent years the debate about the relevance and legitimacy of business schools and what we teach has increased (e.g., Khurana, 2007; Pfeffer, 2009). Tushman and O'Reilly (2007) argue that business school faculty face a more difficult challenge than faculty in disciplinary departments. We are required not only to develop new knowledge (rigor), but also to ensure that this knowledge can be applied (relevance). This applies to our teaching as well. Unlike students in conventional academic departments where the goal is the acquisition of knowledge per se, we need to provide our students with knowledge and skills that can be applied (Tyson, 2005).

To succeed at this, we need to understand at some level of granularity the specific problems our students struggle with as young managers. This study has identified three significant transitions and four common challenges faced by young managers. These challenges, and the associated transitions they require, are both conceptual (e.g., adopting a managerial mind-set, dealing with setbacks and failure) and practical (e.g., motivating others, resolving difficult relationships). As such, they challenge us as educators to both make our students aware of these issues and to help them develop the skills needed to confront the issues successfully. Part of this can be done through a curriculum design that highlights these challenges. We can also benefit from a better understanding of the cognitive processes that enable the development, transfer, and application of complex knowledge. Pfeffer and Fong (2004) argue that "[b]usiness schools could be more relevant to the management profession they ostensibly serve, possibly even more relevant and useful than they are today . . ." (1515). We agree. By identifying specific challenges that young manager's face and creating teaching materials that help students confront these challenges, extract the appropriate learning, and make the necessary psychological transitions, we can improve the relevance and the rigor of leadership development in the business school context.

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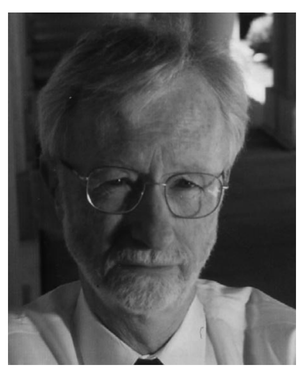

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