Do Your Leaders Have Personality?

By: Ryan Ross

In the wake of scandal and economic crisis, even the most firmly rooted traditions of corporate leadership are in upheaval. Where the old guard once ruled from lofty offices and stuffy boardrooms, new leadership is emerging from the trenches of a more diverse, global and younger demographic.

Fresh ideas are the new currency, and a person’s ability to generate those ideas and express them clearly is directly related to personality. Who they are will determine not only how they lead, but also the overall effectiveness of those around them.

From leading-edge tech companies, such as Dell, Cisco and Google, to global manufacturing conglomerates, such as Toyota, traditional corporate hierarchies are being rethought, reorganized or otherwise dismantled to increase employee engagement. Instead of managing workers as drones for remote, upper-tier management, engagement promotes the concept of working “in” the business, rather than just working “on” critical job tasks.

The ultimate goal is to develop a culture-driven model in which more employees are empowered as policymakers, product owners and strategists who function more efficiently.

Why Personality Matters
Assessment firms often are tasked with explaining why personality matters and how personality assessment may be practically applied to any number of strategic organizational development scenarios, such as succession planning, restructuring and talent development. According to Robert Hogan, founder of Hogan Assessment Systems, personality matters to talent managers in at least three ways.

“First, they need to know what kind of employee you will be. Will you be cranky, difficult and hard to manage, or will you be a world-class organizational citizen?” said Hogan. “Second, they need to know if your personality fits the demands of the job for which you are applying. Do you have the drive to succeed in sales, the social skills to succeed in customer service, the good judgment to succeed as a manager? Third, they need to know if your values are consistent with the corporate culture. It doesn’t matter how talented you are; if your values are inconsistent with the corporate culture, you will not succeed in that organization.”

Further, personality is related to leadership. Who someone is determines how he or she will lead. Yet leadership traditionally has been described in terms of the people in charge — if a person is a manager, president or CEO, he or she is by definition a leader.
“This is a big mistake for at least two reasons,” Hogan said. “First, ask yourself how a person rises in a large, hierarchical, bureaucratic, male-dominated organization. The answer is by playing politics, not by exercising leadership. It was said of Dwight Eisenhower, ‘He didn’t become a politician because he was a general; he became a general because he was a politician.’

“Secondly, people typically rise in large organizations by pleasing their superiors with their loyalty and technical knowledge, not by displaying leadership skills.”

Leadership success in any organization is idiosyncratic. But most major organizations, public or private, military or civilian, assume almost anyone can be, or can learn to be, a leader and will perform appropriately when put in charge of other people. People are promoted based on time in service and technical talent, with little consideration given to the possibility that some people have more talent for leadership than others. The best measure of leadership skill lies in the effectiveness of the managed employees and the ability to build effective teams, which can determine the cultural success of emerging corporate structure.

Most managers are evaluated by the people who hired or promoted them and who have a vested interest in them doing well. But many bad managers are skilled at pleasing their bosses. Although it is rarely done, managers should be evaluated in terms of the performance of the group they manage. Effective managers have a distinctive personality style that varies systematically within the industry and by their level in the organization.

Companies that challenge the traditional philosophy that almost anyone can be developed into an effective leader often remain viable in an economy when others cannot.

“Traditionally, many companies promote those who have been in the position the longest or have the longest tenure with the firm,” said Mike Benson, manager of general management leadership development at Johnson & Johnson. “Assuming that everyone wants to be a leader or to be a leader at the next level is risky; [just because] someone is a high performer in their current role does not necessarily mean they will excel at the next level, or that they are even ready for the next level. Identifying the firm’s critical talent and then differentially investing in those individuals is key.”

Leaders who emerge based on expertise and behavioral capabilities help to develop collaborative cultures that allow their companies to reap the benefits of an increased level of employee engagement in critical business practices.

The Implications of Engagement

Engagement is the central factor underlying employee performance in modern business, and it is almost entirely a function of leadership. First-line supervisors and managers need to treat their employees in ways that don’t actively alienate them and in ways that encourage engagement. There is no cookie-cutter approach.
Encouraging engagement puts specific demands on individual leaders who must establish and maintain working relationships with their employees, one employee at a time.

Companies looking to reshape the core of their operating structure must take a critical look at the personality factors within their current leadership and talent pools. Organizations often assume that high performers will make great leaders, or that high performers even want to be people leaders. We all know the old adage: Take your best salesperson and make him or her a sales leader— and you lose your best salesperson and likely get a really poor sales leader. Personality-based assessments can identify what type of leader an individual may be or may become.

Assessments help identify future strengths and capabilities and should be used with other data to make talent decisions. For example, a high-potential employee who values affiliation with others, is outgoing and engaging and has the drive to lead others would most likely — with the right skill sets— be successful leading others. At the same time, a high-potential employee who values analytic problem solving, is outgoing and engaging and excels at vision and strategy would most likely be a successful product leader. What does this mean? When coupled with valid assessments, only thoughtful and consistent manager-employee engagement will reveal who should be plucked from the talent pool and developed via clear career paths that the organization has established for different types of emerging leaders.

Brandy Agnew, global talent manager for Dell, said the company has experienced the benefits of an increased-engagement model firsthand.

“I’m seeing this change emerge today as we prepare and leverage our top talent throughout our company,” Agnew said. “We’ve found that encouraging collaboration has unleashed creativity in our employees and provided new management strategies. The people who are most adaptable and flexible are rising to a variety of new challenges and opportunities.”

**Strategic Self-Awareness**

Strategic self-awareness, a component of effective leadership, is key in the pursuit of a more engaged and effective corporate culture. The idea is that performance-based feedback, using a systematic assessment process, can be leveraged to optimize an employee’s role within the company.

For example, Bank of America relies on assessment-based feedback as a key part of its on-boarding process for newly hired executives.

According to Brian Fishel, senior vice president for leadership development at Bank of America, “We assessed 120 executives over a two-year period and identified specific personality attributes that can inhibit success at Bank of America. The feedback generated by the assessments was invaluable in coaching new executives on these attributes.”
Hiring better people and developing them is part of a continuous improvement process. Valid personality assessments are key to hiring better people. Talent managers often lament, “We hired them for their technical skills and fired them for ________.” Fill in the blank with terms such as lack of drive, insubordination or inability to get along with their team. Regardless of the actual phrase, the reason the person was let go was most likely a personality factor.

Reputable assessment providers should have data showing the increases in important business metrics based on using valid, personality-based selection procedures. Cognitive and skills ability are also important, but what good is numeric reasoning ability if individuals won’t engage to find out what problems they need to solve?

“If people want to improve their golf game, they consult a golf pro who asks them to hit some balls, perhaps videotapes their performance, then offers feedback,” Hogan said. “If they want to improve their tennis game, they do the same thing. But what should they do if they want to improve their career game? They will need feedback on their habitual ways of dealing with other people, or the interpersonal moves they typically employ in their efforts to both get along and get ahead.”

Well-developed performance management tools, such as 360-degree performance appraisals, talent assessments and KPI rating forms, can provide insight on performance. Pairing talent assessments with data from personality assessments gives an organization a rich source of information that can be used to create individual development plans and to position candidates for future success within the organization.

Personality should matter to any organization, but especially to companies shifting to a more engaged and culture-driven structure that places emphasis on relationships rather than hierarchy. As managers and employees are called on to work together more creatively and to function as evangelists for the organization, the concept of strategic self-awareness becomes increasingly critical to ensure the right people are performing the right tasks and interacting with one another as effectively as possible.

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