

The importance of leadership character

An objective framework allows HR practitioners to understand leadership behaviours and embed them into their organizations

BY MARCEL VANDER WIER

For the last year, leadership character has been front and centre in the news cycle, thanks in large part to the campaign leading up to the United States presidential election.

Contrary to natural talent, leadership is a trait largely built upon the decisions we consciously make, according to Gerard Seijts, a professor of organizational behaviour at Western University's Ivey Business School in London, Ont.

Good leaders are impactful and memorable, said Seijts, speaking at a Strategic Capability Network event in Toronto recently, offering up names such as the late South African president Nelson Mandela, Maple Leaf Foods owner Michael McCain, and retired bank president Ed Clark.

But society offers many bad examples as well, including Canadian senator Mike Duffy, U.S. swim star Ryan Lochte, and America's current president-elect, he said.

Leadership is a mix of character, commitment and competencies, with most of the focus on competencies such as motivation, communication, intellect and vision, said Seijts. But recent research reveals deficiencies in the value organizations put on character — an issue Seijts hopes will be remedied in the future.

"For the longest time, the bulk of organizations, as well as business schools, have focused on competencies and, for the most part, have done a good job," he said.

"Competencies count, character matters, and commitment to the role of leadership is critical to the individual and organizational success. (But) if any of the three pillars are deficient, that particular shortfall will undermine the other two leadership components."

Background

The global financial crisis of 2008 was the starting point for Seijts and his research team, which eventually resulted in the book *Leadership on Trial: A Manifesto for Leadership Development*.

While corporate greed and the regulatory system received the brunt of the blame at the time of the recession, his team probed deeper, looking at the effect key business leaders had on the collapse of the global economy.

The crisis proved to be a "seminal moment" for Seijts and his team when they realized there were defi-

ciencies in the definition of leadership, noting many business leaders failed because of marked flaws in character.

"Could good leadership have made a difference, or was this simply an act of Mother Nature?" said Seijts, acknowledging his team answered yes to the former.

Excessive overconfidence, hubris and a lack of accountability or learning by corporate leaders played major roles in the worldwide crisis, found the team, and such character flaws remain prevalent in current-day cases, such as the Wells Fargo scandal in the U.S., said Seijts.

"Since 2008, we've really focused on what character is, how to measure it, and what organizations can do to bring that in through recruitment selection, onboarding and performance management," he said. "You can have fantastic competencies and be deeply committed to the role of leadership, but if you have character flaws or deficiencies, it doesn't matter."

"Good leadership is a function of competencies, character and commitment, and of those three Cs, character is often talked about the least, and is least understood. We really need to elevate its importance because research clearly indicates

that it is related to both individual and organizational performance."

Defining leadership character

Due to the subjective nature in which appropriate character is often defined, Seijts set to create an objective framework within which effective leadership could be measured.

"(Character's) subjectivity has always been a problem," he said. "We need a standard to adhere to."

Seijts and his team surveyed scores of societal leaders and pored over academic literature to develop the framework, which consists of 10 traits — such as courage, transcendence and drive — surrounding judgment like spokes on a wheel.

Other traits include collaboration, humanity, humility, integrity, temperance, justice and accountability, with each trait being further defined with a set of behavioural actions.

Temperance, for instance, can be broken down into specific actions of patience, calm, composure, self-control and prudence.

And there's a reason judgment is at the core, said Seijts.

"At the end of the day, leaders get evaluated on their judgment or the quality of their decisions," he said. "It's almost like an air traffic control-

ler. Depending on the situation, you may have to adjust or tweak your leadership style or approach. You have to dial up or dial down certain character dimensions. That's the nature of situational leadership... Any virtue in excess can turn into a vice."

All of these traits can be developed, said Seijts, pointing to the well-known literary examples of Frodo Baggins and Luke Skywalker.

A person doesn't wake up a leader, he said, noting many of history's top leaders were reluctant in their roles, yet willing to step into uncomfortable zones.

"It's an ongoing process," he said. "Good leaders try to develop their competencies and character. They don't rest on their laurels."

HR's role

Understanding the tenets of leadership character puts HR professionals on the inside track when it comes to hiring and embedding quality leadership DNA into their company, said Seijts.

Leadership applies to everyone within an organization, and it is important to evaluate character alongside competencies while working to

create a culture around leadership character, he said.

"Each and every one of us can act or engage in acts of leadership. It's about coaching, mentoring and engagement. I think one of the key roles that leaders these days play is the need to develop the next generation of leaders in the organization."

There are concrete ways to shape corporate culture, he said, including hiring and promoting for character, or adding explicit search criteria to recruitment offers that include character dimensions alongside competencies.

Further actions could include the introduction of behavioural-based interviewing or situational interviews, as well as deep reference-checking.

In terms of senior organizational leadership, the character of a CEO can have a tremendous impact on the board of directors, and it is imperative the board evaluates said character, said Seijts, adding research shows that those CEOs who demonstrate integrity, responsibility, forgiveness and compassion typically garner better financial returns than those without those character traits.