Integrity, Resilience, and the Power of Quiet Leadership
Almost without exception, boards of directors say they want two key qualities in a CEO: integrity and resilience. Integrity is what allows the board to have baseline trust in a CEO’s judgment and ethics. Resilience inspires confidence that a leader will be able to recover from the inevitable crises and setbacks, and use them to make the organization even stronger. These qualities transcend specific business situations, because they are what allow executives to handle virtually any business situation.

As important as these qualities are, though, they are incredibly difficult to measure. We can infer them from past behavior and from talking to individuals who have worked closely with an executive in the past; but do we ever truly know how someone will hold up under pressure to, say, inflate earnings or cover up past mistakes?

In part because of the common measurement limitations around integrity and resilience, most leadership development programs and CEO succession efforts tend to instead focus on more observable personality traits, such as charisma, influence, and passion. This leads to a bias for people with relatively loud personalities who can cast big visions and persuade others to follow them.

This bias toward loud can be subtle, but is well-documented. Over the past twenty years, researchers have found significant correlations between being a likable, attention-getting extrovert and becoming a leader. This holds true both in C-suite hiring and in choices about who gets into high potential development programs. It’s a bias we often see first-hand, as well. In an examination of 25 recent, global CEO position specifications, Russell Reynolds Associates calculated that loud words like passion, inspire, influence, charisma, and energy were used about three times more often than those describing quieter characteristics, such as humility, authenticity, and being a good listener (see Figure 1).

The stereotypical loud CEO traits are laudable ones that can often unlock greatness. But do they make the best CEOs – and are they even relevant given today’s fast-changing business environment?

New clues to integrity and resilience

Recently, Russell Reynolds Associates and Hogan Assessments undertook research that uncovered a data-driven way to judge the integrity and resilience of leaders. We started with Leadership Span™, a psychometric test we’ve jointly developed to assess an executive’s potential and ability to adapt to changing circumstances. Leadership Span is based on four pairs of seemingly contradictory traits that define the leaders who can best navigate through uncertainty (see Figure 2). While there are many nuances, we often describe Leadership Span as having a loud side and a quiet side. The loud side is disruptive, risk taking, heroic, and galvanizing. The quiet side is pragmatic, reluctant, vulnerable, and connecting.
We then paired Leadership Span results from approximately 1,000 executives with data from Hogan's in-depth 360° evaluations of the same executives, based on feedback from their colleagues and direct reports. These evaluations ask specifically about a leader's integrity and resilience, and are valuable in painting a comprehensive picture of how others perceive the executive - but are typically not available to companies when they hire or assess a CEO candidate. In theory, Leadership Span scores can provide a robust and more attainable proxy for integrity and resilience.

As it turns out, there are strong relationships between Hogan 360° feedback and the executives' Leadership Span scores. Executives who are perceived to be high in integrity are also more likely to score high on three Leadership Span factors: the ability to connect with others, the ability to be vulnerable, and the ability to be reluctant when it comes to taking risks (see Figure 3). At the same time, perceptions of integrity show almost no relationship to scores on three other Leadership Span factors: the ability to galvanize troops into action, having a high propensity to take risks, and the ability to be disruptive.

In other words, executives who are perceived as having high integrity are open and transparent, thoughtful ahead of decisions, and unlikely to go too far in putting their needs ahead of others (or ahead of acceptable practices). The same pattern holds true with resilience, as it happens. Leaders whom others see as resilient also tend to score high on connecting, vulnerability, and reluctance.
When quiet matters most

What’s interesting about these findings is how strongly integrity and resilience are linked to the quiet side; the side that typically gets lost in an average hiring or high potential identification process. This analysis also implies that the loud characteristics that often drive hiring tell us almost nothing about a person’s integrity or resilience.

These findings cut against the stereotypical profile of the CEO, but in retrospect, we can all recall examples of successful leaders who thrived in difficult situations because of these quieter qualities.

Consider these examples from some of our clients:

- A large public company faced angry activist investors after a longtime CEO pushed through an unpopular divestiture. When the activists gained control, they took the opportunity to appoint a new CEO – but one who would be a better listener, and help them apply their ideas.

  These aren’t qualities that most boards explicitly hire for, but they have served the executive and the company well. Several years later, this CEO is still in place, and over his tenure the company’s stock price has performed nearly twice as well as the S&P 500 index.

- Another scenario played out in a similar way. A once-thriving multinational faced the need to refocus its operations by divesting iconic business units and re-energizing what remained. While this company required a leader who could be disruptive, the board also wanted to ensure that employee morale didn’t suffer as the transformation evolved.

  As a result, the board chose a leader who was both innovative and unlikely to show arrogance. Within a year of his appointment, the company announced a large acquisition that reshaped the company. It’s been widely viewed as successful – in large part due to the CEO’s complementary loud and quiet strengths that allow him to maintain a certain equilibrium while moving the company in a new direction.
**In defense of loud**

None of this is to say that loud factors are unimportant. Ultimately, it’s the ability to situationally apply these quiet and loud qualities that allows an executive to succeed in the long term. Not surprisingly, the leaders who were considered on the Hogan 360° measure to be the most engaging – defined as bringing positive energy to the workplace – were more likely to score high on each one of the loud characteristics. These measures of charisma showed virtually non-existent correlations with the quiet traits.

It’s the same with customer-centricity. Executives rated highest on this measure also tend to score highly on the ability to galvanize, a loud factor related to being able to inspire employees into action.

**No easy task**

In conclusion, developing and selecting the right leaders for the next decade, which promises to be a period of heightened uncertainty, is no easy task. In a volatile world, it’s increasingly important for companies to understand how well a CEO candidate will perform if – or perhaps when – circumstances change. This means paying attention to both the loud and quiet traits when selecting a candidate.

Look at the way that new Uber CEO Dara Khosrowshahi threads the needle between quiet and loud. He is clearly comfortable demonstrating vulnerability: Media reports noted his closing email to employees at Expedia, which he led before joining Uber, included a confession that he was scared about leaving to try something new. He publicly apologized to Londoners via Twitter when Uber ran afoul of local regulators and lost its license in the city. Yet he’s also someone who knows how to disrupt and galvanize, having tripled Expedia’s revenues in his 12 years at the company and made a name for himself as a social activist on Twitter.

Ultimately, a renewed appreciation for quiet qualities will lead boards to a new generation of leaders who can strike the balance between loud and quiet; drawing on both sets of qualities to meet a wider and ever-changing array of challenges for enduring success.

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3. In the Hogan 360, integrity is defined as serving “as a role model for organization values in relation to treating employees with respect and equity.”
4. The Hogan 360 definition of resilient is “maintains emotional maturity even in stressful situations and spends time reflecting about personal improvement opportunities.”
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