Harmonious Dissonance:
How Psychological Diversity Optimizes the C-Suite
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What is harmonious dissonance?
Why psychological diversity is important for the C-suite

Putting together an effective C-suite can be challenging. Many CEOs are tempted to surround themselves with individuals who strongly resemble them – strategically, psychologically, even physically. But this approach is dangerous: executives who think alike tend to share risk blind spots.

We know the wrong way to assemble a C-suite. But what is the right way?

Successful C-suites, we believe, must show a diverse array of attitudes along four key dimensions:

1. **Orientation toward process and structure**
2. **Sociability**
3. **Worldview (optimism/pessimism)**
4. **Creativity**

A C-suite in which both poles of all four dimensions are represented has what we call “harmonious dissonance”: a constant and dynamic back and forth that leads to effective – and accurate – problem solving.

After all, when attitudes tip too far in one direction on any of these dimensions, disaster can result.

Consider the overly rules-oriented C-suite that cannot step out of its comfort zone to anticipate a disruptive competitor, or the rules-eschewing C-suite that ends up in legal trouble. Creativity and sociability may seem like unqualified positives, but a C-suite in which creativity is given too free a rein may end up distanced from pragmatic reality, and executives in a C-suite that is too sociable may have trouble confronting problems.

And imagine a C-suite where everyone was quite average on every dimension – the ship of strategy would effectively be sitting in still waters, unable to gain momentum in any direction.

To better understand how these balances are constructed in practice, we examined a hypothetical C-suite that we constructed from aggregate leadership and behavioral data in our proprietary database of 7,000 executives. Examining psychometric results for six C-suite figures – CEOs, CFOs, CMOs, CHROs, CIOs/CTOs, and general counsel, we compared each group’s score to our overall database of executives to understand the most striking aspect of their leadership and behavioral styles, as defined by where they differed from the overall population in a statistically significant manner. We then looked in aggregate across the C-suite to see how these C-suite figures aligned and were at odds for these attributes.

We used our findings to answer four key questions:

1- What traits do C-suite leaders share?

2- How do a diverse array of leadership styles come together in a high-functioning C-suite?

3- What individual archetypes exist within the C-suite?

4- How might the C-suite change given current disruptive trends?

Given the rise of distributed leadership, in which authority is spread out among individuals, understanding what characteristics make for the most successful group is critical. Psychological diverse C-suites would work together far more closely and fluidly (and perhaps include an even wider array of figures in service of a truly broad and comprehensive approach).

Harmonious dissonance is not just nice to have: it is essential.

<table>
<thead>
<tr>
<th>Historically...</th>
<th>Today...</th>
<th>The future...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hub and spoke</td>
<td>Structured team</td>
<td>Distributed leadership</td>
</tr>
<tr>
<td>• CEO at the center, being personally advised by each C-suite member</td>
<td>• Increased emphasis on senior team as a collectively performing entity</td>
<td>• The C-suite will behave as a single organism, displaying many facets (and encompassing contradictions), but ultimately reacting to challenges and opportunities in a wholly coordinated and organic fashion</td>
</tr>
<tr>
<td>• Functions heavily siloed</td>
<td>• Gradual breakdown of functional boundaries as each team member is challenged to contribute to broader strategies</td>
<td>• Closer focus on the role of individual personalities and “constructive tensions” between individuals in different roles</td>
</tr>
<tr>
<td>• High degree of formalization of job responsibilities</td>
<td>• Personality and leadership style is viewed as more central, but often thought of only in terms of desirable or undesirable behavior</td>
<td></td>
</tr>
<tr>
<td>• Role of personality and leadership style was largely neglected, with the exception of the CEO</td>
<td></td>
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</tbody>
</table>

While harmonious dissonance is crucial for effective C-suite functioning, it is also important to understand what traits characterize the C-suite as a whole.

To do so, we isolated the traits that distinguish three or more of the six C-suite executives on a statistically significant basis.

The picture that emerges is of a group who think – and act – fluidly. They are genuinely interested in others, and generally possess confidence in their colleagues. Neither risk nor variety deters them.

Interestingly, the CEO and CHRO shared traits more frequently than any other pair of C-suite executives, suggesting that these executives act as a stylistically unifying force.

### C-suite executive groups who over-index for the following traits in a statistically significant manner:

**Seek varied activities**
- CEO
- CFO
- CMO
- GC
- CHRO
- CIO/CTO

**Adapt style to audience**
- CEO
- CFO
- CMO
- GC
- CHRO
- CIO/CTO

**Work adeptly through others**
- CEO
- CFO
- CMO
- GC
- CHRO
- CIO/CTO

**Adept at “reading” others**
- CEO
- CFO
- CMO
- GC
- CHRO
- CIO/CTO
When we look at C-suite psychometric data, we see a productive dynamic along our four dimensions of harmonious dissonance:

**C-SUITE EXECUTIVE GROUPS WHO OVER-INDEX FOR THE FOUR DIMENSIONS IN A STATISTICALLY SIGNIFICANT MANNER:**

**Examining each dimension individually:**

**1 ORIENTATION TOWARD PROCESS AND STRUCTURE**

CFOs and GCs show a stronger orientation toward process and procedure than their convention-breaking peers. That CHROs line up on the anti-bureaucratic side of the equation is a testament to how much that role has evolved in recent decades: it is now seen as a change agent.

Rules orientation is the only dimension on which CEOs score in the average range – perhaps because effective CEOs must indeed sit in the space between challenging processes and following them.
2 SOCIABILITY

Balance in sociability in the C-suite exists along two key dimensions: persuasiveness, and leadership dynamism. CEOs and CMOs over-index for enjoying selling their ideas, and for the dynamism to do so effectively, while CFOs and GCs are more reserved with others. CIO/CTOs also possess a dynamic style more similar to that of CEOs and CMOs.

While these findings are again quite intuitive, they are fascinating when viewed in conjunction with the previous dimension, rules orientation. Part of what enables the CFO and GC to be successful in championing guidelines is the fact that they make their points in a direct and fact-based way. CEOs and CMOs get permission to change and even demolish processes by igniting others through their own enthusiastic mien.

3 WORLDVIEW

By the very nature of their role, CEOs must be optimists, envisioning progress toward a better future. For their part, CFOs would be ineffective without a certain degree of risk awareness. That CHROs are included in the optimistic group again showcases how that role has evolved – they are no longer managing employees as risks but rather seeking to maximize the potential of human capital.
Once again, CEOs and CMOs align: both roles are imaginative and innovative. CFOs, in contrast, build on others’ ideas (as do GCs) and serve as tactical masterminds, making the aspirations of the organization possible.

BEYOND THE BALANCING ACTS...

- Two natural groupings emerge: CEO/CMO providing fuel that propels the C-suite forward, and the CFO/GC acting as brakes to curb risk.

- While this may seem to confirm commonly held CFO and GC stereotypes, it is important to remember that best-in-class CFOs and GCs hold other traits that align them with the CEO and CMO:
  
  - Best-in-class GCs statistically over-index for being decisive, cutting through bureaucracy, and displaying dynamic leadership.
  
  - Best-in-class CFOs statistically over-index for being open to calculated risk and voicing views publically.
C-suite archetypes: A psychologically fascinating cast of characters

Having seen where C-suite executives fall along our four key dimensions of harmonious dissonance, let us now consider archetypes for each role, based on their statistically significant psychometric traits. (An average score for an executive on these characteristics is 100.)

**CEOs: “The Scholar-Athlete”** Like a student who excels both in the classroom and on the playing field, CEOs surpass the overall executive population both in how they think (independently, inventively, and optimistically) and how they behave (assertively, embracing risk, and capitalizing on opportunities).

**STATISTICALLY SIGNIFICANT HIGHLIGHTED TRAITS AND INDEX SCORES:**

<table>
<thead>
<tr>
<th>Trait</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Embrace the right risks</td>
<td>125</td>
</tr>
<tr>
<td>Capitalize on opportunities</td>
<td>124</td>
</tr>
<tr>
<td>Achievement-oriented</td>
<td>114</td>
</tr>
<tr>
<td>Independent thinking</td>
<td>113</td>
</tr>
</tbody>
</table>

**CFOs: “The Analytical Engine”** As their psychometric profile illustrates, CFOs have a unique ability to move from strong detail immersion to fast-paced action – and back again. What enables them to do this is a core of balance and inner reserves of strength.

Of the C-suite executives, only CFOs provide the “3 D’s”: data orientation, detail orientation, and diligence. In the fast-moving world of big data, these traits are essential. But CFOs are not merely grunts or bean counters: they, and only they, share with CEOs an exceptional ability to act quickly to capitalize on opportunities. The CEO and CFO can move faster than the rest of the C-suite. This is a meaningful – and powerful – connection.

**STATISTICALLY SIGNIFICANT HIGHLIGHTED TRAITS AND INDEX SCORES:**

<table>
<thead>
<tr>
<th>Trait</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data driven</td>
<td>113</td>
</tr>
<tr>
<td>Vigorous</td>
<td>108</td>
</tr>
<tr>
<td>Modest</td>
<td>109</td>
</tr>
</tbody>
</table>
CMOs: “The Changemaking Artist” Driven by imagination and a distaste for convention, CMOs are both dynamic and inclusive in their leadership style. They are deeply interested in change, but use their (unsurprising) penchant for selling and quest to understand their colleagues’ motivations to bring others on the journey with them.

CMOs are distinguished from the rest of the C-suite by their boldness and abstract thought – further underscoring their role as boundary breakers, which is valuable to CEOs seeking to channel business growth. CMOs echo CEOs’ most vibrant traits: liveliness, conceptual thinking, and active consultation of others.

STATISTICALLY SIGNIFICANT HIGHLIGHTED TRAITS AND INDEX SCORES:

<table>
<thead>
<tr>
<th>Trait</th>
<th>Index Score</th>
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</thead>
<tbody>
<tr>
<td>Imaginative</td>
<td>149</td>
</tr>
<tr>
<td>Unconventional</td>
<td>137</td>
</tr>
<tr>
<td>Test limits</td>
<td>134</td>
</tr>
</tbody>
</table>

GCs: “The Conscience” General counsel are highly oriented toward using reflection to find solutions to the most immediate problems. This orientation, combined with a tendency to build on the ideas of others and a penchant for working collaboratively, makes them exceptional standard bearers for their C-suite colleagues.

General counsel connect with CEOs on two fascinatingly contrasting traits – **assertiveness**, and **humility**. Both groups thus walk a fine line – stating their ideas strongly, but not in a self-aggrandizing way.

STATISTICALLY SIGNIFICANT HIGHLIGHTED TRAITS AND INDEX SCORES:

<table>
<thead>
<tr>
<th>Trait</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust their intuition</td>
<td>117</td>
</tr>
<tr>
<td>Pragmatic</td>
<td>113</td>
</tr>
<tr>
<td>Cooperative</td>
<td>110</td>
</tr>
</tbody>
</table>
CIO/CTOs: “Dynamism Meets Flexibility” CIO/CTOs show a robust ability to morph in response to rapidly changing technological challenges – they are adaptable and seek variety. Their dynamic leadership style and willingness to disrupt the existing order serve them well in a position that require them to change the way others think about work.

Independent thinking and an interest in others separate CHROs psychometrically from the balance of the C-suite, positioning them as the human navigators at the top of organizations. Their potential to be a core trusted adviser to CEOs comes from a bundle of traits relating to emotional centeredness that they and no others share with the CEO: forthrightness, confidence, and collectedness.

**STATISTICALLY SIGNIFICANT HIGHLIGHTED TRAITS AND INDEX SCORES:**

<table>
<thead>
<tr>
<th>Trait</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calm and collected</td>
<td>124</td>
</tr>
<tr>
<td>Adaptable</td>
<td>127</td>
</tr>
<tr>
<td>Decisive</td>
<td>118</td>
</tr>
</tbody>
</table>

CHROs: “The Light Touch Moving Mountains” Leveraging social confidence and empathy to smooth the process, CHROs cut through bureaucracy and make crisp decisions in service of important business goals. Strong human understanding pairs with an active work style to produce effective results.

**STATISTICALLY SIGNIFICANT HIGHLIGHTED TRAITS AND INDEX SCORES:**

<table>
<thead>
<tr>
<th>Trait</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Go against the grain</td>
<td>129</td>
</tr>
<tr>
<td>Seek varied activities</td>
<td>116</td>
</tr>
<tr>
<td>Comfortable in the spotlight</td>
<td>124</td>
</tr>
</tbody>
</table>

CIO/CTOs: “Dynamism Meets Flexibility” CIO/CTOs show a robust ability to morph in response to rapidly changing technological challenges – they are adaptable and seek variety. Their dynamic leadership style and willingness to disrupt the existing order serve them well in a position that require them to change the way others think about work.

CIOs/CTOs uniquely share the trait of free thinking with their CEOs – a helpful trait for leaders whose job it is to introduce novel and potentially revolutionary new technologies.
What’s next for C-suites:
**Disruption and distributed leadership rewrite the psychological playbook**

When we use psychometric data to examine attitudes toward change, the members of today’s C-suite fall along a spectrum. CEOs exist in a space somewhere between being change agents and change enablers.

Two major shifts have occurred over the last few years that may fundamentally change the leadership traits needed for certain roles:

1. CFOs and GCs are being selected for their ability to be robust business partners within the C-suite. This entails a stronger shift to persuasion. While this is a positive development for many companies, it will be interesting to see how the C-suite rebalances. Who will now act as the brakes?

   One candidate is the CIO/CTO. Given the prominence of cybersecurity issues, CIOs and CTOs are called on to be more risk-conscious than they were in previous eras. Accordingly, this would shift them further into the risk management camp.

2. As the C-suite rebalances, CEOs may move in either direction – toward risk management or toward further disruption, depending on the approach their company takes to an increasingly disrupted environment.
WHOLE FOODS: MAKING A HIGHLY UNUSUAL C-SUITE STRUCTURE WORK VIA MUTUAL RESPECT, TRUST, AND HONESTY

Whole Foods: Making a highly unusual C-suite structure work via mutual respect, trust and honesty

1. A team that’s aligned in purpose and principle: The most important decisions at Whole Foods are made via consensus at the executive level. Co-CEOs Walter Robb and John Mackey take pride in having developed a culture of mutual respect and trust. CFO Glenda Flanagan says that “the value of the team” is one of the greatest lessons she has learned at Whole Foods, and that “to be aligned on purpose and principle helps [the C-suite] feel inspired and empowered.”

2. Leveraging each other’s strengths and unique characteristics: Co-CEO Mackey is known for having a passion for healthy eating and being a visionary. Robb has deep operational experience and a passion for customer experience. Robb and president and COO A.C. Gallo are both brilliant retailers, but have different leadership styles. Gallo is sought after for his calmness and uncanny good judgment, while Robb considers himself a “push leader.”
DEAN STAMOULIS leads the RRA Center for Leadership Insight. He provides guidance to boards and chief executive officers on how to build excellent leadership teams. This advisory work includes optimizing hiring, promotion, and succession decisions, and contributing to the development of promising senior executives. He is based in Atlanta.