



Leading Through Organizational Crisis

Ryne A. Sherman, Ph.D

Chief Science Officer | Hogan Assessments

Collaborators

Kimberly Nei, Ph.D

Director of Talent Analytics



Chase Borden

Intern, Data Science



Southwest 1380
April 17, 2018



Tammie Jo Schults



One of the first female fighter pilots in the US Navy
Reached rank of lieutenant commander

Served during Operation Desert Storm

Civilian pilot for Southwest Airlines

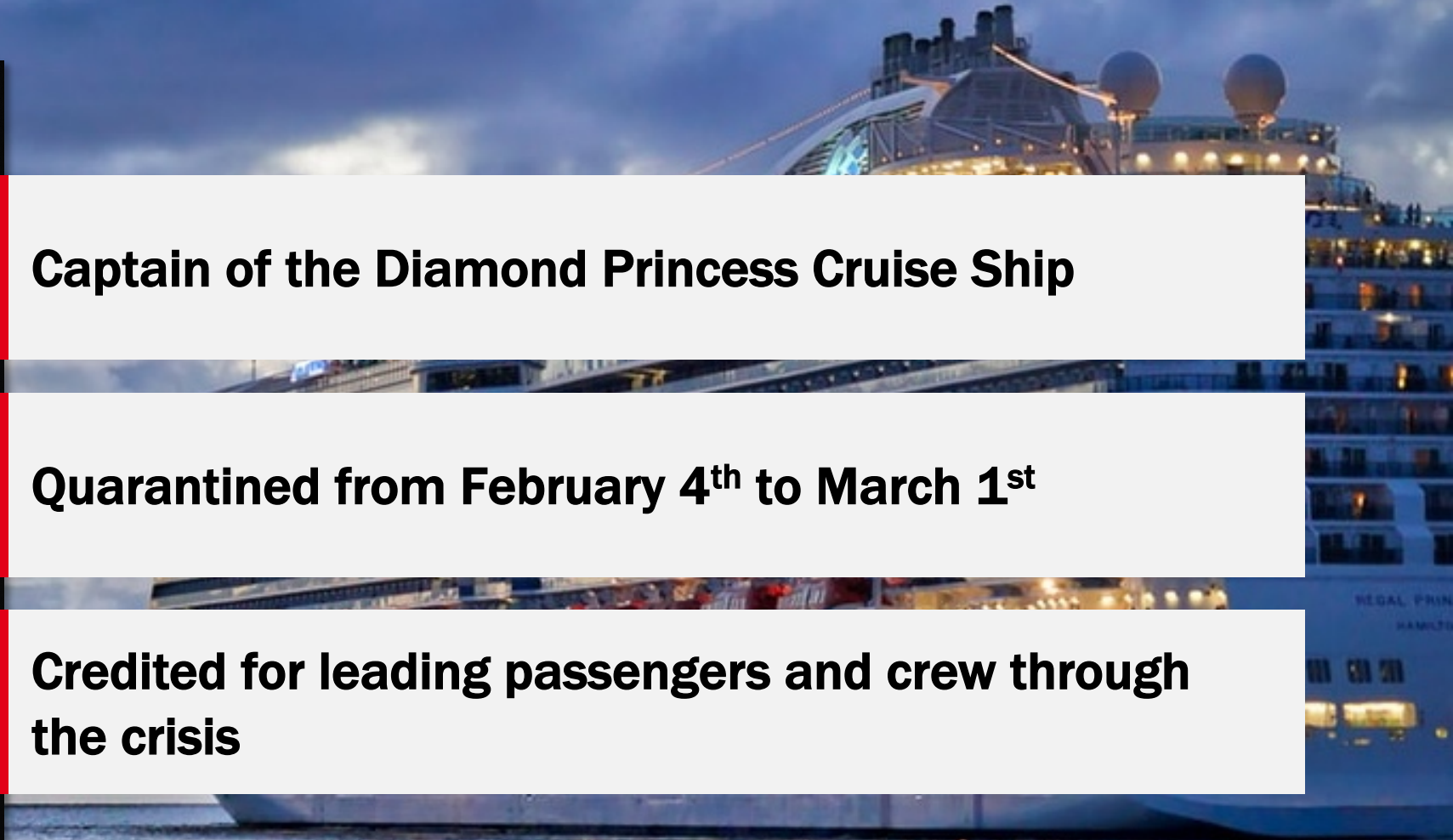
Gennaro Arma



Captain of the Diamond Princess Cruise Ship

Quarantined from February 4th to March 1st

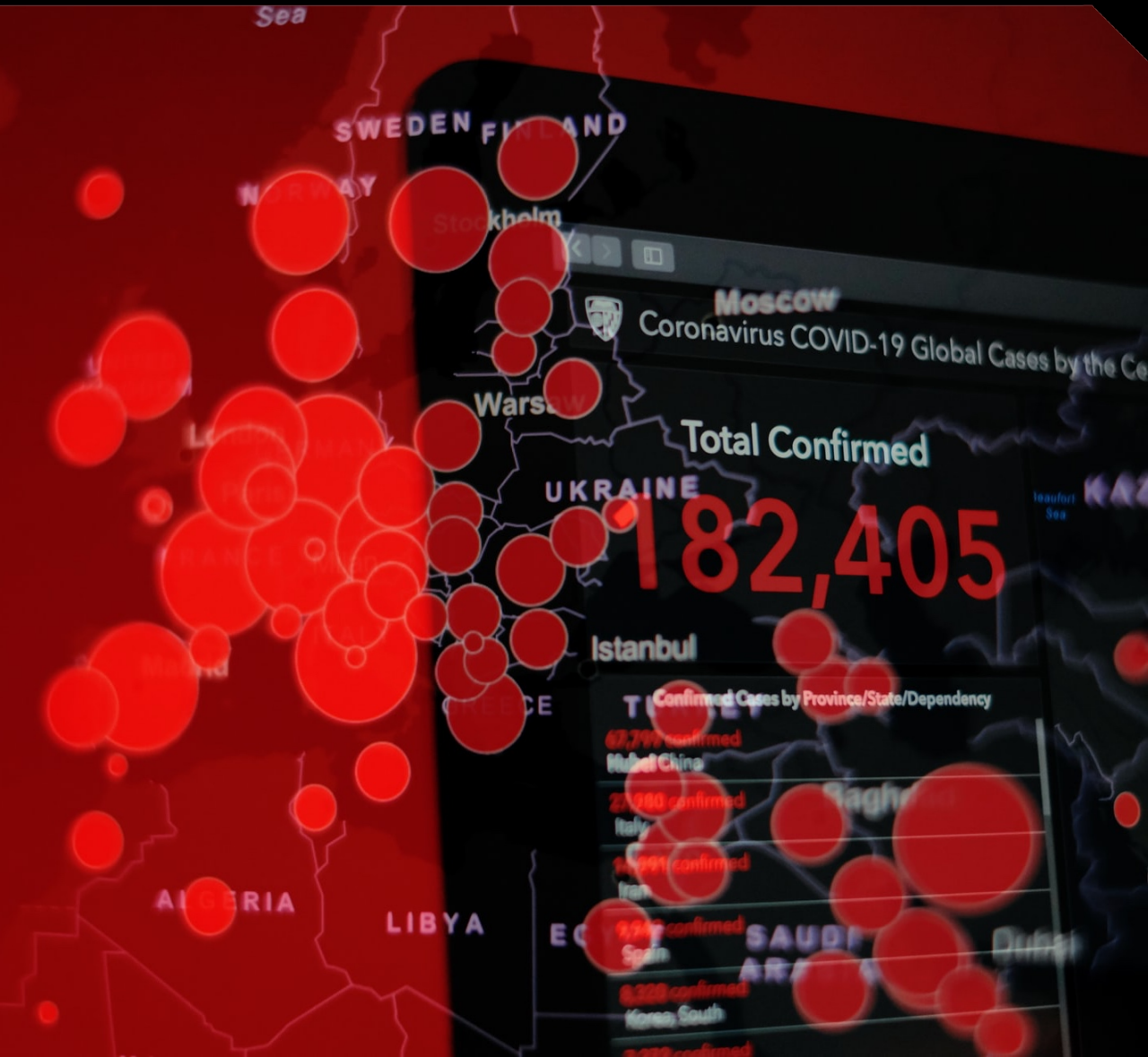
Credited for leading passengers and crew through the crisis



Overview

- 1 Crisis is Common
- 2 Leadership is Critical
- 3 Hogan Knows Leadership
- 4 Who Leads Effectively Through Crisis?
- 5 Summary + Q&A

Crisis Is Common



- The **world** has always been **VUCA**
 - Volatile
 - Uncertain
 - Complex
 - Ambiguous
- **Every** organization will **face a crisis** at some point
- The **legacy of the leader** is often determined by **how they handle** the crisis

Leadership is Critical



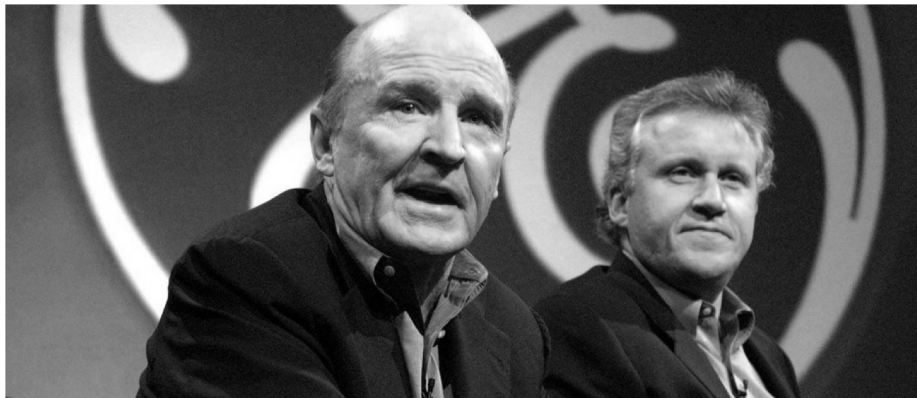
- **Organizational success** is largely a function of **leadership**
- **Handling crisis** is just another part of leading an organization
- Organizations need **effective leaders** to **overcome** crises



What Do We Mean by Leadership?

Defining Leadership

- The literature defines leadership in terms of the people who are in charge
- Who gets to be in charge of large, hierarchical, bureaucratic, male-dominated organizations?
- What do Jack Welch and Jeffrey Immelt (GE) have in common? Michael Eisner and Robert Iger (Disney)?



Jack Welch and Jeffrey Immelt, GE



Robert Iger and Michael Eisner, Disney

Redefining Leadership



- People evolved as **group living** animals
- Warfare was constant, there was **selection** within and between groups
- People are selfish; leadership involves **persuading people to work together** for the common good.
- Leadership is a **resource for the group**, not a source of privilege for incumbents.
- With this definition, the **literature converges**.

Leadership

- ➔ Leadership should be defined in terms of the ability to **build and maintain a high performing team**, group, or organization.
- ➔ Leadership should be **evaluated** in terms of the **performance of the team** relative to the performance of the teams with which it competes.
- ➔ This is virtually **never** done...



Who Is Best to Lead Through Crisis?

Why Listen to Hogan?

- Everyone has an **opinion** on leadership...
- Personality, Leadership, and Organizational Effectiveness for **30+ years**
- What do the **data** tell us?

Personality and Leadership

Personality Predicts

Who Leads



+

How They Lead



Identity vs Reputation

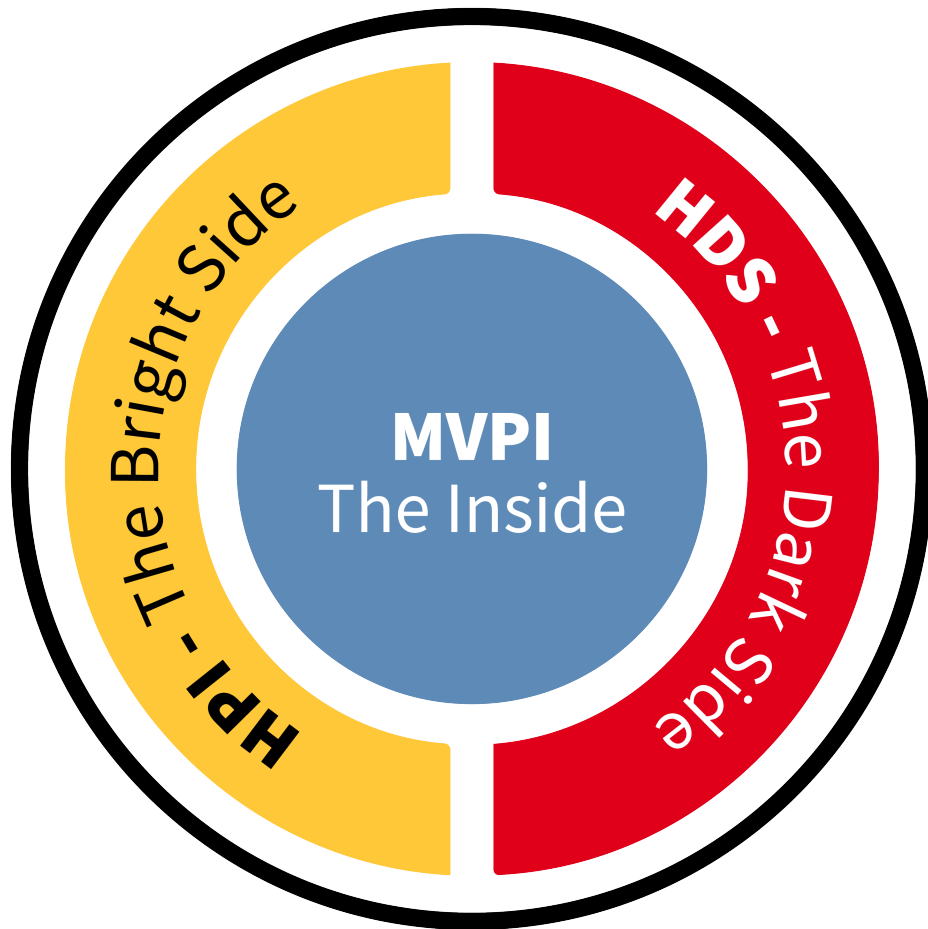


How We See Ourselves



How Others See Us

Personality



MVPI

Motives, Values, Preferences Inventory

The MVPI describes an individual's core values – the goals and interests that determine satisfaction and drive careers.

HPI

Hogan Personality Inventory

The HPI describes how individuals manage stress, interact with others, approach work tasks, and solve problems.

HDS

Hogan Development Survey

The HDS describes behaviors that emerge during times of stress, damaging relationships and derailing careers.

The Inside of Personality

The MVPI assesses the inside of personality using 10 scales that concern core values which are often unconscious, but determine career satisfaction.

Recognition	Responsive to attention, approval, and praise
Power	Desiring success, accomplishment, status, and control
Hedonism	Orientated for fun, pleasure, and enjoyment
Altruistic	Wanting to help others and contribute to society
Affiliation	Enjoying and seeking out social interaction
Tradition	Dedicated to strong personal beliefs
Security	Needing predictability, structure, and order
Commerce	Interested in money, profits, investment, and business opportunities
Aesthetics	Needing self-expression, concerned over look, feel, and design of work products
Science	Wanting knowledge, research, technology, and data



Affiliation

Concerns valuing frequent and varied social interaction; interested in networking and feeling a sense of belonging to a group or organization.



Security

Concerns valuing certainty, predictability, and risk-free environments; interested in structure, order, predictability, and planning for the future.

Inside Characteristics

Connectedness & Comfort with Ambiguity
Employees, Colleagues, Partners, and Communities



Affiliation

$r = .10$



Security

$r = -.21$

Make people **feel valued** and create a **unifying force** to face to crisis

Taking **smart** and **appropriate** risks

The Bright Side of Personality

The Hogan Personality Inventory (HPI) assesses the bright side of personality using seven scales to predict how people behave when they are at their best.

Adjustment	Confidence, self-esteem, and composure under pressure
Ambition	Initiative, competitiveness, and desire for leadership roles
Sociability	Extraversion, gregarious, and need for social interaction
Interpersonal Sensitivity	Tact, perceptiveness, and ability to maintain relationships
Prudence	Self-discipline, responsibility, and thoroughness
Inquisitive	Imagination, curiosity, and creative potential
Learning Approach	Achievement orientation, valuing education

A man with a beard, wearing a blue suit jacket, a white shirt, and a dark tie, is shown from the chest up. He is adjusting the buttons of his jacket. The background is a solid grey color. A dark grey horizontal bar is overlaid across the middle of the image, containing the text.

Adjustment

Measures the degree to which a person appears confident, self-accepting, and stable under pressure.



Ambition

Measures the degree to which a person appears self-confident, leader-like, competitive and energetic.

Bright Side Characteristics

Remain calm, take charge, and confidently make critical decisions



Adjustment

$r = .25$



Ambition

$r = .28$

Model behavior for others

Maintain **order**

Adapt to unanticipated changes

The Dark Side of Personality

The Hogan Development Survey (HDS) assesses the dark side of personality using **11 scales** that concern how people behave when they stop self-managing.

Excitable	Moody, hard to please, and emotionally volatile
Skeptical	Suspicious, sensitive to criticism, and expecting betrayal
Cautious	Risk averse, resistant to change, and slow to make decisions
Reserved	Aloof, uncommunicative, and indifferent to the feelings of others
Leisurely	Overtly cooperative, but privately irritable, stubborn, and uncooperative
Bold	Overly self-confident, arrogant, and entitled
Mischievous	Charming, risk-taking, and excitement-seeking
Colorful	Dramatic, attention-seeking, and interruptive
Imaginative	Creative, but thinking and acting in unusual or eccentric ways
Diligent	Meticulous, precise, hard to please, and micromanaging
Dutiful	Eager to please and reluctant to act independently or against popular opinion

Dark Side Characteristics

Crisis increases stress in everyone, including leaders

Moving Away From People

Managing feelings of inadequacy by avoiding true connections with others



Moving Towards People

Managing one's insecurities by building alliances



Moving Against People

Managing one's self doubts by dominating and manipulating others



Moving Away Derailers

Common Moving Away Tactics

Deny problems, **Downplay** their size, or **Ignore** them



	Everyday Strengths	Potential Derailer	r
Cautious	Careful & thorough	Risk-averse, unwilling to take initiative & fearful of mistakes and failure	$r = -.29$ ↓
Reserved	Independent & businesslike	Unwilling to engage and communicate with others; Overly tough or critical	$r = -.33$ ↓
Excitable	Intense & energetic	Volatile; Unable to remain resilient and productive in the face of setbacks	$r = -.22$ ↓



What Can Organizations Do?

Leadership Selection

- 1 Personality is **highly stable**
- 2 Best **predictor** of future behavior is past behavior
- 3 **Reputation** is the sum total of one's past behavior
- 4 Well-designed **personality assessments** approximate reputation

Awareness & Development



“If you don’t know where you are going, any road will take you there.”



“If you don’t know where you are, it is impossible to know where to go.”

Summary



Crisis is **inevitable**



Leadership is **critical**



Organizations with **effective leaders** come out on top after the crisis subsides



Success requires **preparation** and strategic **self-awareness**

Ryne A. Sherman

rsherman@hoganassessments.com



hoganassessments.com



**11 S. Greenwood
Tulsa, OK 74120**



**+1 800.756.0632
918.749.0632**



info@hoganassessments.com