Quality Control

Why Leaders Need to Understand Personality

Every individual has a personality, and because the primary responsibility of managers is dealing with people, it’s important for managers to grasp the different types of personality and the implications of each type for the work world. With a clear understanding of human nature and individual differences, managers are in a strong position to be effective leaders. In particular, knowledge of personality translates into effectiveness in hiring employees, leading employees, and managing yourself.

Managers tend to be pragmatic, and for good reason. They are responsible for managing valuable resources, including time, money, and materials. But the most important resource that managers oversee is people; managers are first and foremost in the people business. It follows then that to perform well, managers need to know something about personality.

Personality involves two main components. The first is human nature—what all people are like, deep inside. The second is individual differences—the important ways in which people differ from one another. Managers who don’t understand human nature and individual differences are poorly equipped to motivate people and help them perform. But with a clear understanding of human nature and individual differences, managers are in a strong position to be effective leaders.

The study of personality has a long history. Early societies, from the Chinese in the East to the Greeks in the West, speculated about human nature and human uniqueness. A key lesson from the history of thought about personality

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is that it is important to start with the right assumptions.

Sigmund Freud was the pioneer of modern personality psychology. Despite his important contributions, he started with the wrong key assumptions—he postulated that the most important generalizations that can be made about people are that everyone is neurotic and that the basic problems of life involve overcoming one’s neuroses. Although most people enjoy analyzing themselves, research shows that doing so doesn’t provide much guidance for dealing with other people at work, in close relationships, and elsewhere. Moreover, it is simply not true that most people are neurotic.

Business school faculties tend to promote the views of American psychologist Abraham Maslow on personality. Maslow, a humanist, was more concerned with politics than with science. His ideas about self-actualization closely resemble Karl Marx’s view that the role of the state is to help each person reach his or her full potential. And just as Marxism has failed as a theory of economics, self-actualization has failed as a theory of personality. After half a century, psychologists are still unable to measure self-actualization. However, the pursuit of self-actualization was a driving force, and often a justification, for much of the self-indulgence and cultural excess of the 1960s, 1970s, and 1980s.

**TWO CONDITIONS**

A useful view of personality should satisfy two conditions. First, it must be consistent with what is known about human evolution—otherwise it is unlikely to accurately characterize human nature. Second, it must identify the most consequential ways in which people differ—ways that can account for important differences in job performance, career success, relationships, health, and longevity, among other factors.

**Human Nature**

Taken together, anthropology, sociology, and evolutionary biology provide a view of human nature that centers on a robust generalization with powerful practical implications. Primates are the most social of all the animal families, and human beings are supersocial primates—we evolved living in groups. This fact holds the key to understanding human nature.

Group living was a survival strategy that provided a buffer against harsh elements and powerful predators. Humans have always lived in groups, and this reflects strong needs for social interaction and being a part of something larger than ourselves. Every human group also has a status hierarchy—there are people at the bottom, in the middle, and at the top, and everyone knows who is where. People at the top exert more influence and enjoy more privileges than those below them; consequently, there are real benefits to status. Finally, every human group has a religion that prescribes and justifies its rules regarding acceptable behavior. These rules and belief systems provide guidance and a sense of group identity; they also reduce ambiguity and help people interact, recognize members of their own group, and determine what is valuable.

The fact that group living, status striving, and religion are universal traits among humans suggests that human nature rests on three innate and fundamental needs—getting along, getting ahead, and finding meaning in life.

Getting along involves gaining social acceptance and avoiding rejection; it is rewarding to be liked and accepted, and stressful to be criticized or rejected. That’s why solitary confinement is the most aversive form of punishment.

Getting ahead involves gaining status and respect and avoiding loss of power. Winning a promotion at work or defeating a competitor on the court triggers a pleasurable neurochemical bath of serotonin; losing triggers the release of the stress hormone cortisol.

Finding meaning involves developing a purpose in life that is valued by one’s social group; a sense of meaning also provides some degree of structure and predictability in the environment. Those who see no meaning in life are listless and disengaged, and everyone becomes distressed by chaos and a loss of control.

Humans’ universal needs to get along, get ahead, and find meaning are rooted in biology—these needs facilitated the survival of our ancestors. Moreover, people with lots of social support, power, and sense of purpose do better today. As supersocial creatures, people use social interaction to fulfill these important needs.
needs. Much of modern social life takes place at work, among other organizational settings, and therefore the workplace provides opportunities to gain acceptance, increase one’s status and power, and identify with a larger group and its purpose. These three needs provide managers with their most important levers for motivating people.

**Individual Differences**

Not all people are equally skilled at getting along, getting ahead, and finding meaning. People differ in their ability to meet these needs, and these differences are reflected in their values, beliefs, dispositions, talents, and typical behaviors. This is what we mean by the term personality.

It is useful to distinguish between **personality from the inside** and **personality from the outside**. Personality from the inside entails how people think about themselves—their hopes, dreams, goals, fears, and strategies for getting along, getting ahead, and finding meaning; these self-views form a person’s identity. Personality from the outside entails how other people think about a particular person, the things others need to know in order to be able to deal with that person effectively.

Identity is the you that you know and reputation is the you that we know. These two forms of personality are different in important ways. Freud said that the you that you know is hardly worth knowing because you made it all up. He was partially right; for example, there is typically little correspondence between self-ratings and co-worker ratings in 360-degree feedback. Nonetheless, identity is important because it explains why people do what they do, even if their behavior, and the reasons they give for it, make little sense to observers.

Individuals’ reputations determine how others interact with them; for example, if others think that an individual is overly critical, they will tend to avoid him or her. Reputation is a summary of how individuals have behaved in the past and is the best information available about how they are likely to behave in the future—because the best predictor of future behavior is past behavior. Reputation determines some of the most consequential outcomes in life: it is the basis on which people are promoted, married, collaborated with, loaned money, and liked or despised.

There are two distinct aspects of reputation—the bright side and the dark side. The bright side reflects individuals’ social performance when they are at their best. The dark side reflects individuals’ social performance when they let their guard down—when they are stressed out, overworked, or simply do not care what kind of an impression they make. The bright side describes the person met in an employment interview; the dark side describes the person evaluated at the end of the year.

Researchers have identified five basic dimensions that form the bright side of personality; they are known as the **Big Five**. These dimensions are adjustment, extraversion, likeability, prudence, and openness, and they reflect the common terms that people use to describe other people in the early stages of a relationship. All people describe and compare one another in terms of these five dimensions.

Adjustment involves poise and self-confidence, a key ingredient for success in both getting along and getting ahead. Extraversion splits into two components, sociability and ambition, that seem similar but serve different needs. Sociability involves being affable and outgoing, which is important for getting along. Ambition involves competitive status seeking and directly concerns getting ahead. Likeability is about being considerate and congenial and is a key factor in getting along. Prudence involves following rules and working hard, which are related to both getting along and getting ahead. Openness is the key to creativity and includes seeming curious and intellectually engaged, which facilitates finding meaning.

The role of the Big Five in job performance has been widely studied and there is substantial data indicating that they predict job performance at every level in every organization.

Dark-side tendencies typically coexist with well-developed social skills, which mask or compensate for the dark-side tendencies in the short run. Over time, however, as we get to know people better, their dark-side tendencies emerge. The dark side concerns behavioral tendencies associated with getting along and getting ahead that can be effective in the near term. For example, arrogant people may at first seem poised and self-confident. However, dark-side tendencies rest on flawed assumptions about one’s capabilities and others’ reactions (for instance, “There is nothing I can’t do!” or, “Other people find me irresistible”), and these flawed assumptions and their associated behaviors tend to undermine relationships in the long term. In many ways the dark side can be under-
stood as a set of otherwise attractive qualities that are overdone; for example, confidence turns into arrogance, creativity becomes eccentricity, tact becomes sucking up, and so on.

Psychologists have identified eleven counterproductive dimensions of personality that constitute the dark side—excitable, skeptical, cautious, reserved, leisurely, bold, mischievous, colorful, imaginative, diligent, and dutiful. There is less research on the effects of the dark side at work than there is on the bright side effects. However, although some of the dark-side dimensions may at first glance appear to be tendencies that are desirable in managers, they have been linked to long-term weaknesses that lead to poor judgment, bad leadership, and derailment. Moreover, everyone has at least some of these tendencies, so career development depends on coming to terms with them.

WHAT IT MEANS

What we have discussed so far is an overview of personality at the conceptual level. These concepts have wide-ranging, practical implications for managers, notably in the areas of hiring employees, leading employees, and managing yourself.

Hiring Employees

Over the past twenty years, researchers have found overwhelming evidence that personality inventories based on the Big Five predict performance in every job in the U.S. economy. However, different jobs require different personality characteristics. For example, research shows that good long-distance truck drivers are not particularly sociable or ambitious but are very prudent. Conversely, good salespeople are highly sociable and ambitious but not very prudent. Careful analysis of performance requirements can identify the configuration of personality characteristics suited for a given job.

Personality inventories are particularly useful for identifying leadership potential. Research shows that the Big Five predict leadership better than IQ does. Effective leaders are adjusted (optimistic and calm under pressure), ambitious (driven and competitive), sociable (energetic and communicative), prudent (hard working and industrious), open (visionary and eager to learn), and somewhat likeable (agreeable but also objective and tough-minded).

Assessing the dark side of personality is also helpful in selection. Because well-developed social skills usually mask dark-side tendencies in the short run, these destructive tendencies are hard to detect using bright-side measures, interviews, or assessment centers. However, a measure of the dark side can help hiring managers determine when self-confident applicants are actually arrogant or when attention to detail may be a sign of micromanagement. Ironically, many derailed managers were fired for the same reasons they were hired—their strengths became weaknesses, as CCL researchers have put it.

Competent personality measures have two distinct advantages as selection devices. First, they predict performance quite well. Second, unlike IQ tests, personality measures do not discriminate against any protected category of job applicants—minority applicants and women achieve similar scores to majority applicants and men. It is also worth mentioning that the claim that personality inventories can be deceived is simply false. It is one thing to fake an answer to a single item—for instance, “I have never told a lie”—but it is impossible to manufacture a fake profile on a multidimensional inventory.

Leading Employees

We have noted that the universal needs to get along, get ahead, and find meaning provide the most important levers for motivating people. Employees perform better when they have positive relationships with their managers and co-workers, a sense of community, and protection from bullying and harassment. Employees also want a good income, opportunities for advancement, freedom to decide how to do their work, and a clear vision from their leaders to give their work meaning and purpose. Effective managers have the skills to fulfill these needs for their employees.

Personality is also about individual differences, which means that people vary in their degree of motivation to fulfill their needs to get along, get ahead, and find meaning. Savvy managers understand these differences. For example, ambitious employees want opportunities to take on leadership roles, demonstrate their competence, and earn bonuses and other forms of recognition. Employees who are low in ambition, however, find extra responsibilities and challenging assignments stressful. Employees who are highly likeable are concerned about peaceful relations at work and being accepted by their co-workers; employees with low likeability are comfortable with conflict and dislike working on teams.
Prudent employees need clear rules and a structured environment, whereas employees low in prudence find structure stifling. Employees low on adjustment need a lot of reassurance, find criticism very stressful, and ignore positive feedback; employees high on adjustment need no reassurance and ignore criticism. These examples make the point that sophisticated managers tailor their methods to the personalities of the individuals being managed.

A knowledge of personality is indispensable for leading teams. Research shows clearly that there are team player and team killer personalities. The best-performing teams are composed of people high on adjustment, likeability, and prudence—team players are even-tempered, cooperative, and conforming. Team killers are moody, quarrelsome, and independent. Moreover, the old adage about one bad apple pertains to teams: research shows that it takes only one person who is low on adjustment, likeability, and prudence to degrade the performance of the whole team.

Effective teams are also characterized by a range of complementary skills, perspectives, and talents. The biggest challenge is to find the right mix of people to play the various roles needed for a high-performing team. Most models of team composition stress the importance of four roles tied to personality—leadership, production, problem solving, and relationship maintenance. Leadership roles are best played by ambitious employees who want to coordinate and guide the team’s work. Production roles need prudent employees who are good at implementation and driving tasks to completion. Problem solving depends on employees with high scores for openness. Finally, the crucial role of relationship maintenance requires likeable and sociable people are good at building cohesion and facilitating communication.

The diversity of a team produces a second challenge—establishing trust and respect among the different personalities. Creating an atmosphere of trust is the central task of the leader, who needs to understand and respect the unique contributions of different approaches, emphasize collective goals and shared fate, and point out how cooperation leads to better performance than does competition.

**Managing Yourself**

Being able to manage yourself is at least as important for your career as being able to manage others. Self-management begins with self-awareness, which means understanding your personality. This is complicated by the fact that individuals inevitably think of themselves differently from how other people view them. The you that you know can be thought of as the protagonist in your internal narrative who makes sense of the world. However, you are merely part of the supporting cast—or perhaps even an antagonist—in other peoples’ internal narratives.

It is interesting to note that derailed managers are often described as self-absorbed. This suggests that they are unaware of how they are perceived by others. The data suggest that successful managers do understand how they are perceived by others and are skilled at creating a favorable reputation.

Managers can use self-awareness in two ways to better manage themselves. First, they need to know their natural tendencies—the types of activities they gravitate toward and are good at and also the activities they tend to avoid. For instance, a manager high in openness but low in prudence is likely to be creative and to see possibilities that others overlook. Such a manager is well suited for strategic leadership but is also unlikely to be good with the details of implementation and tactical problem solving. To be effective this manager will need to put extra effort into developing operational leadership skills or will need to hire and empower a team member with a complementary profile to fulfill the operational roles.

Second, managers must understand their dark-side tendencies and the kinds of situations that provoke those behaviors. This is particularly difficult because dark-side tendencies rest on flawed, self-serving assumptions. One’s best bet is to take a dark-side personality assessment and muster the courage to review the results honestly. It is also helpful to get co-worker feedback on how one’s dark side plays out. Then, using this information and perhaps working with a coach, managers can develop strategies and tactics for managing the potentially disruptive effects of their dark sides.

Ignorance may be bliss in some situations, but in the case of the dark side, ignorance is a lethal career strategy.