The entanglement of leader character and leader competence and its impact on performance

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ABSTRACT

Whereas the micro- and macro-oriented leadership literatures have often studied leader competencies necessary for effective performance, the role of leader character in relation to competencies and performance has been to a large extent neglected. Our work seeks to shift the scholarly dialogue by introducing the concept of character-competence entanglement, which reflects the binding between character and competence over time. The highest degree of entanglement represents the deep and more persistent interconnection and mutually-reinforcing effect between highly-developed leader character and highly-developed leader competence, whereas in cases of low entanglement, character can be activated temporarily in a particular context to help strengthen the relationship between competence and performance. Our core proposition is that high character-competence entanglement will lead to extraordinary performance over time. In addition, we emphasize that relying on naturally-occurring learning opportunities and the processes of "learning-by-living" both outside and inside the organization will positively impact the development of character-competence entanglement.

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Leadership demands have been increasing, in part because of the increasing complexity and challenge of the global context in which leaders operate, but also in part because academics and practitioners continue to produce theories and approaches to leadership that seem to demand more of leaders. Current leaders in the workplace are thus expected to be able to develop the capacity to lead effectively across multiple levels, such as self, others, and organization, by fulfilling numerous roles and responsibilities (Crossan, Vera, & Nanjad, 2008). Whereas leadership development is a critical human resource priority for firms around the world (Strack et al., 2010) and is an active field of research (Day, Fleenor, Atwater, Sturm, & McKee, 2014), the latest business crises have led many to question whether we are missing critical elements of leadership in our discussions and, furthermore, whether what we are expecting of leaders is even possible (Gandz, Crossan, Seijts, & Stephenson, 2010). We build on prior research that points to leader character as essential but often overshadowed by leader competence, and describe how *entangling* character and competence—that is, binding them together through a series of events across time—produces the leadership we seek.

Numerous approaches to understanding and defining character exist (Wright & Huang, 2008). Moral character, for example, is associated with ethical behavior and ethical leadership (Cohen, Panter, Turan, Morse, & Kim, 2014), is normative, and captured in the language of good/bad, right/wrong, and should/ought (Bass & Steidlmeier, 1999). In contrast, we focus on virtuous character (henceforth character), which is concerned with the quality of judgment and decision making, and therefore is not limited to the

domain of ethical decision making. Having sound judgment is an important aspect of effective leadership (Lawrence, Lenk, & Quinn, 2009), and while morality plays a role, so do other factors, such as the virtues of courage and temperance. Accordingly, the current research views character as a set of virtues that are universally considered to be important to well-being and excellence (Bright, Cameron, & Caza, 2006; Moore, 2005; Seijts, Gandz, Crossan, & Reno, 2015).

Leader competencies, on the other hand, represent the knowledge and skills necessary for effective leadership (Dragoni, Tesluk, Russell, & Oh, 2009; McCall, Lombardo, & Morrison, 1988; Quinn, Faerman, Thompson, McGrath, & Bright, 2015; Spreitzer, McCall, & Mahoney, 1997). When differentiating character from competence, we position competence as the ability to do something, whether due to natural talent or developed skill (or more often both), while character arises from habitual behaviors anchored in virtues and influences not only how competence is exercised, but whether it is exercised at all. As Hannah and Avolio (2010) state: "A leaders' character is defined not only by what the leader thinks but also by his or her motivation to act" (p. 292). Character, then, helps leaders to engage their competencies (e.g., Irwin, 2009) while also exercising judgment across contexts (Seijts et al., 2015; Yearley, 1990). Leading others, for example, includes competencies in motivation, teamwork, delegation, and contingent rewards (Mumford, Campion, & Morgeson, 2007), which are often discussed in business school programs and leadership development workshops in firms. A character lens places into question the effectiveness of these techniques in truly leading others when these competencies are not rooted in character dimensions such as humanity, justice, and temperance.

We seek to go beyond the independent roles of leader character and leader competence as they relate to performance outcomes to introduce the concept of character-competence entanglement. Whereas we concur with Hannah and Avolio (2011b) that "character and competence become the raw building blocks of effective and sustainable leadership" (p. 979), we also propose that merely possessing character and competence is insufficient; rather, they need to be deepened and developed together over time. We suggest that when character and competence are connected with one another in daily practice, they form a bond in which character increasingly becomes activated in a particular context alongside competence. "Character-competence entanglement," therefore, reflects the binding between character and competence, and exists in varying degrees depending on the level of competence, the depth of character, and the strength of the bond between them. In particular, the bond between character and competence is strengthened when it holds across time, different contexts, under pressure (when stress tested), and is exercised in a mindful way.

The core contributions of our theory are to: (1) go beyond the independent roles of leader character and leader competence as they relate to performance outcomes through the introduction of character-competence entanglement; (2) identify the importance of naturally-occurring, informal learning opportunities to the development of entanglement; and (3) incorporate temporal dynamics into our theorizing in order to highlight the dynamic nature of leadership (e.g., Shamir, 2011) and, particularly, of entanglement and performance. In establishing the boundaries of our theorizing, we propose that our model of character-competence entanglement applies not only to strategic leaders, but to all levels of leadership. Importantly, we embrace the view of leadership as disposition, not simply position, and character-competence entanglement is, therefore, important even for those without supervisory responsibility. It is not our intention to dissect each character dimension (e.g., humanity, courage) and how each one relates to competence; instead, we use them illustratively and focus on a holistic view of leader character. We conclude with a future research agenda to further advance both empirical and theoretical research on character-competence entanglement.

Leader character and competence

The role of character, not only in leadership but also in life, is something that has interested philosophers for centuries. Aristotle, for instance, argued that achieving excellent character is a prerequisite for attaining happiness and well-being in life, while Plato asserted that the character of leaders makes a large difference in whether or not they are able to rule effectively on behalf of the community (Williamson, 2008). While character has a long and deep history in philosophy and more recently in psychology (Seligman & Peterson, 2003), it has not been explicitly discussed as often in business (Crossan, Mazutis, Seijts, & Gandz, 2013b; Hannah & Avolio, 2011a; Seijts, 2013). However, the last decade has seen a surge of scholarly interest in character in organizational studies, especially as research related to virtuousness has burgeoned in the positive organizational scholarship field (Cameron, 2011; Cameron & Spreitzer, 2012). Despite these more recent efforts, there are only a few conceptual and empirical papers that have explicitly addressed both leader character and competence. As such, we build on existing work that may not use the label of character, but addresses aspects of character. Accordingly, our approach to character (and competence), described in the next sections, is not strictly dependent on a specific framework employed, and we draw from a variety of frameworks.

Deconstructing character

It is widely accepted that character is something that occurs within an individual, can be developed, and represents a higher-order construct composed of multiple dimensions (Hannah & Avolio, 2011a, 2011b; Quick & Wright, 2011; Wright & Goodstein, 2007; Wright & Quick, 2011). According to Peterson and Seligman (2004), there are six character dimensions: wisdom, courage, humanity, justice, temperance, and transcendence. These dimensions create a framework of character that "is not age or culturally bounded because its contents have been suggested throughout history and across cultures by philosophers and theologians and in a wide variety of major psychological theories" (Sosik & Cameron, 2010, p. 252). Recent research on character that extends Peterson and Seligman's (2004) framework and more closely aligns character to practicing leaders identifies 11 dimensions of