

Executive Summary

Leader Personality and Performance Differences in the Public Versus Private Sector

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Introduction

As leaders play such a significant role in driving the culture and success of an organisation, it is really valuable to understand what differentiates leaders, especially in this current world climate where there is a need for leaders to step up to ensure ongoing performance and sustainability.

The following article summarises some recent research by Peter Berry Consultancy that explored personality and performance differences for over 45,000 leaders in the public and private sectors. It highlights some interesting differences between public and private sector leaders and provides useful insights for those involved in leadership selection and development.

Personality differences across public and private sector leaders

Personality differences between public and private sector leaders was assessed using the following three assessments:

HPI

Hogan Personality Inventory

(HPI): measures day-to-day personality characteristics that impact how a person approaches their work and interactions with others.

HDS

Hogan Development Survey

(HDS): measures personality when not self-managing such as when stressed or under pressure, and describes a person's strengths which, when overplayed, can potentially derail performance at work.

MVPI

Motives, Values, Preferences

Inventory (MVPI): provides insight into a person's core values that motivate and drive their behaviour.

Differences in day-to-day characteristics

When looking at differences in day-to-day characteristics, leaders within the public sector were more likely to exhibit tendencies associated with being resilient and able to handle high levels of pressure and workload.

This may be an advantage for leaders in the public sector in the face of the challenges that 2020 has entailed due to COVID-19.

When it came to day-to-day characteristics associated with socialising and communication, leaders in the public sector were less likely to be interested in opportunities to socialise and may need to work harder at networking and strategic socialising. That said, during interactions with others, public sector leaders were more likely to exhibit tendencies associated with being perceptive and considerate of others and adopting a tactful and diplomatic approach.

Leaders in the public sector were more inclined to adopt high standards for performance, be procedurally driven

and attentive to aspects such as ensuring compliance with rules and considering potential risks. They were also more inclined to take an innovative approach to problem-solving. Additionally, leaders in the public sector were more likely to value training and development activities, and actively seek opportunities to stay up to date with trends and developments within their field.

While there was no difference in the level of ambition between executives in the public and private sectors, there were differences for managers. Specifically, managers in the public sector were more likely to prefer less competitive environments and following others' lead and suggestion, while managers in the private sector were more inclined to be confident, driven and focused on achieving results.



Differences in derailers

Derailers (i.e. counterproductive work behaviours) can have a significant impact on the performance and reputation of leaders including by impacting on their leadership style.

These tendencies can emerge when a leader is not actively self-managing such as when they are under pressure or complacent and can hinder their overall effectiveness.

When looking at differences in derailers, leaders within the public sector were more likely to derail by being overly cautious due to concerns about potential criticism or mistakes.

When under pressure, they were more likely to exhibit behaviours associated with being unassertive, indecisive, and reluctant to take chances or make changes. They were also more likely to derail due to being overly compliant, conforming and eager to please others including by being unwilling to take a strong stand on issues and seeming reluctant to make decisions or act independently.

Managers in the public sector were also more likely to derail when under pressure by being overly task-focused and preferring to work alone. When under pressure, they were more likely to exhibit tendencies associated with keeping others at a distance such as withdrawing and being uncommunicative.

Executives in the public sector were also more likely to derail by overplaying strengths associated with innovative and creative thinking. Specifically, when not self-managing, they were more likely to generate and communicate ideas that others may find impractical, overly complicated or hard to understand. This could potentially impact on the level of buy-in or support received for their ideas during these times.

On the other hand, leaders in the private sector were more likely to derail by engaging in tendencies associated with being tense under pressure and overreacting to situations.

When under pressure, they were more inclined to be prone to emotional outbursts, cynicism, defensiveness, and fault-finding. When not self-managing, leaders in the private sector were also more likely to be at risk of derailing due to overvaluing their independence, overestimating their competence, and being prone to being impulsive and limit-testing. During these times, they were also more likely to be feedback resistant, self-promoting, and dominating in social situations.

Differences in values, interests & drivers

Values, interests and drivers play an important role in the type of work environment and organisational culture that leaders are likely to foster.

They can impact on the kind of behaviours that leaders encourage and discourage from their staff and influence their decisions including in relation to strategy.

When looking at differences in the values and drivers of public and private sector leaders, public sector leaders tended to score higher on values associated with a desire to help others and make a positive contribution to society relative to their private sector counterparts. Leaders in the public sector were more likely to foster a culture that cares about the welfare and wellbeing of others and work environments marked by fair treatment, civil behaviour and respect for others. Leaders within the public sector were also more likely to place an emphasis on personal growth and development, and care about staff morale.

Public sector leaders were more likely to strongly value innovation and problem solving and to foster environments that encourage exploration of new ideas and creativity.

They were also more inclined to value knowledge and research and to encourage the adoption of data-driven, objective decision-making processes. Public sector leaders may tend to place a greater emphasis on the rigour and defensibility of plans, goals and decisions and more readily encourage others to justify their positions and opinions with logical and data. This may have positive implications for the quality of the decisions made by those in the public sector.

Relative to their private sector counterparts, public sector leaders were less likely to be driven by status interests (i.e. standing out, getting ahead and enjoying the fruits of one's success). They were also less inclined to be interested in commercial and financial-related matters. As a result, public sector leaders may be less inclined to promote public recognition of performance and competitive results-orientated work environments. Instead, they may be more likely to encourage cooperative, confrontation-free environments.

Finally, public sector leaders were less inclined to value opportunities to build their social networks and interact with others relative to their private sector counterparts.

As a result, they may not be as active in seeking opportunities to engage, communicate and collaborate with others and may need to work harder at networking and strategic socialising.



Public Sector

- Strongly value innovation
- Encourage creativity
- Culture of wellbeing and fair treatment
- Less likely to be driven by status
- Value building social networks

Differences in leadership performance across public & private sectors

An interesting question is whether these personality-based differences result in differences in leadership performance. To examine whether there were differences in leadership performance, research was conducted exploring differences on the Hogan 360 which is a multi-rater assessment tool designed to assess leader performance.

Both executives and managers in the public sector were found to have significantly higher ratings of overall leadership performance relative to their counterparts in the private sector.

They performed significantly better on a range of capabilities assessed within the Hogan 360 including capabilities associated with self-management, relationship management, working in the business (i.e. achieving

operational excellence) and working on the business (i.e. adding value through innovation and strategic planning). However, there was no difference between leaders in the public sector and private sector on the capabilities associated with being engaging (i.e. bringing positive energy into the workforce) or fostering accountability (i.e. managing performance by providing consistent and constructive feedback).

Similarities and differences in top strengths

When reviewing ranked strengths for leaders within the public and private sectors, there were some similarities in the top-rated strengths that emerged regardless of sector or leadership level (i.e. executive or manager).

Specifically, the following strengths were consistently rated amongst the top five strengths: has solid technical ability, experience and knowledge; works hard with a strong work ethic; is steady and calm under pressure, and; is action-orientated and gets things done. This indicates that regardless of whether a leader is in the public or private sector, these tend to be common strengths that are seen amongst leaders.

However, executives in the public sector tended to be rated higher on having strong leadership skills and being empathetic and supportive relative to executives in the private sector. Additionally, managers in the public sector tended to be rated higher on having high ethical standards

and integrity, having strong communication skills, and being good at planning and thinking ahead relative to their private sector managers. These strengths may tend to differentiate public sector executives and managers from their counterparts in the private sector.

On the other hand, executives and managers within the private sector tended to be rated higher on the strengths of being customer-focused and good with clients and being competitive and determined. Managers in the private sector also tended to be rated higher on having strong people skills relative to managers in the public sector. These strengths may tend to differentiate private sector executives and managers from their counterparts in the public sector.

Similarities and differences in top opportunities

When reviewing ranked opportunities for leaders within the public and private sectors, there were some similarities in the top-rated opportunities to improve that emerged regardless of sector or leadership level (i.e. executive or manager).

Specifically, the following opportunities were consistently rated amongst the top five opportunities: stop taking on too much and spreading yourself too thin; delegate more, and; challenge poor performance. Be more available and visible in the workplace was also consistently rated in the top five opportunities for improvement for executives in the public and private sectors. This indicates that regardless of whether a leader is in the public or private sector, these tend to be common development opportunities.

However, executives and managers in the public sector tended to be rated higher on the opportunity of setting clear goals and performance indicators. Managers in the public sector also tended to be rated higher on the opportunities of improving their time management and organisational skills and listening more and letting others have their say. On the other hand, executives and managers in the private sector tended to be rated higher on the opportunity of communicating better and improving their people and interpersonal skills.

Conclusion

Overall, the recent research by Peter Berry Consultancy highlighted differences in the personality and performance of leaders in the public versus private sectors that are important to keep in mind when it comes to the selection and development of leaders.

For selection, it is important for organisations to select leaders that align with the organisation's strategy and the key objectives of the leadership role. For leadership development, while there are likely to be common opportunities regardless of sector, there may also be opportunities that are more unique to particular leaders and warrant attention. This includes particular derailers that may be more likely to impact on the performance and reputation for some leaders relative to others.

About Peter Berry Consultancy (PBC)

PBC is a multidisciplinary global consulting firm with 30 years' experience in the delivery of solutions aimed at maximising the potential of individuals, teams, leaders and organisations. We undertake research to support our evidence-based solutions and have a network of partners and distributors globally.

PBC is the Australian distributor of Hogan Assessments and the authors of a range of diagnostics including the Hogan 360 suite, Agile suite, High Performing Team Assessment (HPTA), and co-authored the Hogan Safety Climate Survey.

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