



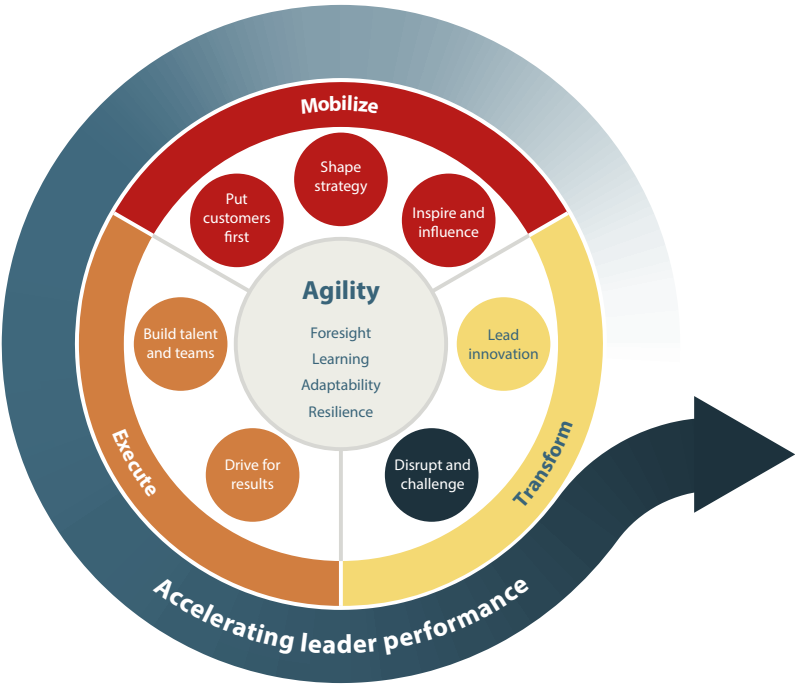
Disruptive leaders: An overlooked source of organizational resilience

Through the COVID-19 crisis and after, leaders who can disrupt and challenge successfully can be important sources of organizational resilience.

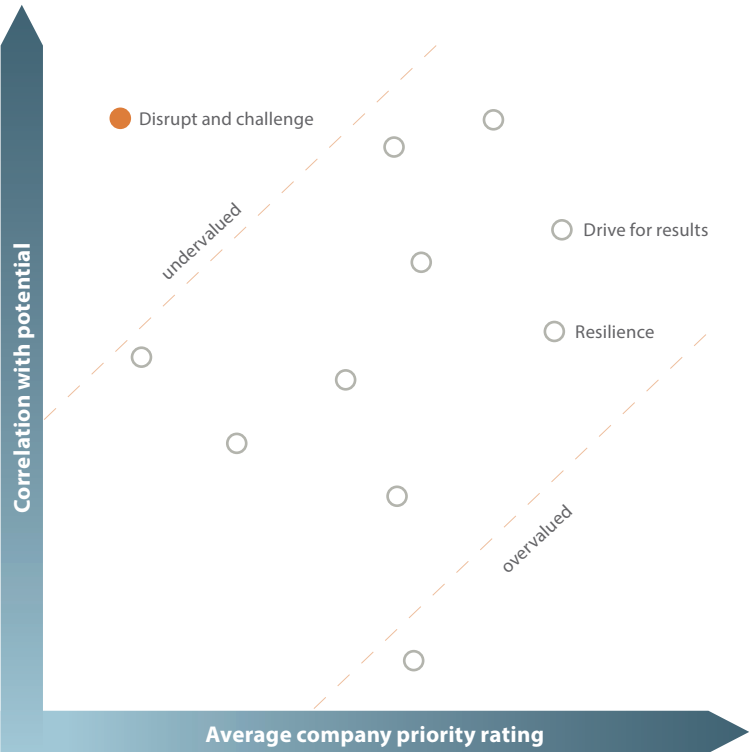
Through our extensive work with organizations globally and our in-depth research on how leaders lead, we've developed a holistic and data-driven understanding of the competencies that companies value in their executives, as well as the mindsets and abilities that determine leadership potential. On the whole, there's a good match between what companies prioritize in targeting external talent and what drives strong leadership performance. But one misalignment stands out: the very low priority most companies put on leaders' ability to challenge the status quo and use innovative thinking and experimentation to keep the business agile—what we call “disrupt and challenge.”

“Disrupt and challenge” is part of our META framework, which identifies the leadership behaviors that differentiate high-performing organizations, teams, and leaders. An individual's ability to challenge conventional wisdom and discover creative possibilities is one of the driving factors behind an organization's ability to transform by changing its business model and generate new opportunities for growth.

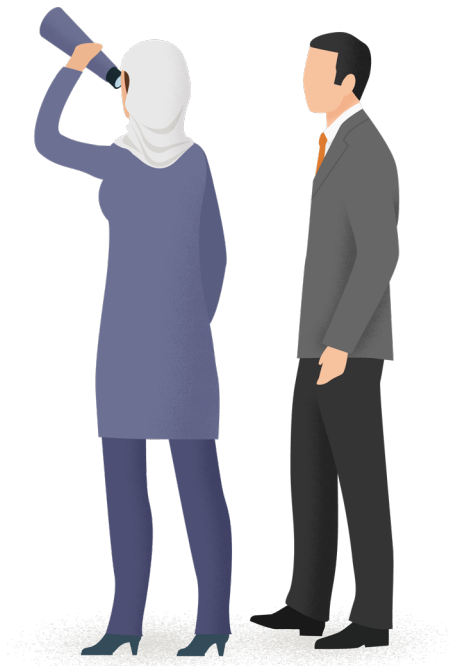
Leadership drive factors to mobilize, execute, and transform with agility (META)



Leaders’ mindsets—and which ones companies seek most often



Source: Heidrick Connect Client Priority Ratings (n=5,049); LAQ360 (n=2,290); method: Pearson correlation



Though any organization doing well is unlikely to admit it needs disruptive change, this attribute is a primary indicator of how far a leader can go, which should be of interest to any company seeking to build its leadership bench strength. When a company is being disrupted—which most were, one way or another, even before the current crisis—leaders with fresh perspectives can bring agility and create new possibilities. Those capabilities are central to continued strong corporate performance. The degree to which the ability to disrupt and challenge is undervalued is even more striking in the context of the crisis, as companies are having to find very creative ways to continue serving customers, and employees are having to completely change their behaviors overnight. Companies are also thinking about who can step quickly into key roles at very short notice if need be. On all these counts, it's the novel thinkers and problem solvers who, our work shows, will be most successful in the long run.

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A question of balance

This is not to say that the attributes that companies most prize in executives—in our experience, resilience and a drive for results—should be deprioritized. Far from it. Resilient leaders are needed in these times. Furthermore, when a company is looking for someone who can manage a P&L, the ability to execute well is paramount. Which aspects of leadership matter most also depends on the type of business—a brick-and-mortar company, for example, might place less of a premium on disrupting and challenging than a digital-first start-up—or type of role, since even for some senior roles the ability to just keep an operation running might be the most important factor.

Our work shows, however, that the ability to disrupt and challenge rarely scores highly in the list of company priorities, no matter what the sector or type of role. So we suggest that, as companies make the trade-offs among the attributes they consider crucial when hiring an executive, many will benefit from putting more emphasis than they currently do on leaders who can disrupt and challenge.

Having an appropriate diversification of competencies within the leadership team is critical for agility, in good times and bad. Furthermore, since the ability to disrupt and challenge has the strongest effect on leadership potential among any of the factors we study, any company seeking to develop its leadership bench—which we believe every company should—must also find the right level of disruptiveness for its long-term needs. It is important to note that our data was gathered in a strong economic market, and the current environment might well drive a change in sentiment. But companies shouldn't step back to their old ways after the immediate crisis passes.

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Reassessing the mix

There are a few reasons that may have led companies not to prioritize disruptors. The first is simply not wanting to make changes when performance is strong, which it has been for many companies for years now. Another reason is that, although companies want “innovation,” they tend not to seek “disruption.” However, creating possibilities from new thinking is at the core of how we define leaders who disrupt and challenge and, we would argue, something companies should pursue in good times as well as bad, since good times offer ripe opportunities for experimentation.

It will help companies as they seek new leaders and potential leaders to simply think about the specific leadership behaviors that most support new thinking and transformative change. Our analysis shows that these behaviors are looking at problems from novel angles to unlock the potential for creative solutions and spotting hidden possibilities to provide exciting potential sources of competitive advantage. These leaders are also able to generate disruptive change—and, furthermore, they can do so with little fear of destabilizing the organization. Indeed, when we look at behaviors that reduce the perceived potential of leaders, those associated with successful disruptors are least often associated with a loss of impact.

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Leaders who have an eye on new possibilities and aren’t afraid to shake things up are those who can pivot most easily between challenges and opportunities. By not setting a priority on people who have those qualities—in a good balance with others—most companies are missing out on a real opportunity to build their organizational resilience by finding leaders with the most potential to grow and change and to drive change in the organization. Companies that are willing to shift their approach to hiring will give their organizations the best chance of thriving in extraordinary times.



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