



BREAKOUT SESSION

The Role of Leader Character in Board Decision-Making and Culture

As You Watch

Leader Character: An Introduction for Directors

Consider these questions while watching:

- 1 What insights did you gain?
- 2 Was there anything you did not expect?

A wide-angle photograph of the Toronto skyline at dusk. The sky is a mix of light blue and purple. The CN Tower stands prominently on the right side. In the center, the Rogers Centre stadium is visible with its white, dome-like roof. The water of Lake Ontario is in the foreground, showing gentle ripples. The city lights are beginning to glow, and the overall atmosphere is calm and scenic.

Introduction to Leader Character:
Director's Edition

[https://www.youtube.com/watch?
v=CjgVhN9k-c4](https://www.youtube.com/watch?v=CjgVhN9k-c4)

Discussion

Leader Character: An Introduction for Directors

1 What insights did you gain?

2 Was there anything you did not expect?

01

Character is Essential to Judgment

SLIDO ▶ Does leader character add to judgment in ways that skills and experience can't provide?

Strongly Agree / Agree / Neutral / Disagree / Strongly Disagree

DR. MARY CROSSAN

Most directors would say they already have good judgment. Does leader character add to judgment in ways that skills and experience can't provide, and if so, how?

GRANT VINGOE

Given your wide-ranging experience, in your opinion does character factor into the quality and impact of contributions directors make to their Boards?

02

Governance Failures Through the Lens of Character & Culture

DR. MARY CROSSAN

Groupthink remains a persistent threat to effective board culture. Which specific character dimensions create it, what is the antidote, and what does that look like in practice?

GRANT VINGOE

From your vantage point as the CEO of the OSC — when you look back at governance failures, how often was the root cause a character failure versus a process or structural failure?

03

Developing Character in Directors

SLIDO ▶ Can character be developed in a sitting board member?

Strongly Agree / Agree / Neutral / Disagree / Strongly Disagree

DR. MARY CROSSAN

Can character be developed in a sitting board member, or are we largely working with what Directors bring to the table?

GRANT VINGOE

If public companies invested in the character development of their directors, what impact would that have on Ontario capital markets — specifically businesses, investors, and the Ontario economy?

04

Selecting for Character in Directors

SLIDO ▶ **Should Boards put more effort into character assessment when selecting new directors?**

Strongly Agree / Agree / Neutral / Disagree / Strongly Disagree

DR. MARY CROSSAN

Boards typically meet with prospective directors and do reference checks before offering a position. Is this process sufficient to assess character, and if not, why not? What more could be done without “off-putting” prospective directors?

GRANT VINGOE

If, as part of a director interview process, you were asked to engage in a 30-minute character-based interview, what concerns — if any — would you have? Might it cause you to decline the opportunity?

05

Implementing Character for Directors and Boards

DR. MARY CROSSAN

If one were interested in taking next steps to strengthen their own character as a Director, or that of their Board, what would those next steps be?

GRANT VINGOE

As the OSC CEO and an experienced Board Member, based on our discussions today, what — if anything — might you suggest publicly traded companies consider with respect to selection and development of character on their Boards?

What We Hope You Carry Forward

- 01 Character is foundational to judgment — and therefore to a director's most essential contributions.
- 02 Many failures of governance are, in fact, failures of character — not competence.
- 03 Character can be selected for and developed. It is not unobservable nor fixed.
- 04 Next steps: champion character development in yourself and on your boards.
- 05 This imperative has never been greater — the demands on directors have never been higher.

Resources



Ian O. Ihnatowycz Institute for Leadership

Developing leaders with character through research, teaching and outreach at Ivey Business School.

ivey.uwo.ca/leadership



Virtuosity

A virtual character coach at your fingertips — science-based assessment and development programs.

virtuositycharacter.ca



Leader Character Associates Inc.

Elevating character to the level of competency across organizations worldwide.

leadercharacterassociates.com



Character Introduction – Director's Edition

Watch the leader character introduction — understand why character is the root system that powers competence.

youtube.com/watch?v=mFtjMM86amg



Board Character Culture Check

Dimension	Under-weighted (-1 to -3)	Ideal Character (0)	Over-weighted (+1 to +3)	Score (-3 to +3)
Accountability	Directors deflect fiduciary failures onto Mgt; Board avoids ownership of strategic missteps; Committee oversight superficial.	The Board holds itself and Mgt. genuinely accountable; Directors own committee mandates; Board acknowledges role when things go wrong.	Board micro-manages CEO / SMT; Relentless second-guessing of Mgt.; Punishes well-intentioned Mgt. failures that enable learning.	-3 -2 -1 0 +1 +2 +3
Courage	Directors defer to dominant voices, avoid sensitive issues; Critical concerns raised in hallway conversations; Board rubber-stamps Mgt. proposals.	Directors speak candidly to powerful voices, address sensitive issues; Board has robust debate; Directors challenge weak strategy with evidence and persistence.	Directors often confrontational; Board takes reckless positions without adequate analysis; Directors override process with stubbornness.	-3 -2 -1 0 +1 +2 +3
Transcendence	Directors fixated on short-term metrics and self-interest; Lack curiosity about purpose; Strategy lacks ambition/imagination.	Board anchors strategy to purpose; Directors inspire Mgt. toward sustainable value creation; ESG and stakeholder wellbeing inform strategy.	Rhetoric not grounded in reality; Endorses aspirational strategies it can't govern; "Long-term" used to dodge near-term accountability.	-3 -2 -1 0 +1 +2 +3
Drive	Directors treat Board service as ceremonial; Preparation minimal; Compliance-only mindset; Directors lack curiosity about the business.	Directors prepare and engage with energy; Board proactively identifies governance gaps; Directors invest in understanding business / adding value.	Directors pursue personal agendas that displace governance; Board crosses into operational Mgt.; Info demands are excessive.	-3 -2 -1 0 +1 +2 +3
Collaboration	Board factions / silos pursue competing interests; Info. withheld between committees; External lobbying distorts governance.	Board functions as cohesive unit with diverse views; Committee work is integrated / shared with full Board; Directors learn from differences.	Board avoids necessary confrontation with Mgt. to preserve harmony; Groupthink prevails; Consensus becomes the goal.	-3 -2 -1 0 +1 +2 +3
Humanity	Board treats Mgt. as instruments of return; Directors show no regard for employee or community wellbeing; Dismiss Whistleblowers.	Board genuinely considers human impact of decisions; Directors understand org. culture; CEO feels supported during difficult periods.	Loyalty protects failing CEO; Over-focus on stakeholder sentiment delays hard decisions; Board vulnerable to emotional manipulation.	-3 -2 -1 0 +1 +2 +3
Humility	Directors misconstrue past experience as wide-ranging domain expertise; Board does not seek external input or conduct proper self-evaluation; Blind spots in risk oversight.	Board runs rigorous Director / Board evaluations; Directors seek new knowledge; Board invites external experts to challenge assumptions; Skills gaps openly acknowledged and addressed.	Board paralyzed by self-doubt, defers excessively to Mgt. / Advisors; Directors ruminate publicly over past governance failures undermining confidence.	-3 -2 -1 0 +1 +2 +3
Integrity	Conflicts not disclosed or managed; Board communicates selectively with stakeholders; Related-party transactions lack rigour.	Conflict consistently disclosed / managed; Board communicates transparently with all stakeholders; Compensation performance-linked and defensible.	Board applies governance so rigidly that cannot exercise judgment in novel situations; Directors avoid reputationally complex risks.	-3 -2 -1 0 +1 +2 +3
Temperance	Board over-sensitive to market / media pressure; Board over-reacts under stress; Emotional dynamics disrupt deliberation.	Board maintains composure under stress, guides Mgt. calmly; Ensures adequate deliberation time; Dynamics managed so all voices heard.	Board is so measured it delays critical decisions; Directors indifferent to urgency signals from Mgt., regulators, or markets.	-3 -2 -1 0 +1 +2 +3
Justice	Nominations driven by personal networks; Comp. lacks equity rationale; Stakeholder rights unequally protected; Board composition does not reflect diversity of perspectives.	Recruitment based on transparent criteria; Comp. linked to performance and equitable relative to employees/stakeholders; Board addresses systemic inequalities in its governance structures.	Board enforces rigid rules that do not account for legitimate contextual differences; Obsession with procedural fairness prevents timely and pragmatic decision-making.	-3 -2 -1 0 +1 +2 +3
Judgment	Board approves Mgt. proposals without adequate scrutiny; Directors lack business literacy to assess strategy; Board slow to spot CEO decline or emerging risks.	Directors integrate financial, operational, competitive intel to make wise judgments; Board calibrates oversight to risk and context; Make succession decisions with clarity and courage.	Board mired in analysis and requests for additional information; Directors over-complicate governance questions; Personal expertise supplants collective judgment.	-3 -2 -1 0 +1 +2 +3

Scoring Guide: -3 to -1 = Under-weighted (deficiency) 0 = Balanced character (effective governance) +1 to +3 = Over-weighted (excess)

Leader Character Framework



Crossan et al., 2017

Dimension	Under-weighted	Strong character	Over-weighted
Accountability	Failure to deliver results & take responsibility; blaming culture; low ownership of issues	Ownership of problems; commitment to decisions; act in organizational interest	Difficulty delegating; obsessive and controlling; little room for learning failures
Courage	People don't speak up; fear prevails; giving up; little innovation	Determination and perseverance are prevalent; high resilience; "truth to power"	Reckless, stubborn, and arrogant risk-taking
Transcendence	Narrow goals & objectives; failure to acknowledge and appreciate; not inspired	Commitment to excellence; clarity & focus; inspiration motivates innovation	Always thinking things will get better but no tangible sense of how to get there
Drive	Lethargy & low productivity; lack of initiative; apathy	Sustained momentum around focused priorities; high productivity	Tunnel vision; perfectionists inhibiting productivity
Collaboration	"Every man for themselves" mentality; lack of information sharing; silos	Effective teamwork enhancing productivity; diversity and inclusion driving success	Conflict avoiders; people pleasing; too many people clouding decision-making
Humanity	Lack of empathy, compassion, and consideration	Deep understanding of what is important; people feel they are seen and heard	People feel overwhelmed and suffer compassion fatigue
Humility	Arrogance and overconfidence; complacency; lack of learning and development	Willingness to identify & discuss mistakes; supportive of learning and development	Overwhelmed; ruminating about mistakes; pushover; lacking focused learning
Integrity	People operate from a position of self-interests and mistrust; lack of transparency	Trust, transparency, and effective communication; aligned principles and values	Uncompromising, rigid, and dogmatic interactions; exclusionary practices
Temperance	Impatience and agitation prevalent; stressed and anxious; emotional outbursts	Effective risk management; thoughtful consideration; calm even under duress	Risk averse inaction; lacking urgency; indifferent about outcomes
Justice	Inequities; favouritism and nepotism	Fairness fostering trust; clear understanding and action around systemic inequalities	Rigid rule-based procedures that do not take into account individual differences
Judgment	Indecision; lack of insight, rigour, and understanding; resistance to change	Insightful and adaptable; situationally aware and current; solid decision-making	Analysis paralysis; over-complicating decision-making; no clear sense of priorities

Character Culture Check (Crossan & Crossan, 2023)

Dimension	Deficient Vice	Virtue	Excess Vice
Accountability	Unaccepting Negligent Irresponsible Deflects	Accepts Consequences Conscientious Responsible Takes Ownership	Burdened Obsessive Controlling Can't delegate
Courage	Cowardice Unassured Hesitant Fragile Yielding	Brave Confident Determined Resilient Tenacious	Reckless Arrogant Bull-headed Overly-compensating Stubborn
Transcendence	Unthankful Unimaginative Short-sighted Uninspired Pessimistic Directionless	Appreciative Creative Future-Oriented Inspired Optimistic Purposive	Awe-struck Untethered Missing the present Over-stimulated Delusional Fixated
Drive	Waits for direction Apathetic Aimless Mediocrity Lethargic	Demonstrates Initiative Passionate Results-Oriented Strives for Excellence Vigorous	Dictatorial Fanatical Tunnel-vision Strives for perfection Forceful
Collaboration	Confrontational Self-centered Inflexible Disconnected Narrow-minded	Collegial Cooperative Flexible Interconnected Open-Minded	People-pleaser Conflict-avoider Compliant Boundaryless Abstract
Humanity	Uncaring Oblivious to others Unrelatable Vindictive Aloof	Compassionate Considerate Empathetic Forgiving Magnanimous	Overly concerned Overly-accommodating Overwhelmed by feelings Exploitable Over-bearing
Humility	Fixed mindset Disinterested Ungrateful Braggard Unreflective Disrespectful Unaware Protective	Continuous Learner Curious Grateful Modest Reflective Respectful Self-aware Vulnerable	Lacking focus Transfixed Feeling insignificant Self-effacing Ruminating Fawning Self-conscious Over-exposed
Integrity	Fake Untruthful Inconsistent Unprincipled Manipulative	Authentic Candid Consistent Principled Transparent	Uncompromising Belligerent Rigid Dogmatic Indiscriminate
Temperance	Anxious Agitated Impatient Inattentive Rash	Calm Composed Patient Prudent Self-Controlled	Indifferent Detached Overly accepting Overly cautious Overly-regulating
Justice	Inequitable Biased Unfair Disproportionate Narrow concerns	Equitable Even-Handed Fair Proportionate Socially Responsible	No exceptions No differences "One size fits all" Micromanage proportion Paralyzed by complexity
Judgment	Stagnant Lacking logic Simplistic Lazy thinking Indecisive Lacking instinct Ignorant Unrealistic Oblivious	Adaptable Analytical Cognitively Complex Critical Thinker Decisive Intuitive Insightful Pragmatic Situationaly Aware	Overly malleable Over-analyzing Complicating Overly critical Impulsive Lacking reason Cunning Overly practical Over valuing situations

Virtues & Vices Index (Crossan & Crossan, 2023)