

White Paper

DEKRA's Leadership Diagnostic Instrument (LDI)

Providing a clear picture of safety leadership strengths and opportunities



Executive Summary

The DEKRA Leadership Diagnostic Instrument (LDI) is a scientifically grounded tool for assessing and enhancing leadership effectiveness, particularly in the context of organizational safety, culture, and performance. Its rationale is based on the proven link between leadership and the organization's culture around safety.

The LDI provides leaders with a clear, data-driven understanding of how others perceive their leadership behaviors and styles through a 360° feedback process that includes self-assessment and input from direct reports, peers, and superiors. Leaders gain a view of how others perceive their strengths and development opportunities, and a basis for comparing them with their own self-perceptions.

This white paper outlines the business case for the LDI, its relevance to today's business environment, its methodology, and the instrument's key features and benefits. It also provides insights into how organizations can leverage it to transform leadership and improve safety and operational outcomes.

Introduction: A Tool to Transform Safety Leadership

Leadership plays a key role in shaping organizational culture and, in turn, safety and operational performance. Strong workplace cultures with open and effective communication come from leaders who are active in shaping culture—in other words, transformational leaders.

The DEKRA Leadership Diagnostic Instrument (LDI) offers a structured approach to evaluating leadership behaviors, with a focus on safety leadership and transformational practices.

Background

DEKRA's research shows a strong correlation between how employees perceive their leaders and the organization's safety performance. Leaders who are rated highly in safety leadership tend to foster better outcomes not only in safety but also in quality, customer service, and employee engagement. The LDI emphasizes transformational leadership, which involves inspiring and motivating employees, treating them as valued individuals, and demonstrating genuine concern for their well-being. The style is consistently linked to higher safety and organizational performance.

The instrument also measures perceptions relating to seven best practices of safety leadership, including the extent to which a leader has a well-defined vision for safety, how credible the leader is, and the leader's effectiveness in communication around safety, giving feedback, fomenting a collaborative environment, taking an action-oriented approach, and holding people accountable.

DEKRA provides coaching and mentorship to support sustained development.

The LDI's Relevance in Today's Business Environment

In a fast-paced, uncertain world, effective leadership is critical for resilience and adaptability. The LDI helps organizations cultivate leaders who can drive change and foster a positive culture.

Safety leadership is increasingly important to organizations, given closer regulatory scrutiny and high stakeholder expectations for safety. The LDI equips leaders to embed safety into the organizational DNA, reducing exposures and incidents. It provides quantitative insights into leadership effectiveness, enabling evidence-based decisions about training, promotions, and team dynamics.

By aligning leadership development with organizational goals, organizations can accelerate transformation and innovation while maintaining a safe environment for workers and the larger community.

Methodology

The LDI utilizes a sampling methodology with a 360-degree feedback process, incorporating self-assessments as well as input from direct reports, peers, and managers. It evaluates leaders against four key leadership style dimensions (how leaders lead) and seven safety leadership best practices (what leaders do).

The data collected is analyzed to generate an individual leadership profile, providing the leader with valuable

▶ *DEKRA's Leadership Diagnostic Instrument evaluates safety leaders against...*

4 Dimensions of Leadership Style (How Leaders Lead)

- Inspiring
- Influencing
- Challenging
- Engaging

7 Best Practices of Safety Leadership (What Leaders Do)

- Have a well-defined vision of safety
- Maintain credibility
- Communicate effectively about safety
- Give feedback
- Foma collaborative environment
- Take an action-oriented approach
- Hold people accountable

information about how he or she is perceived by others. The results are presented in a leadership profile with both average raw scores and percentile scores for each leadership practice and style characteristic. This, in turn, serves as the foundation for personalized coaching and development.

The LDI and Benchmarking

DEKRA's LDI percentile scores provide benchmarking by comparing an individual's or team's leadership performance against a large, global database of other leaders. These percentiles provide context for how a leader's specific practices and style are perceived relative to a large "norms group," offering an objective measure of performance.

The percentile score indicates where a leader stands, rank ordering them in comparison to thousands of leaders from over 50 countries in DEKRA's database. For example, a leader in the 62nd percentile is perceived as a more effective safety leader than 62% of those in the norms group.

Percentile rankings provide critical context to interpret raw scores. A raw score might seem high or low, but the percentile reveals if it is average, above average, or below average within the larger group. For instance, a raw score of 3.96 on a scale of 1 to 7 might be considered "average" and translate to a 50th percentile rank.



▶ Example of LDI benchmarking in practice

A leader receives a 360° assessment through the LDI, with feedback from direct reports, peers, and managers. The leader notes a 92nd percentile in "Safety Communication." This score indicates the leader is perceived as a more effective communicator in safety than 92% of the leaders in DEKRA's global database.

Conversely, the leader receives a 30th percentile in "Action Orientation"; this suggests the leader is perceived as lower performing than most leaders in the database and highlights this as an area for development.

This objective, data-driven comparison allows leaders to create a personalized development plan based on their benchmarked strengths and weaknesses.

Key Features of the LDI

- The LDI is grounded in DEKRA's research linking leadership behavior to safety outcomes.
- The tool highlights the importance of transformational leadership—characterized by leaders who inspire, motivate, and display genuine concern for their teams—as a driver of both safety and overall organizational performance.
- Leaders receive an individual leadership profile, which serves as a foundation for personalized coaching and development.

- High-performing leadership teams identified through the LDI tend to achieve better outcomes not only in safety but also in quality, customer service, and employee engagement.

The LDI is typically used in conjunction with DEKRA's leadership coaching programs, combining individual mentoring with group development to foster sustained improvement and culture transformation.

How Organizations Can Leverage the LDI to Drive Transformational Leadership and Improve Safety Outcomes

Organizations use the LDI in a variety of ways to strengthen transformational leadership and to drive higher levels of safety and operational outcomes:

1. Gaining Diagnostic Insight into Leadership Behaviors

- The LDI identifies specific leadership behaviors and their alignment with high-performing safety cultures.
- By assessing leaders across key dimensions mentioned above, the LDI enables organizations to pinpoint behavioral gaps that might be undermining safety or operational performance.

2. Catalyzing Transformational Leadership

- The LDI focuses not just on compliance but also on transformational leadership traits—such as vision, influence, empowerment, and role modeling.
- It encourages a shift from transactional leadership (command and control) to transformational practices that engage employees at all levels.



- Leaders are guided to inspire change, build trust, and drive ownership of safety and performance.

3. Creating Data-Driven Action Plans

- Results from LDI assessments are benchmarked against DEKRA's safety leadership database.
- The tool delivers actionable insights and tailored development road maps for individuals and leadership teams.
- It also informs broader organizational development strategies, such as succession planning and cultural change initiatives.

4. Enhancing Safety and Operational Performance

- The LDI reveals how safety leadership behaviors are also drivers of broader performance outcomes, over and beyond compliance metrics.
- DEKRA's research links effective leadership behaviors measured by the LDI with improvements in:
 - Incident and injury rates
 - Operational consistency
 - Employee engagement and morale
 - Process reliability

5. Enabling Culture Change

- The LDI becomes a catalyst for culture transformation by enabling leaders to understand their influence on:
 - Safety norms
 - Risk perception
 - Decision-making under pressure
- It helps organizations embed human performance

principles and shift from a blame culture to a learning culture.

Conclusion: A Strategic Asset

The DEKRA Leadership Diagnostic Instrument is a strategic asset for organizations seeking to elevate their leadership capabilities. By providing actionable insights and supporting targeted development, the LDI empowers leaders to drive meaningful change and foster a culture of excellence.

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