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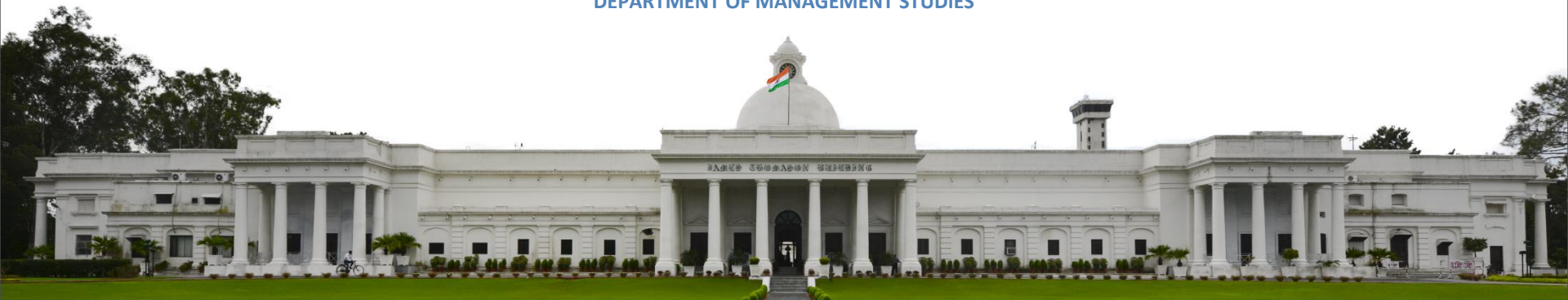
LEADERSHIP AND TEAM EFFECTIVENESS

LECTURE – 27

Managerial Incompetence and Derailment

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DEPARTMENT OF MANAGEMENT STUDIES



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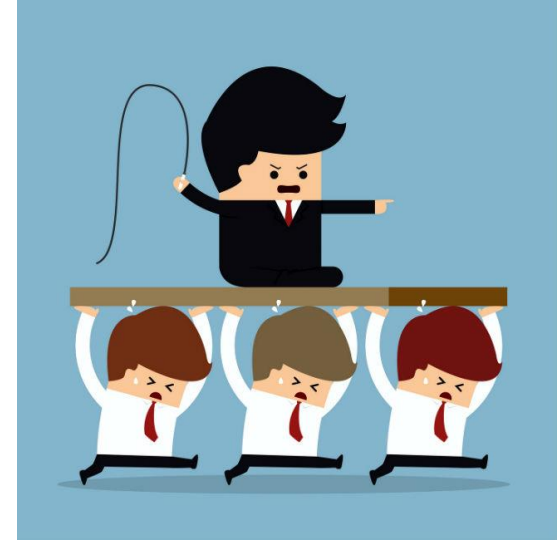
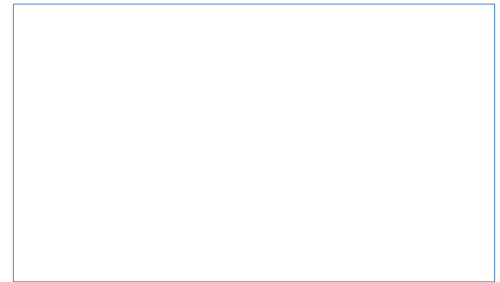


Image Source: <https://timetracking.screenish.com/2016/06/06/type-of-managers-that-will-ruin-your-business/>



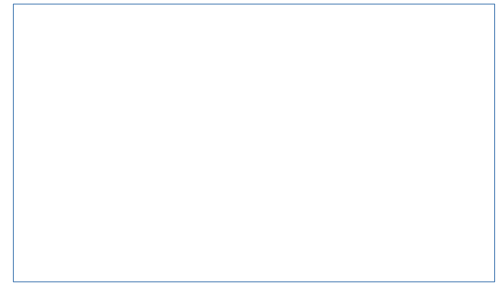
Managerial Incompetence

Managerial incompetence concerns a person's inability to build teams or get results through others. A majority of people in positions of authority can :

- Build teams but not get results
- Get results but destroy team morale and cohesiveness
- Neither build teams nor get results

Incompetent managers have difficulties building loyal followings or getting anything done. Research shows that there may be more incompetent than competent managers; the base rate of managerial incompetence may be 50 to 75 percent.

(Kellerman,2004)



Type of Managers based on Competency

- **Competent managers** are good at building teams and getting results through others. Although they are the types of leaders most people aspire to be, most people in positions of authority fall into one of the other three categories.
- **Taskmasters** are often good at achieving results, such as financial targets or win-loss records, but tend to treat followers so poorly that these results are generally short-lived.

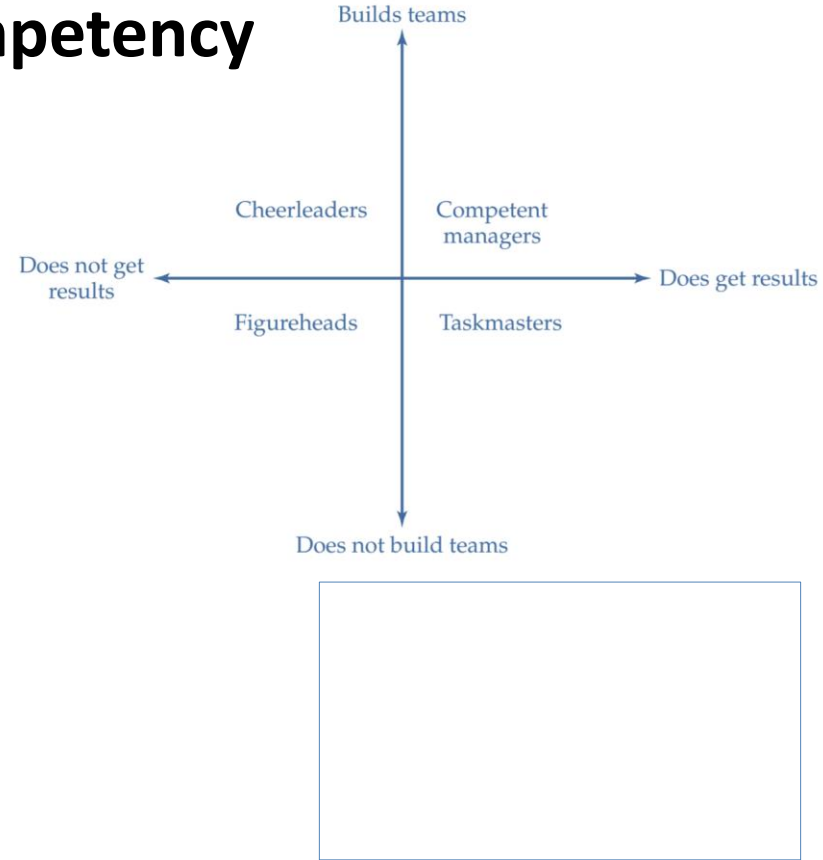
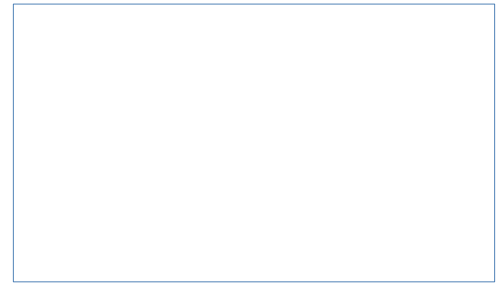


Image Source: (Hughes, Ginnett, & Curphy, 2015)

Type of Managers based on Competency

- **Cheerleaders** are people in positions of authority who are people-centered and make a point of getting along with everyone. Thanks to their focus on making the workplace warm and fun, most people like working for cheerleaders
- **Figureheads** do not play to win; they play to not lose. They may not be complete failures at building teams and getting results, but they could be a lot better at both of these endeavors. Many times figureheads do just enough to stay out of trouble and avoid the spotlight.



Managerial Derailment

- The term "management derailment" refers to the failure of individuals who hold executive-level positions within a company.
- Many people mistakenly assume that executives do not experience similar job or career turmoil to lower-level employees.
- However, failure at the executive level is actually a relatively common occurrence.
- Management derailment can occur because of either personal failure or external conditions
- Managerial derailment describes the common reasons why people in positions of authority have difficulties building teams or getting results through others.



Managerial Derailment (Cont.)

- Initial research on managerial derailment—whereby individuals who at one time were on the fast track only to have their careers derailed—was conducted in the early 1980s by researchers at the Center for Creative Leadership.
- The researchers went to the human resources departments in a number of Fortune 100 companies seeking lists of their high-potential managers. *(McCall and Lombardo defined high potentials as individuals who had been identified as eventually becoming either the CEO/president or one of his or her direct reports sometime in the future.)*
- They waited for three years and then returned to these organizations to ask what had happened to the people on the lists.



Managerial Derailment (Cont.)

- They discovered that roughly a quarter of the high potentials had been promoted to one of the top two levels in the organization, and an equal percentage had not yet been promoted but would be as soon as a position became available.
- Another 25 percent had left the companies; some had quit to form their own companies, and others were given better offers somewhere else.
- Finally, about a quarter of the people on the list were no longer being considered for promotion. Most of these individuals were let go or demoted to less influential and visible positions.
- This last group of individuals represented cases of **managerial derailment**.



Root Causes of Managerial Derailment



Situational and follower factors

Lack of organisational fit

Lack of situational and self awareness

Lack of Intelligence or Skills

Poor Fellowship

Dark-side personality traits



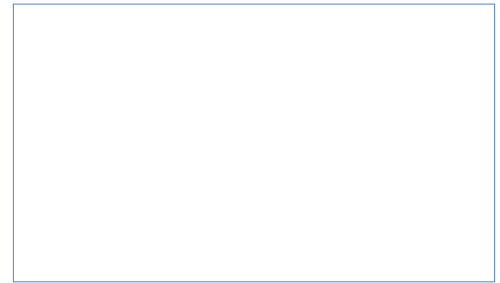
Situational and Follower Factors

Situational and follower factors significantly affect a person's ability to build teams and get results. Some of the situational factors that can interfere with a person's ability to be seen as a competent manager are:

- New competitive threats, globalization, technology, changing customer preferences, unreliable suppliers, new governments or government regulations, unfavorable media coverage, natural disasters, and wars.



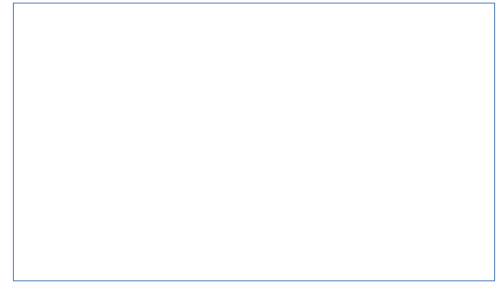
Image Source: <https://www.linkedin.com/pulse/embrace-change-three-reasons-why-important-any-industry-chomley/>



Situational and Follower Factors

- Mergers, acquisitions, divestitures, bankruptcies, new strategies, reorganizations, major change initiatives, incidents of workplace violence, or environmental disasters.
- New bosses, peers, direct reports; disengaged or disgruntled employees; disruptive worker cliques; and strikes or dysfunctional turnover.
- New jobs, responsibilities, or projects.

A second point concerns the concepts of **episodic incompetence Vs. chronic incompetence**.



Situational and Follower Factors

- **Episodic managerial incompetence** occurs when people in positions of authority face extremely tough situational or follower events that temporarily interfere with their ability to build teams and get results. However, once they have reflected upon and taken action to cope with the event, they quickly regain their ability to successfully build teams and get results.
- **Chronic managerial incompetence** occurs when taxing situational or follower events permanently disrupt a person's ability to build teams or get results. Given their preferred ways of dealing with challenging events, cheerleaders, taskmasters, and figureheads seem to exemplify chronic managerial incompetence.



Lack of Organizational Fit

- All organizations have cultures, but the content and strength of the beliefs underlying these cultures can vary dramatically.
- Organizational culture is not one of those pervasive situational factors that doom managers to fail, but a person's fit with an organization's culture can cause him or her to be seen as incompetent.
- Organizational fit can be defined as the degree of agreement between personal and organizational values and beliefs. If a person does not share the values or beliefs of the majority of members, then in all likelihood this person will be a poor fit with the organization.



Lack of Organizational Fit

- Organizations often realize that continuing to do things the same way will eventually result in failure, and one approach to fostering new ways of thinking is to hire people from the outside with different work experiences.
- New hires may have good ideas to remedy a situation, but whether they and their ideas are accepted will depend to a large extent on an organization's culture.
- The farther these ideas stray from the organization's prevailing values and beliefs, the more likely they are to be dismissed.
- It also happens when companies hire new CEOs or acquire other organizations.



Lack of Organizational Fit

- Determining an organization's culture may not be straightforward, however, because the underlying beliefs, norms, stories, and values are often unwritten.
- Those who do not fit run the risk of being seen as incompetent and may find that working elsewhere can help them be seen as competent managers.
- **“Culture eats strategy for breakfast.”**

- Peter Drucker

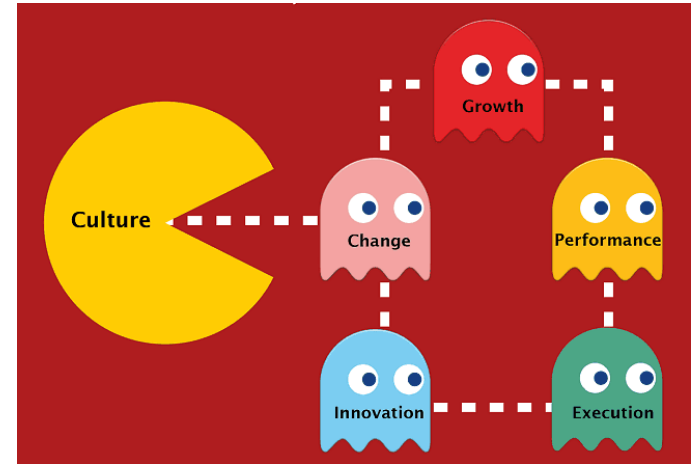
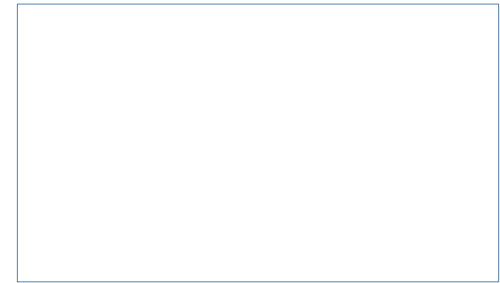


Image Source: <https://www.torbenrick.eu/blog/culture/organisational-culture-eats-strategy-for-breakfast-lunch-and-dinner/>



Lack of Situational and Self-Awareness

- Competent managers must accurately read the situational and follower factors affecting their teams and remain vigilant for changes. Competent managers not only have high levels of situational awareness—they also have high levels of self-awareness.
- Individuals who are keenly aware of their own strengths and shortcomings often find ways to either manage or staff around their personal knowledge and skill gaps. In contrast, cheerleaders, figureheads, and taskmasters can have major situational and self-awareness blind spots.
- They either are unaware of or discount the impact of key situational or follower events and overestimate their ability to build teams and get results



Lack of Situational and Self-Awareness

- It is imperative that people wanting to be competent managers get regular feedback on their performance, ideally in the form of 360-degree feedback.
- It is also imperative that people in positions of authority regularly ask team members for ideas on improving team performance and find ways to stay abreast of important situational and follower events.

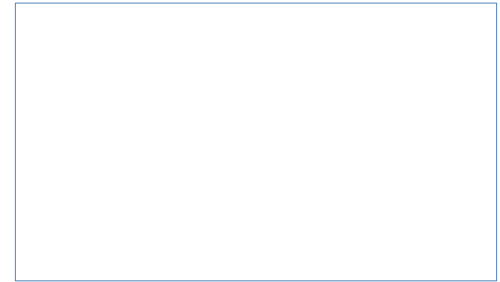


Image Source: https://www.123rf.com/photo_29760397_a-man-is-looking-into-the-mirror-asking-himself-who-am-i-in-his-face-there-is-a-big-question-mark-to.html?vti=ncom8q4xylizn6yd70-1-19

Lack of Intelligence or Skills

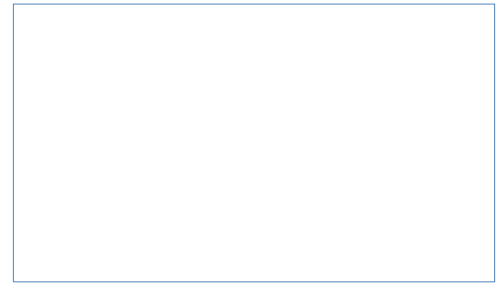
- **Team-building know-how** can be defined as the degree to which a leader knows the steps and processes needed to build high performing teams. Most people spend their careers working in groups but lack a fundamental understanding of what it takes to build cohesive, goal-oriented teams.
- **Subject matter expertise** can be defined as the relevant knowledge or experience a person can leverage to solve a problem.
- **Intelligence** can be defined as the ability to think clearly. Although research has shown that people in positions of authority are generally brighter than others, the intelligence of managers varies greatly.



Poor Followership

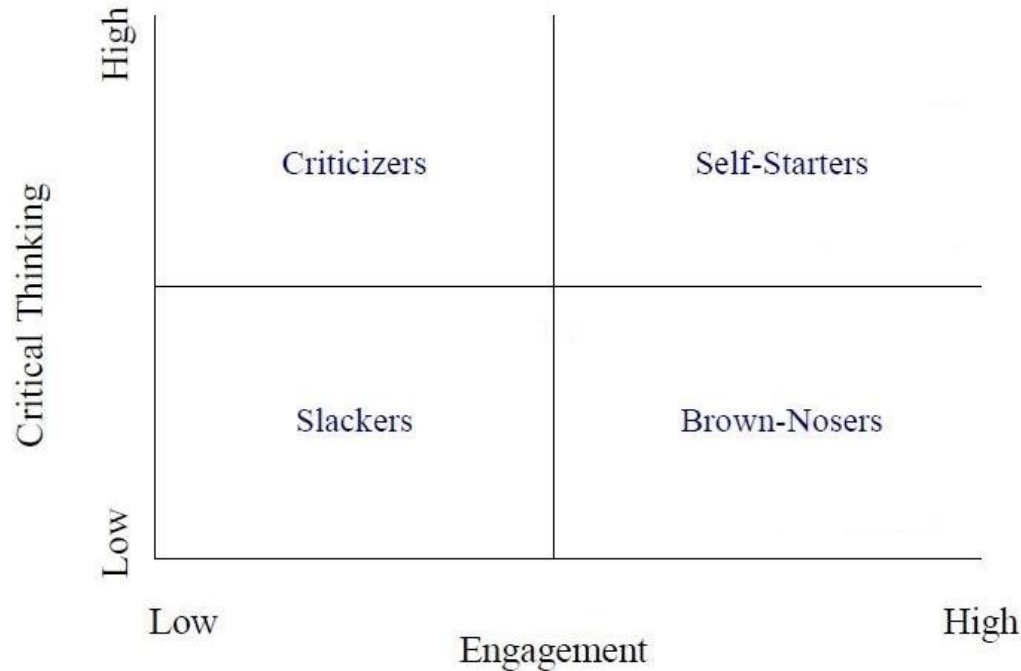
The Curphy and Roellig Followership model states that followers vary on two dimensions, which are **critical thinking and engagement**.

- **Self-starters** are followers who seek forgiveness rather than permission, offer solutions, and make things happen.
- **Brown-nosers** work hard but are loyal sycophants who never challenge their bosses.
- **Slackers** do all they can to get out of work.
- **Criticizers** believe their purpose in life is to point out all the things their bosses and organizations are doing wrong.



Poor Followership

Curphy-Roellig Followership Model



People in positions of authority who are **criticizers** often become incompetent managers. People in positions of authority who are **brown-nosers and slackers** are also likely to be seen as incompetent managers

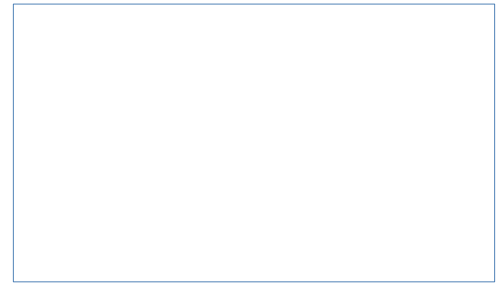


Image Source: <https://www.linkedin.com/pulse/followership-new-perspective-leadership-coaching-the-shift>

Dark-Side Personality Trait

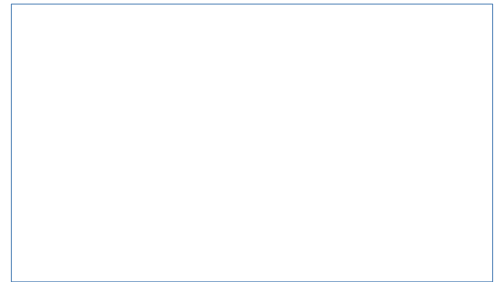
- Dark-side personality traits are irritating, counterproductive behavioral tendencies that interfere with a leader's ability to build cohesive teams and cause followers to exert less effort toward goal accomplishment.
- Research has identified a total of 11 such Dark Traits (Hogan, 2017)

Excitable

Leader with these tendencies have difficulties building teams because of their dramatic mood swings, emotional outbursts and inability to persist on projects

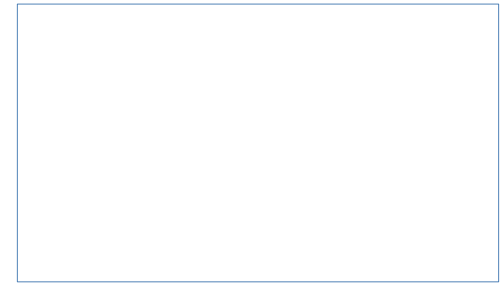
Skeptical

Leaders with this dark side trait have an unhealthy mistrust of others, are constantly questioning their motives and challenging the integrity of their followers, and are vigilant for signs of disloyalty



Dark-Side Personality Trait

Cautious	Because these leaders are so fearful of making “dumb” mistakes, they alienate their staff by not making decisions or taking action on issues
Reserved	During times of stress these leaders become extremely withdrawn and are uncommunicative and unconcerned about the welfare of their staff.
Leisurely	These passive- aggressive leaders will exert effort only in the pursuit of their own agenda and will procrastinate on or not follow through with request that are no it line with their agendas
Bold	Because of their Narcissistic tendencies, these leaders often get quite a bit done. But their feelings of entitlement, inability to share credit for success, tendency to blame their mistakes on other, and inability to learn from experience often lead results in trials of bruised followers



Dark-Side Personality Trait

Mischievous	These leaders tend to be quite charming but take pleasure in seeing if they can get away with breaking commitments, rules, policies and laws
Colorful	These leaders have a need to be center of attention.
Imaginative	These leaders think in eccentric ways, often change their minds, and make strange or odd decisions
Diligent	Because of their perfectionist tendencies, these leaders frustrate and disempower their staff through poor prioritization and inability to delegate.
Dutiful	These leaders deal with stress by showing ingratiating behaviour to superiors. They lack spines, are unwilling to refuse unrealistic requests, won't stand up for their staff, and burn them out as a result.



Research Paper



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A study of managerial derailment characteristics and personality preferences

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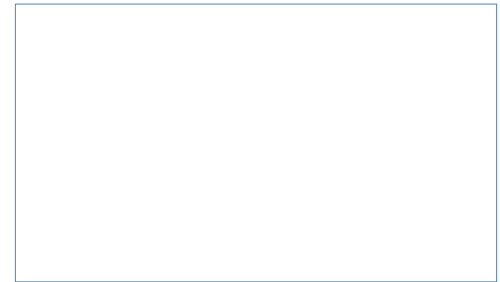
Maersk, Inc., Madison, New Jersey, USA, and

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Purpose

This research has the purpose of examining whether personality preferences and type from the Myers-Briggs Type Indicator (MBTI) are related to managerial derailment



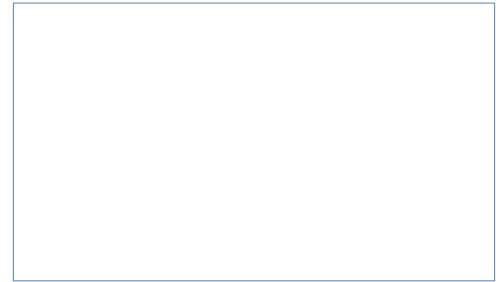
Research Paper

Design/methodology/approach

This study is within the context of field research, using 6,124 managers undergoing leadership development processes. Survey methodology was used to assess a manager's self-ratings of MBTI type and preference, and observer ratings (peer, boss, direct report) of managerial derailment characteristics.

Findings

Different MBTI preferences of managers are likely to display derailment characteristics as judged by observer perspectives. In an exploratory manner, the MBTI preferences and types are also examined in accordance with different managerial derailment clusters.



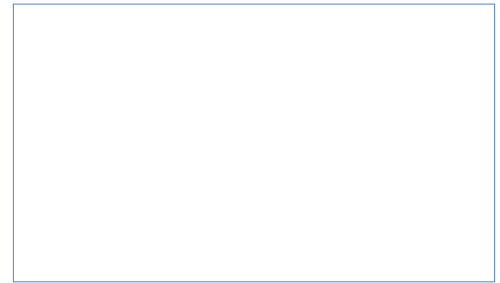
Research Paper

Research Limitations/implications

The MBTI's conceptual foundation and psychometrics may be viewed as a limitation, and other personality theories like “The Big Five” could be used. Limitations of the study also include the fact that managers going through a leadership development process may be different to managers in general, and derailment characteristics do not necessarily mean actual managerial derailment.

Practical implications

Regardless of MBTI type or preference, managers can decrease their chances of managerial derailment through examining job fit, increasing self-awareness, and through other mechanisms mentioned in the paper.



Research Paper

Originality/value

This study is unique, since MBTI preferences and types could signal whether managers display derailment characteristics to their co-workers. Additionally, this paper gives insight into how managers can prevent derailment, regardless of their MBTI type and preference, thereby having special value for managers and those who study managerial development.



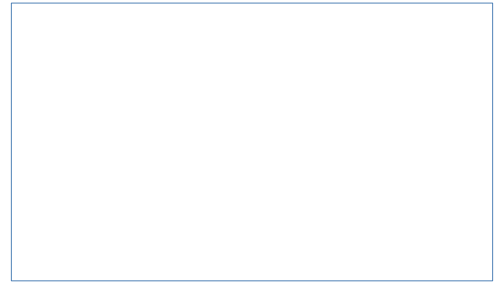
Case Study : Ready Food Company

Ready Foods is a regional packaged food company that makes and sells food products in supermarkets.

The company's most popular brands have traditionally been nonperishable foods that are easy to prepare, often with little regard for nutritional value.

For the last 20 years, these brands have made the company highly profitable & its employees have become accustomed to big paychecks and generous benefits, including three week annual paid holiday, a well-funded retirement program, and college tuition reimbursement for children of employees.

However, in recent years, company sales and profits have declined because consumer preferences have shifted to favor fresher, healthier foods not currently provided by the company.



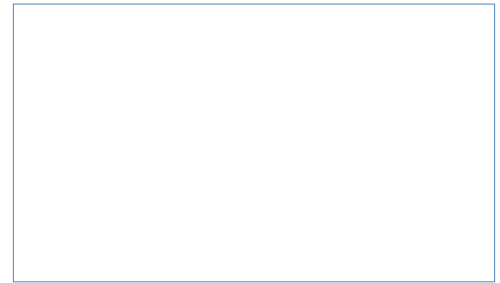
Source: (Yukl and Garden, 2020)



Case Study (Cont.)

Bruce Berry has been the CEO of the company for five years, and the shift in customer preferences to healthier options has been his major management problem. Over the past few years Bruce has made incremental changes to the company's products, but none of these changes have reduced the decline in sales and profits. He knew that for the company to survive, it would be necessary in the coming year to make more significant changes in the company's products and marketing strategy.

After considerable marketing research, Bruce determined that the company needed to expand its offerings and invest in a program to develop and offer fresh, organic foods to support the healthier lifestyle of many potential customers.



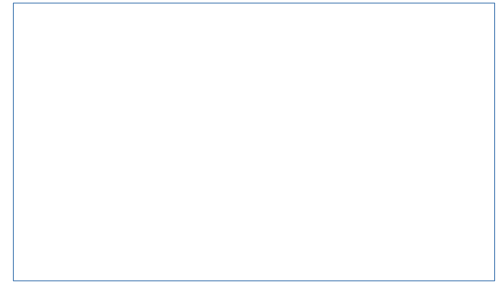
Source: (Yukl and Garden, 2020)

Case Study (Cont.)

However, this program would require funds that would not be available as the company's profits continued to decline. Bruce did not like the idea of employee layoffs as a means of securing the necessary funds, and he decided instead to cut some employee benefits that seemed excessive and unnecessary for his type of company.

He assumed that most employees would be willing to lose these benefits to enable the company to pay for the new fresh foods program without having to lay off any employees.

However, he did not try to explain the need for his decision or seek the suggestions and support of employees.



Source: (Yukl and Garden, 2020)

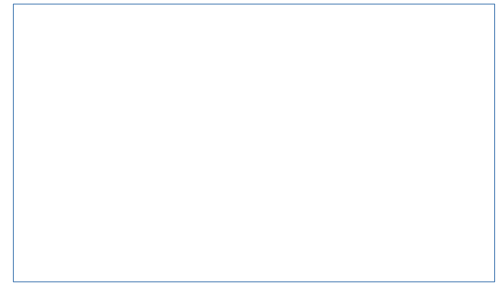
Case Study (Cont.)

When the changes were announced, many employees were very upset that their benefits were being cut. Most employees believed the fresh foods program was unnecessary.

They saw it as an overreaction to a temporary change in customer preferences, and they believed company sales and profits would recover to the levels achieved for many years without such a program.

Many employees believed the cut in benefits was excessive and felt like the company did not value their years of service.

This resentment caused some employees to seek employment elsewhere, and others found ways to delay the development and implementation of the fresh foods program



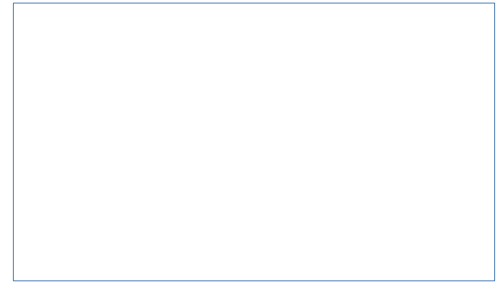
Source: (Yukl and Garden, 2020)

Case Study (Cont.)

It took months to find qualified replacements for the employees who left and to regain employee trust. Meanwhile, the lack of healthier options continued to hurt company performance.

Questions

- Q1)** Why did Bruce fail to successfully implement the changes?
- Q2)** If Bruce was an incompetent manager, what do you think were the underlying root causes of his incompetence?
- Q3)** Which Dark Personality Traits Does Bruce had?



Book Recommendation

The Incompetent Manager :

The causes, consequences and cures of managerial derailment

Authors: Adrian Furnham
Publisher: Wiley;
(September, 2003)
Language: English
Paperback: 288 Pages
ISBN-10: 1861563701

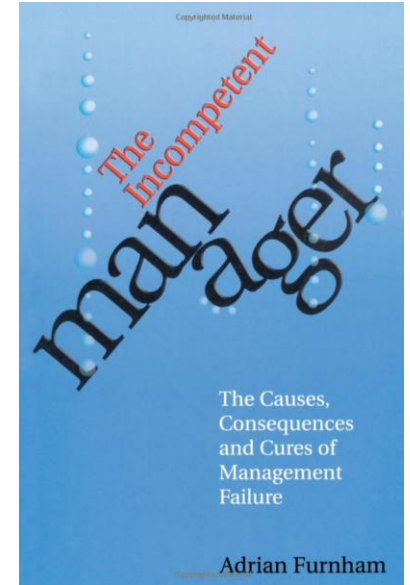


Image Source: <https://www.amazon.in/Incompetent-Manager-Adrian-Furnham/dp/1861563701>



Book Recommendation

- This Book investigates normal and abnormal incompetence. The former is where people have a poor fit between themselves (personality and ability) and the job.
- The book looks also at personality disorders. Well-known psychiatric disorders are described in detail and how to spot these in managers. Thus, the paranoid or sociopathic, narcissistic or passive-aggressive types are described in everyday language as well as how to deal with them.
- The final section of the book attempts to help the reader correctly diagnose incompetence. It also offers various possible cures: the emphasis is that cure follows correct diagnoses.

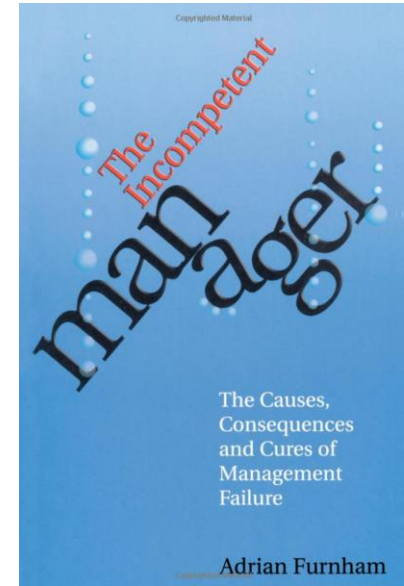


Image Source: <https://www.amazon.in/Incompetent-Manager-Adrian-Furnham/dp/1861563701>



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Thank You

