

# The Challenge of leadership

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# SOME DEFINITIONS

- Psychologist:
  - Man who goes to a strip show and looks at the audience
- Psychology:
  - Study of the id by the odd
- Psychologists' greeting each other:
  - "You're fine; how am I?"
- Business guru:
  - Word used by journalists because they can't spell charlatan

# Three types of jobs

- Technical:  
Skills, knowledge, know how
- Supervisory  
Managerial skills, EQ, Motivation
- Strategic  
Big Picture, visionary

# TIG Leaders need to think about

## 1. The Task

Vision, Strategy, Direction

## 2. The Individual

Abilities, Motives, Expectations of Each Key Player Including Self

## 3. The Group

Morale, Energy, Alignment

# The path to leadership

1. **Technical:** Recruited and selected for *ability, knowledge and skill*.
2. **Supervisory:** Promoted to managerial positions as a function of *effort, progress (and politics)*.
3. **Strategic:** Elected/Selected to board level jobs as a function of *reputation, ambition and history*

# The primary colours model



# Who gets chosen to lead ?

- The self-confident
- The bold
- The strategic
- The ambitious
- The astute
- The persistent
- The vigilant
- The articulate

# But many leaders fail, derail and go to jail

- The paradox is that most have had very successful careers
- For many observers it is a great surprise
- Retrospectively however (hindsight is 20;20) the clues can be seen
- We can learn a lot about success by studying failure
- Failure or disappointment is more common than success

- **Aberrant (leaders)** this emphasises abnormality, atypicality and deviance for the right or normal type. It has two Themes: both unusualness but also a departure from acceptable standards. That is, it has statistical *and* moral side to it.
- **Anti-social (leader)** this echoes the immoral nature of leaders who can be anti-social in the way selfish people may be, but more likely the way delinquents are anti-social. More importantly perhaps it echoes the new term for psychopath: anti-social personality disorder.
- **Dark Side (Triad) (leaders)** This is to contrast the bright and the dark; the outside, the obvious and the straightforward with the inside, the obscure and the devious. Dark implies evil, dismal and menacing. The triad suggests three separatable constituents of evil.
- **Derailed (leader)** This emphasises the idea of being thrown off course. Trains on tracks derail. Leaders set fair in a particular direction deviate from the path unable to move forward. It is sometimes hyphenated with the next word in the dictionary, namely *deranged* which implies not only a breakdown in performance but also insanity.
- **Despotic (leaders)** This is taken from the historical literature emphasising the misuse and abuse of power by oppressive absolutist leaders. It emphasises the autocratic type or style of leadership.

- **Destructive (leaders)** Used by historians in this context to look at the offset of a particular leadership style, it speaks to the ruining, spoiling or neutralising of a group or force lead by a particular person.
- **Incompetent (leaders)** This is used to suggest inadequate, ineffective, unqualified. It implies the absence of something required rather than, the presence of something not required. Incompetent leaders are ineffective because they are lacking in particular qualities.
- **Malignant (leaders)** Those are leaders who spread malevolence, the antonym of benevolence. Malevolence is misconduct, doing harm such as maliciously causing pain or damage. Malignant leaders like cancer grow fast and are deadly.
- **Toxic (leaders)** This refers to the poisonous effect leaders have on all they touch. Toxic substances kill rather than repel. Again this refers to the consequences of a particular leadership style.
- **Tyrannical (leaders)** Tyrants show arbitrary, oppressive and unjust behaviour. Tyrants tend to usurp power and then brutally oppress those they command

# Base Rate of Bad Leadership

Table 1.  
*Estimated Base Rates for Management Failure*

<i>Source</i>	<i>Estimate</i>
Benz, 1985a	50%
Sorcher, 1985	33%
White & DeVries, 1990	50%
Millikin-Davies, 1992	50%
Shipper & Wilson, 1992	60%
Hogan, Curphy, & Hogan, 1994	55%
Sessa, Kaiser, Campbell, & Taylor, 1998	30%
Fernandez-Araoz, 1999	40%
Smart, 1999	50%
Lombardo & Eichinger, 1999	40%
Hogan & Hogan, 2001	67%
Charan, 2005	40%
	<i>Mean</i> 47%
	<i>Median</i> 50%

# Cost of Bad Leadership

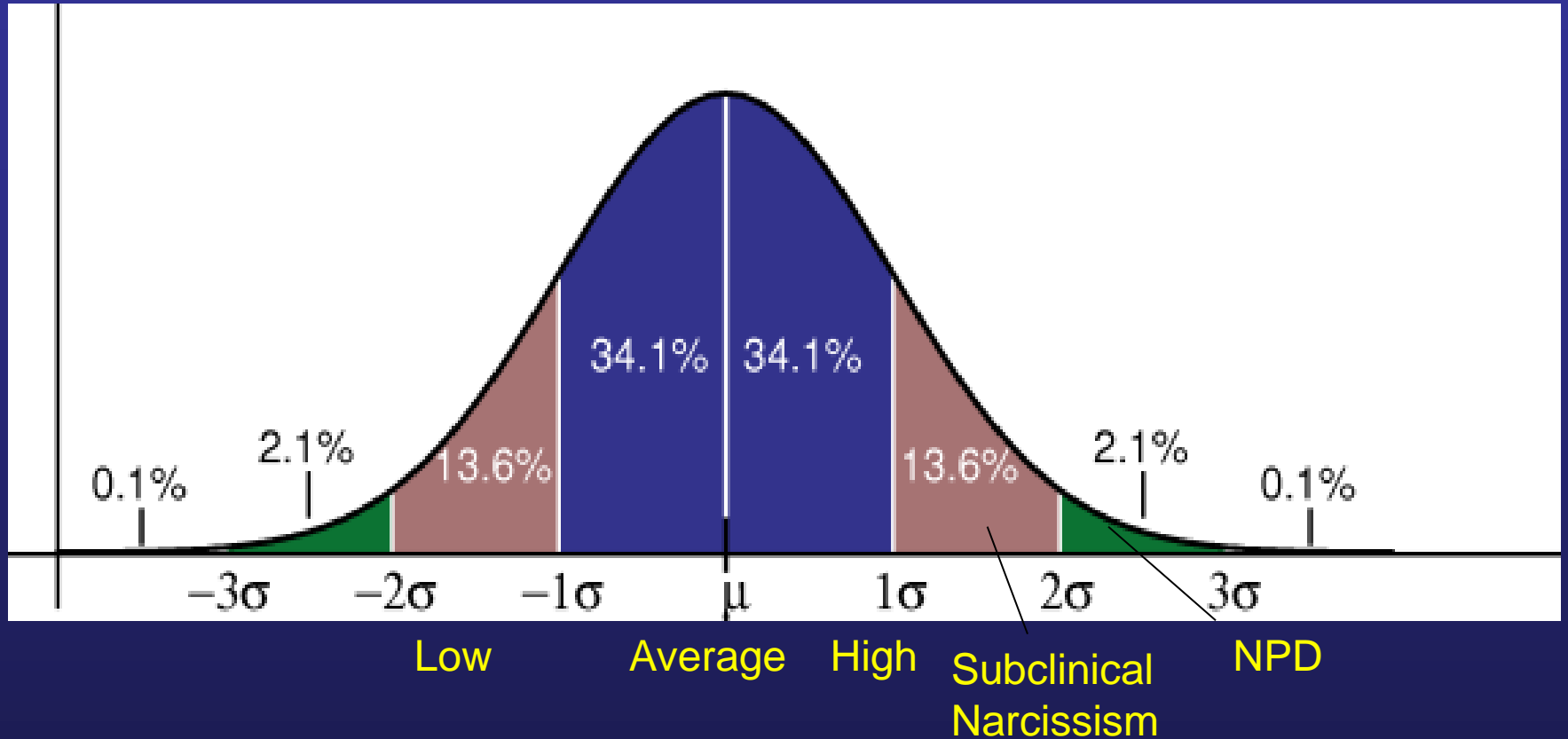
- Between \$ 500,000.00 - \$ 2,700,000.00
- Hidden Costs include:
  - ✓ Lost intellectual/ social capital
  - ✓ Disengaged employee
  - ✓ Missed business opportunities

# The essence of selection

	<b>GOOD</b>	<b>BAD</b>
<b>SELECT</b>	<b>A Good Decision</b>	<b>B Bad Decision</b>
<b>REJECT</b>	<b>C Bad Decision</b>	<b>D Good Decision</b>

A simple selection model

## Self-esteem

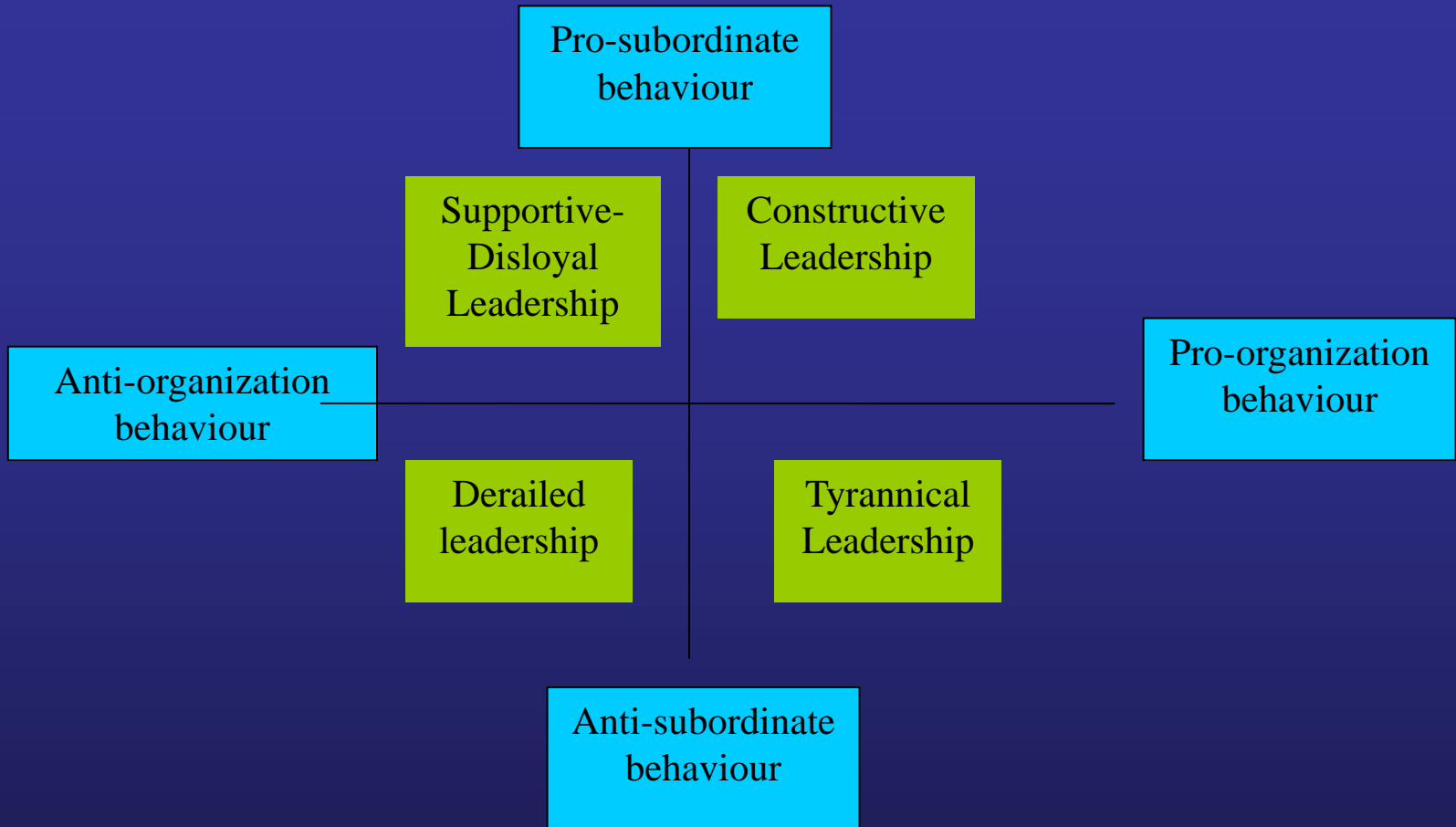


# Six major areas of investigation

## Topics and associated issues in leadership research

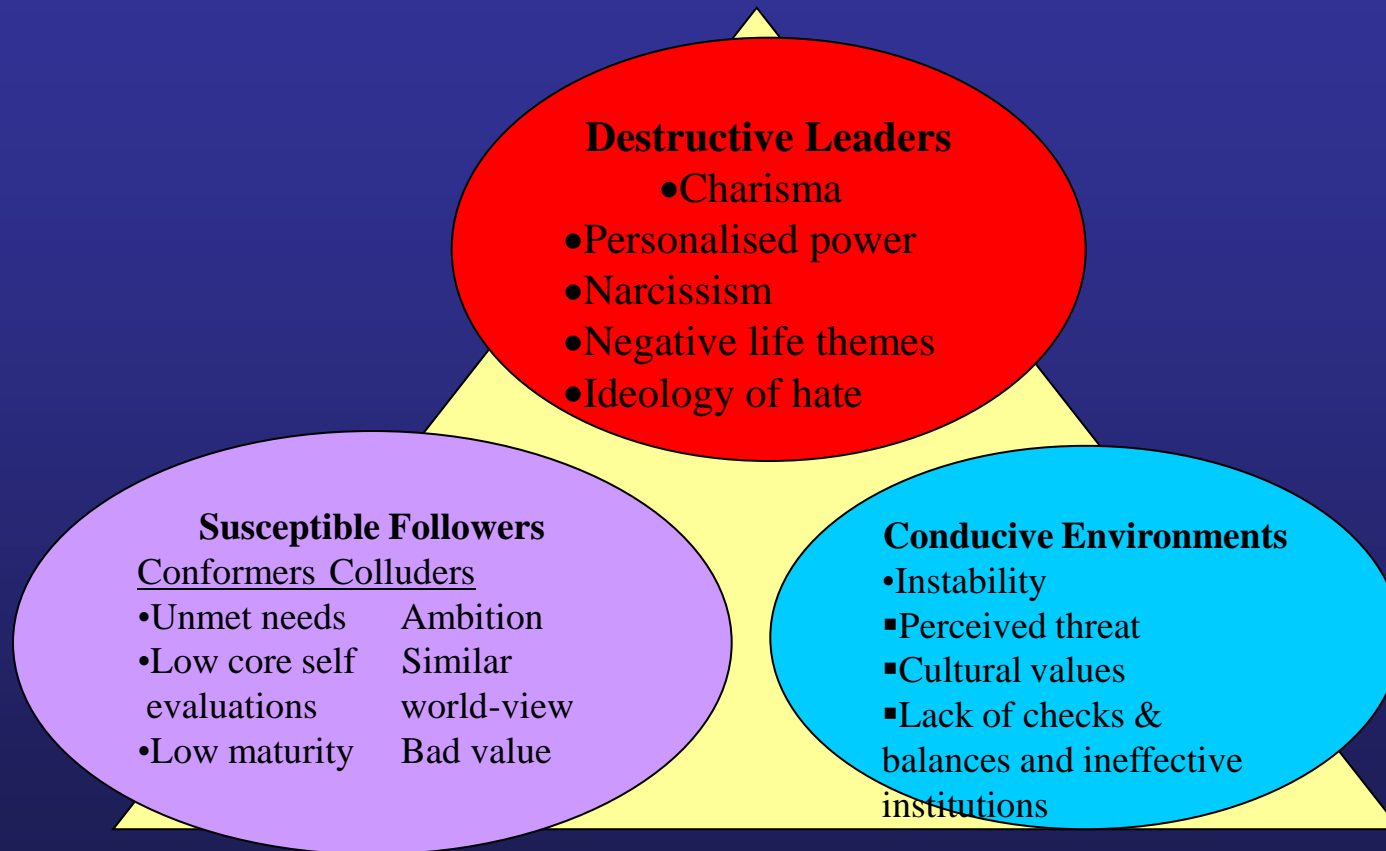
Topic	Unit of Analysis	Variables of Interest
Position power	Organisational roles and positions.	Influence tactics; use of power.
The leaders	Individual Leaders.	Personality characteristics; leader behaviours.
The led	Workgroups and subordinates.	Group size; experience of subordinates.

<b>Topic</b>	<b>Unit of Analysis</b>	<b>Variables of Interest</b>
Influence process	Superior/ subordinate interface.	Receptivity to influence; nature of influence attempts.
The situation	Environment or context in which leadership occurs.	Situation effects on leader behaviour; factors defining favourable situations.
Leader emergence versus effectiveness.	Individual and/or groups.	Group dynamics and individual characteristics.



**A simple typology of leadership**

# The Toxic triangle



The toxic triangle: elements in three domains related to destructive leadership

# A History of Psychological Thinking about Leadership

- Trait Approach (Great Person, Traits).
- Behavioural Approach (Typological, Style).
- Situational Approach (External, Social, Contextual).
- Charismatic Approach (Transformational).
- New Ideas:
  - \*Tele – leadership, Servant leadership, Non-leadership.
  - \*Ethical/Value-Based/Spiritual Leadership

# Leadership Roles

- Interpersonal:  
Figurehead, leader, liaison
- Informational:  
Monitor, Disseminator, Spokesperson
- Decisional:  
Entrepreneur, Disturbance Handler,  
Resource Allocator, Negotiator.

# Themes in the new leadership literature

<b>Less emphasis on</b>	<b>Greater emphasis on</b>
Planning	Vision/mission
Allocating responsibility	Infusing vision
Controlling & problem-solving	Motivating & inspiring
Creating routine & equilibrium	Creating change & innovation
Power retention	Empowerment of others
Creating compliance	Creating commitment
Emphasizing contractual obligations	Stimulating extra effort
Leader detachment & rationality	Leader interest in others & intuition
Reactive environmental approach	Proactive environmental approach

# Why the Early Trait Work Failed I

- The list of traits grew remorselessly leading to confusion, dispute, and little insight.
- The 'traits' included a rag bag of individual differences.
  - Physical characteristics (height, BMI, energy)
  - Social background (education, social status)
  - Abilities (intelligence, fluency)
  - Personality (self-confidence, stress tolerance)
  - Social skills (assertiveness, EQ)

# Why the Early Trait Work Failed II

- Traits were not rank-ordered or shown how they relate to each other.
- The trait approach was retrospective: were traits a cause or consequence of leadership style?
- It was not clear if they were both necessary and sufficient.
- Trait theory ignored the role of both subordinates and situational/organizational factors.

# Characteristics of Successful Leaders (2005)

Successful leaders possess many of the traits listed here.

Trait or Characteristic	Description
Drive	Desire for achievement, ambition, high energy, tenacity and initiative.
Honesty and integrity	Trustworthy, reliable and open.
Leadership motivation	Desire to influence others to reach shared goals.
Self-Confidence	Trust in own abilities.
Cognitive ability	Intelligence; ability to integrate and interpret large amounts of information.
Knowledge of the business	Knowledge of industry and relevant technical matters.
Creativity	Capacity to come up with original ideas.
Flexibility	Ability to adapt to needs of followers and the situation.

## Characteristics of superior leaders.

Characteristics	US managers (N = 2,615)	
	Ranking	Percentage of managers selecting
Honest	1	83
Competent	2	67
Forward-looking	3	62
Inspiring	4	58
Intelligent	5	43
Fair-minded	6	40
Broad-minded	7	37
Straightforward	8	34
Imaginative	9	34
Dependable	10	33
Supportive	11	32
Courageous	12	27
Caring	13	26
Co-operative	14	25
Mature	15	23
Ambitious	16	21
Determined	17	20
Self-controlled	18	13
Loyal	19	11
Independent	20	10

# Five Dimensions

- Neuroticism: Unstable, Moody, Worrying
- Extraversion: Outgoing, Sociable, Positive
- Openness: Curious, Imaginative, Divergent
- Agreeableness: Empathic, Tender-minded, Warm
- Conscientiousness: Diligent, Achievement-Oriented, Hard Working.

# Intelligence: Single Best Predictor

1. General not Multiple

2. Fluid and Crystallized

# The talented leader: The Code

IQ ++++

N ---

E + / -

O ++

A --

C ++++

# The Behavioural Approach

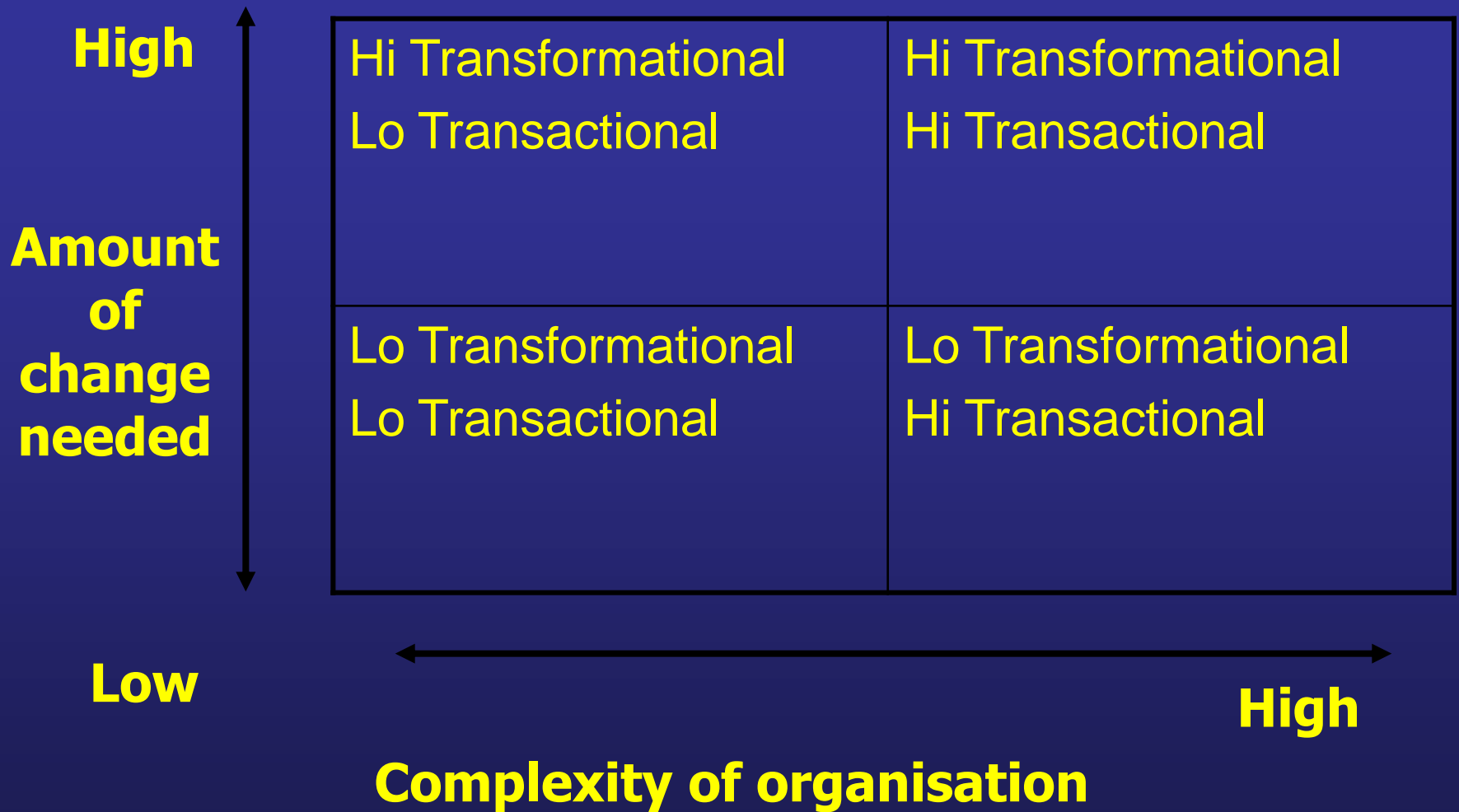
## Managers vs Leaders

- A ***manager*** takes care of where you are; a ***leader*** takes you to a new place.
- A ***manager*** deals with complexity; a ***leader*** deals with uncertainty.
- A ***manager*** is concerned with finding the facts; a ***leader*** makes decisions.
- A ***manager*** is concerned with doing things right; a ***leader*** is concerned with doing the right things.
- A ***manager's*** critical concern is efficiency; a ***leader*** focuses on effectiveness.

- A **manager** creates policies; a **leader** establishes principles.
- A **manager** sees and hears what is going on; a **leader** hears when there is no sound and sees when there is no light.
- A **manager** finds answers and solutions; a **leader** formulates the questions and identifies the problems.
- A **manager** looks for similarities between current and previous problems; a **leader** looks for differences.
- A **manager** thinks that a successful solution to a management problem can be used again; a **leader** wonders whether the problem in a new environment might require a different solution.

# A comparison between transactional and transformational leadership.

	Transactional Leadership <i>(Management)</i>	Transformational Leadership <i>(Leadership)</i>
Creating Agenda	Planning & Budgeting	Establishing Direction
Developing HR	Organising & Staffing	Aligning People
Execution	Collecting & Solving Problems	Motivating & Inspiring
Outcomes	Produces degree of predictability	Produces changes – often to dramatic degree.



Kouzes & Posner's "Five Leadership Practices"	Bennis & Nanus' "Leadership Strategies"	Sashkin's "Transformational Leadership Behaviours"
Challenging the Process	Management of Risk	Risk Leadership
Inspiring a Shared Vision	Management of Attention	Focused Leadership
Enabling Others to Act	Management of Communication	Communication Leadership
Modelling the Way	Management of Trust	Trust Leadership
Encouraging the Heart	Management of Respect	Respectful Leadership

# REG Theory

## Reading the signals

**Read markets, demographic trends**  
**Read staff at all levels**

## Engaging people

**Build and sustain a healthy team climate**  
**Give people a vision**  
**Build self-confidence and morale**

## Getting things done

**Sustain sense of energy/purpose**  
**Set clear goals and expectations**  
**Challenge and support**

# Challenge

Low

High

Support

Low

Essentially  
Unmanaged

Stress

High

Under  
Productive

Ideal

# Growing leadership capability

## Signs of success: early identification of talent

- Seeks out the opportunity to learn:
  - proactive, enjoys skill/knowledge acquisition
- Acts with integrity:
  - honest, takes responsibility for actions
- Adapts to cultural differences:
  - enjoys & sensitive to cultural variation
- Genuinely committed to making a difference:
  - willing to make personal sacrifices, wants impact on the business as a whole

# Growing leadership capability

## Signs of success: early identification of talent

- Seeks broad business knowledge:
  - interested in the whole business; goes beyond area of professional expertise
- Brings out the best in people (particularly reports):
  - talent to create effective team, working environment, understands individual differences, develops others
- Is insightful even intuitive:
  - sees things from new angles, quick to see trends, good at taking the perspective of the other

# Growing leadership capability

## Signs of success: early identification of talent

- **Courageous and willing to take risks:**
  - not afraid to go against the grain, will persevere in the face of opposition, can confront poor performers
- **Seeks and uses feedback:**
  - actively pursues, responds to and uses feedback to learn
- **Learns from mistakes:**
  - changes direction when necessary, starts again after setbacks, not defensive to negative feedback
- **Is open to criticism:**
  - handles criticism well. Understands difference between criticism of self versus ideas

# Growing Leadership Capability

## *The transformational & charismatic leader*

- They challenge the process:
  - pioneers, innovators, experimenters
- They inspire a shared vision:
  - expressive, committed, visionaries
- They enable others to act
  - collaborative, nurturing, enabling
- They model the way
  - encourage the heart, celebrate success

# Growing Leadership Capability

## *The transformational & charismatic leader*

- They include others in their success
  - share the limelight, bring others along
- They help others overcome setbacks
  - cope with failure, optimistic
- They believe in learning
  - stimulate self and others to gain new competencies

# Managerial courage

1

Courage to fail

2

Interpersonal courage

3

Moral/ethical courage

4

General courage

# The Icarus Syndrome - The Myth

- Icarus, son of the inventor Daedulus was locked up in a high tower by Cretan King Minos
- Daedulus made two wings of feathers and wax
- Daedulus knew of one design fault - the wax would melt if he flew too close to the sun
- Icarus, the pilot, ignored his father's warning and flew too high
- The wings melted, he crashed into the sea, he died

# The Moral

- Don't disobey your father (wise elders)
- Sensation leaders get into accidents
- Disobedient, rebellious people get punished
- The young 'think they are invincible and immortal'
- Beware hubris
- Learn some physics

# Why do high flyers fall?

Poor selection

Flawed personality

No role models / poor role models

Rewarded for toxicity in the organisation

# Selection - Basic Requirements

- Bright Enough
- Emotional Stability
- Conscientiousness

# Selection - Other desirables

Integrity

Courage

Knowledge

Insight

Creativity

# Typical, personality disorder problems

- **Arrogance:** They're right and everybody is wrong.
- **Melodrama:** They want to be the centre of attention.
- **Volatility:** Their mood swings create business swings.
- **Excessive caution:** They can't make important decisions.
- **Habitual distrust:** They focus on the negatives all the time.
- **Aloofness:** They disengage and disconnect with staff.
- **Eccentricity:** They think it's fun to be different just for the sake of it.
- **Passive resistance:** Their silence is misinterpreted as agreement.
- **Perfectionism:** They seem to get the little things right even if the big things go wrong.
- **Eagerness to please:** The stress being popular matters most.

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DSM-IV Personality Disorder		Hogan & Hogan (1997) HDS Themes		Oldham & Morris (2000)	Miller (2000)	Dotlick & Cairo (2003)
Borderline	Inappropriate anger; unstable and intense relationships alternating between idealisation and devaluation.	Excitable	Moody and hard to please; intense but short-lived enthusiasm for people, projects or things.	Mercurial	Reactors	Volatility
Paranoid	Distrustful and suspicious of others; motives are interpreted as malevolent.	Sceptical	Cynical, distrustful and doubting others' true intentions.	Vigilant	Vigilantes	Habitual
Avoidant	Social inhibition; feelings of inadequacy and hypersensitivity to criticism or rejection.	Cautious	Reluctant to take risks for fear of being rejected or negatively evaluation.	Sensitive	Shrinkers	Excessive Caution
Schizoid	Emotional coldness and detachment from social relationships; indifferent to praise and criticism.	Reserved	Aloof, detached and uncommunicative; lacking interest in or awareness of the feelings of others.	Solitary	Oddballs	Aloof
Passive-Aggressive	Passive resistance to adequate social and occupational performance; irritated when asked to do something he/she does not want to.	Leisurely	Independent; ignoring people's requests and becoming irritated or argumentative if they persist.	Leisurely	Spoilers	Passive resistance
Narcissistic	Arrogant and haughty behaviours or attitudes, grandiose sense of self-importance and entitlement.	Bold	Unusually self-confident; feelings of grandiosity and entitlement; over valuation of one's capabilities.	Self-Confidence	Preeners	Arrogance

Antisocial	Disregard for the truth; impulsivity and failure to plan ahead; failure to conform	Mischievous	Enjoying risk taking and testing the limits; needing excitement; manipulative, deceitful, cunning and exploitative.	Adventurous	Predators	Mischievous
Histrionic	Excessive emotionality and attention seeking; self dramatising, theatrical and exaggerated emotional expression.	Colourful	Expressive, animated and dramatic; wanting to be noticed and needing to be the centre of attention.	Dramatic	Emoters	Melodramtic
Schizotypal	Odd beliefs or magical thinking; behaviour or speech that is odd, eccentric or peculiar.	Imaginative	Acting and thinking in creative and sometimes odd or unusual ways.	Idiosyncratic	Creativity and vision	Eccentric
Obsessive-Compulsive	Preoccupations with orderliness; rules, perfectionism and control; over-Conscientiousness and inflexible.	Diligent	Meticulous, precise and perfectionistic, inflexible about rules and procedures; critical of others; performance.	Conscientious	Detailers	Perfectionistic
Dependent	Difficulty making everyday decisions without excessive advice and reassurance; difficulty expressing disagreement out of fear of loss of support of approval.	Dutiful	Eager to please and reliant on others for support and guidance; reluctant to take independent action or to go against popular opinion.	Devoted	Clingers	Eager to please

# Flawed Personality

Six personality disorders ranked by commonness:

- Antisocial / Psychopathic
- Narcissistic
- Paranoid
- Schizoid
- Histrionic
- Obsessive, compulsive

# Antisocial Personality Disorder

*These managers show a disregard for, and violation of, the rights of others. They often have a history of being difficult, delinquent or dangerous.*

- They show a failure to conform to social norms with respect to lawful behaviours (repeatedly performing acts that are grounds for arrest, imprisonment and serious detention). This includes lying, stealing and cheating.
- They are always deceitful, as indicated by repeated lying, use of aliases, or conning others for personal profit or pleasure. They are nasty, aggressive, con artists - the sort who often get profiled on business crime programmes.
- They are massively impulsive and fail to plan ahead. They live only in, and for, the present.

# Antisocial Personality Disorder

- They show irritability and aggressiveness, as indicated by repeated physical fights or assaults. They can't seem to keep still- ever.
- They manifest a terrifying reckless disregard for the physical and psychological safety of self or others – or the business in general.
- They are famous for being consistently irresponsible. Repeated failure to sustain consistent work behaviour or to honour financial obligations are their hallmark.
- Most frustrating of all, they show lack of remorse. They are indifferent to, or rationalise, having hurt, mistreated, or stolen from another. They never learn from their mistakes. It can seem like labelling them as antisocial is a serious understatement.

# Narcissistic Personality Disorder

*This manager is marked by grandiosity (in fantasy or behaviour), need for admiration, and lack of empathy. Self-centred, selfish, egotistical: they are everywhere in business-alas.*

- They have a grandiose sense of self-importance (eg exaggerated achievements and talents, expectation to be recognised as superior without commensurate achievements).
- Most are preoccupied with fantasies of unlimited success, power, brilliance and money.
- They believe that they are 'special' and unique and can only be understood by, or should associate with, other special or high-status people (or institutions). They may try to 'buy' themselves into exclusive circles.
- Always they require excessive admiration and respect from everyone at work.

# Narcissistic Personality Disorder

- Bizarrely, often they have a sense of entitlement, ie unreasonable expectations of especially favourable treatment or automatic compliance with their manifest needs.
- Worse, they take advantage of others to achieve their own ends, which makes them terrible managers.
- They lack empathy. All the unwilling to recognise or identify with the feelings and needs of others. They have desperately low EQ.
- Curiously, they are often envious of others and believe that others are envious of them.
- They show arrogant, haughty behaviours or attitudes all the time and everywhere at work (and home). At times this can be pretty amusing but is mostly simply frustrating.

# Paranoid Personality Disorder

*Distrust and suspiciousness of others at work. The motives of all sorts of colleagues and bosses are interpreted as malevolent, all the time. The 'enemy' is both without and within.*

- They suspect without much evidence that others are exploiting, harming or deceiving them about almost everything, both at work and at home.
- They are preoccupied with unjustified doubts about the loyalty or trustworthiness of subordinates, customers, bosses, shareholders and so on, on both big and small matters.
- They are reluctant to confide in others (peers at work) because of the fear that the information will be used against them, kept on file or used to sack them. They may even be wary of using email.

# Paranoid Personality Disorder

- They read hidden or threatening meanings into most benign remarks or events from emails to coffee-room gossip, and they remember them. They are certainly hypersensitive to criticism
- They persistently bear grudges against all sorts of people going back many years and can remember even the smallest slight.
- They perceive attacks on their character or reputation that others don't see and are quick to react angrily or to counter-attack. They seem hyper-alert and sensitive.
- They have recurrent suspicions, without justification, regarding fidelity of their sexual or business partners and can be pretty obsessed with sex.

# Schizoid Personality Disorder

*Here, managers seem detached from social relationships. They often have a restricted range of expression of emotions in interpersonal settings. They seem more emotionally flat rather than necessarily. They are thought of as 'cold fish', unresponsive, and desperately low in EQ.*

- They neither desire nor enjoy close relationships at work, including being part of a family. They are never team players and hate the idea of being so.
- They almost always choose solitary activities, feeling uncomfortable even in informal gathering.
- They have little, if any, interest in having sexual contact with others - perhaps not a bad thing at work.

# Schizoid Personality Disorder

- They take pleasure in few, if any, activities. They seem joyless, passionless, emotionless.
- They lack close friends or confidants other than first-degree relatives. They are isolates at work but apparently not unhappy with their friendlessness.
- They appear indifferent to the praise or criticism of others. Absolutely nothing seems to get them going.
- They show emotional coldness, detachment, or flattened emotionality. The ultimate cold fish.

# Histrionic Personality Disorder

*These managers have excessive emotionality and attention seeking. They are the 'drama-queens' of the business world.*

- Most are uncomfortable in situations in which they are not the centre of attention and try always to be so. They delight in making a drama out of a crisis.
- Their interaction with others is often characterised by inappropriate sexually seductive or provocative behaviour. Needless to say this causes more of a reaction in women than men.
- They display rapidly shifting and shallow expression of emotions. They are difficult to read.
- Most use physical appearance (clothes) to draw attention to self but this may include body piercing or tattooing. They certainly get a reputation in the office for their 'unique apparel'.

# Histrionic Personality Disorder

- Many have a style of speech that is excessive impressionistic and lacking in detail.
- Always they show self-dramatisation, theatrically, and exaggerated expression of emotion - usually negative. Even the dullest topic is imbued with drama.
- They are easily influenced by others or circumstances – and therefore both unpredictable and persuadable.
- Many consider relationships to be more intimate than they actually are. Being rather dramatic, they feel humdrum working relationships more intensely than others.

# Obsessive Compulsive Personality Disorder

*These managers show a preoccupation with orderliness, perfectionism, and mental and interpersonal control, at the expense of flexibility, openness, and efficiency. They make for the most anal of bureaucrats.*

- Always they are preoccupied with details, rules, lists, order, organisation, or schedules to the extent that the major point of the business activity is lost and forgotten.
- All show perfectionism that interferes with task completion (eg they are unable to complete a project because their own overly strict standards are not met). And of course they demand it in others however unproductive it makes them.
- These managers are often workaholics often excluding leisure activities and friendships. They are seriously driven workaholics.

# Obsessive Compulsive Personality Disorder

- They have well-deserved reputation for being over conscientious, scrupulous, and inflexible about matters of morality, ethics or values.
- Amazingly, they are unable to discard worn-out or worthless objects even when they have no sentimental value. They hoard rubbish.
- They are reluctant to delegate tasks or to work with others unless they submit to exactly their way of doing things. They don't let go and pay the price.
- They are misers towards both themselves and others; money is viewed as something to be hoard for future catastrophes. Because they never fully spend their budget, they never get it increased.
- In short, they show rigidity and stubbornness – very unpleasant to work for.

# Correlation between the personality styles and overall, task, and contextual performance

Personality disorder	Task Performance	Contextual performance	Overall Performance
Narcissistic	-.06	-.22	-.18
Paranoid	-.25*	-.32**	-.33**
Sadistic	-.09	-.11	-.12
Avoidant	-.31**	-.27*	-.31**
Depressive	-.30**	-.27*	-.31**
Passive-aggressive	-.32**	-.34**	-.37**
Self-defeated	-.34**	-.27*	-.33**
Schizotypal	-.35**	-.43**	-.45**
Borderline	-.15	-.15	-.17
Schizoid	-.19	-.17	-.20
Compulsive	.10	.05	.07
Histrionic	-.04	.07	.03
Antisocial	-.31**	-.21*	-.27*
Dependent	-.24*	-.12	-.18

$N = 85$ , \* $p < .05$ , \*\* $p < .01$ .

Source: Moscoso, S & Salgado, J F (2004)

# Organisational error and compliably

High flyers are noticed,  
anoointed, fast-streamed

Their faults / limitations  
are forgiven

They are fast tracked  
to jobs beyond them

Their limitations become  
noticed quickly  
on the jail.

# Graduates of Corporate Business Units as “Schools”

Division/ Function	Division A (market driven)	Division B (operations-driven)	Division C (growth-oriented)
What they are likely to be good at...	<ul style="list-style-type: none"> <li>• Resourcefulness</li> <li>• Entrepreneurialism</li> <li>• Risk taking</li> <li>• Getting things done</li> </ul>	<ul style="list-style-type: none"> <li>• Execution</li> <li>• Using systems superbly</li> <li>• Efficiency</li> <li>• Teamwork</li> </ul>	<ul style="list-style-type: none"> <li>• Competition</li> <li>• Getting results</li> <li>• Working hard</li> <li>• Flexibility, changing quickly</li> </ul>
What they are not likely to be good at...	<ul style="list-style-type: none"> <li>• Consistency</li> <li>• Disciplined action</li> <li>• Using corporate systems</li> <li>• Teamwork</li> </ul>	<ul style="list-style-type: none"> <li>• Responding to customers</li> <li>• Change</li> <li>• Seeing the big picture</li> </ul>	<ul style="list-style-type: none"> <li>• Taking a longer-term perspective</li> <li>• Balancing life and work</li> <li>• Sensitivity to people</li> </ul>

# Graduates of Corporate Business Units as “Schools”

## (finance) Function 1

- Analysis
- Strategic thinking
- Detail

What they  
are likely to  
be good at...

## (human resources) Function 2

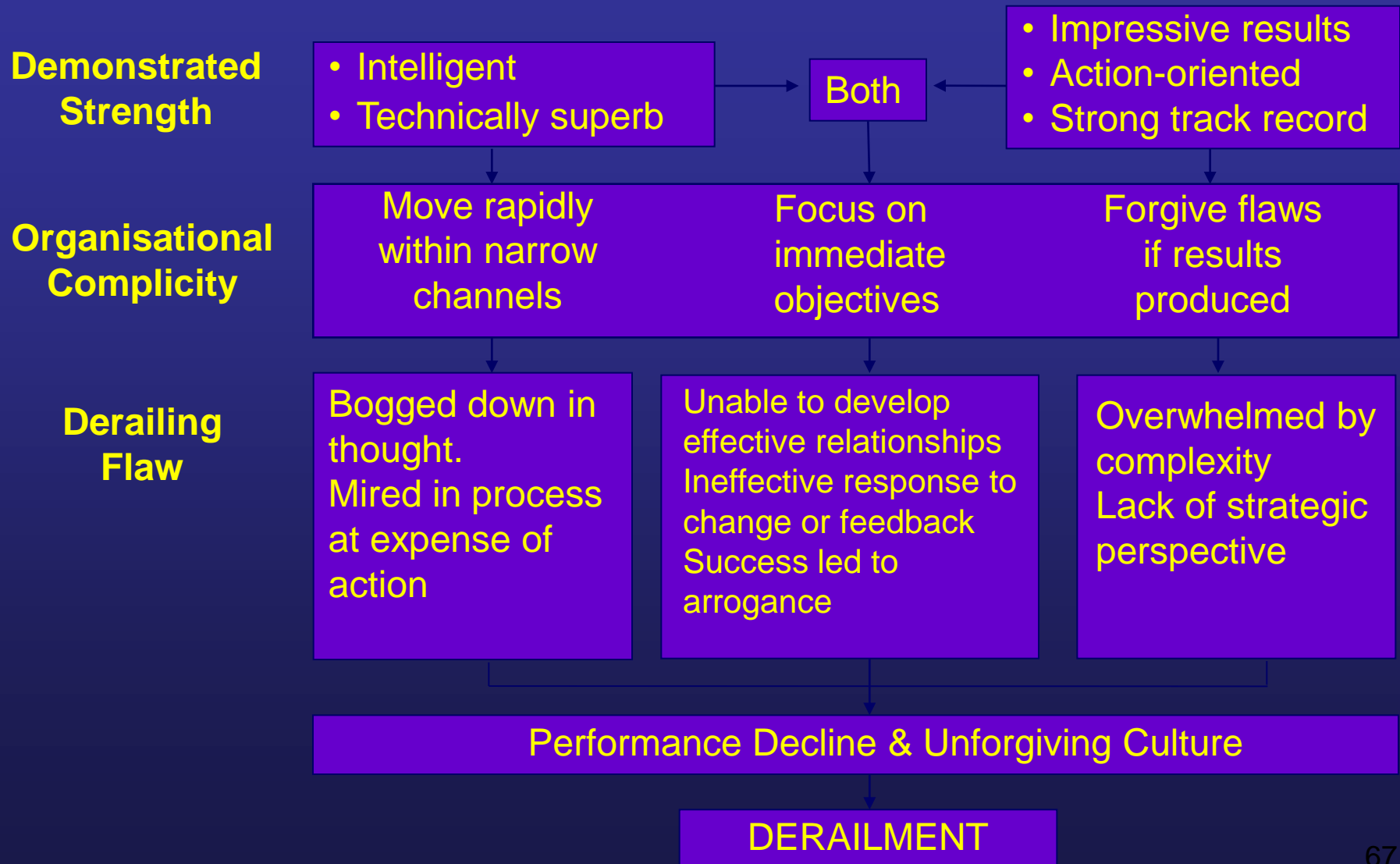
- Resourcefulness
- Technical issues
- Persuasion
- Teamwork

What they are  
not likely to  
be good at...

- Getting results
- Turning ideas into action
- Influencing line managers

- Leading others
- Risk taking

# Derailment Patterns of High Potentials



# Competencies and Their Dark Sides

## Competency

## Potential Dark Side

***Team Player***

Not a risk taker, indecisive, lacks independent judgment

***Customer-Focused***

Can't create breakthroughs, can't control costs, unrealistic, too conservative

***Biased toward Action***

Reckless, dictatorial

***Analytic Thinker***

Analysis paralysis, afraid to act, inclined to create large staffs

***Has Integrity***

Holier than thou attitude, rigid, imposes personal standards on others, zealot

***Innovative***

Unrealistic, impractical, wastes time and money

***Has Global Vision***

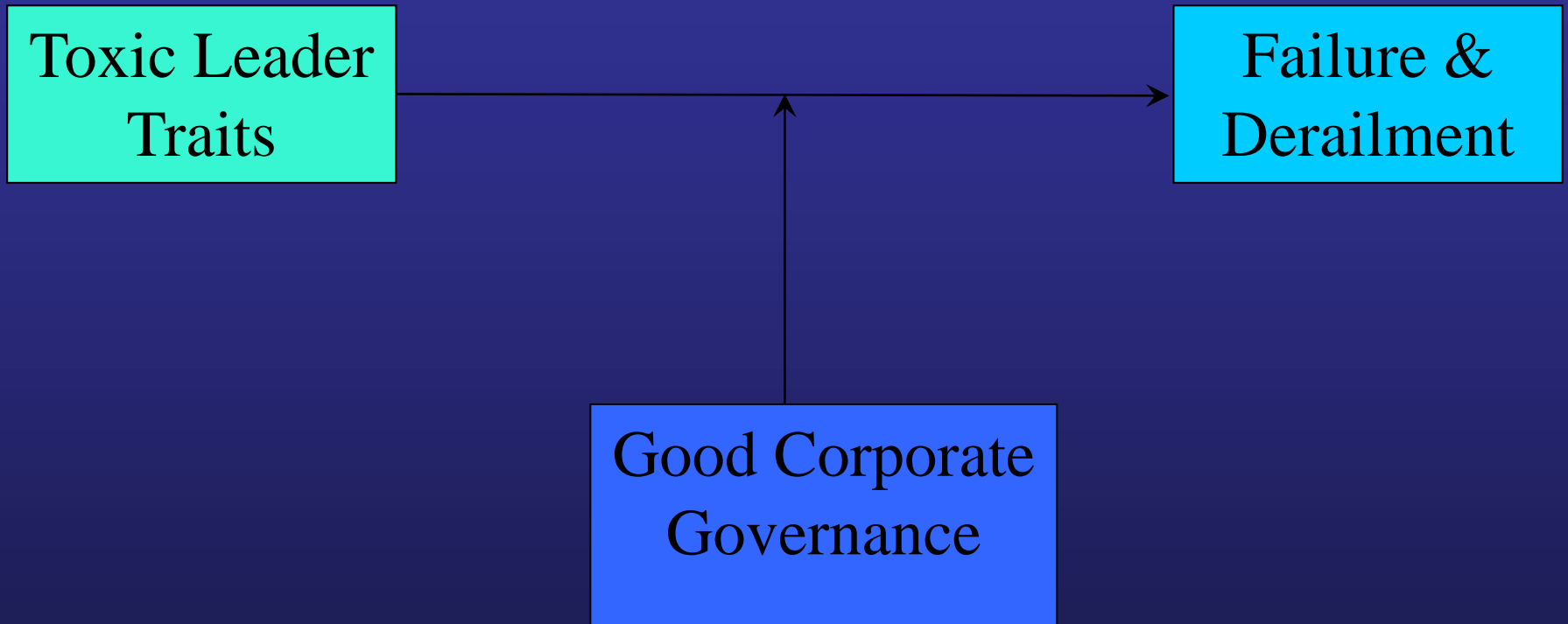
Misses local markets, over-extended, unfocused

***Good with People***

Soft, can't make tough decisions, too easy on people

# Solution

- “Let go” your problem people.
- Learn lesson for future recruitment. Remember the concept of optimal (not maximal).
- Do a proper biodata, data searched on your top people.
- Beware overlooking “weaknesses” when met by “great” strengths or super-attractive factors



# Selection & Recruitment

Do a serious biodata/  
reference check  
beforehand

Consider using  
“dark side” measures

Beware excessive  
self-confidence  
and charm

Get an expert on  
the “select out” box

# Management

- Beware fast tracking wunderkinds
- Have “independent person” do a skills, knowledge, experience and record audit”.
- Encouraging 360° appraisal for developmental purposes
- Seek a mentor, coach, therapist for these individuals
- Consider finding a stable deputy and empowering them.

# And so...

- Just as a good leader can really do wonders for any group, organisation or country, so a bad one can soon lead to doom and destruction.
- Perhaps we all get the leaders we deserve.
- Certainly understanding and developing great leaders is one of the most important things we can do in any organisation.