

The Consequences of Poor Leadership

A. C. Macris & Larry Reiter



Introduction

Throughout the years, our Update articles focused on creating awareness of improving leadership in all types of organizations – business, non-profit, religious and government. No matter the type of organization, the success and functioning of that organization is dependent on many things; one of the most significant is leadership at all levels. Renowned firms such as DDI (Development Dimensions International), IBM, and ASTD (American Society for Training & Development) conduct surveys and prepare comprehensive reports on the status of leadership in organizations. Unfortunately, these surveys continually report an erosion of confidence in and capability of leaders. With UPDATE, our goal is to focus on raising awareness of the importance of substantively improving leadership. We attempt to keep both a 30,000 foot perspective, as well as real applied approaches. With the COVID-19 recess, we took time to ponder, at 30,000 feet, what are the outcomes and consequences of both good and less than good leadership. We certainly have our ideas, but we also know that our readers have their own experiences, because there must be a wide variety of issues available to make the determination of good and not so good leadership outcomes. Along with those outcomes are consequences.

This will be a shorter article since we are asking you, our readers, to give us examples (no names please) of both good and poor leaders and leadership you experienced. We are also asking that when you share those experiences that you indicate, the associated consequences, both good and bad, as best you are able.

The Impact of Good and Poor Leaders

How can we identify both good and poor leaders and their

leadership decisions? When examining the outcomes and consequences of leaders and leadership, there are direct and indirect impacts.

Direct measures are conventional gauges of business success, such as finances, growth, etc. Indirect measures include corporate or organizational well-being of people, retention, employee behavior, team behavior, organizational attitudes, and commitment.

The traditional measures show the impact on an organization, many times in shorter terms. But we are suggesting that these direct measures don't fully reflect the impact of an effectively led organization or chaos resulting from a poor leader.

Reflecting back on past issues of UPDATE, we discussed inherent problems with some direct measures. Data can be manipulated to present outcomes in glowing terms, hiding true results. We are not saying data measures are not important or always less than accurate, they are essential for stockholders, regulatory oversight and expectation. What we are implying is that data is not going to always show the consequences of poor leadership. An organization may achieve acceptable results despite having a poor leader. The organization may be dedicated enough to want to succeed and find ways to work around the leader and his/her dictates, despite the impact on the emotional health of the people in the organization. We wrote about subversive leadership in the early 2000s and how an organization can benevolently subvert the inadequacies of a leader for the benefit of the organization as a whole. Please contact us for a link to those two articles.

When we talk about the indirect effects of good and poor leadership we are referring to the emotional health and overall

organizational well-being. What are some of the indirect impacts? Does the organization have high turnover or trouble attracting new talent? The quality of employee behavior and morale? Is there a true team cohesiveness or do individuals see their work as just a job? What are the attitudes within the organization? Does everyone know and espouse the goals of the organization? Is there a true dedication to the success of the organization? How much energy is expended working around or overcoming poor leadership decisions and what toll is it taking on the employees? So many questions and so many potential indirect impacts from a poor leader. The opposite can be asked of the good leader, and we urge you to consider the good as well.

What about the leader? Is he/she a quiet person who hides in the office and can't make decisions? Or is the leader bombastic and domineering and unwilling to admit to mistakes or lack of knowledge? These are the extremes of the poor leadership spectrum. Some poor leaders are well meaning but going back to our last issue, they have been promoted to their Peter Principal position – above their level of competence. Think about all the leaders you have worked with, whether a first line supervisor or a corner office CEO. Have they all been ideal leaders? Probably not. What sets stellar leaders apart?

Several years ago one of our engagements involved examining functions of those holding leadership positions, and defining the skills, knowledge, attributes and experiences for those various functions. Those functions included:

1. Leadership
2. Communications
3. Business Process
4. Problem Solving
5. Interpersonal and Interactive relations
6. Business knowledge
7. Professional Self-Development
8. Organizational and Management skills

You can paint a picture of a leader by thinking about these functions. Not every leader is going to be 5 stars in every function. That person is hard to find. Some may excel in some functions but fall way down in others. Outcomes are essential to an organization but poor leaders may achieve acceptable outcomes at the expense of the long-term emotional health of the employees and the smooth functioning of the organization. Back in the early 1990s when 'reengineering' was in vogue, reductions in head counts of people was a big part of the overall outcome. Boards of Directors and corporate leaders were intent on "streamlining" the organization. In many cases these streamlining efforts resulted in cost savings, but they also destroyed the soul of the organization as an indirect outcome. From our years of experience we can provide a couple of examples but what we would really like is for you to provide us examples from your experiences. As we stated above, please do not include names or companies. Your story does not have to be long and detailed; it should highlight the impact good and/or poor leaders or leadership behavior has had on you or the organizations you worked for. After receiving your feedback we will do a follow up article to further highlight the consequence of both good and poor leadership.

Examples We Have Seen or Experienced

One of your authors worked in a highly regulated industry, at a facility that never achieved the desired success. The leadership was made up of people 'promoted' from another part of the company, placed in an area where their past experience and knowledge were not applicable. Finally the company hired an experienced person from outside the company. That person was a breath of fresh air, and everyone rallied behind him. Performance improved significantly and all was going well. Because of his success, he was eventually promoted. He selected his replacement from the team of people he had brought into the organization with him. When this new person took over, both performance and organizational morale plummeted. How could such a successful and dynamic leader make such a poor choice for his successor? A very good leader made a poor decision resulting in a lasting impact on the organization. Going from one of the best leaders experience to one of the worst.

One More Story

In search for a good example, we listed the people we worked for in one capacity or another. Either in a conventional employee/ employer relationship, in the military, and in a client/consultant arrangement, looking for a situation where we would go to the mat for that person. For Dean, only one in a 40+ year professional career came to mind. Interestingly, the example is a person with a strong educational and operational background, making him well suited for both the company and his position as President. These capabilities as applied to business knowledge, organizational/ management skills, business process and problem solving resulted in direct success of the organization. In addition he valued communication, professional development and relationships. All of the above resulted in amazing organizational growth and performance. If there was a shortfall it was that he trusted people too much and he would risk his position for his company and people. This was truly an interesting opportunity for me, resulting in the ability to support and implement many human performance improvements.

Summary

Please email us your experiences – we are particularly interested in the indirect impact both good and not so good leaders had on their organizations. Please use our email addresses as you wish:

Larry: fastlarryofmb@gmail.com

Dean: acmpc@acmacris.com

Once we hear back we will summarize what you all sent us, and include the highlights of your submittals. As always we respect confidentiality and will sanitize names or any identifying details that might reveal individuals or companies.



www.themacrisgroup.com