1-6-2010

Overcoming Derailment in Organizations

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Overcoming derailment in organizations

According to the Center for Creative Leadership, almost 50 percent of managers identify being “high potential” never realize the potential predicted for them. The “derailed” managers eventually leave the organization, are removed from their positions or are plateaued and no longer considered for promotion.

A second study, published in Leadership IQ, stated that, “46 percent of newly hired employees fail within 18 months, while only 19 percent achieve unequivocal success.” These new hires were identified during the interview process as having “high potential.” Yet they failed to meet the expectations of the companies that hired them.

While the employees in the two studies seemed to be different, with one case focusing on practicing managers and the other relating to new hires, the two groups do have something in common. In both cases, the primary reasons for failure was not a lack of technical skills, as one might expect, but a lack of interpersonal skills.

The Center for Creative Leadership study cited insensitivity, arrogance, betrayal of trust and the inability to adapt as reasons contributing to failure. The leadership IQ article said the most common problems leading to the failure of new hires were the inability to accept feedback, a failure to understand and manage emotions and a lack of motivation to excel.

Clearly, the lesson from the two studies is that success in organizations depends greatly on one’s ability to develop and practice good interpersonal skills.

So what can organizations do to lessen the likelihood of employee derailment?

Selection techniques
First, the organization needs to have good selection techniques. Remember, the derailed employees in both studies had all been identified as “high potential employees.”

Careful selection techniques that includes more than technical skills might help identify better candidates. Approximately 80 percent of the hiring managers in the Leadership IQ study stated that in hindsight subtle clues indicated the employees were headed for trouble.

However, the clues were ignored because the managers “were too focused on other issues, were too pressed for time, or lacked confidence in their interviewing abilities.”

A well-conceived selection process that considers the interpersonal skills needed for success is likely to lessen the failure rate for employees.

Evaluation process
Secondly, organizations need to have a good evaluation process coupled with a program of developmental planning. Identifying a lack of interpersonal skills early in an employee’s career will allow management to provide training and counseling that addresses the individual’s weaknesses and corrects them before they become critical.

Interpersonal shortcomings because of lack of skill or bad habits can generally be corrected with a good developmental program. However, poor interpersonal skills that are personality based are more difficult to correct and may require significant coaching and counseling by higher level managers.

Thirdly, organizations need to develop a mentoring program for high potential employees. If organizations are going to develop managers internally, they need to develop a formal program that matches their best leaders with their future leaders.

One of the best ways a manager learns and develops is through personal experience. However, for learning to take place, the developing leader needs to have a good understanding of what they did right and what they did wrong in a particular interaction.

This is where a mentor or coach becomes a valuable resource. The mentoring relationship provides a three-pronged approach. First, develop an effective selection process.

Second, have a good management development program.

Third, utilize the organization’s best leaders as mentors for developing leaders.

Bill McCartney is the W.E. Carter Distinguished Chair of Business Leadership and a professor of management at Georgia Southern University. He can be reached at bmccart@georgiasouthern.edu.

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