

Leadership Derailment Series

Part III: Avoiding Potentially Destructive Leaders through Effective Personnel Selection

Traditional Focus of Assessment and Selection Processes

Traditional approaches to hiring leaders can and do vary widely. A variety of factors, such as position level, functional area, and the availability of capital and human resources, influence the makeup of personnel selection systems. However, most selection processes include at least *some* of the following elements:

- Resume review
- Reference check
- Individual and/or panel interviews (structured, semi-structured, or unstructured)
- Cognitive ability testing
- Personality assessment
- Assessment center/work simulation

While selection tools and processes may differ from situation to situation and company to company, the intended purpose of selection tools generally remains the same – to identify meaningful differences between candidates related to job performance and person-organization fit in an effort to aid in the selection process.

Personality: Some of the selection tools listed above are intended to provide valuable information regarding candidates' personality characteristics. Personality traits and characteristics can and do serve as powerful predictors of individual behavior (such as job performance). Because personality represents relatively stable and consistent tendencies, personality traits can predict behavior across a wide range of situations.

Typical Personality Attributes: Traditional personality assessment tools provide information about a person's *typical and frequent* behavioral tendencies. For example, a high score on an Extraversion scale would indicate a person is generally outgoing, energized by interactions with others, and comfortable in social interactions. While this description will not apply to the person in *every* situation, it will apply in *many* situations.

Matching Personality to Job Performance: Personality assessment is most useful within the selection context when specific personality traits are matched to specific aspects of the performance domain. Traditional competency modeling is a common strategy employed to identify individual characteristics (such as personality traits) related to job-relevant competencies (which represent important aspects of performance).

At Peter Rock Consulting[®], Inc., we frequently collaborate with clients in the development of competency models in an effort to maximize the predictive power of the candidate assessment process and optimize personnel selection. In addition to assessing traditional individual characteristics such as cognitive abilities and personality traits, we often recommend assessing potentially destructive individual tendencies referred to as derailers or back-up behaviors.

Derailers and Traditional Personality

As previously described in Parts I and II of this series, derailers refer to infrequent but predictable shifts in judgment and behavior that can, and under the wrong circumstances likely will, result in leadership failure. Derailers and traditional personality characteristics are in some ways similar and yet in other ways different. These similarities and differences are described below.

Similarities: Both derailers and traditional personality traits describe relatively stable individual tendencies. That is, over time and across situations, *some* degree of consistency regarding people's derailers and personality traits can be observed. Also, derailers and personality traits can and sometimes do describe similar domains of individual differences (e.g., assertiveness, impulsivity, skepticism, self-focus, etc.).

Differences: First, traditional personality traits represent high frequency behaviors whereas derailers represent low frequency behaviors. That is, traditional personality traits describe who we are, how we are "hard-wired," and (much of the time) what we do. Back-up behaviors, on the other hand, describe behavioral tendencies that are exhibited infrequently – specifically under conditions of stress, fatigue, and temptation.

Second, back-up tendencies can be so extreme that they are potentially destructive whereas traditional personality traits are not typically conceptualized or measured in a way conducive to such an interpretation. For example, a job candidate's level of Extraversion is evaluated against job competencies to determine if there is a good match. However, rarely is an extremely high score on an Extraversion scale interpreted as potentially destructive to the person or the company (nor should it be). Therefore, because derailers represent extreme, excessive, and destructive

tendencies, derailer assessment identifies individual characteristics distinct from the traits identified by traditional personality assessment.

Because back-up behaviors tend to manifest themselves infrequently, one might ask, why should I care about behavior that is only exhibited by a job candidate once in awhile?

Low Frequency and High Criticality Behavior: The answer is that while the behavior is infrequent, it is highly critical. Back-up behaviors tend to manifest themselves when a person is experiencing stress, fatigue, or temptation – these are the very times a leader most needs to demonstrate measured, deliberate, and objective thinking, decision-making and action. But when leaders exhibit back-up behavior, they are doing just the opposite – they are engaging in exaggerated and maladaptive behaviors that can erode personal relationships and potentially prove destructive to the leaders, their followers, and the organization as a whole.

Prevalence of Derailers

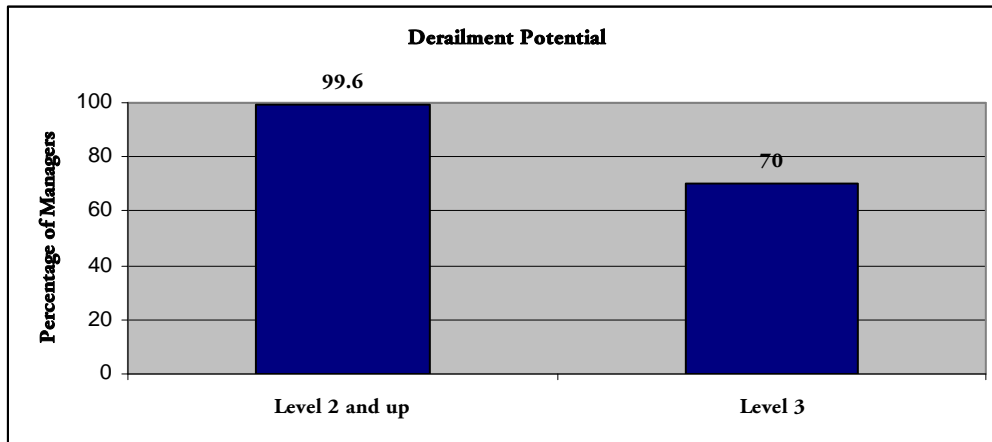
Derailers send bright, competent, and experienced leaders down personally and organizationally destructive paths. But how prevalent are derailers? While we know that derailers are exhibited infrequently (typically under difficult circumstances), how many of us possess a high potential for derailment?

There are two issues to consider with regard to the prevalence of back-up behavior – namely magnitude within people and frequency across people.

The table below presents a simple, three-level system of labeling the magnitude of back-up behaviors.

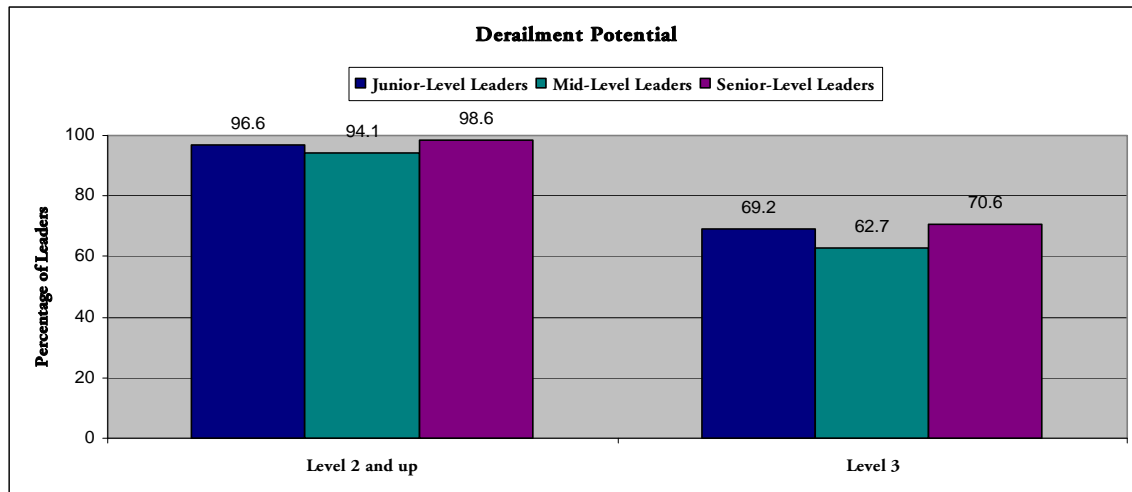
Level	Level 1	Level 2	Level 3
Observable Back-up Behavior?	No noticeable back-up behavior	Some subtle yet noticeable back-up behavior	Significant and noticeable back-up behavior
Impact on Judgment and Decision-Making	No significant change in judgment and decision-making	Moderate changes in judgment and decision-making	Significant to severe changes in judgment and decision-making
Impact on Others	No significant impact on others	May be distracting and somewhat disruptive	Likely distracting, disruptive, and stress-provoking
Impact on Performance	No significant impact on performance	May limit performance	Likely produces significant performance decrements

With regard to the frequency of potential derailers across people, two recent large sample assessment projects conducted by PRC shed some light on the issue. First, we recently conducted assessments of 247 junior-level managers of a food service company who were being groomed for mid-level management positions. Viewed as high potential individuals, these managers were participating in a leadership development program. Of the 247 managers assessed, 246 (99.6%) demonstrated at least some Level 2 derailment potential and 173 (70.0%) demonstrated at least some Level 3 derailment potential.



Sample = 247 Junior-Level Managers

Similarly, we assessed junior-, mid-, and senior-level leaders from a variety of functional areas of a retail company as part of a leadership and talent inventory. Of the 311 managers assessed, 309 (99.4%) demonstrated at least some Level 2 derailment potential and 214 (68.8%) demonstrated at least some Level 3 derailment potential. These percentages are further broken down by leadership level below.



Sample = 117 Junior-Level Leaders, 51 Mid-Level Leaders, and 143 Senior-Level Leaders

The results reported above suggest derailment potential is pervasive among leaders in a variety of industries and across leadership levels and functional areas.

Unrealized Potential for Derailment

The data presented above indicate that most leaders have some potential for derailment. However, many leaders do not derail. Which begs the question, why not?

Situational Constraints: Many organizational systems include factors that help keep leaders on track. These situational constraints limit a leader's opportunities to derail by providing implicit and explicit direction and guidance. Situational constraints may include such things as:

- Supervision and monitoring from above
- Company rules and regulations
- Work structure
- Reward structure
- Social norms
- Peer pressure
- Organizational climate and culture

The Ticking Derailment Time Bomb: While the situational constraints listed above are often sufficient to keep leaders from derailing, changes in or removal of situational constraints significantly increase the likelihood of leadership derailment. Introduction to a new company as an external hire will undoubtedly involve changes (for the individual) to the situational constraints. How, specifically, might selection of a leader interact with situational constraints?

Let us imagine Leader A. He is bright, experienced, decisive, and competent. However, Leader A's back-up tendencies take the form of excessive independence, impulsivity, and self-promotion. Therefore, when pressured, tired, or tempted, and when the situation allows for it, he "muscles" his ideas and decisions through without thinking, works independently rather than collaboratively, and uses his good verbal skills to distract people's attention away from issues or problems he is uncomfortable addressing and toward topics more to his liking – typically those topics that highlight his strengths and successes.

Despite these tendencies, Leader A has no identifiable history of derailment. His former employer, Company X, (knowingly or unknowingly) provided sufficient situational constraints (e.g., close supervision, a reward system based upon producing results *the right way*, and a strong team-oriented culture) to make use of his strengths while inhibiting his more destructive tendencies to push too hard, take too many risks, and engage in distracting self-promotion.

However, Leader A's new position with his new employer, Company Y, provides much autonomy, rewards results with little consideration of the means used to obtain them, and encourages/recognizes individual successes rather than teamwork. Within this new and less constraining environment, Leader A's tendencies to respond to stress by being overly expeditious, impulsive, risk-taking, independent, and self-promoting go unchecked and are even encouraged! The combination of Leader A's back-up behavior and Company Y's lack of situational constraints represents the starting of the timer of Leader A's previously dormant derailment time bomb.

While the example above was made extreme in order to illustrate a point, even more subtle changes to situational constraints can serve as catalysts for the derailment of leaders who had previously shown few or no signs of derailment potential. Also, although the situational constraint factors listed above are described as either inhibitors of (like in Company X) or catalysts for (like in Company Y) derailing behavior, they can also serve to passively tolerate it and cover it up. For example, peer pressure within a work team may cause team members to remain silent rather than speak up when a team member or team leader engages in risky or potentially destructive behavior. You can read more about how this dynamic works and what can be done to interrupt in a forthcoming paper: *Mid-level leaders derailing behavior; supported in a corporate system*.

The Elusiveness of Back-up Behavior

Effectively identifying and labeling maladaptive and potentially destructive back-up behavior is not something that can be reliably and consistently achieved through customary assessment techniques such as traditional personality assessment or interviews.

While many people believe they possess good interviewing instincts and the ability to “read” people, back-up behaviors may not be on display in an interview or they may be mistaken as indicators of more desirable individual characteristics. For example, back-up behavior related to excessive independence and self-promotion may come across as self-confidence and charisma. Similarly, back-up behavior related to avoidance of problems and conflict may come across as diligence, deliberateness, and prudence.

Reliable, consistent, and accurate identification of derailment potential and back-up behavior is best accomplished through the use of validated assessment tools specifically designed to measure these potentially destructive individual tendencies. At PRC, we utilize just such tools.

Incorporating Derailer Assessment into Selection Programs

The importance of identifying potential derailers prior to making hires is abundantly clear. The value of *not hiring* such people is provided by financially and interpersonally costly examples of derailed leaders, such as Dennis Kozlowski at Tyco and Bernie Ebbers at WorldCom.

But how does one utilize derailer assessment to select the best leaders? Organizational science and business intervention are fraught with examples of the over-use and unbalanced use of new tools or approaches. Practitioners often become so enamored with a new tool or process that they rely exclusively on it, to the detriment of their broader goals and objectives. At PRC, we recommend integrating derailer assessment with other assessment tools (e.g., traditional personality, cognitive ability, and leadership behavior assessments). We believe the most effective selection systems are those that employ a *balanced and integrated* [multi-tool approach](#).

Stated alternatively, leadership is a complex concept and leaders are complex people. While identifying potential derailers is a recommended element of any leader selection process, it does not by itself constitute comprehensive leadership assessment. Based upon a clear understanding of the leadership demands associated with a leadership position (within a specific organizational context), we identify an appropriate set of assessment tools that will provide a wide range of information about candidates related to the critical aspects of the job performance

domain. We utilize our expertise and experience to fully integrate results across the assessment tools to provide a holistic and comprehensive description of the candidate through the lens of the client's competencies and culture.

Hiring People with Derailment Potential

An undeniable organizational reality is that there are no perfect job candidates. Realistically, the goal of personnel selection is not to identify the perfect candidate but rather the best candidate. Therefore, at times, the best candidate may demonstrate some measurable back-up behavior. Most of us do. What is to be done with new hires who exhibit such behaviors? The answer to that question will be answered in the final article of our derailment series...

Learning More About Leadership Derailment...

To read Parts I (An Introduction to Leadership Derailment) and II (Types of Derailers and their Underlying Causes) of this series, please click [here](#). Stay tuned for the final article in this series. In the coming weeks, we will provide an in depth look into:

- Avoiding Leader Derailment through Leadership Development (Part IV)

To learn more about Peter Rock Consulting[®], Inc., visit us at www.peter-rock.com.

If you have questions or inquiries about leadership derailment or other leadership challenges, or if you would like to receive advanced copies of the final article in this series, contact us directly at:

Peter Rock Consulting, Inc.
6201 Fairview Rd.
Suite 325
Charlotte, NC 28211
Phone: (704) 643-3111
Fax: (704) 643-3278
<http://www.peter-rock.com>