ELSEVIER

KELLEY SCHOOL OF BUSINESS
INDIANA UNIVERSITY

Causes and consequences of managerial failure in rapidly changing organizations

Clinton O. Longenecker [a,*], Mitchell J. Neubert [b], Laurence S. Fink [a]

[a] *College of Business Administration, The University of Toledo, 2801 W. Bancroft Street, Toledo, OH 43606, USA*
[b] *Hankamer School of Business, Baylor University, Waco, TX 76798, USA*

KEYWORDS
Managerial failure;
Managerial
effectiveness;
Managerial
performance;
Managing organizational
change

Abstract   To survive in today's ultra-competitive business environment, organizations must better understand the factors that cause managers to fail to achieve desired results. To that end, focus group data was collected from 1040 managers from over 100 different U.S. manufacturing and service organizations experiencing large scale organizational change in order to help identify the primary causes of managerial failure. This article discusses the 15 primary causes of managerial failure identified in the study, along with their perceived consequences to managerial and organizational performance. Ultimately, it is hoped that this will provide a guide for improving the effectiveness of both individual managers and the organizations they serve.
© 2006 Kelley School of Business, Indiana University. All rights reserved.

1. Managerial life in the 21st century

"Right now, we are experiencing unprecedented competition, rapid market restructuring, [and] internal reorganization, and we are attempting to launch a bunch of improvement initiatives....The level of internal and external change is staggering, and our managers are being tested...some are flying high, [but] a number of them are struggling to get results....I personally believe change exposes weakness in managers that they either fix or they will have problems....We need better performance. Change creates leadership opportunities, but it can also be a career buster if you suddenly can't get

results." — *Vice President of Operations, large healthcare organization*

As evidenced by the preceding comment, a number of interrelated trends are profoundly impacting the nature of managerial life in the 21st century. First, there seems to be consensus that the current business environment is experiencing an unprecedented rate of change. In his critical review of organizational change research, Todnem (2005) cites numerous studies that support this contention, and concludes that successful management of change is now critical to organizational survival. As a phenomenon, the causes of this unprecedented level of change have been explored and described by numerous academicians and practitioners.

One of the most compelling and complete discussions of these causes is provided by Thomas Friedman (2005) in his best-selling book, *The World Is*

* Corresponding author.
  E-mail addresses: clinton.longenecker@utoledo.edu
(C.O. Longenecker), mitchell_neubert@baylor.edu
(M.J. Neubert), lfink@utoledo.edu (L.S. Fink).

Flat. Containing an extensive review of the global, economic, technological, social, political, and organizational trends that have changed the rules of competition in the world marketplace, Friedman's work asserts the "flattening" of the world has made it easier for companies around the globe to compete against each other. This, in turn, has opened a flood gate of new challenges that leaders must address. In response to this competition, organizations are now forced to constantly adapt to remain competitive and survive (Price, 2006).

The sentiments expressed in the opening quote also reflect that the competitive environment is placing heavy pressure on managers at all levels to respond and improve performance. The growing pressure on managers to achieve better results is illustrated by current newspaper and business publication headlines (e.g., Deutschman, 2005), as well as recent research studies. For example, Hambrick, Finkelstein, and Mooney (2005) point out that, in today's environment, managers must maintain and continuously improve performance or be subject to corporate takeover, organizational extinction, or executive dismissal. This conclusion is supported by research in both organizational downsizing and career survival.

Two studies on organizational downsizing found that a manager's ability to get results was either the number one criteria (Longenecker & Ariss, 2004) or the second most important factor (Longenecker, Simonetti, Nykodym, & Scazzero, 1997) in determining which managers kept their jobs. Two related studies on career success that examined factors affecting career survival, one involving over 2000 managers (Longenecker & Simonetti, 2001) and another involving over 5000 managers (Simonetti, 1999), indicated that achieving excellent performance/getting results was the single most important factor for keeping one's job and career on track. Furthermore, Van Velsor and Leslie (1995) integrated a number of widely-cited studies and identified failure to achieve business objectives (i.e., not getting desired results) as one of the primary themes for managerial career derailment.

The final point demonstrated by the Vice President of Operations' statement regarding managerial life in the 21st century is that many managers, at all levels in the organization, have been unable to rise to the challenges that the rapid change environment presents, and that these managers' "fracture points" or weaknesses are becoming more readily apparent under these conditions. In an article published in the *Harvard Business Review*, Kotter (1995) discusses his analysis of over 100 transformation efforts, and clearly links business success or failure to the competence and performance of managers at all levels in the organization in leading change.

Unfortunately, the challenges of managing change that arise from the implementation of innovations, continuous improvement initiatives, increased operational velocity, and responding to ever-changing customer demands can make a manager's current skill set obsolete (Longenecker & Ariss, 2005). As Higgs and Rowland (2005) point out, many managers do not have the expertise or capability to manage change under increasingly complex conditions, in which old ways of thinking and solving problems rarely work. In short, several managers, who would otherwise be successful in a more stable environment, fail when rapid change and adaptation is required of them, very much as dams with no apparent problems fail when pressure increases from rising water during storms or hurricanes.

In order to keep their organizations in business and their careers on track, leaders and managers need to get results. Organizations that wish to thrive in the current ultra-competitive environment, which demands successful implementation of change efforts by managers, would be wise to attempt to understand the factors that cause managers to fail to achieve their business objectives in these environments. Unfortunately, very few research studies have examined the reasons for managerial failure, and those that have investigated this topic have not focused on organizations experiencing rapid change in their organizational and business environments. Therefore, it is unclear whether the reported findings actually apply to this population of managers.

One of the most well-known and well-conceived research studies on managerial failure was conducted by Sydney Finkelstein (2003) and reported in his book, *Why Smart Executives Fail*. The author's goal was not only to focus on why businesses fail, but to study the people (CEOs) behind these failures. Further, Finkelstein wanted to understand why the failures took place, such that they could be anticipated and potentially prevented in the future. Interestingly, the scholar discovered that many of the qualities of successful leaders/managers can also be causes of failure. This suggests that one cannot simply study the literature on managerial success if one wishes to identify and correct the causes of managerial failure. Ultimately, Finkelstein's research identified five major causes of CEO failure: choosing to ignore change, pursuing the wrong vision, being too closely connected to the company, exhibiting executive arrogance, and relying on past formulas for success.

While highly informative, Finkelstein's research focused solely on CEOs and their strategic activities, not on the performance of managers at different levels in an organization. Moreover, the study did not focus specifically on managers coping with rapid environmental and organizational change. As such, the results may not be fully generalizable to this population of managers. Against this background, we set off to build on Finkelstein's research and explore why managers, at multiple levels in U.S. organizations, struggle and sometimes fail to achieve needed results when confronted with large scale change. To learn about this issue, we decided to draw upon the experiences of a large cross section of managers from rapidly changing organizations, who were in a position to describe their observations from the field. The goal was to obtain information useful to both organizations and individual managers interested in improving their performance in these dynamic and turbulent times.

2. A study on managerial failure

To explore why managers fail to get desired results in rapidly changing organizations, focus groups were conducted with 1040 managers from a convenience sample of over 100 different U.S. manufacturing and service organizations. As part of a larger study on organizational change, the CEOs of each of these enterprises were surveyed via both phone and face-to-face interviews, and agreed with the statement that their organizations were experiencing "large-scale organizational change" in a "rapidly changing business environment." The need to protect or improve their current competitive position in the marketplace was cited as the driving force behind the changes these organizations were undertaking. This competitive pressure caused these organizations to implement numerous large-scale changes including infusing new technologies, process redesign, mergers, consolidations and acquisitions, reengineering activities, organizational restructuring, reconfiguring supply chains, and major workforce redeployment and development activities, among others. In phase one of this study, participant managers were asked the following open-ended question: "Based on your experience, why do managers fail to get desired results in rapidly changing organizations?" Participants were asked to list the primary reasons for managerial failure on an individual basis.

In phase two of the study, managers were formed into five-person focus groups to share their individual findings and develop consensus as a group in identifying the top 10 causes of managerial failure. In developing the composition of each focus group, great care was taken to include top, middle, and first-line managers and a balance between staff and line-management personnel, in order to provide a diversified experience base for each group and make sure we attained a set of causes relevant to all managerial levels. To ensure consistency, one of the authors led each of the focus groups, which were all read the same set of instructions regarding how to proceed.

Before reviewing the findings generated by these managers, it is important to make several observations about how these focus groups operated. First, the discussions were always lively, energetic, and replete with stories and examples. Second, managers complained that limiting the number of factors they could list was a disservice. Although the respondents could easily have generated lengthy lists of why managers fail to get results, our intent was to focus on the most important causes of managerial failure. Third, while all participants seemed to have rather strong opinions on the subject, group members freely shared information and were able to reach consensus without too much difficulty.
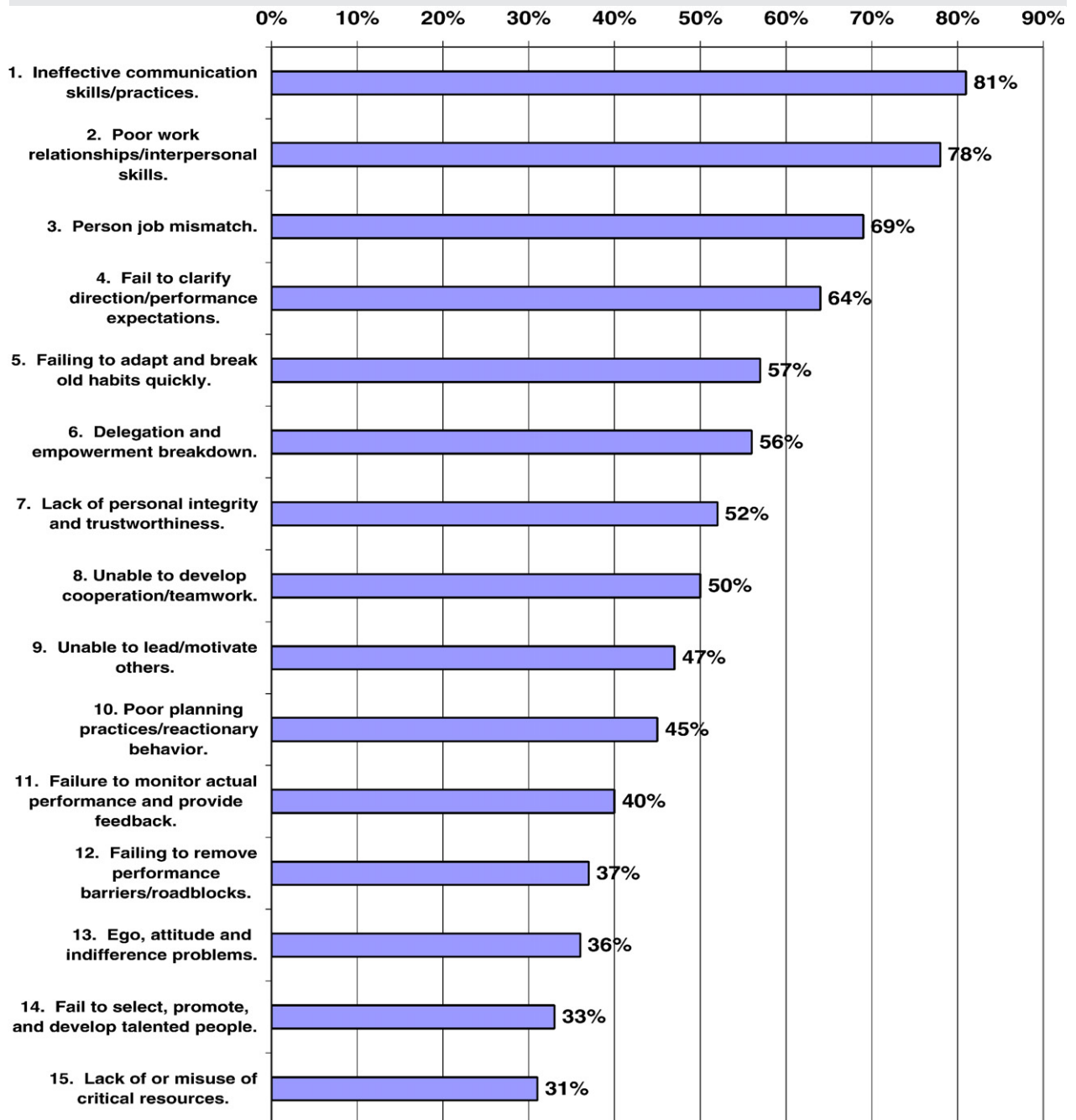
The management sample averaged 44 years of age, was 69% male and 31% female, and included 22% top level, 40% middle level, and 38% front-line managers. Organization representation was evenly split between service and manufacturing enterprises. A total of 208 focus groups generated factors that were then content analyzed using a panel of four managerial judges to categorize each factor into the major categories that emerged as the process unfolded. Three out of four judges had to agree with the placement of a specific cause for it to be counted in a category total; an average of 9.93 factors were generated by each focus group. After all factors were categorized, frequency counts and percentages were tabulated for each factor, and are illustrated in Table 1.

3. The findings: Primary causes of managerial failure

"Everybody wants to talk about success, but it can open your eyes wide to spend some time talking about why managers fail." — *Manufacturing Manager's observation*

Although our focus groups identified a wide-ranging list of causes of managerial failure, for focus' sake, we will limit our discussion to the top 15 major themes that were cited by at least 30% of our managerial focus groups. Table 1 contains the

Table 1 Primary causes of managerial failure in rapidly changing organizations (*n* = 1040 managers/208 focus groups)

Cause	Percentage
1. Ineffective communication skills/practices.	81%
2. Poor work relationships/interpersonal skills.	78%
3. Person job mismatch.	69%
4. Fail to clarify direction/performance expectations.	64%
5. Failing to adapt and break old habits quickly.	57%
6. Delegation and empowerment breakdown.	56%
7. Lack of personal integrity and trustworthiness.	52%
8. Unable to develop cooperation/teamwork.	50%
9. Unable to lead/motivate others.	47%
10. Poor planning practices/reactionary behavior.	45%
11. Failure to monitor actual performance and provide feedback.	40%
12. Failing to remove performance barriers/roadblocks.	37%
13. Ego, attitude and indifference problems.	36%
14. Fail to select, promote, and develop talented people.	33%
15. Lack of or misuse of critical resources.	31%

frequency counts, ranked in hierarchical order, which resulted from the content analysis of the causes of managerial failure. A critical component of this analysis is the associated "consequences," or organizational implications, of these causes that were gleaned from the extensive focus group discussions. Direct quotes will be provided where appropriate. Now, let us see what we can learn about the causes and consequences of managerial failure in rapidly changing organizations.

3.1. Cause #1: Ineffective communication skills/practices (81%)

It has been said that all communications are either problem-solving or problem-creating. In most settings, managers will fail if they cannot communicate effectively. Managers in this study made it perfectly clear this is especially true in rapidly changing organizations, where increased stress and coordination requirements caused by workplace

changes often result in communication break-downs. In these situations, managers frequently do not effectively share critical information with individual employees and/or work teams. Additionally, they fail to listen to the concerns of those around them, with potentially devastating outcomes. The flavor of the problem is succinctly captured in the words of one of our executive participants: "Change brings increased levels of busyness and busyness can breed communication problems of all sorts, which can only spell trouble for any leader....Effective communications are the life blood of high performance."

3.1.1. Consequences

Poor communication by managers places employees under a cloud of uncertainty and stress, which leads to decreased performance and an increase in gossip, rumors, and turnover. It makes it difficult for employees to ask questions and understand new job responsibilities, and interferes with the ability of managers and employees to make informed business decisions. It often causes employees to suffer dysfunctional stress, which generates non-optimal individual performance, personal health problems, and increased turnover of key personnel. Finally, poor communication can lead to loss of productivity if workers become distracted by dysfunctional rumors or gossip.

3.2. Cause #2: Poor working relationships/ interpersonal skills (78%)

Effective working relationships have long been considered the cornerstones of good management. Respondents in this study indicated that rapid change exposes poor working relationships and even accelerates their decline by placing additional stress on the people in the relationship and on achieving desired results. When rapid change takes place, a manager's working relationships, interpersonal skills, and internal/external networks become even more critical to getting results. In order to procure the level of commitment and cooperation necessary to properly plan and implement change efforts and actions, managers must have effective 360 degree working relationships. Study participants used terminology such as "connections," "contacts," "go-to people," "confidantes," "trusted ones," and "people who can cover my backside" to speak to the importance of working relationships in handling and coping with large scale change.

3.2.1. Consequences

The inability to foster effective working relationships isolates managers from the informal network of knowledge and resources they so desperately need in order to lead successful change efforts. Failing to create and nurture effective working relationships unnecessarily creates barriers and impediments to getting things done.

3.3. Cause #3: Person—job mismatch/skills gap (69%)

In our focus group discussions, a bona fide and yet somewhat veiled concern/fear emerged among participants concerning whether they or other managers had the requisite skills necessary to perform effectively in their changing environments. Rapid changes in what work is to be performed and how it is to be done often requires changes in leadership style and knowledge bases, and new or different skill sets. Respondents expressed a deep-rooted notion that rapid organizational change might cause a manager to find him- or her-self in a situation they are unable to handle. In the words of one manager, "Everybody is concerned about growing old and not having the skills to get the job done, but change can accelerate the speed at which a person might find themselves being functionally obsolete." Skill gaps can include a lack of business acumen or specific technical or soft skills necessary to get results. Dynamic environments might cause a manager who was the right person, in the right job, at the right time one day, to be struggling the next because of new demands brought on by rapid change.

3.3.1. Consequences

Managers in rapidly changing organizations often find themselves in over their heads due to evolving or changing roles or job descriptions. Individuals in this situation often find they lack the training, skills, or experience necessary to be successful. These changes put managers in challenging positions they are ill-equipped to fulfill, resulting in poor performance for managers and those who depend on their performance and leadership to get results.

3.4. Cause #4: Failing to set clear direction/ clarify performance expectations (64%)

When things are in a state of flux and managers fail to set a clear strategic direction and create focus for a work group, department, or even division, many bad things can and do happen. Whether their work is structured around individual or group activities, employees want a concrete notion of what duties and goals they should be pursuing, and against what criteria

their performance will be judged. During periods of rapid change, workers seek a sense of purpose, a clear vision of where things are headed, and detailed guidance regarding which activities and tasks they should attend to. As expressed by our study participants, failing to set a clear direction for one's work group creates "uncertainty," "ambiguity," "doubt," "added stress," and "guessing about where we are going and what should be done," and "it wastes time, energy, and critical resources." These negatives are compounded at the group level when a manager fails to clarify performance expectations at the individual level. Followers want to know to what level they must perform to be perceived as "successful" on the job, and need comprehensible information so they can prioritize tasks and duties. Thus, the most elementary of management practices becomes exceedingly critical in periods of transformation.

3.4.1. Consequences

Failure to provide employees with a clear sense of direction and performance expectations negatively impacts planning, decreases employee motivation, results in ineffective resource allocation, and ultimately denigrates the ability of people to navigate through uncertainty. A manager will fail to get results from their staff when they neglect to clarify goals, specify which activities to focus on, and articulate what results are sought from individual contributors and groups that they supervise.

3.5. Cause #5: Failing to break old habits and adapt quickly (57%)

As organizations implement change, managers are asked to do new and different things as a key part of the change equation. This adaptation process means that they must break old habits and realign their behavior, actions, and performance with the current needs of the enterprise. Breaking old habits represents a real challenge under the most stable of conditions, but can become even more difficult in periods of change when managers, often devoid of a mentor, coach, or meaningful performance feedback, must alter their role, behaviors, and leadership style on their own. A number of focus groups that identified this cause of failure included colorful addendums to their responses, including "change fast or you are gone," "you'd better change or die trying," "get with the new program or git," and "the only good habit is one that still works." These findings underscore that a manager's inability to adapt and break old habits is often due to their inability to understand environ-

mental signals that suggest change is needed, something that is particularly true when things are happening fast.

3.5.1. Consequences

Lacking another "model" for how to do their job or behave, managers often stick to what they know or are familiar with doing. Failing to adapt and/or break old habits perpetuates the continuance of behaviors and actions that no longer provide value to their department or organization. It also results in the failure to take on new roles, behaviors, or activities that can make a critical difference in the successful implementation of continuous improvement efforts, and/or in achieving results for the organization.

3.6. Cause #6: Delegation and empowerment breakdowns (56%)

According to the managers in our study, delegation and empowerment breakdowns are commonplace among managers who fail to get results. Deciding who does what work has always been a challenging task for managers, but in dynamic environments, the delegation process can prove to be even more of a trial. Assigning job responsibilities and granting people the authority and resources they need to get things done is a process that requires thought, planning, communication, and trust. These actions frequently do not receive the attention they deserve in stable environments, so when significant workplace changes are added to the mix, breakdowns can easily occur. The focus groups made it clear that "deciding who does what work," "providing the resources and authority people need to get the job done," and "empowering people to act and make decisions" are critical management activities that can be bungled or lost track of during periods of transition.

3.6.1. Consequences

When managers are poor at delegating, they damage their ability to get things done through people. Ineffective delegation and empowerment practices contribute to confusion and immobilize staff and resources, leading to weak performance. Moreover, when managers fail to properly delegate, it causes them to take on too much "lower-level" work, which gets in the way of their focus on the critical responsibilities of planning, organizing, leading, and controlling. In times of rapid change, workers need to take initiative. Such efforts, however, are stymied when they are unsure if they are responsible for the outcome, or if they have the authority to take the action needed.

3.7. Cause #7: Lack of personal integrity and trustworthiness (52%)

Participants made it clear that a manager's likelihood for success is greatly limited when the people around them perceive a lack of personal integrity or character on the manager's part. In times of uncertainty, employees need to believe and trust in their manager's character and competency. Employees evaluate a manager's trustworthiness based on both criteria. A manager's character was described by focus groups as being, from the employee perspective, "extremely critical" during tumultuous times in that it helps calm the fears, doubts, and uncertainties that accompany change. At the same time, a manager's competency is critical to their followers, as people do not want to be the "uninformed following the incompetent." When managers appear incompetent or are found to be lacking moral fiber, employees are unlikely to follow their lead. If workers think that "their backs will not be covered" while they retool and adapt to change, or, in a worst-case scenario, when change efforts falter, they will be even more unlikely to support or embrace change efforts.

3.7.1. Consequences

A lack of integrity and trustworthiness damages a manager's ability to implement and lead change. A negative view of a manager's trustworthiness can become a self-fulfilling prophecy, as employees' unwillingness to embrace change efforts leads to the manager's failure to achieve promised results. When a manager is perceived to lack personal integrity and/or trustworthiness, their workers often want that manager to look bad or to get fired. Hence, resistance to change can also be seen as a vehicle to get rid of unpopular or disrespected managers.

3.8. Cause #8: Unable to develop cooperation/teamwork (50%)

All of the managers involved in our study had significant experience dealing with change, and they made a strong case for the importance of developing cooperation and teamwork within and across departments. Most change efforts require the cooperation and commitment of various individuals, many of whom have divergent goals. The respondents clearly indicated that when a fellow manager does not know how to develop cooperation and teamwork among people, getting results becomes more challenging or even impossible to achieve. If performance is to be maximized, a manager must create an environment in which people are encouraged to work together and are rewarded for doing so. Participants also spoke to the importance of

managers working together to make real change happen. Tellingly, one commented that "It is much easier to get employees to work as a team than it is to get our managers to be cooperative with each other." A manager's talent at creating teamwork and cooperation at all levels is paramount to getting results when change is a necessity.

3.8.1. Consequences

In periods of rapid change, the absence of cooperation and teamwork often allows personal agendas of self-preservation and self-promotion to dominate and then destroy collective performance efforts. The result is inferior and significantly slower implementation of new organizational performance initiatives. Cooperation and teamwork are accelerants to the change process, and must be infused into the organization via effective leadership.

3.9. Cause #9: Unable to lead and motivate others (47%)

When managers fail to demonstrate effective leader behaviors and the ability to motivate their people, they are in jeopardy. In a dynamic environment, employees seek someone to follow who can help them determine the proper course, stay on track, and successfully navigate through "tough times" or "the difficult trials associated with rapid change." Managers who participated in this study were passionate in their discussions that leadership is the glue that holds organizations together, especially in periods of change. As evidence of this, respondents used such terms and phrases as "unleaders," "demotivators," "dead weight with a tie," "more smoke than fire," "talkers rather than doers," "political appointees," and "professional roadblocks" to describe ineffective leaders.

3.9.1. Consequences

Feedback asserted that any manager who is not a leader and who does not know how to bring out the best in his/her people will not succeed in rapidly changing organizations. Failing to gain the respect and commitment of employees leads to a culture of minimal performance, if not noncompliance or even resistance, at a time when change requires extra effort.

3.10. Cause #10: Poor planning practices/reactionary behavior (45%)

According to focus group participants, the old adage is true: If you fail to plan, you plan to fail. In periods of rapid change, managers at all levels become busier than usual and often do not take the time to

appropriately plan or anticipate future organizational needs. Study participants frequently discussed the challenge of finding time to "think," "reflect," "anticipate," and "connect the dots." Therefore, when quick and agile responses to the environment are required, managers are caught flat-footed and fighting fires that could have otherwise been avoided with appropriate planning. This pattern can instigate a downward spiral of reactionary behavior, which affords the manager less and less time to plan as they respond to an ever-increasing number of emergencies. Advanced planning, quick and effective data collection, and environmental scanning and analysis are central to effective performance in this kind of business environment.

3.10.1. Consequences

Poor planning practices and reactionary behavior create disruptive crises that damage performance and morale. When managers fail to plan, they find themselves and the people they represent in a constant reactionary, emergency-driven mode. The consequences of this reactionary behavior include a loss in efficiency and productivity, decreases in morale and employee confidence, and an increase in dysfunctional stress.

3.11. Cause #11: Failing to monitor actual performance and provide feedback (40%)

Results-oriented managers know, at all times, where they and their people stand against key performance standards and metrics. Ineffective managers, on the other hand, do not. Managers not only must know which individual standards or metrics to monitor, but also how to combine information from multiple sources or measures to develop a comprehensive understanding of their operation's performance. Respondents identified the necessity of always "knowing where you stand," "keeping track of where things are," "having your finger on the pulse of your operation," and "keeping your eye on the ball." Yet, it is important to point out that monitoring performance against key performance standards and metrics is not enough. Managers must also provide ongoing feedback to the people who affect current and future performance. Regular feedback helps ensure that everyone is aware of their current performance, and in a position to make timely and appropriate performance adjustments.

3.11.1. Consequences

When a manager does not monitor operational and employee performance, this eliminates their ability to use feedback as a performance-enhancing tool. Failure to monitor performance prevents managers from correcting or improving performance in a timely fashion. If a manager does not keep their finger on the "performance pulse" of their operation, they will be slow to adjust to performance problems, and equally slow to reward and reinforce strong performance. Fast changing and competitive climates are not likely to support organizations slow to adjust to performance problems in their employees.

3.12. Cause #12: Failing to remove performance roadblocks (37%)

Managers agree that, on the path to obtaining results, it is inevitable to encounter roadblocks along the way. Among the obstacles our focus groups identified were technology problems, conflicting goals, lack of resources, poor operating procedures, bad systems/processes, lack of training, and lack of teamwork. Also mentioned were labor–management conflicts, employee inter-personal spats, and inter-departmental "range wars," all of which can get in the way of people staying focused on getting things done. Ineffective managers fail to anticipate and prevent roadblocks; in addition, when roadblocks do occur, they repeatedly ignore them or are slow in responding, creating a potential myriad of additional unexpected problems. This allows unit performance and/or implementation of needed initiatives to become stymied or even stalemated. Effective managers work to prevent these roadblocks from ever occurring, and are much better at quickly providing solutions when and if they do happen to crop up.

3.12.1. Consequences

When managers fail to prevent or find a way to overcome roadblocks, performance (both managerial and employee) always suffers. Moreover, failure to take action results in loss of manager credibility from subordinates, superiors in the organization, or customers. In situations in which managers neglect to remove performance obstacles from the workplace, production bottlenecks develop, important deadlines are missed, customers become dissatisfied, and it becomes much harder for employees to stay motivated and direct their efforts toward implementing continuous improvement programs.

3.13. Cause #13: Ego and attitude problems (36%)

An important theme for managerial failure that emerged from our focus groups centered on the issue of managerial narcissism. A sure-fire way of damaging a manager's ability to get results is

having an ego that is "out of control" or "exudes arrogance," or displaying "an outright bad attitude." In times of change, tensions run high and people look to their leaders to provide reassurance, optimism, and a sense of calm. As such, when leaders are found to be "pessimistic," "negative," "nay-sayers," "rumor-mongers," "weavers of woe," or "down in the mouth," they damage their ability to obtain the desired ends. As a general rule, people do not like to be around, or interact or work closely with, individuals with ego and attitude problems. A bad attitude on the part of a manager is like a disease that spreads to everyone it touches, creating an environment of hostility and resentment. This is especially true in times of uncertainty and change.

3.13.1. Consequences

Ego and attitude problems are career killers. Managers with oversized egos and/or bad attitudes alienate the people they need the most. As a result, the manager lacks access to important information and never develops the working relationships needed to achieve the level of coordinated activity or cooperation necessary to get results.

3.14. Cause #14: Failing to select and develop good people (33%)

It has been said that the quality of performance is a reflection of the quality of people involved (or, in the words of one focus group, "you can't make steak out of hamburger"). Managers fail to get results when they treat people as a uniform commodity and neglect to exercise extreme care in selecting and developing high performers, something that is especially true for organizations in transition. This problem is exacerbated by the current shortage of talent in many labor markets. Selecting good people requires time, planning, skill, insight, and valid methods. Developing star employees requires the same, and includes such systematic activities as cross-training, coaching, performance appraisal, job rotation or giving special assignments, mentoring, and career assessments, to mention but a few. Just as changing organizational landscapes expose a manager's weaknesses, they highlight the quality of a workforce. Thus, change creates a mandate for people performers, which makes the selection and development process even more critical than normal.

3.14.1. Consequences

Failure of managers to carefully select and effectively develop subordinates leads to organizational rigidity and a low ceiling on performance and adaptability. When no effort is put into selecting, promoting, and developing talented people, managers and their organizations are left without the human capital needed to cope with change and produce at expected levels of performance.

3.15. Cause #15: Lack of or misuse of critical resources (31%)

Participants in this study made it clear that managers will fail when they do not have sufficient resources, or when they misuse the critical resources that are available to them. These resources can include people, software, hardware, equipment, office space, production technology, and nearly anything that is a line item in a budget. In today's current environment of "do more with less," resource scarcity seems to be a growing phenomenon. Respondents spoke of failure as a function of being "resource starved," or "having resources but not the right resources," or being sent on a "mission impossible" regarding this issue. At the same time, they indicated that managers must know how to deploy and utilize resources in an effective and judicious manner to get desired results, once they do, indeed, receive them.

3.15.1. Consequences

People on the front lines will not have a fighting chance to get results with inadequate and ineffectually deployed resources. When managers do not plan effectively, spend wisely, develop and utilize their people appropriately, and delegate effectively, they can find themselves missing or wanting the resources they need to perform and adapt, whether these resources be physical, financial, or human in nature.

3.16. Other causes

Finally, we would like to briefly highlight five additional causes of managerial failure that did not reach our 30% cutoff, but that are worth noting, nonetheless. These factors include a manager's unwillingness to take risks and experiment (26%), having a bad boss (25%), failing to hold people accountable and follow up on activity (21%), ineffective operating system/processes/SOPs (18%), and being disorganized (16%). The consequences of these causes are wide ranging and include maintenance of the status quo or slower response time, demoralizing personnel, operating inefficiencies, poor working relationships, and resistance to real change, among others. In sum, while the causes of managerial failure are myriad, the ultimate consequence of all 20 factors is poor performance and the inability to achieve desired and needed results.

4. A call to action

The factors identified from the inductive content analysis can be grouped into three broad themes which describe why managers fail to get results in times of change. First, many of the items identified seemed to refer to a number of what could be termed "competencies" necessary to survive in rapidly changing and ultra-competitive climates. The first set of these competencies were primarily social in nature: effective communication, relationship building, clarifying expectations, providing effective feedback, empowerment, team leadership, and motivating others. The second set of competencies were more focused on critical tasks related to proactive planning, delegating, navigating organizational performance road blocks, selecting and developing talented people, and modeling accountability. For organizations, these findings are instructive as to how to intervene to support the development of change-related competencies in their managers.

A second broad theme focused on "personality-based" factors including attitude, integrity, character, and commitment. Under this umbrella, the elements considered most important by our participating managers included an openness to adaptation and change, integrity, a well-adjusted ego and positive attitude, risk-taking and looking for new and better ways of doing things, and conscientiousness and propensity for organization. Some of the personality-based issues raised by this research offer insight to what may have previously been a blind spot in understanding managerial

success or failure in this environment. Managers in this study expressed the belief that those who apply themselves to breaking bad habits, adhering to the highest standards of integrity, consciously expressing humility and genuine concern, demonstrating a willingness to take risks, and getting organized are more likely to experience desired results in rapidly changing environments. Those who refuse to change would be wise to find other lines of work or pursue employment with companies in more stable environments, where their weaknesses are less likely to be apparent. Organizational attempts to address these personality-based factors are unlikely to be successfully handled via quick training programs. These characteristics typically take quite a while to develop, and may possibly take even longer to change. The most promising technique to deal with such issues involves careful selection and long-term development programs instituted by an organization.

Finally, the other items identified fit into a number of "context or system factors" that, when present, seemed to hinder or cripple manager performance in rapidly changing environments. The most critical context factors identified by respondents included person–job mismatch, lack of critical resources, bad bosses/ineffective superiors, and ineffective systems or standard operating procedures that stifle or work against manager change efforts and pursuit of new organizational goals or strategies.

The predominance of response factors related to competencies and personality, in comparison to context, may reflect a fundamental observation

Table 2 An organizational assessment of the factors that can cause managerial failure

	Rarely	To a limited extent	To a great extent	Always
1) Practice effective communications?	☐	☐	☐	☐
2) Nurture effective working relationships?	☐	☐	☐	☐
3) Have the requisite skills necessary to perform their jobs successfully?	☐	☐	☐	☐
4) Provide clear direction and performance expectations for their subordinates?	☐	☐	☐	☐
5) Rapidly adapt to change and break outdated work habits quickly?	☐	☐	☐	☐
6) Practice effective delegation and empowerment?	☐	☐	☐	☐
7) Demonstrate personal integrity and foster trust?	☐	☐	☐	☐
8) Foster teamwork and cooperation?	☐	☐	☐	☐
9) Effectively lead and motivate their people?	☐	☐	☐	☐
10) Engage in effective planning practices?	☐	☐	☐	☐
11) Monitor performance and provide ongoing feedback?	☐	☐	☐	☐
12) Remove organizational roadblocks that stand in the way of improved performance?	☐	☐	☐	☐
13) Demonstrate an appropriate attitude and keep their egos in check?	☐	☐	☐	☐
14) Select, promote, and develop talented people?	☐	☐	☐	☐
15) Receive and utilize the resources they need to get results?	☐	☐	☐	☐

Instructions: Answer each of the following questions in an honest and candid fashion to assess the degree to which your organization's managers effectively practice the keys to enhancing organizational results in periods of rapid change. Any responses found in either the "Rarely" or "To a limited extent" columns represent opportunities for improvement that should be addressed.

bias whereby people tend to attribute failure to internal causes (i.e., the person) rather than the environment. Since many of the comments were expressions of personal experience or personal observations, this attribution bias may be skewing the data. Nonetheless, it is intriguing and important to note that the participants in this study believed that when a manager fails to get desired results, he or she is the primary source of the problem. Some of the ideas suggested by the responding managers are not new. While the nature of managerial work is changing in almost all organizations, practicing the fundamentals is still critical to a manager's ability to perform in a fashion that creates value for their enterprise.

This research is helpful in suggesting where to change or simply adjust the focus of manager behaviors during times of turbulence. Table 2 provides a self-assessment tool based on the findings from this study. The instrument can be used to help identify (and ameliorate) the causes of managerial failure that must be addressed to help prevent organizational failure and career derailment.

The findings from this type of research have widespread implications for both organizational and management development research. As this study focused on managers, it serves as a guide for improving the effectiveness of individual managers. Additionally, due to the significant role that managers play in the success of change initiatives, it is likely to be of interest to organizational leaders. The tremendous challenges of ongoing and radical organizational change can be mitigated by the presence and actions of properly selected/promoted, trained, skilled, focused, equipped, and supported managers. Top-level executives and human resource professionals should place a high priority on management development processes that are often lost in "the heat of battle" during periods of major change. According to the managers who participated in our focus groups, in times of rapid change, organizations and their managers that do not effectively practice the fundamentals will not be successful. The findings of this study provide an interesting profile of the factors that can (and will) damage management performance if managers do not have the competency and personality needed to support change.

As it is likely the only constants in the 21st century workplace will be change and a demand for increased performance, it is vital that the research community and organizational practitioners place greater emphasis on understanding why managers fail to perform in a manner that gets desired results, and how to help organizations develop better systems to improve managerial performance. It is our hope that the results of this study will prompt researchers and practitioners alike to take a long, hard look at the importance of the management fundamentals to success. In closing, it must be stated that in turbulent, dynamic, and rapidly changing times, there is no substitute for the tried and true management fundamentals that enable managers at all levels to obtain desired results. The findings of this qualitative study suggest that both organizations and managers would do well to focus their management selection, promotion, training, and development efforts in these critical areas. To not do so is to invite a form of self-inflicted failure at a time when most organizations need effective management like never before.

References

Deutschman, A. (2005). Making change. *Fast Company, 94*, 52–63.

Finkelstein, S. (2003). *Why smart executives fail*. New York: Portfolio.

Friedman, T. L. (2005). *The world is flat: A brief history of the twenty-first century*. New York: Farrar, Straus, and Giroux.

Hambrick, D. C., Finkelstein, S., & Mooney, A. C. (2005). Executive job demands: New insights for explaining strategic decisions and leader behaviors. *Academy of Management Review, 30*(3), 472–491.

Higgs, M., & Rowland, D. (2005). All changes great and small: Exploring approaches to change and its leadership. *Journal of Change Management, 5*(2), 121–151.

Kotter, J. P. (1995). Leading change: Why transformation efforts fail. *Harvard Business Review, 93*(2), 59–67.

Longenecker, C. O., & Ariss, S. S. (2004). Who goes and who stays? *Industrial Management, 46*(3), 8–13.

Longenecker, C. O., & Ariss, S. S. (2005). Why service organizations fail to get desired results: The front-line manager's perspective. *International Journal of Effective Management, 2*(1), 6–16.

Longenecker, C. O., & Simonetti, J. L. (2001). *Getting results: Five absolutes for high performance*. San Francisco: Jossey-Bass.

Longenecker, C. O., Simonetti, J. L., Nykodym, N., & Scazzero, J. A. (1997). Thinning the herd: Factors affecting downsizing decisions. *HR Advisor*, 16–22.

Price, A. (2006). The leading edge: Developing leaders in volatile times. *Employment Relations Today, 33*(1), 33–41.

Simonetti, J. (1999). Key pieces of the career survival and success puzzle. *Career Development International, 4*(4), 312–317.

Todnem, R. (2005). Organizational change management: A critical review. *Journal of Change Management, 5*(4), 369–380.

Van Velsor, E., & Leslie, J. B. (1995). Why executives derail: Perspectives across time and cultures. *Academy of Management Executive, 9*(4), 62–72.