Leadership Success or Failure: Understanding the Link between Promotion Criteria and Leader Effectiveness

Mike Stutzman[1], Tracy K. Tunwall[2]

(1. Rockwell Collins University-Rockwell Collins, Inc., USA;

2. Department of Business and Rockwell Collins, Mount Mercy University, USA)

Abstract: Leadership is a real and vastly consequential phenomenon, perhaps the single most important issue in the human sciences (Hogan & Kaiser, 2005). Leadership is also historically one of the most poorly understood (Judge, Piccolo, & Ilies, 2004). Leadership solves the problem of how to organize collective effort; consequently, it is the key to organizational effectiveness and personnel management (Bono & Judge, 2004). With good leadership and proper training, organizations thrive and prosper. Bad leaders perpetrate terrible misery on those subject to their domain. The purpose of this qualitative study is to expand the field of knowledge regarding how proper leadership selection can positively impact the long-term sustainability and culture of the workforce through employee engagement (Judge, Piccolo & Ilies, 2004). Increased understanding of the relationships among the variables included in this study offer the possibility to enable a long-term sustainable workforce model through the development of proper leader selection and measurement. In conclusion, leadership effectiveness should be defined and evaluated in terms of the performance of the group or team for which a leader is responsible. Ultimately it is recommended that a greater emphasis be placed on results to enhance the real-world relevance of leadership research. It is predicted that organizations that choose and reward leaders on the basis of how their teams perform will be more likely to succeed and stand the test of time (Judge, Piccolo & Ilies, 2004). Many studies lend support to the latter view. In the long run organizations must develop cultural values that support and reward effective performance, not just successful socializing and politicking.

Key words: training; personnel management; corporate culture

JEL code: M53, M12, M14

1. Introduction

The psychological literature on proper leadership selection and employee engagement is extensive and contains useful generalizations about the links between personality, cognitive ability, leadership style, and evaluations of leadership potential and performance (Bono & Judge, 2004). Psychologists also know that certain leadership styles are associated with effects on employee engagement (Lord, 1977). Effective leaders enhance the job satisfaction, structured leaders have higher performing teams, and transformational leaders inspire greater

Mike Stutzman, Ph.D., North Central University (in progress); research areas: leadership development; workplace sustainability. E-mail: mlstutzm@rockwellcollins.com.

Tracy K. Tunwall, Ph.D., Mount Mercy University; research areas: leadership development; workplace sustainability. E-mail: ttunwall@mtmercy.edu.

commitment (Judge & Piccolo, 2004).

Distinguishing between people who seem leader-like and those who enhanced the performance of their teams brought considerable clarification to the literature on this topic (Crabb, 2011). My research will show the factors correlated with a successful career in management are not necessarily the same as those associated with leadership effectiveness, which enhances employee engagement and leads a team to success.

We want to further knowledge in the field of leadership selection to ensure that successful and effective leaders are hired, and to better understand the impact leadership selection has on organizational success. In an ideal world, career success and leadership competence would go hand in hand—that is, those people who are selected for leadership positions, who are well paid, who are promoted quickly, and who are well regarded by their bosses would also motivate employees, make good decisions, and build teams that produce results over time (Berson, Dan & Yammarins, 2006). But there are good reasons to believe that this is not necessarily the case (Judge, Heller & Mount, 2002). Experienced observers suggest that what advances a manager's career is not necessarily what makes an organization effective (Judge, Piccolo & Ilies, 2004).

2. Literature Review

What is quickly discovered when reviewing existing research is that the literature contains few defensible generalizations other than leaders seem to be somewhat taller and a little bit brighter than their subordinates (Berson, Dan, & Yammarins, 2006). The methodological diversity in this research suggests a robust literature, but may also reflect a lack of definitional clarity (Bono & Judge, 2004). For example, the early work on personality and leadership appeared to produce inconsistent results, prompting reviewers to dismiss its importance (Hogan & Kaiser 2005). Leadership research often focuses on how leaders are regarded, and tells us little about leading effective teams (Judge, Heller & Mount, 2002). Reviews of leadership research often wrongly conclude that the attributes that help managers gain recognition and approval also helps organizations prosper (Berson, Dan, & Yammarins, 2006). Distinguishing between people who seem "leaderlike" and the performance of their teams brought considerable clarity to the literature (Judge, Piccolo & Ilies, 2004).

The definition and measurement of effectiveness is even more elusive (Judge, Heller & Mount, 2002). The vast literature on managerial effectiveness offered little agreement on criteria or measure. It is important to distinguish between the success of managers' careers—defined in terms of wealth, status, and reputation—and managers' effectiveness as leaders—defined in terms of the performance of the group or organization they lead. The kinds of criteria used in leadership studies suggest that researchers often overlook the difference (Bono & Judge, 2004). Another noted point is that much leadership research focuses on career success and how leaders are perceived (Hogan & Kaiser, 2005). There has been relatively little research on the characteristics of leaders whose teams and organizations beat the competition (Judge, Piccolo & Ilies, 2004). Most research defined leadership as merely being perceived as "leaderlike". There were no cases in which group performance was the effectiveness measure (Berson, Dan & Yammarins, 2006).

3. Findings

What is found is that few real managers are both successful and effective. The traditional assumption holds that promotions are based on performance (Bono & Judge, 2004). When attempting to discover what successful managers—those who have been promoted relatively quickly—have in common with effective managers—those

who have attained satisfied, committed subordinates and high performing units, the answer seems to be that they have little in common (Judge, Piccolo & Ilies, 2004). The real-world importance of leadership is critical for the long-term success or failure of organizations and social institutions (Judge, Heller & Mount, 2002).

Although most people tend to take the importance of leadership for granted, many academics still challenge this position (Berson, Dan & Yammarins, 2006). Some argue that the effects of leadership are minimal compared with historical, organizational, and environmental forces (Hogan & Kaiser, 2005). Others suggest that attributing organizational outcomes to individual leaders is a romantic oversimplification (Bono & Judge, 2004). Others maintain that organizational performance cannot be attributed to individual leaders because performance is an emergent phenomenon involving complex, nonlinear interactions among multiple variables in a dynamic system open to outside influences (Luthans, 1988).

Each of these views is contradicted by a simple empirical fact. Research on managerial succession over the last 20 years has consistently found a relationship between who is in charge and organizational performance. Using different methodologies, these studies converged on the conclusion that changes in leadership are followed by changes in firm performance (Luthans, 1988).

Three lines of research suggest the characteristics associated with career success are not the same as those associated with leading a team to success (Berson, Dan, & Yammarins, 2006). The first concerns individual differences in orientation toward one's career versus one's team or organization (Hogan & Kaiser, 2005). They concluded that career-oriented and team-oriented commitments are different (Bono & Judge, 2004).

The second line of evidence comes from the so-called "derailment" literature (Judge, Heller & Mount, 2002). This research shows that many bright and ambitious executives nevertheless are fired, are demoted, or fail to advance. They suggested that this failure rate reflects the fact that managers are rarely chosen on the basis of their talent for leadership (Judge, Piccolo & Ilies, 2004).

A third line of research contains studies directly evaluating the relationship between a manager's career success and the performance of his or her team found that measures of career success (e.g., rate of promotion) and team performance (e.g., team morale and productivity) were unrelated. Less than 10% of their sample of general managers had both successful careers and effective teams (Bono & Judge, 2004).

Many managers believe that getting ahead depends more on looking good than leading effectively (Hogan & Kaiser, 2005). Berson (2006) offered the following "promotion tips": Avoid confrontation; withhold suggestions for improvement; do not ask your boss to champion "unpopular" positions; always agree with your boss; concentrate on presentation skills and looking good in meetings with superiors; demonstrate an intense desire to win career advancement and to best your peers; and try to find your next promotion because rapid advancement looks good.

Thus, it is proposed that the relationship between career success and leadership effectiveness is weak in the corporate population (Judge, Heller & Mount, 2002). The message to leaders is that overcoming organizational inertia, raising uncomfortable realities, and initiating adaptive change can wreck individual careers. It is dangerous to be right when the organization is wrong (Judge, Piccolo & Ilies, 2004).

Observers of real organizations have long suspected that social and political skills are the real key to getting ahead, to being successful (Hogan & Kaiser, 2005). They believe that although managers who are successful (that is, rapidly promoted) may be astute politicians, they are not necessarily effective (Berson, Dan & Yammarins, 2006). Indeed, the so-called successful managers may be the ones who do not, in fact, take care of people and get high performance from their units (Luthans, 1988).

Could it be that the successful managers, the politically savvy ones who are being rapidly promoted into responsible positions, may not be the effective managers, the ones with satisfied, committed subordinates turning out quantity and quality performance in their units (Berson, Dan & Yammarins, 2006)? The importance that networking played in real manager success was very apparent (Judge, Heller & Mount, 2002). Only networking had a statistically significant relationship with success (Bono & Judge, 2004). The most successful real managers were doing considerably more networking and slightly more routine communication than their least successful counterparts.

From the relative strength of relationship analysis it was found that networking makes the biggest relative contribution to manager success and, importantly, human resource management activities makes the least relative contribution (Bono & Judge, 2004). In the study of real managers, using speed of promotion as the measure of success, it was found that successful real managers spent relatively more time and effort socializing, politicking, and interacting with outsiders than did their less successful counterparts (Hogan & Kaiser, 2005).

Perhaps equally important, the successful real managers did not give much time or attention to the traditional management activities of planning, decision making, and controlling or to the human resource management activities of motivating, reinforcing, staffing, developing and managing conflict (Bono & Judge, 2004).

It was also found that communication and human resource management activities made by far the largest relative contribution to real managers' effectiveness, and with traditional management, networking made by far the least relative contribution (Berson, Dan & Yammarins, 2006). These results mean that if effectiveness is defined as the perceived quantity and quality of the performance of a manager's unit and his or her subordinates' satisfaction and commitment, then the biggest relative contribution to real manager effectiveness comes from the human oriented activities—communication and human resource management (Bono & Judge, 2004). In other words, the successful real managers do not do the same activities as the effective real managers, in fact, they do almost the opposite (Hogan & Kaiser, 2005). These contrasting profiles may have significant implications for understanding the current performance problems facing American organizations (Berson, Dan & Yammarins, 2006).

Sayles (1993) noted that many managers believe getting ahead depends more on looking good than leading effectively. Hogan and Kasier (2005) reviewed surveys suggesting that about 50% of executives derail. They suggested that managers are rarely chosen on the basis of their talent for leadership (Judge, Heller & Mount, 2002). These incompetent managers were promoted on the basis of their skill at managing impressions, not their skill at leading troops or driving employee engagement (Kaiser, Hogan & Craig, 2008).

4. Conclusion

In conclusion, leadership effectiveness should be defined and evaluated in terms of the performance of the group or team for which a leader is responsible (Bono & Judge, 2004). Second, much leadership research concerns how managers are perceived and therefore provides limited insight into leadership effectiveness (Hogan & Kaiser, 2005). Third, a portion of the literature is informative about how leadership affects organizational performance; however, it focuses more on follower, team, and organizational processes than on organizational outcomes (Bono & Judge, 2004).

Ultimately it is recommended that a greater emphasis be placed on results to enhance the real-world relevance of leadership research (Hogan & Kaiser, 2005). It is predicted that organizations that choose and reward leaders on the basis of how their teams perform will be more likely to succeed and stand the test of time (Judge, Piccolo & Ilies, 2004). Many studies lend support to the latter view. In the long run organizations must develop cultural values

that support and reward effective performance, not just successful socializing and politicking. This goes hand-in-hand with the current attention given to corporate culture and how to change it (Hogan & Kaiser, 2005).

An appropriate goal for cultural change in today's organizations might simply be to make effective managers successful (Judge, Piccolo & Ilies, 2004). The effort they devote to the human-oriented activities of communicating and human resource management are what make them effective, and should not continue to be overlooked. How human resources are managed—keeping them informed, communicating with them, paying attention to them, reinforcing them, resolving their conflicts, training/developing them — all contribute directly to managerial effectiveness (Hogan & Kaiser, 2005).

References:

Berson Y., Dan O. and Yammarins F. J. (2006). "Attachment style and individual differences in leadership perceptions and emergence", *Journal of Social Psychology*, Vol. 146, No. 2, pp. 165-182.

Bezuijen X. M., van Dam K., van den Berg P. T. and Thierry H. (2010). "How leaders stimulate employee learning: A leader-member exchange approach", *Journal of Occupational & Organizational Psychology*, Vol. 83, No. 3, pp. 673-693.

Bono J. E. and Judge T. A. (2004). "Personality and transformational and transactional leadership: A meta-analysis", *Journal of Applied Psychology*, Vol. 89, No. 5, pp. 901-910.

Crabb S. (2011). "The use of coaching principles to foster employee engagement", *The Coaching Psychologist*, Vol. 7, No. 1, pp. 27-34.

Hogan R. and Kaiser R. B. (2005). "What we know about leadership", *Review of General Psychology*, Vol. 9, No. 2, pp. 169-180.

Hogan J. and Holland B. (2003). "Using theory to evaluate personality and job-performance relations: A socioanalytic perspective", *Journal of Applied Psychology*, Vol. 88, No. 1, pp. 100-112.

Johnson M. (2011). "Workforce deviance and the business case for employee engagement", *Journal for Quality & Participation*, Vol. 34, No. 2, pp. 11-16.

Judge T. A., Heller D. and Mount M. K. (2002). "Five-factor model of personality and job satisfaction: A meta-analysis", *Journal of Applied Psychology*, Vol. 87, No. 3, pp. 530-541.

Judge T. A., Piccolo R. F. and Ilies R. (2004). "The forgotten ones? The validity of consideration and initiating structure in leadership research", *Journal of AppliedPsychology*, Vol. 89, No. 1, pp. 36-51.

Kaiser R. B., Hogan R. and Craig S. (2008). "Leadership and the fate of organization", *American Psychologist*, Vol. 63, No. 2, pp. 96-110.

Kent R. L. and Moss S. E. (1994). "Effects of sex and gender role in leadership emergence", *Academy of Management Journal*, Vol. 37, No. 5, pp. 1335-1346.

Lord R. G. (1977). "Functional leadership behavior: Measurement and relation to social power and leadership perceptions", *Administrative Science Quarterly*, Vol. 22, No. 1, pp. 114-133.

Luthans F. (1988). "Successful vs. effective real managers", *Academy of Management Executive*, Vol. 2, No. 2, pp. 127-132.

Pati S. and Kumar P. (2010). "Employee engagement: Role of self-efficacy, Organizational support & supervisor support", *Indian Journal of Industrial Relations*, Vol. 46, No. 1, pp. 126-137.

Richman A. L., Civian J. T., Shannon L. L., Jeffrey Hill E. E. and Brennan R. T. (2008). "The relationship of perceived flexibility, supportive work-life policies, and use of formal flexible arrangements and occasional flexibility to employee engagement and expected retention", *Community, Work & Family*, Vol. 11, No. 2, pp. 183-197.