Mediocrity at the Top: Pulling Away from the Pack

Harold Scharlatt and Sloan R. Weitzel

Mediocrity: Various dictionaries define it in terms such as "moderate ability, value, or performance"; "a lack of skill or ability"; "ordinariness as a consequence of being average and not outstanding"; and "the quality of being not very good or not good enough." Hardly the kind of words one would associate with people in leadership positions. Yet a look at data gathered from a Center for Creative Leadership assessment and development program over the past twenty years indicates that more often than not these words describe many of the people who assume the role of leader.

The information culled from The Looking Glass Experience (see sidebar) paints a picture of what mediocre leadership looks like and how it comes about. The program includes a simulation that closely parallels an actual business operation. As a result it’s a fairly accurate representation of how people act and react in the real world.

The value in looking at what makes for mediocre leadership is the chance to learn which practices and behaviors to avoid to become a more effective leader. In some instances leaders in The Looking Glass Experience were found to be effective or highly effective. This article will also look at some of the characteristics and behaviors that set those leaders apart so those qualities can be recognized and perhaps emulated in the real world.

Headed for a Fall

First, however, let’s put you in the shoes of the president of Looking Glass, Inc., to get an idea of what it feels like to find out that you are viewed by others in your organization as merely an average leader:

John Smith is the president of a manufacturing firm that has just closed its books for the fiscal year. Holed up in his office, he looks over the various documents and reports showing the company’s financial progress. He’s pleased to see that total revenue for the year was nearly $590 million, a 20 percent increase over the previous year. "Well done," he says to himself, "especially for this industry."

As he looks at the forecasts for the next two quarters, however, he feels a twinge of concern. Growth in various sectors of the company is...
expected to be flat. His doubt passes quickly, though, as he reaffirms his leadership capabilities. “Haven’t I taken the company this far?” he thinks. He turns to another document on his desk. It’s his yearly performance review. The review includes an assessment by the twenty people on the company’s management team and has two components: quantitative and qualitative. In the quantitative section, each member of the management team has rated John’s effectiveness on a scale of 1 to 5, with 3 meaning “moderately effective.” The qualitative section will take place later; in it, small groups of management team members will deliver verbal feedback. These sessions can be contentious, so someone from the human resource department will moderate.

John opens his performance review. He looks over some of the details, including the assessment methodology. He notes that the qualitative feedback session is scheduled for the next day. Then he turns the page and sees his effectiveness score circled in black: 3.3.

The confident state of mind John had been in while looking at the firm’s financial report quickly deflates. Even though the company is doing well—better than ever, John would argue—the management team sees him as only a tad better than “moderately effective.” He immediately becomes defensive. Who cares what his direct reports think, he says to himself; all that really counts is the company’s bottom line, and it’s doing well. But then he concedes the possibility that the company could be doing even better if he were perceived as a more effective leader. Mulling over what he could have done to deserve his rating, he reels through all the possible reasons and creates a list of questions he wants to ask his management team.

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John then turns to the next page of the performance review, where his effectiveness rating is compared with the ratings for past company presidents. He sees that two-thirds of the presidents before him scored in the 3.2 to 3.5 range. John is surprised. He had always presumed that his predecessors had been effective leaders, and he knows that they received handsome compensation packages, just as he does. But John takes little solace in making a ton of money only to be seen as mediocre.

This type of scenario is played out regularly in the Looking Glass Experience. In the more than one hundred weeklong programs for which CCL has tracked the effectiveness ratings of those placed in the role of president of the fictitious glass company, through the Looking Glass Experience, an assessment and development program offered by CCL. Participants in the five-day program, mostly middle- to senior-level managers, explore their strengths and weaknesses; their ability to make tough decisions under pressure and in the midst of crises; and their effect on their organizations, their colleagues, and their own careers. They do this primarily through the use of two tools: a realistic business simulation and extensive 360-degree feedback.

On the first day of the program, the twenty-one participants prepare for the business simulation, in which each participant will assume a managerial role in a fictitious glass company. Those people who wish to be president of the company make speeches on why they should be chosen. After a vote, the group is split into three divisions. Each participant selects a position on an organizational chart. Each division has a vice president; directors of sales, product development, and manufacturing; and two or three plant managers.

The simulation takes place on the second day of the program, with CCL faculty members observing and documenting participants’ behaviors.

The final three days of the program are devoted to debriefing, including discussion of the simulation; feedback from other participants, colleagues in the real world, and CCL staff members; and a look at how the careers of successful managers encompass a range of key learning events. Finally, participants form a series of developmental goals to help them sustain the momentum created during the week.

As part of the debriefing, each participant ranks the effectiveness of the president on a scale of 0 to 5. Five is “extremely effective”; 4 is “effective”; 3 is “moderately effective”; 2 is “neither effective nor ineffective”; 1 is “ineffective”; and 0 is “cannot rate,” given when the participant has had little or no interaction with the president during the simulation.

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68 percent of the leaders receive a score of 3.2 to 3.5. Every so often, presidents get a score of 4 ("effective") or better.

Getting an Earful

Why do we see such mediocrity in leadership? The following examples of feedback given by participants and trainers during the qualitative component of the presidents’ assessments hold some answers to that question. And because the Looking Glass simulation is a fair representation of an actual organizational environment, these examples contain some valuable lessons for leaders in the real world.

“I never saw him.” During the day of the simulation, presidents tend to stay in their offices. They write copious memos but actually meet only with their direct reports. It’s not unusual for other participants to spend the entire day without seeing the president. Given this lack of interaction, it’s not surprising that these other participants often form negative opinions about the president.

“You didn’t give us any strategic direction,” or conversely, “I felt micromanaged.” Most presidents follow one of two extremes: they either provide no structure to the day, or they get involved in each and every minute issue that should be handled by someone further down the chain of command.

“You were autocratic,” or conversely, “You seemed to be an excellent listener, but you didn’t do anything about what you heard.” This is another case of extremes. Presidents tend either to believe that they are solely responsible for the vision and strategic direction of the company or

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“You didn’t tell us what the agenda was,” or, “You didn’t coordinate your agenda with the agendas of other people in the organization.” Presidents often assume that the message they have communicated to their direct reports has also been communicated to all levels of the organization. The reality is that the message often is simply ignored or distorted and misconstrued by the time it reaches the plant manager level. Another common occurrence is that the president focuses on one agenda while the rest of the organization focuses on a different direction, perhaps because of crises faced by various departments. For instance, the president may be obsessed with grand strategy and globalization while the rest of the organization is concerned with more mundane matters such as manufacturing capacity and problems getting a supply of soda ash.

“When you did do MBWA [management by walking around], you didn’t add much value.” Even when presidents do get out of their offices to see what is going on with the rest of the group, their interaction is usually superficial at best. They might stop at the desks of one or two people and ask a question such as, “How’s it going?” They’ll get the standard response: “Fine.” After the president says something equally profound such as, “Good,” there is usually a pregnant pause before he or she moves on.

“When you did recognize an individual or a team, it seemed forced.” At the end of each simulation the president makes a state-of-the-organization speech. Typically, presidents don’t acknowledge any of the other participants’ good work until then. Generally the speeches seem stilted, as the leaders talk about people’s contributions with all the enthusiasm of an overworked flight attendant giving instructions on how to fasten a seat belt.

Managers and Leaders

These examples of feedback show some of the specific reasons why the effectiveness ratings of presidents in The Looking Glass Experience are downgraded. But what about the bigger picture? What is it in the
overarching approach to leadership that drags so many presidents down to the level of mediocrity? Most of the participants in the program are middle- to senior-level managers, including vice presidents, chief financial officers, and other executives. Although they know how to act as managers, many of them don’t know how to act as leaders.

What’s the difference? Harvard Business School professor John P. Kotter says that the focus of management is planning, budgeting, staffing, organizing, and problem solving. Leadership, in contrast, involves establishing direction, aligning people, motivating, and inspiring. With no experience in leadership, most managers stick to what they know. Here are some of the reasons why:

• They often have distorted perceptions of leadership. Many of them have little contact with the presidents of their real-world organizations, so they base their images of leadership on popular stereotypes—Douglas MacArthur, John Wayne, or Michael Jordan, for instance. This leads to a one-dimensional view of leadership, and managers end up trying to conform to this stereotypical image instead of being themselves. One of the hallmarks of effective leadership is self-awareness—of one’s own values, strengths, and weaknesses—and using that self-awareness to project an image that is uniquely you. If leaders are playing roles rather than being themselves, such self-awareness is impossible.

• Managers also tend to fence themselves in by putting a hard-and-fast label on their leadership style. They might see themselves as the hands-off type of leader or as people who like to roll up their sleeves and get into the thick of things, for instance. This denies them the flexibility to change their leadership style based on the situation.

• Most managers placed in the position of president fall back on what they know instead of concentrating on what the organization needs. When people who are chief financial officers in real life become presidents in the simulation, they usually spend most of their time reviewing numbers and ignoring interpersonal issues. Presidents who are plant managers in real life tend to focus on details affecting individual plants and pay little attention to sales and product development concerns.

• When it comes to influencing people, most managers rely on a rational approach—outlining the logical reasons why someone should do something. They lack the ability to motivate and inspire—to get into people’s hearts as well as their heads—that is one of the defining characteristics of leaders.

• Finally, the ability to develop others is one of the essential ingredients of effective leadership, but this concept is alien to many managers. Development of others is almost always missing from the simulation. The same is true in the real world, which might be a major reason why many organizations have high turnover rates. The lack of attention to developing others also creates a self-perpetuating cycle: “No one ever took the time to develop me, and I turned out OK; why should I take the time to develop you?”

The Right Stuff

As stated earlier, sometimes presidents of Looking Glass, Inc., are rated in their performance evaluations as effective or highly effective. The common threads among these high-performing leaders provide some food for thought that could help leaders in the real world pull away from the pack:

Effective presidents have a unique perspective on the organization. They often are the only person in the company able to recognize the needs of both the individual divisions and the company as a whole. They are able to balance the agendas of both, even though those agendas might be directly opposed. And they are able to effectively communicate this unique perspective to others in the organization.

Effective presidents are like pinball wizards. Whereas mediocre presidents usually spend the day alone or meeting with direct reports, effective presidents spend most of their time gathering people from all levels of the organization to share information and dispersing them to find more information, then repeating that pattern over and over. If you imagine the organization as a pinball machine and the issues facing the organization as the pinballs, the effective leader is good at using the bumpers and flippers—the other people in the organization—to keep the pinballs alive and the focus of attention.

Effective presidents practice management by walking around, and not just for show. With mediocre presidents, MBWA is most likely to stand for “management by wandering aimlessly.” Effective presidents spend much of the day talking with people at all levels of the company, engaging them by asking specific and relevant questions about
their work, exchanging information, and acting on the information received.

Effective presidents are adept at acknowledging an individual’s good work without slighting others. In meetings, they are able to praise an individual without alienating the rest of the group. An effective president might recognize someone in these terms: “I want to thank Sue for helping me understand the concerns she has about manufacturing capacity in her plant, and I am grateful to her and her team for helping me think through how we can deal with those concerns.”

Effective presidents explain their decisions. They place a priority on making sure that everyone at all levels of the organization understands the reasons behind their decisions and the decisions of their direct reports.

Effective presidents are approachable. Presidents rated as mediocre are often described in their performance assessments as aloof. Through a combination of body language and tone of voice, effective presidents exude an approachability that goes beyond a superficial “my door is always open.”

Effective presidents hold a group meeting early in the day. Whereas mediocre presidents often hold only the obligatory full-organization meeting at the end of the day, effective presidents tend to gather everyone in the company in the morning to set the initial direction and priorities. They make sure that everyone leaves the meeting in agreement on which issues are important. They then regroup with everyone later in the day to see where things stand.

Effective presidents have lunch with the plant managers. Mediocre managers usually have lunch alone or with their direct reports. Sharing information with line managers over lunch tends to make the work in the afternoon more focused and energized. One reason is that such information is not distorted or ignored as it filters down from the senior level to the plant manager level.

New Insights

The information gathered from The Looking Glass Experience has helped to show, in the context of CCL’s learning environment, what mediocre and effective leadership look like. It is much easier to recognize and characterize mediocrity in the CCL environment than in the real world, where mediocrity often isn’t given a second thought and isn’t challenged. The goal of the simulation and of CCL itself is to help people learn from their experiences. It is up to leaders to decide whether the lessons from The Looking Glass Experience can be applied to their roles in the real world.

SUGGESTED READING


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