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Leadership failure is a difficult term to define because it has many subjective meanings depending on context and expectations of the audience. For purposes of this paper, leadership failure is when a leader or leaders make a decision that is contrary to the goals of their organization or the costs far outweigh the benefits. This seems to be the consistent theme in the studies on leadership failure (Hogan & Fernandez, 2002; Kroll, Toombs, & Wright, 2000; Longenecker & Simonetti, 1999; Roberto, 2002; Weber, Camerer, & Knez, 2001). Thus, having established a definition, leadership failure will be examined in detail with the goal of developing a model for analysis. Then, this model will be examined in the context of public administration to determine if it applies in that area. Models of good leadership will be discussed and compared to the leadership failure model in order to further establish the validity of the leadership failure model. Finally, suggestions for organizational leadership development will be offered using the findings from the leadership failure model and the models of good leadership.

Setting the stage for leadership failure: Cognitive bias, psychological safety, and system complexity

In 1996, five mountain climbers died while descending from Mount Everest making this the most fatal of all the Mount Everest expeditions. Despite the fact that the two expedition leaders were world experts in high-altitude mountain climbing, they perished along with three less-experienced expedition members. The other eighteen members of the expedition barely survived the climb down. There have been many theories for why the expedition failed including the sudden appearance of a blizzard,

inexperience of the expedition members, and the poor leadership of expedition leaders, Rob Hall and Scott Fischer.

It is this last argument that Roberto (2002) examines in his article, "Lessons from Everest." Roberto uses "three conceptual frameworks – behavioral decision theory, team effectiveness literature, and complex systems theory" (p. 138) to explain the leadership failure that led to the disastrous expedition. Behavioral decision theory describes the "systematic biases [that] often impair the judgments and choices that individuals make" (p. 139). Roberto utilizes the concept of team psychological safety from the team effectiveness literature to describe how communication broke down among the expedition members (p. 144). Then, complex systems theory is used to explain how small mistakes made even before the expedition grew into life-threatening conditions that eventually led to the five deaths (p. 149). It is Roberto's contention that it was a combination of cognitive biases, lack of team psychological safety, and the complexity of the expedition that led to the leadership failures of Hall and Fischer.

The first conceptual framework, behavioral decision theory, explains how universal and predictable cognitive biases lead to poor decisions. In the Mount Everest case, Roberto asserts that it was three types of cognitive biases that were present in Hall's and Fischer's decisions. The first is the "sunk cost effect" which refers to the "tendency for people to escalate commitment to a course of action in which they have made substantial prior investments of time, money, or other resources" (Roberto, 2002, p. 139). This effect leads to bad decisions because people are predisposed to continue a course of action that they have previously invested in even if it does not make logical sense under current conditions. The second bias is "overconfidence" (p. 142) while the third bias is

the "recency effect" or the tendency of leaders to "place too much emphasis on the information and evidence that is most readily available to them" (p. 143). Due to these cognitive biases, Hall and Fischer woefully underestimated the risks of the climb (overconfidence) and even though Hall had made several climbs, he never encountered blizzard conditions (recency). Even so, Hall and Fischer decided to climb on to the summit because of all the effort and expectations of the expedition members even though their training told them to start descending (sunk cost).

Coupling these biases with the second conceptual framework, team effectiveness, Roberto demonstrates how the absence of team psychological safety prevented expedition members from questioning Hall's and Fischer's decisions. Team psychological safety is "the shared belief that the team is safe for interpersonal risk taking" (Roberto, 2000, p. 144). It was this lack of team psychological safety that endangered the team because "the lack of open and candid discussions made it more difficult for the teams to identify and address the cognitive biases that impaired individual decision making" (p. 143). Again, Hall and Fischer prevented the creation of team psychological safety by exacerbating perceived status differences among team members (p. 145) and preventing any questioning of their decisions (p. 145). Add to this the fact that the team members have never met before the expedition and thus the expedition members did not feel safe in expressing their concerns about the leadership decisions (p. 145).

On their own, the cognitive biases and the lack of team psychological safety would have been enough to cause many of the leadership failures. But the impact of the bad decisions was magnified given the complex environment of climbing Mount Everest. As the third framework, complex systems theory, demonstrates, "complex interactions

and tight coupling – tend to enhance the likelihood of a serious accident" (Roberto, 2002, p. 142). First, accident risks increase as the complex system interacts "in ways that are unexpected and difficult to perceive or comprehend" (p. 142). Second, tight coupling (defined as "very little slack available in the system" (p. 142)) causes a mistake in one area to quickly trigger mistakes in other areas (p. 142). Therefore, the cognitive biases blind the leaders to the complexity of their situation and thus they make minor mistakes in judgment that trigger further mistakes thereby escalating the risk of a major system failure. These minor mistakes may have been prevented or mitigated if their team had sufficient team psychological safety to challenge the decisions and alert the leaders to their cognitive biases. In the next section, each of these components will be examined in other contexts to determine if the three frameworks model of leadership failure is valid in other situations.

Leadership failure factors

Overconfidence

Of the three cognitive biases, overconfidence seems to be the most prevalent in leadership failures. Both the sunk cost effect and the recency effect aid in encouraging overconfidence and can lead to the most extreme version: hubris. In examining Napoleon's 1812 Russian campaign Kroll, Toombs, and Wright (2000) describe how Napoleon's hubris led to the death of 96% of his army:

Napoleon possessed all of its symptoms: unbounded confidence given his past successes and the accompany narcissism, the adulation that fed that narcissism, and his callous indifference toward the rules that governed 19th Century geopolitics." (p. 117)

As Kroll et al. demonstrate, hubris arises from the need for reassurance

(p. 117) and has a predictable pattern of growth. The leader starts with an "overbearing sense of grandiosity, need for admiration, and self-absorption" that is continually fed by a string of successes (p. 120). Soon, leaders come to believe their success is totally due to their abilities rather than fortunate circumstances and the contributions of others (p. 121). As their successes grow, narcissistic leaders began to believe they are above the rules (p. 121) and that they can solve any problem easily (p. 122). Thus, hubristic leaders began to "create a simplified scanning process" (p. 122) that "tends to exclude those environmental factors that have previously not been critical to implementing the formula for success" (p. 122). This is when Napoleon made his fateful mistake that cost him his army and the leadership of France.

Kramer (2003), in describing how high-potential leaders rise to levels of leadership excellence and then quickly self-destruct in fantastic scandals such as Martha Stewart, Kenneth Lay (Enron), and Dennis Kozlowski (Tyco), describes a similar syndrome to hubris that he names the "genius to folly syndrome" (p. 60). As Kramer argues, the pursuit of power changes people so that they believe that they are above the rules (p. 62) and they become greedy in collecting the symbols of their new leadership role (p. 63). Their successes growing, the leader begins to believe and expect the adulation of their employees (p. 64). Thus, the cognitive bias of overconfidence blinds the leader who then begins to make bad decisions because they refuse to see the reality of their situation.

Overoptimism

Overoptimism is fed by the recency effect and enhanced by overconfidence. According to Lovallo and Kahneman (2003), flawed decision making is the result of the "planning fallacy"; making decisions "based on delusional optimism rather than on a rational weighting of gains, losses, and probabilities" (p. 58). This delusional optimism is inherent in all people and is due to attribution error (taking credit for positive outcomes and blaming negative outcomes on external factors) and to the belief that one has more control over external events than in reality (pp. 58-59). Of course, overconfidence just increases this overoptimism greatly. Thus, leaders tend to overestimate the positives of their decisions and likelihood of success while downplaying the risk of failure. As an example, the authors describe the Eurojet project in which the United Kingdom, Germany, Italy, and Spain spent two decades and \$45 billion to produce an advanced combat fighter. As of yet, the plane has not been deployed (p. 58). Failure to recognize risks and to adequately plan is the cause for this disaster and most large capital investment projects (p. 58).

Having examined Roberto's first conceptual framework of cognitive biases in different leadership contexts, one can see how the leader can blind themselves to the reality of the situation. Thus, it is important that leaders receive unbiased and unrestricted feedback on their decisions from their teams. How leaders cause failure by preventing honest team feedback is the subject of the next section.

Team Psychological Safety

Roberto's second conceptual framework describes importance of team members being open and candid in evaluating the decisions of their leaders. In Useem's (2001) article, he also chooses the setting of a Mount Everest expedition to describe the importance of nurturing teams. Useem describes four principles that leaders should follow in creating team psychological safety. First, leaders need to act with their followers' needs in mind (p. 55). Second, leaders need to be "keenly aware of the hazards ahead and take the necessary – and sometimes unappealing steps to avert too grave a risk" (p. 56). In this principle, a leader must learn to ignore the sunk cost to make the right decision. Third, leaders must communicate clearly and ensure that the message sticks (p. 57). Fourth, leaders must be prepared to "lead above and below" (p. 58). That means helping those in higher leadership positions to overcome their blind spots and make good decisions.

These findings are confirmed by Hogan's and Fernandez's (2002) research on mismanagement. Using the Hogan Development Survey, the authors identified "six dominant syndromes of mismanagement" (p. 29): the "mistrustful manager", the "fearful manager", the "aloof manager", the "stubborn manager", the "arrogant manager", and the "perfectionist manager" (p. 29). After examining the six syndromes, the authors detail how these behaviors prevent team building.

All these dysfunctional leadership behaviors, ranging from conflict avoidance to political game playing, contribute to mistrust and malaise. Ineffective managers can be extremely self-centered and may routinely put their personal needs ahead of the groups' needs. Their pervasive interpersonal insensitivity destroys morale and

erodes trust. This lack of trust renders them unable to build a team and get along with others. (p. 31)

To some degree, each of these mismanagement syndromes reflects Roberto's findings in the second conceptual framework in that status differences are emphasized and leaders disallow any criticism of their decisions.

Structural Factors

Unlike the first two conceptual frameworks, there is little research on how complex systems lead to leadership failure. The few articles in this area essentially give a laundry list of organizational factors that may contribute to leadership failure but there is a lack of research that demonstrates a causal factor. In an article by Longenecker and Simonetti (1999), the authors list fifteen organizational factors ranging from poor communication to ineffective management development. Later, Longenecker and Stansfield (2000), reaffirms the findings concerning the fifteen organizational factors. Many of these factors point to the complexity of the environment but also reflect the presence of cognitive biases and poor teamwork. This suggests that further research on the link between complex systems and leadership failure is needed.

A differing view: Romance of leadership

In Roberto's view, leadership failure begins with the leader's development of cognitive biases that prevent effective team building and blinds the leader from accurately assessing his or her environment. Thus, it is the failings of the leader that causes bad decisions and poor leadership. But, there is a school of thought that posits that followers mistakenly blame the leader when failure actually results from the effects

of a situation. This phenomenon is called "romance of leadership" and it results from a cognitive bias in followers.

de Vries (2000) describes romance of leadership as "subordinates' and observers' cognitive, behavioral[,] and affective infatuation with leadership" (p. 413). Employees are more likely to attribute organizational performance to leadership than external forces or their own performance (p. 413). This urge is so strong that employees' manifest a "need for leadership" or a wish for a "leader to facilitate the paths toward individual, group and/or organizational goals" (p. 416). In a controlled experiment with 150 Dutch students, the leaders that were perceived to be the most effective were by groups with the highest leadership need while leaders that were perceived to be ineffective was by groups with low leadership need (p. 427). An interesting finding is that the group with a high leadership need, but in a low-performance situation, rated their leaders most effective (p. 427).

In a similar study, Weber, Camerer, Rottenstreich, and Knez (2001) designed several experiments to determine if "people mistakenly overattribute success and failure, which should be attributed to differences in situational difficulty, to differences in leadership ability" (p. 582). In their experiments, the authors used a series of payoff games that sometimes included an instance of leadership. This leadership consisted of a randomly-chosen player to stand up and give a short motivational speech. According to their findings, players significantly mistakenly attributed performance to leadership ability rather than the situational factors of the games (pp. 592-593). The authors explain this by suggesting participants had the cognitive bias of "fundamental attribution error"

which is defined as the "tendency to overattribute the causes of behavior to personal traits rather than to the aspects of a situation" (p. 583).

Thus, romance of leadership stands in direct contrast to Roberto's three cognitive frameworks view of leadership failure because it argues that leadership failure is a result of the followers' cognitive bias of blaming the leader instead of the situation. The difficulty with this view is that romance of leadership has only been observed in highly abstract laboratory experiments where even the researchers admit the operationalization of leadership is not very realistic (p. 594). Attribution theory and the need for leadership may help explain why followers' will accept authoritarian leadership and how team psychological safety is impaired, but there was no research showing these causal links. It appears that Roberto's view of leadership failure is currently the better explanation than romance of leadership.

Leadership failure's impact on public administration

Much of the research in leadership failure is in the business sector with few articles on leadership failure that exclusively examines its impact on public administration. For the most part, leadership failure operates essentially the same in the government as it does in business. Where they differ is in how leadership failure causes the decline in public trust in the administrative state. As Mitchell and Scott (1987) argue, there is a crisis of political leadership (p. 445). They made this statement in 1987 but distrust in government is still high (Langer, 2004). As the authors point out, it is not that the public has little confidence in American institutions, but more in the people that lead the institutions. The American public expects public leadership to be legitimate which entails leadership based on the three main criteria of "expertise, entrepreneurship, and

stewardship" (p. 446). Underlying this expectation is the American public's requirement that leaders act ethically. Scandals and partisanship undermine the public's faith in their public leaders and fosters the perception that both "business and government leaders are concerned about themselves first and the public last" (p. 449). Roberto's cognitive biases framework would explain how government leaders become this way but team psychological safety does not apply to the public at large. Certainly complexity theory would play a role in policymaking and the political environment but there was no research on that area.

Traditionally, leadership failure in government has been explained by either groupthink or the Abilene paradox. To briefly review: groupthink is when members of a group suppress their personal thoughts on a course of action in favor of achieving group cohesion (Kim, 2001, p. 170). The Abilene paradox results from organizations taking actions contrary to their real goals and thus defeats their own purposes (p. 170). The major difference between the two concepts is that in groupthink, the decision can easily be traced to an authoritarian leader whereas no one knows who made the decision in an Abilene paradox situation. Roberto's leadership failure model most closely resembles groupthink in that the leaders have cognitive biases and the team strives for the false security of group cohesion instead of team psychological safety. Group cohesion is also important in the Abilene paradox but, without a clear leader, it is difficult to determine if the decisions was due to the cognitive biases of a leader. The apparent similarity between Roberto's view of leadership failure and groupthink does offer some interesting avenues for research.

Preventing leadership failure

Having established that leadership failure is the interaction between the cognitive biases of the leader, the lack of team psychological safety, and a complex situation, it would be helpful to develop methods for avoiding leadership failure. In the first part of this section, what constitutes good leadership will be discussed. In the second part, ways of training future leaders to avoid leadership failure will be examined.

What is good leadership

A noted expert on leadership, Warren Bennis (2004), describes leadership as consisting of "seven ages" (p. 48). Understanding how a leader changes in response to each of these ages will help that leader to realize their limitations and avoid acquiring the cognitive biases of overconfidence and hubris. In the first age, the "infant executive", it is important for the leader to have a mentor to help them adjust to their new role (p. 48). In the second age, the "schoolboy", leaders must learn from their followers and to begin building team psychological safety (p. 49). "The lover" is the third age and this is where the leader learns who to listen too and what to pay attention to (p. 49). It is the fourth and fifth ages, the "bearded soldier" and "the general", where the greatest danger of developing cognitive biases and destroying team psychological safety exists (pp. 51-52). In the final two ages, "statesman" and "sage", the leader prepares future leaders and then completes the leadership development cycle by becoming a mentor (p. 53). Knowing which age a leader is in will alert them to avoid developing cognitive biases and remind them that maintaining team psychological safety and developing future leaders is their ultimate legacy.

Collins (2001) provides a different model for leadership based on research project to determine how good companies became great companies. As Collins describes the project:

"I gave the research teams explicit instructions to downplay the role of top executives in their analysis of this question so we wouldn't slip into the simplistic 'credit the leader' or 'blame the leader' thinking that is so common today." (p. 70)

Even so, it was leadership that was the most consistent factor in describing how companies achieved great performance and sustained it (p. 70). According to Collins, it took a certain type of leader, a "Level 5" leader, who have great personal humility while exhibiting "tremendous professional will" (p.72). The Level 5 leader does not have the cognitive biases of arrogance and spends a great deal of time creating a secure environment that promotes team psychological safety. Thus, even though they face complex situations, they are more realistic about the benefits and risks of a decision and can rely on candid advice from their subordinates. As Collins demonstrates, it is this personal humility that separates the Level 5 leader from the equally skilled but less effective leaders in the Collins' Leadership Hierarchy (p. 70).

Training future leaders to avoid leadership failure

Realizing what causes leadership failure and what represents good leadership will form the basis for developing leadership training in both business and organizations. Currently leadership development is a \$50 billion business and there are legions of consultants who offer leadership development products, seminars, and other devices to help organizations train their future leaders (Ready & Conger, 2003, p. 83). But these efforts are ineffective for three reasons according to Ready and Conger. First, leaders are

trained with the "ownership is power" mind-set that only encourages them to become overconfident and leads to hubris (p. 84). Second, consultants have productized leadership development and thus ignore the particular needs and concerns of their clients (p. 85). Third, not having a realistic model of good leadership, organizations develop "make-believe metrics" that does not accurately reflect the true nature of the organization's leadership development efforts (p. 86). In successful organizations, rather than buy a leadership development product, they have their current leaders help develop future leaders.

This was discussed earlier in the "what is good leadership" section as the final two ages of the Bennis leadership ages and as characteristic of Collins' Level 5 leaders.

Farson and Keyes (2002) explore the mentoring model further by describing how organizations need to develop an environment where leaders can fail and then learn from their failures. The failure-tolerant leaders have the following characteristics:

They try to break down the social and bureaucratic barriers that separate them from their followers. They engage at a personal level with the people they lead. They avoid giving either praise or criticism, preferring to take a nonjudgmental, analytical posture as they interact with the staff. They openly admit their own mistakes rather than covering them up or shifting the blame. And they try to root out the destructive competitiveness built into most organizations.
(p. 66)

Again, one can see that cognitive biases are not developed and that team psychological safety is created when fault-tolerant leadership is practiced.

Conclusion

Using historical examples and current organizational research, it has been demonstrated that Roberto's three conceptual frameworks view of leadership failure is a valid explanation on how bad decisions are made and executed. Leadership failure flows from the cognitive biases of a leader (especially overconfidence) and the consequent poor team building that prevents the leader from accurately assessing a complex situation and mitigating the inevitable mistakes that will be made in a complex environment.

Organizations that create leadership development processes that pinpoint the fourth and fifth age of leadership where cognitive biases begin to develop and instilling the personal humility of a Level 5 leader in a failure-tolerant environment will aid in reducing the number of leadership failures that cost organizations money, time, resources, and sometimes lives.

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