Management Insights

Discovering the Truths to Management Success

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CornerStone Leadership Institute
insight
\ˈɪnˈsɪt\ noun

1 : The capacity to discern the nature of a situation;
2 : The act or result of apprehending the inner
nature of things or of seeing intuitively.

— American Heritage Dictionary
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The Problem…

The High Cost of Management Failure
An estimated 40% of all managers fail within their first 18 months on the job.
It’s hard to believe, but it’s true. According to studies by the Center for Creative Leadership and Manchester Partners International, almost half of all new management hires will fail. But what exactly do these studies indicate? How do these managers “fail”? Do they not achieve their goals and objectives? Do they fail to meet senior management’s expectations? Are they stalled in their progression up the corporate ladder?

Unfortunately, the answer is harsh. “Failure,” as it’s defined in these studies, means that, more than likely, new managers will no longer be in their position after 18 months. They will either be demoted, terminated, “voluntarily” resign, or perform significantly below expectations. That makes the findings even more dramatic!

And what about the other 60% of managers? Does the fact that they don’t fail mean they’re successful? Not necessarily. Not failing doesn’t equal success. A manager can still have his or her job and yet not be considered successful. The truth is that only a small percentage of leaders exceed upper management’s expectations.

Management failure can be found in virtually all businesses – large and small, service and manufacturing, profit and non-profit. And the consequences of management failure are enormous.

Leadership failure is one of the top two reasons for overall business failure.

That alone should make us sit up and take notice. But there’s more. Management failure is also the number one reason for turnover in organizations. Obviously, finding and developing the right people for management is crucial to long-term organizational success.
Management failure costs corporations billions of dollars each year. It is a cost that can’t be “written off” and probably doesn’t have a specific line item or cost center to charge. Although you can calculate the cost of hiring and re-training a new manager, the largest expenses can’t easily be accounted for. It’s difficult to put a dollar amount on the cost of rebuilding a team, employee turnover, poor morale, low productivity, conflict, legal issues, and lost opportunities.

But there are huge costs to the individual as well. Often these “failed managers” have invested years in their careers. Many have worked all their lives for an opportunity to manage others. Consequently, their failures have a dramatic impact on their self-esteem, confidence, and even their future success.

If people strive for years to break into management and make personal sacrifices to earn subsequent management promotions, why so many failures?

Could it be these managers are incompetent? Are those doing the hiring allowing people who don’t have the required technical skills to be placed in such important roles? Sure, the wrong person is occasionally hired for a management position. However, incompetence accounts for only a small percentage of management failures. Most new managers have the technical skills necessary to be successful. In fact, when the best salesperson, nurse, teacher, engineer, production worker, etc., is promoted into management, it’s often because they’ve excelled in the technical aspects of their jobs.

Is it possible managers don’t have the desire to become excellent leaders? Maybe. But in reality, most managers attack their jobs with energy and enthusiasm, wanting to be the very best. New managers – both
experienced and inexperienced – will usually do whatever they think is necessary to be successful.

So if new managers have both the competency and the desire to become great leaders, why do so many of them fail so fast?

We believe the root of this problem is a lack of knowledge and understanding about how to lead others.

Effective management skills are completely different from the skills required to excel in sales, nursing, teaching, engineering or production. Just because someone is a stellar individual contributor doesn’t mean they can successfully lead people. That is a fact many people in business have never understood. There’s no guarantee the star salesperson will become an effective sales manager, the best teacher will make the best principal, the outstanding nurse will make a great supervisor, or the most productive worker will become the best team leader.

The best individual contributors can make excellent managers…if they are prepared for their new management role. But all too often, people are promoted without really knowing what they’re getting into and without much training on how to lead other people. The good news is that management skills can be learned, just as sales techniques, nursing skills, or engineering methods can be learned.

Unfortunately, failure is not limited to those who are brand new to the management ranks. Even experienced managers fail at an alarming rate when placed in new situations. Leaders are constantly being promoted to take over new teams, divisions, and projects. Managers accept positions in new companies and new industries. Any time a manager changes positions, even within the management ranks, the
process of being a “new” manager starts all over again.

Every step up the corporate ladder puts a manager into an unfamiliar leadership situation. The strategies that brought a manager previous successes may not be enough to ensure continued success. Tactics that worked with one team won’t work with other teams. Each new situation requires more knowledge and new skills. And because these “new” managers are “experienced,” they receive even less training than those who are new to management.

Actually, with all the challenges new managers face, it’s somewhat surprising the failure rate isn’t higher!

*Management Insights* will provide you with the knowledge and understanding critical to your success as a manager. First, we’ll go behind the management curtain and unveil the truths about a manager’s role. We’ll take an in-depth look at common management myths – those incorrect, preconceived notions about management – and discover what it’s really like to be a successful manager.

We’ll help you overcome the obstacles to management success by dealing directly with the key reasons why managers fail. More importantly, you’ll learn specifically what you can do to avoid the same pitfalls. You’ll find strategies, techniques and tools you can use to successfully lead others.

Finally, you’ll have access to the experiences of highly successful managers who have gone before you. You’ll benefit from a number of “Personal Insights” – words of wisdom from top-level managers in some of the most respected companies in the country.

When you decided to pursue a career in management, you chose a
wonderful and challenging profession. You have the opportunity to make a positive impact on the lives of others. The rewards are tremendous… if you are prepared for the challenges. This book was written to help you meet and overcome those challenges.

Whether you’ve been in management for years, you’re a brand new manager, or you’re thinking about a management position with another company, you’ll find insights in this book that will help you be a better leader.

*If you will take the information and apply it, you will dramatically reduce the likelihood of failure. But more importantly, you’ll have a framework for lasting success.*

*Management Insights* will show you the true nature of management success and pave the way for you to become the manager you’ve always wanted to be.