



The Top 10 Mistakes that Leaders Make – Costing Lots of \$\$

By Lisa J. Crawford

Leaders of all kinds, in every industry are making mistakes that can be costing their organizations a lot of money. And in these times of belt tightening, and budget constraints, these mistakes can be hurting even more. This is true, whether they are in for-profit or not-for-profit organizations. In my years as a consultant and as an HR professional, I have seen them all, but here is my take on the top ten most common mistakes. Are you making any of them? If you are, the good news is that they are all reversible!

#1. Mistaking “high performance” for “high potential”.

Assessing an individual's potential is more complex than many people think. Individuals who have “made their numbers” or otherwise accomplished their functional goals are not necessarily high potentials regardless of how long they have been in the organization. Many leaders make the mistake of thinking that past performance is the best predictor of future success or potential—it's not. There are others who think grades in school or IQ are the best measures of potential—they're not either. Assessing an employee's “learning agility” is the answer. As the number one predictor of

future success, learning agility is made up of a variety of competencies and there are four main components; mental agility, people agility, change agility and results agility. Assessing this is not something you do with your gut. And it has nothing to do with level in the organization. Executives and leaders in the organization can be “blocked” (or not learning agile) just as easily as those who are lower in the organization. The good news is that there are research-based, experience tested tools to help you easily assess all of your employee's learning agility or future potential.

#2. Mistaking the “noise” of change for a real problem.

Change generates noise in an organization and there is no way around that. All the people in the organization who have a vested interest in the organization staying exactly as it is and not changing are the ones that are making the noise. It's mostly the noise of resistance, but it comes in many obvious and not-so-obvious forms. And it's important for leaders to be able to recognize the difference between the noise of change—which is inevitable and it means the change is actually working, from the sounds of a real problem. Too often, inexperienced leaders try to appease or quell the first signs of change noise—which is just what the resisters want—rather than letting it run its course and recognizing it for what it is so the organization can continue on its forward change course.

#3. Assuming that intelligent people are open for change—when it effects them.

The willingness and ability to change is not connected to intellectual horsepower. But highly intelligent people can be much more

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powerful and convincing when it comes to resisting...their goal is to not draw attention to themselves as resisting, but to shift the attention to someone or something else. It can take the form of lack of budgetary support, or being too busy to comply with a new change or in extreme cases, it can manifest itself in lawsuits and charges of discrimination or something else. This is also related to #2 above, in that leaders need to recognize the difference between a real problem and the many forms of resistance to change.

#4. Lack of differentiation between outstanding performers and average or low performers.

With today's budget slashing and small pools for merit raises, some leaders decide to just give everyone the same amount since the difference between what they would give the star performer and the average ones would be very small. But get a really high performer to confide in you and tell the truth and they'll tell you that it really frosts them that they're performing much better but yet reaping the same rewards - it has a de-motivating effect on the high performer.

In a way HR professionals have helped fuel this phenomena by stressing the necessity for **equity** in how we treat employees. Yes, we need to treat all employees fairly, but when it comes to assessing performance and potential, leaders need to be able to **differentiate** between high performers and average and low ones since the development paths for them should be very different. And you definitely want to be retaining your high performers rather than making it easier for them to walk out the door to go to work for another company that WILL value them.

#5. Not providing good, usable feedback - all the time.

Not taking the time, not liking to deliver bad news, not having skill at it, are all reasons that leaders give for not providing useful feedback to their employees. Feedback is free and it's very powerful and terrifically underutilized. Here are some basic things to remember about feedback..

- Feedback needs to be; **TIMELY**. Connect the timing of the feedback to the event, but be sure to offer it privately...especially if it's improvement oriented.
- It should be **BALANCED**. It should include both positive reinforcement for what the employee is doing well and improvement - oriented feedback for what could be better.
- Improvement feedback should be **FUTURE**—oriented. The only thing you can do with something that occurred in the past is learn from it and move on.

So for example, if you have an employee who is late for meetings, you probably don't want to say... "Sam, you're always late for meetings" but rather "Sam, it would be really helpful if, in the future, you would be on-time for the meeting". That gets your point across, but tells Sam what he needs to do the next time . Future – oriented feedback is also much easier to hear if you're the recipient. And it doesn't sound like you're being beaten up for something that has occurred in the past over which you now have no ability to change.

- And lastly, feedback should be **SPECIFIC**. Telling someone that they did a "great job" in the morning meeting may make them feel good temporarily, but doesn't tell them **why** they did a great job or **what** they should continue doing to keep doing a "great job". So be specific about

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what made it good, and for the improvement part, tell them what they could do the “next time” to make it even better.

#6. Avoiding addressing performance issues early enough or at all.

As an HR professional for a lot of years, I wish I had a nickel for every leader who came into my office and in frustration said they had had it and wanted to fire so and so. Then when I'd suggest we look in the person's file to see what was there, guess what I would find?? They looked like superstars according to their file and there is little or no prior performance documentation to support the managers current assessment. This is not unusual. Ask any HR person and they'll tell you this happens all the time.

Leaders don't take the time to address things when they are small problems, maybe hoping that they will go away or improve, but they rarely do and then they inevitably turn into big problems, which are a lot harder to address, more disruptive to the organization and are more costly.

#7. Not providing the right stretch developmental opportunities for the right people.

Related to the topic above, real high potentials are the folks who should be getting the stretch development opportunities, and are the only ones who can handle them. You can actually do a lot of harm to an individual whom you “think” is a high potential by putting them in a stretch developmental assignment when they are not really a high potential. They will likely fail. This underscores the need for a tried and true methodology for identifying your high potentials and focusing your limited

development dollars on matching the right people with the right kinds of development activities, while not damaging the careers of others and wasting precious time and money.

#8 Not going deep enough into the organization to identify high potentials early in their careers.

The kinds of competencies that need to be developed for leaders generally take a while to develop since the kind of development they need is actual on-the-job development not a training course. These individuals need the opportunities to try and fail and try and succeed...this all takes time, so it is critical that leaders correctly identify who the high potentials are in the organization while they are still relatively low in the organizational structure so there is time for them to be groomed and developed appropriately.

Rather than true “succession planning” which would include the early and deep identification of high potentials, many organizations really practice “position replacement planning” which only takes care of current or near term position openings and seeks out individuals at the next level down to see who might be “ready” to be promoted.

#9. Minimal time spent on leadership and development.

The higher leaders rise in organizations, the less their jobs should be about utilizing their functional and technical skills and the more their jobs should be about all the many facets of leadership. In fact, when you arrive at the executive level your entire job is virtually ALL about leadership and developing your staff. Delegation and development are key as well as accurately assessing your staff's potential

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and performance, providing real-time, balanced feedback and creating robust succession planning and talent management systems.

The problem is that as leaders move higher in organizations, their jobs take them further and further away from their comfort zones and they receive less and less training on leadership skills so they can get more comfortable. At the same time, organizations send subtle and not-so-subtle messages that the “real work” of the organization is the functional and technical work - no matter what level you are at in the organization. So the gap between what a leader has in leadership skills and what a leader needs to have in leadership skills gets larger and larger as individuals move up in the organization. Many organizations have been feeling the effects of this lack of prior development activity in real time as they face the inevitability of their retiring Baby Boomer leaders and a lack of leadership talent who are already developed and ready to take their places in the organization.

#10. Mistakes in interviewing candidates.

The purpose of the job interview is to assess the candidate's capability to do the job. It is not to make friends, or find people who are like you. It is a data gathering activity and not a decision making activity. Decision making comes later in the hiring process after you have interviewed your candidates. Most research tells us that interviewers that are not using behavioral interviewing make their mind up about the candidate in less than 2 minutes—long before you can ever know if the candidate has the necessary competencies to do the job, and even longer before you can ever know if the person is learning agile—which is the number one predictor of future

success. Interviewers generally spend too much time talking and not enough time listening. They aren't following a structured process for the interview, which would assure that each candidate is handled the same.

Okay, so there you have it...the top 10 most common mistakes that leaders make...Be honest, if any of these mistakes look or sound familiar to you, either because you or a leader you know is making them, just remember that the good news is - they are all fixable. A lot has changed in the last 10 or 15 years in terms of training, tools and consulting support that exists to help you learn how to be more effective and to get back on track and to maximize the effectiveness of your leadership and your development skills. The bottom line is that you will keep your organization from losing the employees that you don't want to lose, growing the ones that you do want to keep and not mistakenly spending precious development time and money without any hope of a return on that investment. ■

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Lisa Crawford is president and founder of The Crawford Group, a leadership development consulting organization devoted to helping organizations grow their most valuable assets—people. *Talent management for today and tomorrow*. She has extensive human resources experience and is also an independent associate of Lominger International; A Korn Ferry Company, the leaders in research-based and experience-tested competency-based leadership and organizational development tools and creators of the powerful Leadership Architect® suite of tools.

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