

The downward spiral

The downward spiral First impressions count, particularly negative ones. But snap judgments by bosses can lock the employee into a dysfunctional spiral of decreasing performance and increasing malaise

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Effective leadership encompasses a variety of challenges: from formulating strategy to understanding the dynamics of the industry: from handling crises to reconfiguring structure, systems and processes: from grooming a successor to mobilising broad constituencies such as employees, shareholders and customers.

But this article focuses on a more basic challenge. Here we explore the one dimension of leadership that applies equally to chief executives and line managers: how to get the best from their direct reports, particularly those in whom they have less confidence.

Bosses generally report little or no difficulty in working with their better performers - those who typically take charge of problems. are open to change, have good ideas and deliver on commitments. But not all direct reports behave in this manner: some seem far less proactive, energetic or conscientious and show little inclination to surpass themselves. While not unsatisfactory, their performance is rarely better than adequate. Indeed, making sure that their performance remains acceptable is a major preoccupation of the leader. These employees generate considerable frustration for the leader and take more than their fair share of his or her energy and attention.

Our research shows that bosses typically deal with "satisfactory underperformers" in a manner that fails to improve the situation and often makes it worse. Satisfactory underperformers perform increasingly poorly over time not despite their boss's best efforts, but in part because of those efforts. We have labelled this the "set-up-to-fail syndrome".

How and why does this happen, and what can bosses do about it?

The ignition point

In a nutshell, the set-up-to-fail syndrome ensnares two otherwise reasonable and competent people in a dysfunctional **spiral** of decreasing performance and increasing malaise.

It is not about bad bosses or subordinates - it is simply about well-intentioned people who get sucked into a dynamic that often goes from bad to worse. So how is it triggered? It begins with a boss's suspicion that a subordinate somehow lacks the right stuff". Our research highlights how quickly and insidiously these doubts can develop. While poor performance is often a catalyst, studies showing that boss-subordinate relationships become predictable after as little as one week indicate influence from factors other than performance. In fact, our surveys show that initial misgivings often have more to do with the subordinate's perceived attitude than his or her ability. Whether founded or not, the boss's loss of confidence in the subordinate sparks off the process.

Anticipating performance difficulties, the boss increases the time and attention spent on the subordinate.

For example, the boss may give more instructions up front, make more forceful suggestions. monitor results more closely and get involved at the first sign of problems. These measures are designed to help boost performance and prevent errors. But that is not how they come across. Our research shows that subordinates targeted in this manner often react negatively, leading to deterioration in performance rather than progress.

There are three fundamental reasons for this:

1 Believing is seeing

A number of confirmation biases are activated in the boss's mind as soon as he or she starts to have reservations about an employee's competence. Life - and organisational life in particular - is full of ambiguous circumstances and outcomes that can be read one way or another. Once an employee is doubted, those ambiguous situations are likely to be read negatively. In other words, bosses are going to see what they expect to see, remember what they want to remember and interpret confusing events in ways that support their initial impressions.

A classic illustration involves a class of students and a guest lecturer.

Half the students were primed to expect a "rather cold, industrious, critical, practical and determined" person. The words "rather cold" were replaced with "very warm" in the description the other students were given. When asked to assess the instructor afterwards, those who expected him to be warm gave him significantly higher ratings than their colleagues did. Changing just two words in the description of the instructor was enough to focus the students' attention on different aspects of his performance.

Transfer this phenomenon to bosses who have identified "weaker performers" within their teams, and it is easy to see how bosses can dwell on their failures and neglect their successes. Why might certain subordinates' successes be passed over? Simply because the boss attributes the outcome to luck, circumstances or someone else's help rather than judgment, effort or competence.

2 Sinking to expectations

The problem is not just in the boss's selective perceptions but also in his or her behaviour. A more controlling approach projects lower expectations, which affect the subordinate's level of motivation. The lower expectations are conveyed in all sorts of behaviour, from sighs of impatience or frustration to less eye contact and banter. Individual subordinates notice these things because they are highly sensitive to the comparative signals sent out by their boss. They watch their boss interact with them and their colleagues, they listen to what the boss says or does not say and they observe the body language.

Bosses reveal their true opinions of their direct reports in countless ways.

A large body of research illustrates the impact of the boss's expectations on subordinates' performances. It indicates that the performance of individuals adjusts up or down in tune with the expectations of powerful others. So, false information about the capabilities of an individual can produce real performance differences over time. More worrying still, the research shows that it takes as little as a week for subordinates to detect and internalise these expectations - and for the effects to show through in lower test scores. This suggests that, whatever their true capabilities, people's resistance to low expectations has its limits and is often short lived.

People lose confidence in their abilities, begin to question their own thinking, become anxious about their performance, hesitate to take risks and, expecting to be blamed, intensify their search for excuses. They end up focusing more on what could go wrong than on thinking of ways to achieve their aims.

3 Caught in a trap

It is not just the boss's underappreciation and lack of faith that affects subordinates' performance. There are also real constraints on the perceived weaker performer's opportunity to prove the boss wrong. The most obvious example is the type of job assignments handed out. Imagine stepping into the shoes of a perceived weaker performer it would not be easy to show your capabilities when all your tasks were routine. And the problem is likely to be compounded by resource allocation decisions that tend to limit your autonomy, your occasions to develop or pursue ideas and your chances to shine. Indeed.

numerous other constraints emerged when executives were asked whether they distinguished between higher and lower performers and how they behaved towards them.

For example, bosses tell us that weaker performers typically "lack big-picture perspective" - they tend to be more parochial, sometimes getting lost in detail and lacking vision.

Yet those same bosses also told us that the great thing about better performers is that you can treat them as sparring partners and sounding boards, whereas with the others you do not exchange so much. Well if you do not share the big picture then how can you expect them to know the big picture? Similarly, bosses fault their weaker performers for not delegating well to their own troops. Then again, how can they delegate an autonomy they do not have? And how can they leave much rope to their own subordinates when their boss is standing close and monitoring what happens? Regardless of how someone was typecast as an under-performer, there is no clear method for him or her to shake that label off. Seen from the subordinate's angle, the situation has the makings of a catch-22 dilemma: to escape, you have to perform better.

But in order to be seen to perform better, you need to benefit from the support, attention and challenges only on offer to the better performers.

You cannot hope to match the standards of a higher performer, given the boss's treatment of you and his or her interpretation of your actions.

The circle closes

Under such conditions, it is easy to understand why some subordinates may start to view their boss as unreasonable and unfair. Of course, such labelling on the part of a subordinate only makes matters worse in that it triggers the same kind of confirmatory biases in the opposite direction.

For example, subordinates who regard their boss as stubborn will notice and remember the times when the boss did not listen, but dismiss or play down the important issues on which the boss showed openness.

And any decision that goes against the subordinate will be seen as evidence of prejudice or insensitivity on the part of the boss, rather than a reflection of the boss's workload, resource constraints or organisational pressures.

Beyond these confirmatory biases there are reinforcing actions. If, as a subordinate, you think your boss is inflexible and you want to convince yourself and others that this is the case, there are many ways of getting the boss to behave inflexibly. You can raise issues that you know the boss does not want raised or which, in the boss's mind, have already been settled. You can catch your boss off guard or at a time when the boss simply does not have the time to process whatever suggestion you are making.

You can do a number of things that are, deliberately or not, going to push the boss's buttons yet allow you to turn around afterwards and say: "You see, I told you he wouldn't listen." So, just as bosses can drive subordinates to under-perform, subordinates can drive boss's to behave unreasonably.

Clearly, such provocations will not endear the subordinate to the boss, but they do allow the subordinate to deflect blame. It is reassuring if the boss can be made to react impulsively or coercively. It exonerates the subordinate's own contribution to the dysfunctional relationship and confirms the subordinate's self-image as a "reasonable person" and a "competent employee" simply working for an 'impossible boss" This behaviour, irrational on the surface, becomes understandable when subordinates have given up trying to change the boss's opinion of them.

In addition to fuelling the dysfunctional **spiral**, this retaliation also makes it harder to interrupt the dynamic - both parties now observe the behaviour they were expecting of the other party and hence fall prey to a two-way self-fulfilling process.

From pain to gain

These degenerating relationships cannot self-correct. However the process started, the problem the boss and subordinate now face is a joint construction, fuelled by biases on both sides. And while both parties have conspired to create the situation, they are not the only ones to suffer. The emotional toll on the boss and subordinate spreads to the rest of the team too. They have to listen to their colleague's gripes and they sense the tension and malaise in team meetings. They also have to take on extra responsibilities either not entrusted to, or perhaps even turned down by, "weaker performing" colleagues. Some subordinates are overburdened while others feel disconnected. Inevitably team spirit suffers. This is not good for business, and it is certainly not good for people.

These dysfunctional dynamics are both curable and avoidable and communication between boss and subordinate is crucial to achieving either outcome.

Interrupting the syndrome requires productive intervention, which we liken to a medical procedure. The boss usually triggers this but it can only succeed if the subordinate gives the boss and the process a chance.

The process starts with the boss doing some private thinking, but then requires an open exchange between the two parties to try to agree on the following:

The symptoms: the evidence of poor performance;

The diagnosis: the underlying causes of the problem, including how the boss's behavior has affected performance;

The treatment: the specific actions needed by both parties to improve the situation;

Avoiding relapse: this is usually achieved by providing opportunities to bring up problems earlier.

Preventing the syndrome also requires communication, but of a different variety. In the course of our research, we observed and measured bosses who manage to develop positive **spirals** with all their subordinates, including the weaker performers. The essential difference is their ability to create an environment that facilitates communication in both directions: where the subordinate is comfortable volunteering information to the boss and willing to accept and act on the boss's feedback and suggestions.

Creating this environment demands that bosses invest more time and energy in the formative period of the relationship framing the professional side of the relationship while simultaneously developing its personal side.

When bosses know subordinates as individuals, they are less likely to make snap judgments, crude evaluations or hasty attributions. They are also more likely to question the impact of their behaviour by considering: "How would I react if my own boss did this to me?" It is not rocket science, but nor is it obvious to most bosses.

Are you part of the problem?

Let us reiterate our point to bosses. We are not claiming that right now all your employees are actually performing at their best and that your opinions of them are unfounded - although you should be mindful of your cognitive biases. What we are saying is that the performance differences you see now are partly driven by your actions at an earlier stage, when you first decided they were "weaker performers".

Perhaps they really were worse than their colleagues in certain ways, but that is not the real issue at stake.

Our point has to do with the evolution of performance. Instead of putting them on a trajectory of continual improvement, your inadvertent labels may have stunted their development and deprived

you of their best efforts.

In an age when companies claim to be engaged in a "war for talent" and are looking to attract the best and the brightest from every horizon, perhaps it is time for leaders to start making the most of the talent in their midst.

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