

Why CEOs Fail?

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Much of leadership literature focuses on recognizing and developing qualities that define a successful leader. What about the self-destructive traits that undermine the most talented and potentially successful leaders? Leadership derailment takes place when individuals with seemingly high potential fail to realize that potential due to personality flaws. This article concentrates on four derailers that contribute to the downfall of many leaders. Arrogance, volatility, excessive caution, and habitual mistrust are destructive paths often taken by doomed leaders.

Arrogance

Arrogance often diminishes an individual's capacity to learn and the ability to recognize their own limitations. Confidence is a great asset for business leaders. In fact, it is a necessity. That is until it turns into arrogance. Arrogance can be a toxic trait of a CEO. According to [David Kiger](#), arrogance can alienate employees, damage business relationships, and negatively affect the business itself. Arrogant chief executives often interpret data to conform to their own strongly held views. Their arrogance also discourages others from giving them valuable information contrary to the CEO's views even if the information is pertinent to the success of an organization.

Volatility

CEOs who exhibit rapid mood swings are unpredictable and can drain energy away from people as they attempt to adjust their moods. Volatility in a chief executive, however, creates unpredictability and risk that can restrain other staff. The effect can be intimidating and create real fear and anxiety as people wait for the inevitable 'explosion'. Boards themselves are not immune from the damaging effects of this – tough issues that may trigger a chief executive outburst are avoided.

Excessive Caution

The difference between prudence and over-analysis is not great. In response to anxiety and stress, chief executives are increasingly vulnerable to the temptation to delve deeper into the data. The consequent delays in decision-making may mean that a problem spirals out of control or a critical opportunity is missed. The problem occurs when a chief executive becomes routinely cautious rather than situationally

prudent.

Habitual Distrust

[Peter Cairo](#) & [David Dotlich](#) emphasize that trust is a crucial ingredient in organizational and team success and there is much to be suspicious of in today's highly competitive environments. There is an important difference, however, between healthy skepticism and distrust. A chief executive who does not trust those close to them spread this feeling to others in the leadership group, including the board. Ultimately this feeling may derail the whole organization as management becomes progressively weakened. The chief executive gradually replaces people around him/her with those who are loyal but whose competence may be in doubt.

In conclusion, It is important to note that research indicates that personality is a permanent disposition and it rarely changes. This means whatever flaws are a CEO might possess are unlikely to change regardless of coaching and training. Investing in training and coaching will only yield marginal improvements but overall the leaders remain the same and stuck in their only way of doing things.

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