

Character Trumps Competence

AN INTERVIEW WITH DR. TIM IRWIN



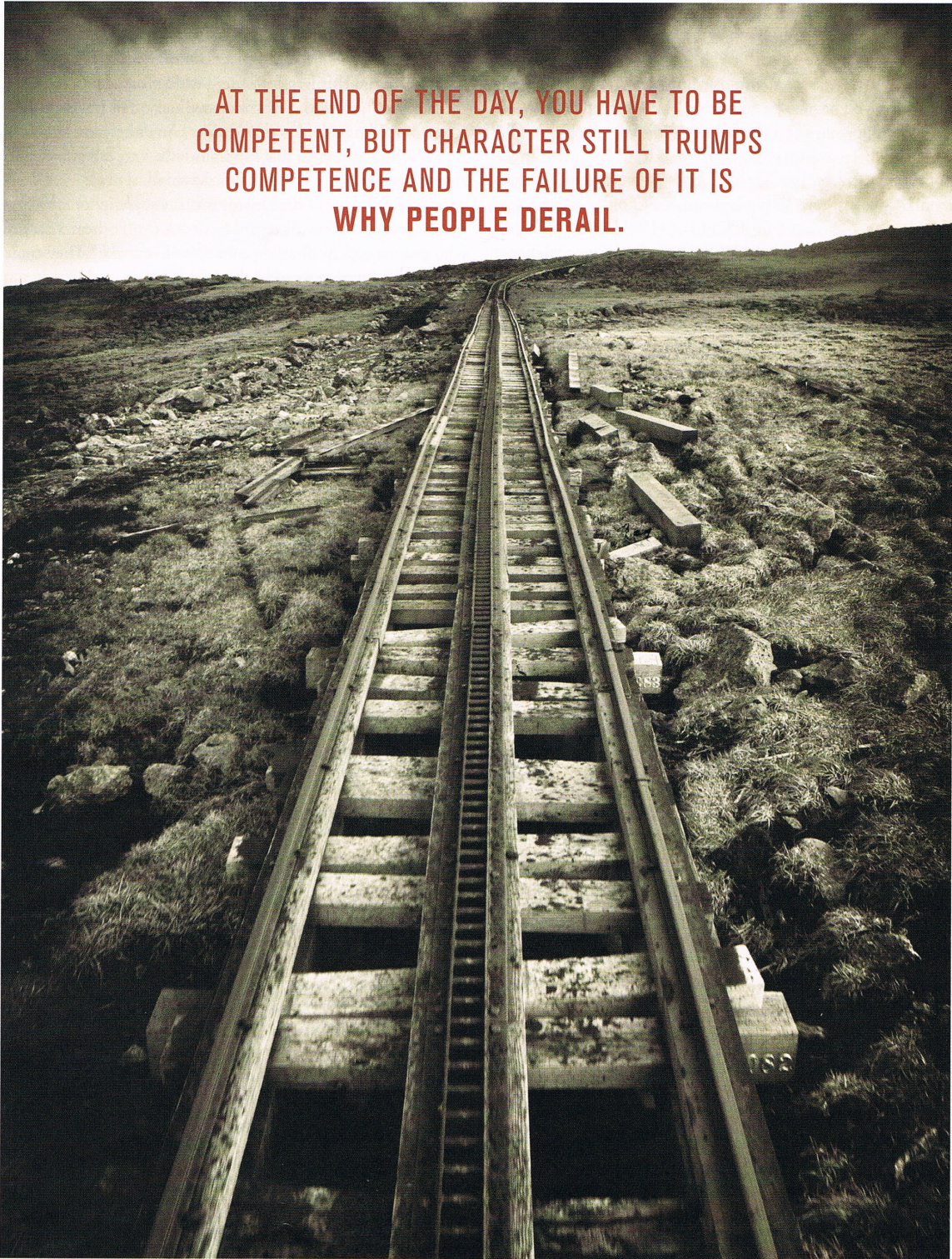
Tim Irwin, Ph.D., is a corporate psychologist who has consulted with a number of America's most well-known and respected companies over the past 20 years, including SunTrust Banks, Chick-fil-A, Bank of America, Corning, Inc., IBM, Hoechst-Celanese, Gerber Products Company, The Ritz Carlton Hotel Company, and Turner Broadcasting Systems. Dr. Irwin completed two Ph.D. programs at Georgia State University, where he majored in clinical psychology and organizational/industrial psychology. He is a frequent speaker on leadership development and other topics related to organizational effectiveness, including features on Fox News, CNBC, Investors Business Daily and the Wall Street Journal. Dr. Irwin served from 2000 to 2005 as Managing Vice President of a Philadelphia-based firm with 300 offices worldwide, specializing in organizational effectiveness, talent management and leadership development. Currently, he is Managing Partner of IrwinInc-Psychologists to Business. He authored *Run with the Bulls without Getting Trampled* (2006), and recently released his newest work, *Derailed: Five Lessons Learned from Catastrophic Failures of Leadership*.

ERIC SCALISE

CCT: We appreciate you giving some of your time for this interview with CCT. Can you tell us about your newly published book, *Derailed*. What motivated you to write on the topic?

TI: I've worked as an organizational psychologist for more than 20 years and my primary focus has been with leaders in business settings. I have interviewed over 10,000 individuals, many of whom went on to lead significant organizations. Some of the leaders I met cataclysmically derailed. There are some tremendously important lessons to be learned in what causes a person to fail, so I wrote about six CEOs who were all fired by their boards. It turns out that they were all fired for the same reasons and, interestingly, they are for the same reasons we fail as well. It's very important to understand what those are. That's why I wrote the book. It's really about us and not just about six CEOs.

It may seem a bit presumptuous to talk about the failure of others, but I want your readers to know that I've done this with great respect and appreciation for those people... and... we should all do so with humility... to recognize that any one of us could find ourselves just a few moves away from being in the same boat. We all need to acknowledge that the very things that make highly visible leaders fail are the same things that will cause us to fail as well.



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CCT: Can we unpack your “dimensions of character” that you write about? How are these constructs critical to effective leadership?

TI: First, “character trumps competence.” At the end of the day, you have to be competent, but character still trumps competence and the failure of it is why people derail. There has been a spate of derailments just in the past year... politicians, athletes like Tiger Woods, Helen Thomas in the media... we just saw Tony Heyward, CEO of BP (British Petroleum), and Mark Hurd, CEO of HP (Hewlett Packard), derail. Why did they derail? Well, it was for reasons of character... a failure of character. People who derail are often narcissistic... a self-focus that makes them blind to what they say and do, especially as it relates to the needs of other people.

CCT: Do you think that some of the narcissism you see is born out of a sense of insecurity?

TI: Certainly that would be a very plausible explanation... that these people are very insecure. Carly Fiorina, one of the CEOs I wrote about, gave a commencement speech several years ago at Stanford University... and in her 30-minute talk used the word “I” more than 129 times... incredible narcissism. Here’s someone who’s very bright, very talented, but was a cataclysmic failure at Hewlett Packard. HP’s board wanted her to bring someone into the “C suite” to help her run the company... someone who was very experienced in the day-to-day operations of running a large business. She did not accept the board’s input and was basically uncoachable and lacked humility. She could have responded to the board with an attitude that said, “I could really benefit from having that kind of operational talent.” It’s reasonable to speculate that her arrogance could have come out of a sense of insecurity. Was she a person who had to prove something to herself and others to the point she was unwilling to bring in other talented, competent leaders to share authority and responsibility with her at the top? Very possibly.

What I learned through an in-depth study of people who derail is that they go through fairly predictable stages. All the people I wrote about went through five stages of derailment. The first stage is the lack of self-awareness—they don’t have the ability to monitor their own behavior. They don’t have the ability to sense their own internal state... their motives, their thoughts and feelings... to be self-aware.

The second stage is arrogance or hubris. One example I write about in the book is Robert Nardelli, the former CEO of Home Depot. Shortly after he arrived, he commandeered a nine-car parking space in the garage under Home Depot’s headquarters and had an elevator programmed to go directly up to his personal office on the top floor so no one else could get on—it wouldn’t stop at any of the other floors. This elevator became a gleaming symbol of just how out-of-touch he was with the workers of Home Depot. Basically,

he was arrogant and dismissive of people. How could he expect others to align with his vision for the company if he didn’t have their trust and respect? One of the things I say in the book—and this is a key issue—is that “arrogance is the mother of all derailers.” Of course we know this is true... it’s scriptural. The Bible says that “prides comes before a fall.” It’s a spiritual principle that God has built into the universe. Arrogance and pride lead to one’s downfall.

The third stage of derailment is that people ignore the warning signals. They disregard feedback from others. Leaders who don’t accept feedback become “truth-starved.” They cut off information that would help them monitor and manage their behavior. I find that those who are successful are the ones who listen to others. They take feedback... they’re coachable... and they benefit from the insights of others.

The fourth stage is what I call the “killing ground of character.” It is rationalization, during which people lie to themselves. They say things like, “I’m too important to fail” or “I’m not subject to the rules that govern most people.” “I’m not accountable for my actions” or “I add the greatest value to the organization, so my contribution is the most important.” It’s terrible to lie to others, but it’s even worse to lie to ourselves because we start believing the lie.

And the fifth stage is just the actual derailment... where people lose their standing in some important way.

CCT: Do you usually see those stages progressing in that order from your work with people?

TI: I do... it’s amazing how those stages seem to be very predictable. It’s like we’re watching a train wreck in slow motion. You want to yell, “Hey the bridge is out. You’ve got to stop!” You just hope that sometimes people can turn it around.

CCT: Your statement that “character always trumps competence” is a powerful thought. Why is this an important overarching principle when it comes to leadership in any capacity?

TI: The glue for any organization, regardless of the size or type, is trust. When people trust each other, it’s incredible what they can accomplish. When there’s an absence of trust, the organization is often very dysfunctional. Trust is a function of two characteristics in the leader. One is competence. Leaders have to be competent. They’ve got to know what they’re doing. They’ve got to be effective... to do the right things as a leader. But ultimately, it’s about character. When leaders are authentic, humble, courageous, and effectively self-managed, then people will listen to what they have to say. Those are the things that ultimately determine the effectiveness of a leader... and when one or more of those four qualities is absent, that leader often fails... regardless of his or her level of competence. All six people I wrote about in the

book are highly competent and had storied careers, but where they failed was in their character.

I would say to your readers who are working with people—and I know people go to counseling for depression, their marriages or other personal issues, but it’s amazing how often the conversation also includes problems at work—that one of the greatest things they could do is advise and encourage them in the area of character... to make sure they are becoming more authentic people... that they are learning how to better self-manage... that they have an appropriate and realistic self-esteem that’s humble and truly recognizes not only “who they are,” but also “who they are not.”

CCT: That’s a good segue to the counseling process. In many ways, counselors are in a position of leadership with their clients by virtue of their credentials, expertise, etc., and are often seen as being in the “power” or “authority” position. How can the principles you describe in *Derailed* help those who are in the mental health professions or in caregiving ministries?



TI: Therapists are leaders. Leadership at its most basic level is about influence. Most leaders don’t actually lead out of a position of authority, but instead out of a position of influence. Your members who are therapists don’t have positional authority over people’s lives... they have the power of influence. Ultimately, they have influence to help lead their clients to better choices or better relationships... or having more integrated lives and more wholeness. What I’m also suggesting is that to create enduring change, clients must grow in the four character dimensions I describe in the book. These dimensions impact our work, but more importantly they impact us in life.

One of the things we have to be careful about in counseling is that it doesn’t foster narcissism. Counselors, if not careful, can foster a “me first” approach to living. It can be inadvertent, but I find that people are truly happier when they learn to give to others... when they learn to serve others rather than being constantly self-absorbed. Often in counseling, people don’t always have good boundaries or know how to take care of themselves. It’s important for counselors to help people be more assertive and courageous without



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allowing the change process to become too self-serving or narcissistic.

CCT: For Christians, counseling is often seen as a “sacred trust” given by God, and trust is also the “glue” that holds the therapeutic relationship together. What do you see as the interplay between character and this dynamic?

TI: In graduate school, one of my supervisors told me, “People are willing to hear just about anything from you as long as they have a deep-down sense that you’re really for them.” That’s such a profound comment. In other words, when someone really believes you have their best interest in mind, they trust you. And as a result, it gives you a position of influence. It gives you the opportunity to influence them, to work with them and help them make the necessary changes in their lives. Trust is critically important in the work setting, but it’s absolutely vital in the therapeutic setting.

CCT: Counseling has a lot to do with the change process and transformation of both behavior and character. Since a client’s capacity, and willingness, to embrace concepts such as self-awareness and self-management may help him or her move from crisis or dysfunction to a place of stability and health, how might he or she personally benefit from what you share in your book?

TI: Although my primary audience is leaders, a lot of the issues in therapy come right out of the four dimensions of character described in *Derailed*. Perhaps the most important chapter in the book is the one on “Habits of the Heart to Stay on Track.” These habits foster wholeness, a primary goal of therapy. I talk about openness and the habit of being self-aware—being aware of others—and the habit of listening to feedback... in other words, paying attention. If people can learn to simply pay attention, most of the information about how they’re coming across is really right there in the faces of others. I talk about accountability and how no one is an island... about the habit of resiliency that so many of us need to cultivate. Some people are just not emotionally resilient, and this is an area where counselors can make a huge contribution by helping their clients become stronger emotionally.

One of the things we haven’t really talked about is the effect that stress has on each one of us. I say in the book, “We always are who we are, especially under stress.” Those things that are really inside us tend to come out under stress, so it’s very helpful when we can assist people in becoming more attuned to what’s producing stress in their lives. What creates stress for one person may not affect another at all... it’s about learning our individual warning signs. When people become too stressed, they fall into what Jung called our inferior function... and this is a dangerous area. This is where a person

becomes very ineffective psychologically. Rather than falling into the perils of our inferior function, it’s so much better to pay attention to the warning signals and manage our stress in the first place.

CCT: Is there anything else that you feel might be helpful for our readers?

TI: Even though someone may be advanced in the stages of derailment, it is not an inevitable outcome. One of the great benefits of counseling is that it can interrupt that process. Derailment is not inevitable... we can stay on track before a cataclysmic train wreck occurs.

I also talk about Emotional Intelligence in the book. Counselors do their clients a huge service when they help them raise their Emotional Intelligence. In many respects, EI is akin to biblical wisdom... such as learning to manage one’s own emotions, being empathetic, and becoming more stress resilient and optimistic.

In the book I talk about how we all have a dark side. As a Christian, I know I have a sin nature. Many of my motives might be noble or uplifting but, quite frankly, many of them are not very noble at all. Instead they are selfish, or I have thoughts that are not very honoring to others or to God. Helping clients become aware of their dark side or sin nature is really important. Learning to recognize these impulses and surrender them to God for His help makes us less prone to those darker impulses, which we all experience at one time or another. For example, so many people I talk with wish they could reel back something they’ve said in a meeting or to their boss or co-worker.

Finally, there are three fundamentally important dimensions in life. First, there is our relationship with God—that’s the most important. Then there are the other primary relationships in our lives—whether it’s our spouse or kids, our family or friends—the ones we’re closest to. And third is our mission. Our personal life mission is really that third leg of the stool... what we are doing with life’s energies. Most of us spend at least 50% of our waking hours at work—probably in excess of 100,000 hours in a lifetime. It’s really important for counselors to use their leadership and influence to help clients in all three, but I cannot stress enough that the healing process must extend to the worker to be truly effective.

CCT: Dr. Irwin, thank you for the gift of your time and sharing your insights.

TI: It’s been a pleasure. I pray the best success for all of your readers and members. ✕

EDITOR’S NOTE: To take a free “Derailment Personal Risk Assessment” online, please visit the following URL and follow the instructions (www.drirwin.com/derailedassessment.html). Dr. Irwin’s books are available at all retail chains and on-line book sellers.