



The S*H*A*M Manager

The relatively new approach to business management that repudiated grand bureaucracies or autocracies has unleashed creative powers and energies that have inspired many breakthroughs of the past generation. However, firms that took this theory too far, or managers who practiced this style without commensurate context or skill have undoubtedly caused more harm than good to their organizations. Perhaps inspired by publications such as “Fast Company”, in recent years we’ve seen far too many companies structured more like a beer commercial than a for-profit enterprise. In many instances, the profound managerial revolution became a parody of itself which, in better economic times picked up greater steam. But in this very difficult economy we are seeing a growing number of what CPath calls SHAM managers.

The SHAM manager initially went out of her/his way to be a “cool dude”, a friendly buddy intent on creating a cool company that had cool offices and a cool culture. By spreading coolness and love, the belief was that they were motivating their people as less enlightened managers never could. But as these cool companies started posting some very uncool results, the cool dude manager started showing significant behavior changes. Disappointed by results, the inevitable next step was to be disappointed by the people who were not “getting it”, giving rise to the SHAM manager. The formerly cool dude became one who led by an emotional chain reaction:

Sad: First level response was to be sad that all their time spent cultivating people in the coolest of ways was not working;

Hurt: After sadness comes the hurt that employees were taking advantage of the leader’s fundamental niceness and coolness;

Angry: Hurt transfers to anger, an internally focused seething about all ingrates that have failed to perform despite the leader’s magnanimity;

Mad: At some point the bottled up emotions spill over, and the formerly cool dude manager vents his/her frustration by routinely blasting employees.

By the time this transformation is complete, the leader is virtually powerless because he/she has become a sham to the company’s employees. Instead of turning the company’s focus towards improving company performance the leader’s radical change in behavior becomes the center of attention. In situation after situation we find employees respond to the SHAM manager by either leaving the organization or by telling the boss that performance is suffering because of their overbearing nature; that if she/he only backed off a bit the employees would produce results. This is invariably followed by a “Whatever happened to that cool dude we used to know?” making it more an issue of personalities than business results.

In many instances there is not much that can be done in these cases. The truth is there are quite a number of technically capable people who simply have no business managing or leading a company. Whether they lack the maturity, skill set, knowledge base, or relevant experience, there are legions of people simply unable to effectively lead or manage others. Investing time and resources in making these individuals

something they are not, is folly. But there are others who have the proverbial “what it takes”, and there is something they can do to avoid becoming a sham.

The reader will notice that the first three SHAM emotions are internal, and this should not be surprising. Although the cool dude manager may seem to have created a wonderful environment for employees, CPath finds this was actually ego-driven. Invariably, the initial response is “After all I did for them, how could they not produce for me?!” Effective leaders are rarely, if ever, ego-driven. We therefore recommend the serious minded leader first confront himself/herself, and eliminate this type of ego-drive. If this proves impossible, it is quite likely the individual is ill-equipped to effectively lead or manage an organization.

After successful self-confrontation, the manager must then take the conversation to her/his employees. Rather than a confrontation, this is conducted as a problem-solving event that maintains a sharp focus on business results and the driving forces for underperformance. During this session, the manager must clearly point out that her/his failure to run the business as a business is a key contributor and the employees can count on immediate changes. We believe it is important to point out particular changes that will happen, always tying it back to performance, while reinforcing a commitment to maintaining a positive work atmosphere. The transformation to take place will be one resembling a beer commercial to a meritocracy, where management will provide an opportunity for employees to fulfill their potential but where success and reward is measured by tangible results. Rather than going it alone, the manager is including members of her/his organization in this mission, providing ample warning to those who are not committed to a performance-based culture. As is always the case, transformation is a process rather than an event, and management must be certain to regularly address organizational issues with employees.

Even when well-executed, it is far more difficult to go from cool dude manager to a business-focused one than it is going the other way. Quite a few firms have successfully buffered this transitory stage by hiring interim executives to lead their organization from beer commercial to productive business stages. Through this approach everyone grows together and the essential changes happen without unnecessarily straining work relationships or otherwise personalizing one of the most difficult transformations a company will ever make.

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