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Do we misinterpret overconfidence as competence?

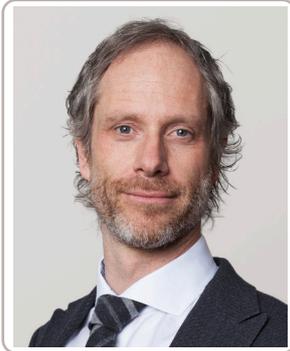
An article by Espen Skorstad that explores how mistaking overconfidence for competence may help to explain why more men than women are in leadership positions.



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Espen Skorstad is the CEO of *cut-e* Norway and specialises in work and organisational psychology. He has been a consultant and organisational psychologist since 1999 and he, along with Rudi Myrvang, founded the Nordic *cut-e* company.

His primary areas of expertise include assessment centre methodology and work-based psychometric tests. He has previously been editor of the *Scandinavian Journal of Organisational Psychology*, published the book "The right person in the right place" (Gyldendal, 2008) and taught at the University of Oslo and the Norwegian School of Management.

In this article, Espen explores why it is that sometimes we misinterpret confidence for competence.

Do we need more feminine qualities in senior management roles?

Some companies and countries seem to think so. In January 2016, Germany introduced a mandatory quota of 30 percent of women to be on supervisory boards or organisations and recently a major Norwegian communications company saw its Board, nomination committee and recruitment agency accused of not including enough female candidates in the final selection round for a senior hire. Furthermore, in the UK, while 72 percent of women are working, women represent only 22 percent of management jobs and 9.6 percent of executive directors (Institute of Management Annual Salary Survey 2000).

Three arguments are commonly used to explain the clear under-representation of women in management positions:

- They aren't competent enough.
- They don't want to give up what it takes to assume a leadership position.
- There is a glass ceiling that prevents women from reaching the top of the organisation.

According to research psychologist Tomas Chamorro-Premuzic (2013), chauvinists tend to endorse the first explanation, liberals and feminists the third, while those in the middle are drawn to the second. "But what if they're all missing the big picture," Chamorro-Premuzic asks in his article, "Why Do So Many Incompetent Men Become Leaders?"

Overconfidence, not competence

Perhaps the problem lies in our inability to distinguish between competence and overconfidence. In his book *Luck Management*, author and psychologist Dag Øyvind Engen Nilsen writes that we often confuse overconfidence with competence.

When we encounter someone who conveys a sense of confidence, and we see that the person thinks he is good at something, we interpret that person's verbal and nonverbal signals as competence – regardless of the person's actual level of competence.

In trying to find a good leader, we often unconsciously look for traits that remind us of a good leader. This can happen when we meet management candidates with a high degree of confidence and associate them with stereotypical leadership qualities: extroversion, dominance and the ability to act. There is much to suggest that men feel more entitled to lead – and are appointed as leaders because of it.

In a recent conversation with one of the partners in Norway's leading law firm, I was told that many younger female lawyers lacked the composure of some of their younger male colleagues: they did not stand out as leaders.

There is much to suggest that men feel more entitled to lead – and are appointed to leadership positions because of it. There are a number of considerations that need to be thought through as part of the attraction strategy.

Poorer investment decisions

The problem is that a high degree of confidence may also be associated with poor management. No doubt, a bit of confidence can be a good thing, and probably quite necessary in many situations, but too much of it can lead to hubris, arrogance and poor decisions.

Research on financial investors has shown, for example, that overconfident men often make poorer investment decisions during times of recession. We also know that arrogance rarely goes hand in hand with good personnel management.

Presumably, there is a linear relationship between confidence and leadership emergence (the more confidence, the greater the chances you will be the chosen candidate), and at the same time a curvilinear relationship between confidence and leadership effectiveness (too little or too much confidence is not good, the ideal is to lie somewhere in the middle).

In my book, *Rett person på rett plass* (Right Person in the Right Place), I discuss a group of leaders who display an almost pathological sense of self-confidence. This is a group that often takes up a great deal of social elbowroom, and that also can be unpleasant to deal with. Not least, it is a group that can be linked to destructive leadership more often than any other, namely narcissists.

Leaders with narcissistic traits are among other things characterised by their sense of entitlement, lack of empathy, vanity and perfectionism, exploitation of others, grandiosity and the belief that they deserve to be in the media spotlight because they are special.

We let ourselves be charmed

Although narcissistic leaders can destroy an organisation, they are – paradoxically – attracted by leadership positions in particular. This is a phenomenon known as ‘the narcissistic leadership paradox’; they want it badly but are unable to deliver.

Another paradox lies in the fact that the same characteristics that help men advance to leadership positions often are the ones that also get them sacked.

While nearly seven percent of the US population fulfills the criteria for a diagnosis of narcissistic personality disorder, the number is roughly 13 percent among managers, with men being over-represented. A long series of studies has documented that candidates with narcissistic traits often receive high ratings in job interviews (see, e.g., Gimsø, 2014). We let ourselves be charmed.

No matter where in the world you are, men feel more entitled to be leaders than women. Of course I do not claim that most male leaders have narcissistic traits. Nevertheless, it is a problem that no matter where in the world you are, men feel more entitled to lead than women – an entitlement that certainly does not always correlate with competence.

In job interviews, men exaggerate their previous performance by 30 percent (Reuben, 2010). Not because they are lying, but because they sincerely believe their performance has been that good. Men are more frequently appointed to management positions, partly as a result of self-selection – they have the confidence to see themselves as leaders, and thus apply for the job.

We also know that the opposite of hubris and arrogance – humility, relational strength and social sensitivity, commonly regarded to be female characteristics – often can be linked to effective leadership.

As Chamorro-Premuzic writes: The fact that so few women end up in top management positions is a problem. It may well be that the glass ceiling is the best explanation. An equally important problem is that many of the personal characteristics that advance men into leadership positions often are the same characteristics that can lead to problems.

Where are the career barriers for incompetent men with too much confidence? How can we arm ourselves with knowledge to better understand the contenders for leadership positions? And how can we prevent candidates with narcissistic traits from leadership positions?

Equipping ourselves with better insight

- Start by **looking at the organisation: its values and its strategy**. Define what it takes to achieve within the business – not just looking at what needs to be done, but also how this needs to get done. This will help signpost the characteristics of success.
- Use **psychometrics and expertise when selecting**:
 - **The interview**: Use structured interview guides. By using competency-based interview guides, such as those offered by *cut-e*, you can avoid some of the pitfalls associated with traditional interviews. First of all, you will ensure that all candidates get the same questions, without the narcissist taking charge and start their outsmarting efforts. Second, you have access to a scoring system which helps you avoid becoming too charmed by your candidate's brilliant examples.
 - **Tests and interviews**: It's hard to ask directly about narcissism in questionnaires, and so you need to dig for and explore the opposite traits to Narcissism; namely humility, integrity and agreeableness. *cut-e* tools such as *shapes*, *views* and *squares* will be useful in this.
 - **Group exercises**: Use standardised scoring procedures when scoring simulations. You may also want to consider using colleges or consultants with a background from psychology, as they will be very aware of this topic when carrying out these assessments.
 - **Be aware of candidates who are desperately seeking managerial positions** at any cause.
- **Make use of the information**. By using such tools you'll be presented with a wealth of information which can then be explored during the selection stage. You will be able to explore possible derailers in a feedback interview or dig deeper in areas to get evidence of track record in areas that sometimes may be easy to gloss over or taken 'as read'. If you use a 360-degree feedback questionnaire you can interrogate any discrepancies between self-reported behaviours and those commented on my direct reports displayed.
- **Collate and integrate the information from all sources**. Whether obtained through interview, presentation, assessment centre or psychometric tool, your job will be to draw together the themes to help make a better decision. In doing so you'll be decreasing the likelihood of incompetence triumphing over competence.

For more information and related documents about how to select talent and create a diverse workforce, please refer to www.cut-e.com

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