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Five Ways to Bungle a Job Change



Research shows that even very seasoned executives frequently make unfortunate and ill-considered career moves. *by Boris Groysberg and Robin Abrahams*

The average baby boomer will switch jobs 10 times, according to the U.S. Bureau of Labor Statistics. The worker as free agent—a concept popularized in the 1990s—remains a reality regardless of economic conditions, making it incumbent on all of us to take greater control of our own careers. The corporate ladder is still being disassembled like a Jenga tower, and even the CEO position is no longer a terminus. As one independent financier we interviewed put it, “[T]here are no final destinations. [Your career] is a process of continuous development.”

But while job moves are just about inevitable, they are seldom easy and nearly always emotionally fraught—and too often they lead to a noticeable decline in performance, in both the short and the long term. For instance, in previous research we found that star equities analysts moving to new investment banks experienced drops in performance that lasted as long as five years. People who switch organizations—whether they’re wide receivers changing football teams or general managers going to new companies—all face similar problems. It’s not just about the learning

curve. Moves of all kinds entail significant internal and external challenges and transaction costs: upheaval in your home and social life; potential relocation expenses; adjustments to new cultural and political norms; navigation of unclear expectations; and the need to learn a new canon, skill set, and jargon.

Debating the merits of a particular offer might seem like a luxury when jobs are scarce. And of course there are times when you have no choice but to accept a less-than-perfect fit for financial reasons. Even so, a job is never just a job. This is your *career* we’re talking about. The occasional misstep can be forgiven, but a careful and conscious assessment of the risks and realities will help you avoid making too

many mistakes or ones that amount to a major setback.

The Most Common Missteps

To identify the most frequent job-hopping errors, we analyzed data from three research streams: a survey of executive search consultants, a survey of HR heads at multinational companies, and interviews with C-level executives around the world. (See “About Our Research.”)

The job-change mistakes we outline in this article are by far the ones most commonly cited by the search consultants; the themes are echoed in the HR heads’ survey comments and in the executives’ stories about their best and worst decisions. The mistakes are: not doing enough research, leaving for money, going “from” rather than “to,” overestimating yourself, and thinking short term. They follow predictable patterns and persist throughout the course of a career.

These mistakes are not independent of one another; they play out as a system of maladaptive behaviors, dissatisfaction, unrealistic hopes, ill-considered moves, and more dissatisfaction. Fixating on money, for instance, can obscure the need for research. Overestimating yourself can cause you to ignore a bad fit—a problem that research might have helped you anticipate. Some job seekers make all five mistakes at once: Because they overvalue themselves, they feel unjustly treated at year-end review time and leave for the first company that promises a signing bonus, without doing due diligence on the firm’s long-term prospects.

The executives we surveyed and spoke to were not young, untested managers. We zeroed in on seasoned individuals (mostly in the C-suite) with substantial experience making hiring decisions of their own at the very highest levels. But, as one search consultant reminded us, many successful people haven’t looked for a job for years—sometimes decades—and thus are surprisingly ignorant about job-market realities. In the words of another consultant, “They assume that companies will

be as flexible about having them learn new areas of business as they were when they were young.” They have unrealistic expectations about how long it will take to find a job, and if they’re high up in the hierarchy, it may have been some time since they received truly honest feedback about their strengths and weaknesses. That’s one reason they stumble into such predictable traps. (The blame doesn’t fall solely on the recruits, though. Companies chase these stars, hoping to simply plug them into an existing org chart. Too often, they are minimally strategic in their selection and even less strategic in integrating their new hires.)

MISTAKE 1: Not doing enough research. Search consultants told us that job hunters neglect due diligence in four important areas.

First, they often don’t do their homework on the job-market realities for their industry or function. Since they’re not fully informed, they have unrealistic expectations when it comes to the search.

Second, they don’t pay enough attention to a potential employer’s financial stability and market position. Executives who would scrutinize the balance sheet of any firm they might acquire nevertheless assume that companies offering them a job must be on solid ground. Yet plenty of businesses will hire for senior jobs even when they know there’s trouble ahead, so it’s up to the applicant to assess how likely

it is that the new job will still exist in six months.

Third, executives fail to consider cultural fit. Although hiring managers are supposed to attend to that, they often don’t—and it’s the new hire who will suffer most if the fit is a poor one.

Fourth, recruits assume that the official job title and description accurately reflect the role. But companies have been known to sweeten a title to attract top talent. Additionally, in a badly managed organization, people may find themselves in ill-defined jobs that have little relationship to their formal titles. One executive described his worst career move as leaving one company for a much smaller firm, where he was given the CFO title even though the bulk of his duties were really those of a COO. He found it hard to establish the credibility he needed to get the job done, given the misalignment of his tasks and title. Job candidates frequently fail to press potential employers for such specifics, including how their performance will be measured. Without that information, the success of any move depends on the luck of the draw.

MISTAKE 2: Leaving for money. It’s easy to fall for a financially attractive offer. Search consultants told us that executives contemplating a job change rank income fourth or fifth in terms of importance but bump it to first place when making their decision. Our executive interviewees occa-



sionally owned up to this error. Here's how the vice president of talent and engagement at an international casino company characterized his own move based on pay: "I was doing the identical role for \$10K more, but leaving behind the relationships and connections was just not worth it in hindsight." Excessive focus on money is a frequently cited reason for inadequate research. "Opportunity for advancement and more money overrides the need to pursue core information," said one search consultant.

MISTAKE 3: Going "from" rather than "to." Often, job seekers have become so unhappy with their present positions that they are desperate to get out. Instead of planning their career moves, they lurch from one place to the next, applying artificial urgency to the job hunt rather than waiting for the right offer. Candidates not only skimp on research in the belief that the grass has to be greener elsewhere but also fail to look strategically at their current companies for opportunities that might still exist for them.

MISTAKE 4: Overestimating yourself. According to one search consultant, people "believe they contribute more than they actually do and undervalue the strengths of their organization in helping them achieve their objectives." Job seekers, we found, tend to have an unrealistic view of their skills, their prospects, and occasionally their culpability. They often can't identify the sources of success and failure at their existing jobs. Candidates are "looking at the current company as being the problem and not acknowledging that they themselves may be a part of the problem," one consultant explained. Another put it this way: "People fail to be realistic sometimes [and] to be self-critical, and [they therefore think] that external circumstances and environments have more to do with their frustrations or failures than their own issues."

Their excessively optimistic view of themselves leads them to underestimate how long a job search will take and what the switching costs will be. Such job seek-

Do at least as much research on a company you're planning to join as you would on a financial investment.

ers also overestimate the salary they can command and their capacity to deal with the challenges of the new position—particularly the difficulty of creating change in a large organization. This last error resonated with many of the executives we interviewed. One software CFO regretted taking a job at a large multinational, where it was "so much bigger, more unwieldy, difficult to make an impact, and impersonal," he says. "No matter what I did, it didn't make a difference."

MISTAKE 5: Thinking short term.

Having a short-term perspective can feed into each of the other four mistakes. For instance, if you overestimate yourself, you may believe you deserve rewards now, not in five years. Leaving a firm because of money and going "from" rather than "to" are both overly influenced by immediate information and considerations. "How much money can I make right now?" the executive wonders. "How can I escape an unpleasant work environment?" Still, many of the search consultants rated short-term thinking as a serious career misstep in its own right—citing it separately, not just including it as a footnote to the other mistakes.

Making Moves Under Pressure

Job seekers' mistakes aren't random. All of us feel certain psychological, social, and time pressures that can lead to any of the five we've described. Though nobody is immune, we can ask questions of ourselves and others to help ameliorate these pressures' effects.

Psychological pressure. We are all motivated to maintain a sense of psychological safety by nurturing a positive self-image, by looking at the world as a knowable and predictable place, and by avoiding risk. This can lead to an over-

estimation of the self and to a habit of attending only to information that bolsters your existing beliefs. Psychologists call this selective attention "confirmation bias," and it can play havoc with a strategic job search. A hiring company presumably wants to present itself in the most flattering light, and if a candidate is motivated to move, he or she will be more than willing to see only the bright side.

Our self-protective desires go beyond the ego. We also seek to protect our material well-being by minimizing losses. Because what people give up when they leave a job is so clear (at the very worst, it's still the devil you know), excessive focus on short-term rewards and money may be a way of hedging against long-term risks that cannot really be evaluated.

Here are the fundamental questions to ask through every step of the job-change process: "What if I'm wrong? What is the evidence that this new company would be a good fit?" Do at least as much research on a company you're planning to join as you would on a company you're planning to buy stock in. Develop alternative scenarios. Consider how you'd feel about your present job if your boss left, for instance, or if the company secured an enticing new client. And rethink self-serving interpretations of events—how, for example, did your colleagues contribute to your success? This is difficult work, and it's tough to manage by yourself. Many of the executives we interviewed rely on a mentor, network, or personal "board of directors" to provide this kind of reality check.

Social pressure. Awkward social situations can trigger fight-or-flight instincts, putting strategic thinking squarely on the back burner—and they frequently lead people to make "from" rather than "to" decisions. The CFO of a marketing agency

About Our Research

For this article, we conducted a survey of 400 executive search consultants from more than 50 industries, interviews with more than 500 C-level executives in 40 countries, and a survey of HR heads at 15 multinational companies.

The search consultants had extensive experience placing the best and brightest: In our sample, 67% had 10-plus

years of experience, and 70% recruited for stars at the senior-executive level or higher. We asked the consultants to name the most common mistakes people make when contemplating a job change and the reasons for those mistakes. We posed similar questions to the HR heads. The interviews with executives were conducted by students

in Boris Groysberg's 2008 class Managing Human Capital.

The consultants referred to a total of 738 mistakes. The top five kinds discussed in this article represent nearly two-thirds of them: We had 127 references to not doing enough research, 117 to leaving for money, 104 to going "from" rather than "to," 76 to overestimating

yourself, and 60 to thinking short term.

The smaller survey of HR heads matched the consultants' feedback almost perfectly. Out of a total of 15 responses, not doing enough research was mentioned five times; leaving for money and going "from" rather than "to," three times each; overestimating yourself, twice; and thinking short term, once.

recounts such a situation from his own career, in which he changed jobs rather than have an awkward conversation or two: "Even though I enjoyed the company and had a great relationship with the CFO, I never spoke with him about my concerns before quitting. In retrospect, I realize that the CFO could have been instrumental in advancing my career within that company. If I had stayed...I could see myself being very happy and secure today."

Stress management techniques like yoga and meditation can help alleviate this kind of social anxiety. So can rehearsing difficult conversations, alone or with

known, most people rank public speaking as a fear greater than death. Deconstructing such irrational fear can help free you from the social pressures that may lead you to make hurried, unhappy career moves.

Time pressure. A hasty job change, made with insufficient information, is inherently compromised. When under time pressure, people tend to make certain predictable mistakes. They focus on readily available details like salary and job title instead of raising deeper questions, and they set their sights on the immediate future, either discounting or misreading the

or network, create a list of unknowns. Engage in counterfactual-thinking exercises: Consider whether you'd take the new job if the salary were the same as your current pay. Plot the most likely three-year trajectory at each company, working out the most optimistic and pessimistic scenarios. What decision would be right in each situation?

WHAT IF YOU do take the wrong job? The executives we interviewed were unanimous in their views: Cut your losses and move on. Fleeing to another bad situation is not the answer, though. We suggest making your next move strategically—and wherever you are in the search process, don't hesitate to go down another road if it becomes evident that a certain kind of change wouldn't be right.

Perhaps the best protection against career-management mistakes is self-awareness. It's a broad concept, encompassing not only an understanding of your career-relevant strengths and weaknesses but also insight into the kinds of mistakes you are prone to make. It involves knowing how to correct for those tendencies, how others perceive you, when to consult a trusted mentor or network, what elements of a job make it truly satisfying for you, and what constitutes a healthy work-life balance. ♣ **HBR Reprint R1001M**

 **Boris Groysberg** (bgroysberg@hbs.edu) is an associate professor at Harvard Business School and the author of the forthcoming book *Chasing Stars* (Princeton University Press, 2010). **Robin Abrahams** (rabrahams@hbs.edu) is a research associate at Harvard Business School.

What if you do take the wrong job? Cut your losses and leave—but make your next move strategically.

a partner. By practicing clear communication, and by repeatedly restating your concerns, you can suppress your emotional reactions and remain rational in an actual conversation. Through candid conversations with colleagues or your boss, you might be able to redeem your current job rather than make an ill-advised change.

If you are seriously contemplating a move, don't be afraid to ask tough questions at a job interview. When an interviewer can't handle direct, relevant questions, what does that say about the corporate culture?

Social discomfort intimidates us far beyond its power to harm us; as is widely

long term. Many also have an egocentric bias, thinking only of what affects them directly and ignoring the larger context.

Nonetheless, a career move will always involve some time pressure. To manage it, one COO in our study says he always keeps an ear to the ground with respect to industry trends, both in the U.S. and abroad. He explains that this is a way to stay ahead of the curve when it comes to career decisions. But no matter how well informed you are, you need strategies to jar yourself out of traditional ways of thinking and to make sure you aren't heeding only the nearest, loudest, quickest source of information. With the help of your mentor

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