

THE
BOARD
ROOM

WHITEPAPER

TROUBLE IN THE
FAST LANE
TOP MANAGERS DURING
CAREER TRANSITIONS

1 ABSTRACT

Senior executives wield considerable power, and they are acknowledged as possessing exceptional attributes and personalities. However, what happens when they lose their position?

This whitepaper paints a detailed picture of what senior executives go through during unwanted periods of transition. It helps people in management positions to recognise critical career situations at an early stage and gives practical tips to those who have lost their job. In addition, it contains useful information for businesses, coaches and research institutions.

The study is based on information supplied by top managers who have been through such experiences. They were interviewed as part of research for a master's thesis at Hochschule Fresenius (University of Applied Sciences) in Cologne. The results showed that their histories followed a typical course resembling that of a heavy storm. The analogy is useful for illuminating the individual phases of the transition process.

For each of these phases, we outline strategies that can contribute to a successful outcome and help solve the problems that arise.

HOW WE WORKED

This study, the only one of its kind in Germany, was conducted by Hochschule Fresenius, the HPO Research Group and career counselling experts from von Rundstedt. It is based on interviews with 21 top managers who agreed to describe their career transition experiences. The discussions, which lasted for two hours, were supplemented by information from personality questionnaires, self-assessments and a new method of analysing changes in an individual's feelings. They were carried out from November 2013 to May 2014 on the premises of von Rundstedt & Partner GmbH in Berlin, Düsseldorf, Frankfurt, Hamburg and Munich. The study was supervised by Sebastian Debnar-Daumler of the HPO Research Group.

It is part of a master's thesis in business psychology submitted by Jörg Bauer to the Department of Business and Media at Hochschule Fresenius Cologne. Claus Verfürth, Sebastian Debnar-Daumler and Jörg Bauer cooperated in the research for this project. Thanks to the high standing of the interviewees and a good spread in terms of their age, business sector and time since loss of employment, the researchers were able to obtain a broad sample with a sufficient amount of variation. The data were anonymised in order to protect individual privacy and avoid disclosure of company information.

2 INTRODUCTION

A CRITICAL SITUATION FOR SENIOR EXECUTIVES

The first feeling is shock. Managers are accustomed to living in the fast lane, with non-stop stress, workdays often exceeding 12 hours and deadlines in rapid succession. However, what happens when the lane is suddenly blocked? Road closed! The unexpected emptiness is puzzling. Then confusion sets in, followed by bewilderment and anger.

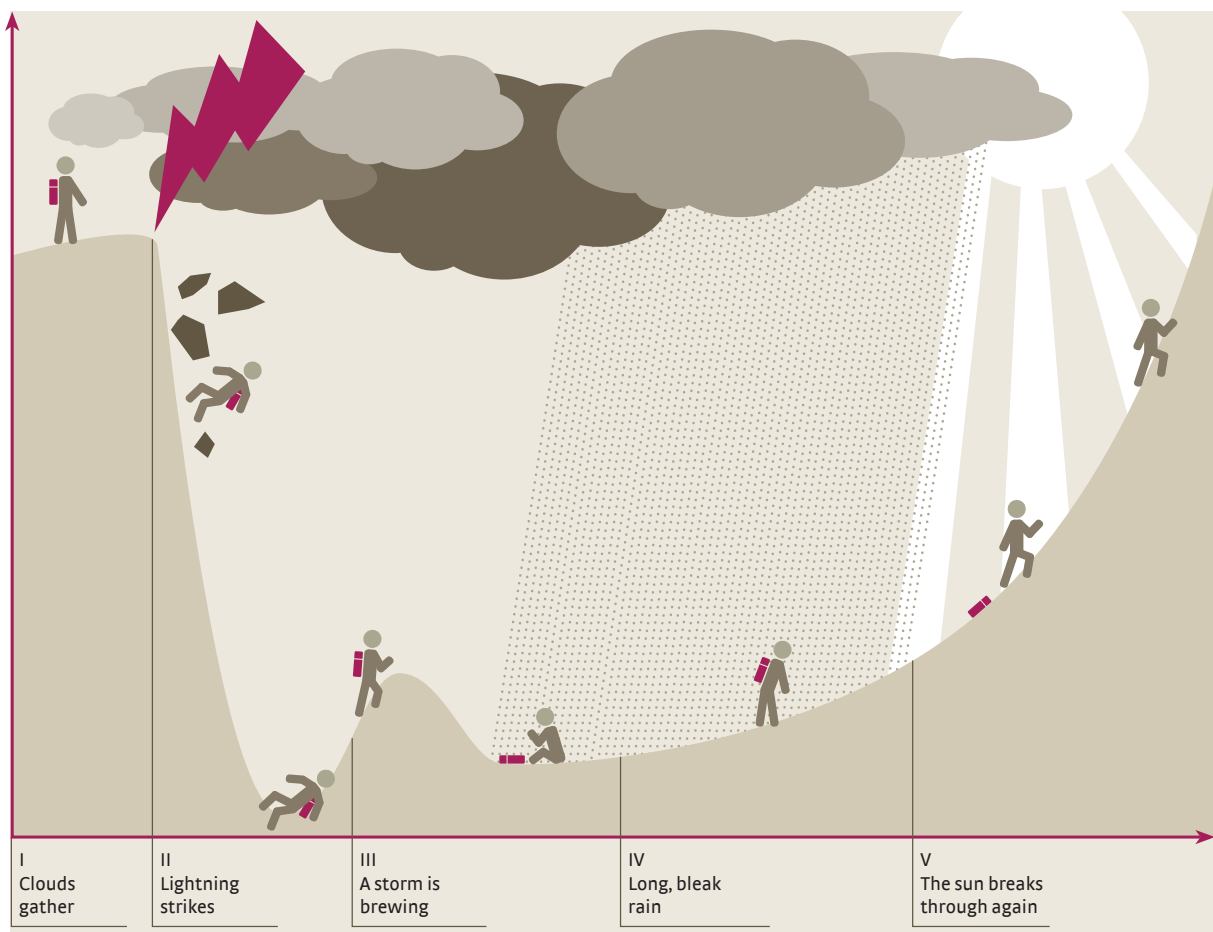
This is the way in which many top managers have described the moment when they lost their job. As high performers these people are used to moving mountains. They lead critical negotiations and fly from one city to the next. Their work is their whole life, and it supplies nourishment for a strong ego. Along with this comes admiration and an above-average salary. They are in the premier league, and everyone can see it.

However, when the end comes, it is quick and very painful. For most top managers, the loss of a job triggers a severe personal crisis. When they are cut off from the customary powerful circles, they become aware that they were not irreplaceable after all. Yesterday they were proud high-achievers, and now they have lost all their self-esteem.

An examination of many such career situations reveals a number of similarities. They run their course similar to the phases of a thunderstorm. Like hikers in the mountains, these top managers are taken by surprise when the storm hits. They find themselves in an extreme situation on dangerous terrain, with no way to influence the course of events. They have to find ways to survive the storm without being hurt. The route they must take until they find their way back into the sunlight can be long and difficult.

3 “OCCASIONAL HEAVY STORMS” – THE PHASES OF A CAREER TRANSITION

Using the above analogy with a storm, we have developed a model based on a series of phases. It helps to illuminate the challenges that arise at each step.



3.1 CLOUDS GATHER

The first phase in the model is the time just before the catastrophe. The executive, symbolised by the hiker, has climbed to a high position and can survey his accomplishments with pride. But then clouds begin to gather: signs of a change in the weather.

Some individuals become aware of the rising tension. They sense something different in the air. Others notice the clouds but assume that the storm will pass over. Managers with a high degree of self-confidence will be less inclined to explain these signs by looking at themselves. Those who have been through such experiences before and see the similarities will generally recognise the signs much earlier.

“IN RECENT WEEKS I’VE BEEN NOTICING SOMETHING DIFFERENT IN THE AIR.”



WHAT CAN YOU DO?

- Senior executives find it difficult to anticipate unfavourable changes. But afterwards they often realise that they failed to notice a number of adverse signs. For example, they were no longer invited to important meetings, didn't get first-hand information or communicated less often with their superiors. But few were able to interpret these signs correctly. Therefore you should never rely solely on your own “antennae”. In this phase it is critically important to have allies and partners who can supply background information or help explain company policy.
- Cultivate your internal and external networks and start early to build new ones. Nowadays membership in networks like Xing or LinkedIn can be helpful even at top management levels. In addition, it always helps to assess your market prospects by talking with others, and this can be done without being disloyal to the company.
- Take steps early to ensure your financial security – and do this before your resources start to dwindle.

**“COMMUNICATION IS IMPORTANT.
JUST WALK THROUGH THE HALLS AND CHAT A LITTLE.”**

**“IT’S NOT GOOD TO GET STUCK IN A SINGLE COMPANY. IF YOU WORK FOR A LONG TIME
IN A BIG ORGANISATION, YOU LOSE A FEELING FOR WHAT CAN HAPPEN.”**



3.2 LIGHTNING STRIKES

When lightning strikes, it seems as if the storm is never-ending. For top managers the shock is overwhelming, and it marks a serious fall. Losing a job means losing the central pillar in one's life. It seems almost inconceivable not to be part of the "system". One is helpless and unable to influence developments. Added to this is the fear of not being able to maintain the standard of living to which they had become accustomed.

After the initial emotional shock, administrative processes lead to additional changes, which are tangible. Keys have to be returned, the company car is taken away and communication channels with longstanding associates are cut. All of this makes the executive wonder: Who was really with me, and who was against me?

The situation is especially difficult for top managers who have to wait a long time before they finally leave the company. The process can sometimes take up to a whole year to be completed. During this time, the manager must continue to fulfil their responsibilities. This makes it almost impossible for them to organise their departure, negotiate a termination agreement and at the same time plan a career transition.

Most former senior executives blame themselves for not detecting the signs that they were going to be terminated.

"I SHOULD HAVE REALISED THAT I COULDN'T SPEND MY WHOLE WORKING LIFE IN THAT POSITION. I SHOULD HAVE STARTED EARLIER TO LOOK FOR SOMETHING NEW."



WHAT CAN YOU DO?

- Try to finish important ongoing projects before you leave. Organise your departure so that you can get your deserved recognition and bring your work to a satisfactory conclusion. After the first half year, existing networks will begin to weaken. Therefore start early to establish new contacts, and do it in a systematic manner.
- Your spouse/partner and family can provide important support at the start when everything looks bleak. They can help you to put your experience in perspective, and they can remind you of your strengths. It's also important to stay in touch with friends, mentors and people who have had similar experiences. Together you can get a better picture of the situation.
- Negotiations on termination should focus on ensuring your financial security. This can be in the form of a severance payment or similar compensation. It is important to go well prepared into these talks. A career counsellor who specialises in these matters can provide valuable assistance.
- Refrain from unpleasant or aggressive remarks during such negotiations, because it might later be necessary to use the former employer as a reference. There is a saying, "You always meet twice." That second meeting might come when you need your employer to vouch for you.

3.3 THE CALM BEFORE THE STORM

In this phase the “hiker’s” agitation gradually subsides. Accustomed as he is to success, he starts another upward climb. Although the loss of a job was a blow to his self-esteem, he believes he can find a new position of equal status through hard work, discipline and proven strategies from the past. He is certain that this is only a brief setback and expects to be back on the same high ground in a short time. All thoughts of a protracted struggle are banished.

“IF YOU’VE MANAGED A BIG COMPANY, YOU’RE USED TO THINKING THAT THE PROJECTS ONLY WENT SO WELL BECAUSE YOU WERE IN CHARGE OF THEM.”



Top managers often feel a kind of relief when they see they must put their old job behind them and concentrate on something new. Often they embark on their search for new challenges with aggressive optimism. In addition, their acquaintances are equally convinced that a top manager can easily find work at the same high level.

“MY FRIENDS AND ACQUAINTANCES SAID: WITH YOUR POSITION AND YOUR CV, YOU’LL HAVE PEOPLE LINING UP AT YOUR HOUSE TO HIRE YOU.”

However, these expectations are often disappointed. The idea of a quick comeback turns out to be an illusion, based on the false assumption that it is easy to gain a comparable position in a short period of time. The illusion is nourished by the manager’s conviction that past successes were directly linked to his or her personality.

Another misconception arises from a false assessment of the market for top-level jobs. Thus, rather than dispersing, the clouds build up. A long, bleak rain sets in.

In this phase an important role is played by what is known as self-complexity. This term describes individuals who have a multitude of distinct attributes, relationships and activities, which together constitute the basis for self-worth and a sense of identity. The greater the number of such areas, the better an individual is able to compensate for the loss of one of them – for example, a job as top manager. Senior executives spend most of their time climbing the career ladder and often neglect social contacts. Thus they increasingly identify with their role as successful bosses, and this defines their self-image. Other roles that could serve to constitute their identity are suppressed; the person merges with the position. Praise for the person and praise for the position become indistinguishable.

WHAT CAN YOU DO?

- Activities outside of the company are immensely important when it comes to coping with a crisis. Spend time with families and friends. Pursue hobbies and get involved in volunteer work, sports clubs or committees.
- Honest feedback between equals and open dialog with neutral advisers can help you to explore options and prepare yourself for possible consequences. Talk with a sparring partner to identify what differentiates you from competitors. Set goals together and look for areas to work in. This includes submitting yourself to scrutiny and discussing what-if scenarios.
- Even if you feel that you are in a weak position, demonstrate emotional strength and talk openly about your situation.
- Networking plays a key role: As a senior executive you should systematically activate and expand your professional network. At this level the concealed job market is all-important. Therefore keep your ears open to the market and forge contacts with important partners.

“ACTIVATE AS MANY CONTACTS AS POSSIBLE – EVEN IF IT MEANS TALKING WITH YOUR BARBER OR HAIRDRESSER. MAYBE THIS PERSON’S SISTER IS MARRIED TO A HEADHUNTER WHO IS LOOKING FOR SOMEONE JUST LIKE YOU.”



3.4 THE LONG, BLEAK RAIN

The “hiker” realises that the winds are not going to change very soon. His hopes for a quick return to employment fade away, accompanied by a growing fear that a position comparable to the last one cannot be found.

The initial expectation of a quick comeback is displaced by the realisation that the path ahead is going to be long. Anxiety and self-doubt take over. Senior executives who look back on this phase describe it as the destruction of the re-entry illusion. This disillusionment marks the start of an emotional downward slide – the long, bleak rainfall. For top managers who are lacking in the aforementioned self-complexity, it is all the worse.

A manager who has just been released does not always have the best chances when he applies for a new position. The world has not been waiting for him. Although his availability might become known in small, usually specialised markets, the real reasons are seldom talked about.

“A FISH STARTS TO SMELL AS SOON AS IT’S OUT OF THE WATER, AND NOW YOU’VE BEEN WITHOUT A JOB FOR EIGHT MONTHS. PEOPLE ARE STARTING TO ASK WHY NO ONE WANTS YOU. THEY’RE WONDERING WHETHER SOMETHING’S WRONG WITH YOU.”



Many senior executives have never had to apply actively for a position. Consequently, they are confronted with a situation that is incompatible with their self-image. Instead of being free to act decisively from a position of strength, they now find themselves on the other side of the table.

“I ALWAYS THOUGHT I HAD ESPECIALLY GOOD CONTACTS, BUT THEY BROUGHT ME NOWHERE.”

During this phase some managers even consider looking for a job at a lower level. But this can lead to problems. Besides having to accept a lower salary, they must adjust to a different social system and a different company hierarchy.

“YOU DON’T LIKE WHAT YOU GET, AND YOU DON’T GET WHAT YOU WANT.”



Although the loss of a job can be very disorienting, it can also liberate an individual from external expectations. Often it opens up a chance to think objectively about one's goals and values and explore new possibilities.

In this phase many top managers begin to realise how little they have in common with others in their social environment, although at the start of the crisis these people were regarded as a key source of support.

“MY NEIGHBOUR DESCRIBED TO ME HOW PLUMS GROW, AND I TOLD HIM ABOUT MY DINNER WITH CRISTINA KIRCHNER SIX MONTHS AGO. HE HAD NEVER HEARD OF HER. OKAY, I DIDN'T KNOW WHAT KIND OF PLUMS HE WAS GROWING. THERE WERE WORLDS BETWEEN US.”



WHAT CAN YOU DO?

- First of all, recognise that a quick re-entry into employment is an illusion. This will allow you to concentrate on the important tasks ahead of you: identifying your personal strengths and highlighting your unique selling proposition in order to work out a personal marketing strategy.
- The more pillars your identity rests on, the easier it will be for you to deal with the loss of one of them – your high management position. If you see yourself in other ways, for example as a caring husband and father, a talented athlete or a dedicated volunteer, this will help you compensate.
- Allow yourself plenty of time to make a transition, and avoid action simply for the sake of it. Plan on spending six to nine months on this. At your level, even being without a job for a year is acceptable.
- Dialog with external advisers is very important during this phase. After all, what you need is more than just a new job. You need to deal with questions of greater complexity, like your values and goals. Here valuable support can be provided by people who can speak with you on equal terms and who know from their own experiences what top managers go through at turning points in a career. Professional career consultants have this expertise. They can coach you and give practical advice for the application process.



“THERE ARE A NUMBER OF QUESTIONS TO ANSWER: WHO AM I, WHAT AM I STRIVING FOR, WHAT AM I ABLE TO DO? WHAT MAKES ME UNIQUE, AND HOW CAN I APPLY MY STRENGTHS?”

3.5 THE SUN BREAKS THROUGH AGAIN

The storm has receded, but a few clouds still linger. The “hiker” looks back. He has left his backpack behind and has grown stronger through his experience. But the plunge, the shock and the difficult journey through the rain have left their mark and will remain in memory for a long time. Looking back, many top managers no longer feel humiliated by their experience in retrospect. But they often continue to be hurt by how the termination took place. In addition, many see for the first time who appreciated them as a human being and who merely admired them for the position they held.

“I’VE BECOME MORE SELF-CRITICAL AND REFLECTIVE, AND I FEEL THAT I’VE BECOME TOUGHER.”



By reflecting on their individual goals and values, top managers can bring their career transition to a successful conclusion and start off effectively in a new position. Having critically examined their abilities, goals and special attributes, they can see themselves in a new light. Their self-image is no longer dependent upon a particular role or position.

“THE CONTENT OF THE JOB IS NO LONGER THE MAIN MOTIVATING FACTOR. WHAT NOW COUNTS IS TO ENJOY IT.”

Often such a person is able to take on professional responsibilities that are more in tune with his or her preferences. The result is greater satisfaction.

“IT WAS A CHANGE FROM A CAREER FOCUSED ON SUCCESS TO ONE THAT OFFERS FULFILMENT.”



CONCLUSIONS

LOOKING BACK, THREE QUARTERS OF THE SENIOR EXECUTIVES INTERVIEWED SAID THAT THEY HAVE MORE FREEDOM AND LATITUDE FOR ACTION IN THEIR NEW POSITION.

MORE THAN 80 PERCENT HAVE MORE LEISURE TIME THAN BEFORE.

ALMOST 90 PERCENT HAVE BETTER PRIVATE RELATIONSHIPS.

ALL OF THE PARTICIPANTS IN THE STUDY SAID THAT THEIR LIVES WERE AT LEAST AS HAPPY AFTER THE TRANSITION AS BEFORE. SOME SAID THEY WERE NOW EVEN HAPPIER.

4 WHAT THE BOARDROOM CAN DO FOR SENIOR EXECUTIVES IN TIMES OF TRANSITION

We are the leading provider of career counselling services in German speaking Europe, with over three decades of experience in providing guidance and support for senior executives.

Our success is founded on the quality and expertise of our consultants. They have held management positions in major companies, including posts as board members, managing directors and CEOs of international enterprises. Through their own experiences they understand the challenges associated with a high-level position.

Top managers who are in a career transition can rely on objective interlocutors and sparring partners who meet them on equal terms. Our consultants can help them clarify their current situation, develop suitable strategies, determine unique selling points for a job search and define personal goals.

The Boardroom offers senior executives who are looking for new challenges access to the networks of decision makers. Our company is able to establish contacts with partners in the relevant lines of business. We also have access to reliable information from insiders in a variety of sectors. Besides being highly aware of changes in markets, they often know about vacancies that are not publicly advertised.

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