

The rise and fall of carleton fiorina commerce essay



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This essay examines the case study “ The rise and fall of Carleton S. (‘ Carly’) Fiorina, during her employment as Chief Executive Officer (CEO) with Hewlett-Packard (HP) (Robbins et al. 2008). Well-known for her charisma, high profile and aggressiveness in business, Carly’s previous employers at Lucent Technologies paid tribute her imaginative leadership style, her enthusiasm, and her ability to introduce and lead change. (Robbins et al.). The value of individual personality tests as an indicator for business success will be examined. This essay also looks at Carly’s personality, and how it may have impacted on her ability to perform her job. It will be argued that personality testing has limited value as an indicator of business success. Other factors considered include gender, organisational culture and charismatic leaders.

Burton et al. (2009), describes personality as the enduring blueprint for an individual’s motivation and behaviour expressed in different circumstance, including the individual’s thoughts and feelings. According to Burton et al., personality can change however, adult personality show significant reliability over time. Carly personality was well known and was considered as a great asset at the time of her employment at HP. Carly was portrayed as charismatic, visionary, and unconventional and as having the resolve necessary to undertake the job (Robins et al. 2008). Carly did not appear to place a high value on traditional goals, but rather she was interested in business improvement. Carly was described has having the ability to analyse business problems and to come up with what she considered to be best business solutions (Robins et al.).

Hoffman (2001) in his book "Ace the Corporate Personality Test" talks about the "testing boom" which has taken place in employment situations.

Hoffman states that while some personality change is possible in adulthood, it is likely that any change would be an adjustment of personality, rather than a major change. Hoffman outlines that we might change our attitudes, behavioural tendencies, and goals in life, but not our core personality. There is no evidence that there was a change in Carly's personality, rather it appears to have been consistent throughout her employment with HP. Carly was well known for her high business profile, prior to her joining HP. She had established her business credentials at Lucent Technologies, where she was recognised for her ability to implement change and for her far-sighted leadership (Robbins et al. 2008). Carly was noted for being a change agent, visionary leader and as being high in energy. These aspects of Carly's personality, for which she was initially employed, were key requirements needed to ensure the business improvement at HP.

Robbins et al., (2008) identifies the need for organisations to change if the organisation is to survive and adapt. This requires a change in the organisational culture, which Robbins et al., describes as the attitudes, experiences, beliefs and values of, and within an organisation. It is the collection of values and norms that are shared by the people and groups within an organisation and that manage the way they interact with each other and with others outside the organisation. In a Business Week article titled "HP's Carly Fiorina: The Boss" (1999), Carly's was reported as identifying the need for an urgent innovative approach to be introduced at HB. Carly was reported as being a forward thinker, quoted as saying "we

have to make sure it represents the next century rather than the last one”.

The article highlights the organisational culture in place “ the HP Way” at the time of Carly’s employment as CEO, and discusses the need to change the culture which had crept in over recent years.

Schein (2004) recognises that there can be difficulties with succession, especially when “ conservatives” are replaced with ‘ radicals” in the hierarchy of an organisation. Schein identifies the necessity to identify and promote the organisational culture, even though much culture is hard to recognise and interpret, as it is often entrenched in everyday practices. It appears that this may have been the case with Carly’s attempts to change the organisational culture and practices at HP. Carly clearly had great expectations regarding what she planned to achieve at HP (Business Week, 1999). Carly displayed an internal locus of control (Wood et al, 2010), a belief in her capability to control her own destiny. Carly was intrinsically motivated, that is, she was stimulated to perform by her internal drive rather than for external rewards (Burton et al. 2009). Carly’s believed that she could master the difficulties and make a difference at HP. This is reflected in her ability to initiate the purchase of Compaq, despite opposition from Walter Hewlett. There is no evidence to suggest that Carly’s personality did change, to become ‘ too big’, rather the fit between Carly and HP may have contributed to the problem. Brown (1995) states that to achieve successful change programs on a large scale, requires effective, assertive leaders, and that the successful management of organisational culture requires the backing of those in the most senior positions. Brown also suggests that the organisational culture can be the origin of problems which hold the

organisation back from growth and development. There is an expectation of predictable relationships between an individual's personality and their predisposition to behave in a certain way (Wood et al. 2010).

Gender considerations were explored to determine if a double standard or gender bias was evident. It was determined in this case that Carly's appointment as CEO at HP was seen as proof that gender was no longer an issue in the business world (Cotter et al. 2001). According to the Federal Glass Ceiling Commission (1995), (as cited in Cotter et al.), the glass ceiling refers to obstructions which exist to hinder the progression of women and minorities to achieve higher levels within the workplace. Robbins et al. (2008) identifies that women may make better leaders than men. Although the differences are not great, differences include women can make better listeners, superior mentors, are better goal setters, produce high quality work, and foster better communication. While gender bias and the glass ceiling may exist in the business world, there is not evidence in this case to suggest that Carly's was the victim of a double standard. She had an aggressive and forthright business approach from the outset. Robbins et al., remarks that as a CEO, when things are going well the CEO receives the credit and praise, but when things are not going well the blame falls on the CEO regardless of factors outside the control or responsibility.

Carly was described as charismatic. Cambridge Dictionary (2011) describes charisma as " a special power which some people have naturally which makes them able to influence other people and attract their attention and admiration". Weber (as cited in Robins et al. 2008) describes charismatic leadership as one of the best models of authority and influence. Robert <https://assignbuster.com/the-rise-and-fall-of-carleton-fiorina-commerce-essay/>

House (as cited in Robbins et al.) details the 'charismatic leadership theory' as leaders with vision and who are willing to take personal risks to accomplish their vision, they are responsive to subordinates requirements and to environmental demands, and they demonstrate behaviours that are out to the ordinary. Unfortunately, some charismatic leaders can become carried away and a 'dark side' is revealed. In these cases the best interests of the organisation are not fully represented (Robbins et al.). The margin separating personal interests and those of the organisation can become blurred. Robbins et al., describes the worst case scenario being when 'ego-driven' charismatic leader put their own interests ahead of the organisation, or when they use the organisational resources for their own personal benefit or gain (Robbins et al.). It is clear that Carly became impressed with herself and her importance, placing her portrait next to those of the HP founders and failing to heed the warning issued by HP board members to change her style (Robbins et al.).

Prior to joining HP, Carly undertook a 900 question personality test. Personality testing is used to predict performance in the workplace (Hoffman 2000). It was recognised that Carly had charismatic qualities including the vigour, enthusiasm, forward thinking vision, drive and aggressiveness, all considered necessary for the position of CEO (Robbins et al. 2008). One universally applied personality measurement is the Myers-Briggs Type Indicator (MBTI), which consists of a 100 question tests that seeks to categorise participants into four categories: a) extroverted or introverted; b) sensing or intuitive; C) thinking or feeling; and d) judging or perceiving (Robbins et al.). The results of the questionnaire are classified into 16

personality types. If this test had been applied in the case of Carly, her personality type would most likely be INT. Characteristics of an INT might include being organised, determined, having a sense of purpose, motivation and drive, forward thinkers, analytical, decisive, and logical and as having an innate sense for business (Robbins et al.). The MBTI results, do not however, correlate with actual job performance (Robbins et al.).

A personality testing model, which as the benefit of research, is the Five Factor Model of Personality, also known as the 'big five' (Robbins et al. 2008). Using this model, personality can be reduced to five broad categories of personality traits. " Traits are the emotional, cognitive and behavioural tendencies that constitute underlying personality dimensions" (Burton et al. 2009, p. 433). The five personality traits of the big five model are: 1) Extraversion. This trait includes characteristics such as being socially adapt, talkative, assertive and as having an abundance of emotional fluency.

2) Agreeableness. This comprises of personality attributes such as being trustworthy, selflessness, kindness, and affection. 3) Conscientiousness. Common characteristics within this dimension include a high measure of impulse control, goal directed behaviours and are high in thoughtfulness. Individuals who rate high in conscientiousness have the propensity to be both organised and attentive of details.

4) Emotional stability. Individuals with positive emotional stability have a predisposition to cope with stress, are generally calm, self- confident and secure.

5) Openness to experience. Within this trait characteristic are imagination and insight, and individuals with a wide diversity of interests, would be found (Robbins et al. 2008). Hoffman (2001) states the five factor model dominates the area of personalty testing and suggests that the most probable scales tested are extraversion and conscientiousness.

There are three methods of measuring personality, self report, observer-rating surveys and projective measures (Robbins et al. 2008). According to Robbins, et al., self report questionnaires are the most widespread method of measuring personality. A concerning aspect of the self report survey method is that it is possible to alter the results to create a better outcome (Robbins, et al.). Burton et al. (2009) outline various problems with personality testing including that they can be subjective, and that a person's results may change in response to the person's emotional state and other situational variables. Burton et al., also identify that it is possible to deliberately alter the outcome, and that personality testing does not correlate to consistency across all situations. These finding suggest that personality testing has little real value in predicting individual business success.

This essay reviewed the value of individual personality tests as an employment indicator for business success. Knowing an individual's personality characteristics can provide valuable insight into how that individual may act, or interact in business circumstances. Limits of personality testing include that the personality testing can be subjective, a person's results may change in response to the person's emotional state and other situational variables. It is possible to deliberately alter the test outcome, and personality testing does not correlate to consistency across all

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situations. Prior to joining HP, Carly undertook a 900 question personality test. It was recognised that Carly had charismatic qualities including the vigour, enthusiasm, forward thinking vision, drive and aggressiveness, all considered necessary for the position of CEO. There is evidence to suggest that there may have been problems with the organisational culture. There is however no evidence to suggest that Carly's was the victim of a double standard, or of gender bias. Carly was considered a charismatic leader and unfortunately in some instances charismatic leadership can lose sight of the best interests of the organisation, then the obligations and responsibilities become confused or blurred. This was the case with Carly during her employment with HP. Personality testing was undertaken prior to Carly's employment which provided a 'snap shot' at that time. Personality in itself does not provide a long term prediction. It is concluded that individual personality testing has limited value as an indicator of business success.