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What is the Cost of a Nincompoop?

"Is Shooting Nincompoops the Next Management Breakthrough?"

Introduction

■ **A nincompoop is someone who is grossly inept.** They can be categorized as five-figures, six-figures ... up to ten-figures or more depending upon how much they cost the organization in a year, or over their career.

Ironically, Nincompoops have an uncanny way of surviving by flying below the radar, shifting blame or somehow gaining tenure. Their negative contribution can be measured in mistakes, customer dissatisfaction, wasted time, lowering the bar for others, defects, rework, good people who leave in frustration, etc. Everyone knows who they are but somehow, year after year, they go on.

You may find them at all levels. Their damage only compounds the higher they are in the organization. (Nincompoops in management tend to hire "Nincompoops" in their own image, creating a "Nincompoop.")

Is Shooting Nincompoops the Next Management Breakthrough?

Management theory has no lack of quality initiatives and approaches for efficiency and effectiveness. These are great for squeezing out the extra five percent.

■ How much would be gained if we simply got rid of the Nincompoops?

Let me illustrate. For the sake of discussion we will categorize associates at four levels of performance:

- **Leaders:** Leaders are those who not only perform with excellence, but inspire others to perform well. They are not necessarily managers.
- **Competent Core:** The Competent Core are those good soldiers who put in a fair day's work for a fair day's pay. They do what is expected with minimal errors.
- **Laggards:** Laggards are going to do the minimum at the last minute. They usually get it done, but require follow ups, reminders and greater accountability. It may be they lack talent, but more likely, they really just haven't bought into the vision. "It's a job."
- **Nincompoops:** Nincompoops may be obstructionists or simply incompetent. Nincompoops ARE leaders, however. They are taking the company and other employees in a negative direction. As much as they play innocent, they usually know exactly what they are doing, and are masters at remaining invisible.
- **Total output equals the combined output of the four categories.**

Total Output = Output of Leaders + Competent Core + Laggards + Nincompoops

About George Henderson

George Henderson has helped mid-sized to Fortune 500 clients save more than \$85 million since 2001. A speaker, writer, MBA and executive coach, he has facilitated tough business transformations including mergers and acquisitions, organizational and management restructurings, in sourcing and outsourcing key functions, and business process reengineering (BPR).

Formerly a nationally recognized rugby coach, George has more than 25 years of experience in consulting, business process re-engineering, Activity Based Costing (ABC), Six Sigma, the Balanced Scorecard and leadership in the change management environment. He graduated from Tulane University's Executive MBA program in 1996. George is a Senior Partner and Principal with Navigator Consulting Services.

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Let's make some assumptions and assign a productivity multiplier to each of the groups. How you measure productivity is unique to your situation, but for illustration, the table below assumes that if you give a Leader \$1 (inputs), they will add value and you will receive back \$1.50 (outputs). With the Competent Core you will receive \$1.25. Laggards require additional supervision, so you only receive \$.60 back. With Nincompoops, you've lost your dollar.

Category	# of Employees in Each Category	Avg. Units of Resources Managed per Employee (Inputs)	Value Added Effectiveness Multiplier (Outputs)	Total Output
Leaders	20	1 unit	1.5	30
Competent Core	50	1 unit	1.25	62.5
Laggards	20	1 unit	.6	12
Nincompoops	10	1 unit	-1	-10
Total	100 Employees	N/A	N/A	94.5

While the Units of Resources managed and the Value Added Effectiveness Multipliers are hypothetical, they do illustrate a valuable point. Anything we can do to increase the number of Leaders and Competent Core, and raise the Value Added Effectiveness Multipliers will increase total productivity.

Since, in the table above the Nincompoops screw up 100% of what they touch, anything we can do to reduce the number of Nincompoops and what they control will increase output.

If you did nothing but eliminate the Nincompoops and replace them with Laggards, you could increase output by 16.9% as demonstrated in the table below. **$((110.5 \text{ units} - 94.5 \text{ units}) / 94.5 \text{ units} = 16.9\%)$** While not shown, you would probably also see a spike in the Value Added Effectiveness Multipliers of the other groups, because they would spend less time re-working the Nincompoops' defects. What else that can offer such a return for so little effort in such a short period of time?

Category	# of Employees in Each Category	Avg. # of Units of Resources Managed per Employee (Inputs)	Value Added Effectiveness Multiplier (Outputs)	Total Output
Leaders	20	1 unit	1.5	30
Competent Core	50	1 unit	1.25	62.5
Laggards	30	1 unit	.6	18
Nincompoops	0	1 unit	-1	0
Total	100 Employees	N/A	N/A	110.5

Per the tables, even replacing Nincompoops with Laggards yields a 16.9% increase in productivity!

About Navigator Consulting Services

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Navigator helps companies solve immediate pain points in a self-funding way while developing sustainable skills for continuous improvement. We succeed where others have failed because of the skill, experience, and commitment of our associates, and because we engage people in their own solutions

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Implications for Management

When an organization introduces performance measurement and management it brings visibility and accountability. The new information helps the company target and prioritize key initiatives. A natural outcome is change, and change management.

In the face of change, Nincompoops sink to a new low, because they can be expected to obstruct or mismanage anything they touch. Passive/aggressive people by nature, they effectively sabotage the new direction while hiding behind a veil of innocence or ignorance.

■ **When managing change, senior executives have three key responsibilities:**

- **Enlist the organization in a shared vision** that overrides individual interests
- **Communicate the “burning platform”** that makes the nest no longer safe
- **Put in force an executive mandate** saying, “Get on the bus, or get under it.”

A mandate is only as strong as its enforcement. It is not enough for executive sponsors to say the words. They must be prepared to lop off some heads if necessary. Why not the Nincompoops?

It may seem harsh, but if we borrow an example from professional sports, the coach is responsible for the performance of the team. An underperforming player might be tolerated for a time, but if not dealt with, at some point the coach is deemed to be the Nincompoop.

Executives: Only You Can Shoot a Nincompoop!

Much of quality and productivity enhancement can be delegated to project champions and project managers. What these people cannot do, and what will destroy their best efforts, are Nincompoops. The extent to which senior management tolerates maladaptive behavior is the extent to which change initiatives will fail.

Shooting Nincompoops remains the sole domain of the executive and in this they must not fail. The productivity arguments are compelling, as well as the cultural rewards.

Executives, the garden of human capital must be appropriately nurtured. Part of this is pulling the weeds. Recognize the Nincompoops for what they are and what they do. They seldom change. Take the appropriate actions and earn the respect of everyone else in the organization.