

The promotion of a financier

Miklos had worked in the company MicroElectronics in Budapest for 15 year. Throughout this time he managed to work his way up in the financial department. He started his career at MicroElectronics right after graduating in management and while working he additionally finished an international accounting course and obtained a globally recognized certificate. All his successive bosses were full of praise for his talents. Apart from his abilities and knowledge, Miklos had another quality that his superiors really appreciated – he was completely devoted to what he did. For various reasons his personal life had not worked out and he dedicated virtually all his free time to work. After having worked for two years as the head of the financial department during which, thanks to his inventiveness, the company saved almost 1 million dollars on a yearly basis, to the president of the company, Anna, it was obvious that Miklos was a good candidate for the job of the director of the main division of the company. Anna was able to break the initial resistance of the other members of the board that considered him to be too young of age and to convince them that he was a good candidate for the job.

She was majorly disappointed when already in the first week Miklos came to ask her advice twelve times! She would have understood if it were issues concerning strategy...But unfortunately Miklos simply could not handle the job. He asked her advice in rather trivial situations. Didn't he realize how greatly he was discrediting himself? After a month he reached the end of the line. Anna decided to have a serious talk with Miklos. Miklos was completely taken by surprise. He thought that discussing every decision with his superior was a sign of professionalism and the desire to maintain a high quality of the undertaken actions. During the harsh conversation that it had become, Miklos expressed his frustration: Anna was not giving him any guidelines, she expected results without defining her expectations, in other words – she was a lousy leader.

Questions:

1. *What could have been the reason for this conflict?*
2. *In your opinion, which one of the two is right?*
3. *According to the “Peter Principle”¹ every employee tends to rise to his level of incompetence. Comment on this and elaborate further on this statement.*
4. *One of Dilbert’s Principles states hat companies tend to systematically promote their least-competent employees to management (generally middle management), in order to limit the amount of damage they're capable of doing. Comment on this and elaborate further on this statement.*
5. *Was Anna a good leader?*

¹ The Peter Principle, developed by a Canadian educational scholar and sociologist, Dr. Laurence J. Peter(*The Peter Principle*, 1968), theorizes that employees in most organizational hierarchies automatically rise through promotion to higher positions (as a reward) that they are not able to handle due to incompetence. He surmised that an employee's inability to fulfill the requirements of a position they are promoted to may not be general incompetence but is because the position requires different skills than those the employee possesses.