

KNOWLEDGE



Competition becomes bloodier when winners accumulate outsize advantage.

A career, unlike a mere job, is presumed to be heading somewhere. Every profession has a predetermined route up the mountain of success, with signposts along the way to mark the accumulation of recognition and authority. In law, for example, significant signposts include the promotion from junior to senior associate, and from there to full partner. A gifted, determined and lucky few will make it to the very pinnacle of status in their careers: the Nobel-winning scientists, the Pulitzer-winning authors, the Fortune 500 CEOs.

What is often overlooked about career advancement is that it is perhaps best charted as a series of sharp jumps rather than, say, a gentle upward slope. Each signpost you cross represents a steep ascent in prestige. And the higher you rise in your career, the more credit you will personally receive for group wins-which should speed your further advancement up the mountain. Consequently, people who not long ago were one step behind you suddenly find that in order to see you, they must crane their necks. Sociologist Robert K. Merton famously defined this phenomenon as "the Matthew effect". As a practical example, think of a newly promoted factory foreman who enjoys career gains from the toil of his former peers on the assembly line.

Conflict before and after crossing the signpost

Visit INSEAD Knowledge http://knowledge.insead.edu Our recent **reflective paper** for the *Journal of Management Inquiry* teases out some of the ramifications and dangers of competitive career advancement structured around signposts. It is fair to assume that each signpost will attract a crowd of competitors, avid to reap the benefits of the Matthew effect. However, not all will get across, because any pathway to high prestige will be tapered. Some aspirants will always be left out in the cold.

Two underexamined risks arise from this. First, there is the destructive infighting that can break out among the crowd gathered near the signpost. Such nastiness is not to be confused with spirited competition, which can be good both for firms and individual careers. An example would be plausible candidates for a promotion who spread malicious gossip about one another, resulting in tarnished reputations all around. All the energy absorbed by these acts of aggression not only saps productivity but also, ironically enough, impedes the career advancement of the combatants.

Why are such crowds prone to conflict instead of spirited competition? Studies have found that, in the absence of a clear pecking order, executives can refuse to back down when clashes occur. Misunderstandings can easily flare into bareknuckled brawls. Our ongoing research on Formula 1 racetrack collisions bears this out. We found that

drivers of similar status were more likely to crash into one another, apparently because their desire to establish superiority over reputed equals compelled them to engage in games of "chicken".

The second overlooked risk emerges directly from the Matthew effect itself. The crowd congregating around the status boundary may come to resent the lucky, chosen one. Her advantages, deriving in large part from the Matthew effect, may be seen as unearned or unfair. Once the prized promotion, award, etc. has been granted, the people left behind may focus their well-honed aggression on a common enemy—the grantee. Their vindictive efforts may then slow the advancement of the "winner" toward her next career goal.

Limiting conflict

How can executives attenuate or even avoid the ill effects of competition? They may limit the boost in prestige that actors receive once they pass the threshold. These "brakes" can also be applied when the architects of competitions—e.g. top management—perceive that conflicts between contestants are becoming too intense (thus raising the two risks detailed above). This can be done through communications that emphasise collective achievements, as well as interventions that narrow the range of rewards and incentives, etc. These interventions are known as the "Mark effect", from the Gospel of Mark verse that states "the first shall be last, and the last shall be first".

If higher-ups opt not to activate the Mark effect, there is greater potential for peer reprisal. The potential is especially high when the winner is seen to be flaunting her newfound status, or shunning her former colleagues to be with new, elite "friends". Another provocation is when winners appear to have employed dubious means to get where they are, whether it's by cultivating the right connections or misrepresenting themselves to curry favour with bosses. Perceived unfairness—the natural outgrowth of a system that seems to be rigged—will taint their triumph and invite a bitter version of the Mark effect.

Implications for competitors

Those who have passed the signpost should be aware that status is often zero-sum. Your **step-up in status** may well shed some reflected glory upon those working directly with or underneath you. If, however, you cross the boundary alone, be careful not to pour salt on the wound through cocky or insensitive behaviour.

Similarly, those in the competitive crowd should remember the Formula 1 example. Becoming enmeshed in peer-group conflict can damage your standing in a number of ways. It can cause you to

Visit INSEAD Knowledge http://knowledge.insead.edu crash and burn like the race car drivers, and consign your career hopes to cinders in the ensuing fireball. But even if you manage to elbow your way across the boundary, the resentment you leave in your wake may lead to reprisals. Additionally, when nastiness prevails, wise higher-ups will be most impressed by those displaying the exquisite self-discipline it takes to hold oneself above the fray. Staying classy can be your ticket to a sharp jump in status.

Henning Piezunka is an Assistant Professor of Entrepreneurship and Family Enterprise at INSEAD.

Wonjae Lee is a Visiting Professor at Korea Advanced Institute of Science and Technology (KAIST).

Richard Haynes is a Senior Economist with the U.S. government's Commodity Futures Trading Commission.

Matthew S. Bothner is Professor of Strategy and Deutsche Telekom Chair in Leadership and HR Development at ESMT Berlin.

Follow INSEAD Knowledge on Twitter and Facebook

Find article at

https://knowledge.insead.edu/career/the-risks-of-rivalry-in-a-winner-focused-world-exclusive

Download the Knowledge app for free





