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### **Checklist for Avoiding Bad Managers**

#### Is there unnecessary complexity?

1. Is the company's organizational structure convoluted or complex?
2. Is its strategy unnecessarily complex for an otherwise simple problem?
3. Is its accounting overly complicated, non-transparent or nonstandard?
4. Is it employing complicated or nonstandard terminology?

#### Is spending out of control?

1. Does the management team have enough experience to handle growth?
2. Are there small, yet nontrivial, details or problems that seem to be getting overlooked by management?
3. Is management ignoring warnings now that could lead to problems later?
4. Is the company so successful or so dominant that it is no longer in touch with what it needs to do to remain on top?
5. Do the unplanned departures of senior executives signify deeper problems?

#### Is the CEO Distracted?

1. Do I have unanswered questions about the CEO's background and talent?
2. Is the CEO spending too much money to fulfil personal missions that don't necessarily benefit the company?
3. Are company leaders so consumed by money and greed that they're taking questionable or inappropriate actions?

#### Is there excessive hype?

1. Is it possible that the excitement around the company's new product is just hype?
2. Could the excitement around the company's merger or acquisition be hype?
3. Is the excitement around the company's prospects just unfulfilled hype?
4. Is the latest missed milestone part of a pattern that could signify deeper problems?

#### A Question of Character

1. Are the CEO and other senior executives so aggressive or overconfident that you don't really trust them?

(Finkelstein, 2003)