

Leadership is about caring

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When boards and CEO's fall out, it is often over style. Many aggressive and decisive CEO's have failed long term because they could not combine leadership and teamwork. Caring for people is often the missing ingredient.

The brand experts and advertising gurus tell us that "caring is commercial", but this has not changed the behavior or profile of many at the top. For example, management meetings can be a showcase of entrepreneurial flair and "the strategy". No room for caring, it seems.

Yet other stories reveal a different side; one team leader within the cold world of funds management took an extra and difficult trip to see a colleague who had big problems. His motivation was purely to help a person in trouble. What is happening here?

For any would-be leader the following words should be permanently on their wall: People don't care how much you know until they know how much you care. Going out of your way to help a person in strife communicates that you are genuine about caring.

Listening is a key part of caring. The first Chief Executive of BHP Billiton, Paul Anderson, was recently asked for his ingredients of leadership and he listed two; listening and sincere communication. In fact, he said that for the first eight months in the job he had spent most of his time listening.

This style of leadership has been endorsed by a recent study by the Hay Group of management consultants, working with Harvard University and Dartmouth College. Their study of 48 executive teams from around the world found that the best leaders were "those who promoted dialogue or discussion and did not smother their executive team with the forcefulness of their personality."

But few are ready at the management level to see a caring brand or reputation as their leading advantage or point of difference. Many view it as a sign of weakness, expecting to be hurt by the market if they let their "tight" guard slip.

Yet a survey of 7,500 workers by US firm Watson Wyatt found real dollar benefits within caring organizations: highly committed employees produce a 112% three year total return to shareholders, whereas those with low employee commitment returned 76%.

Add to that research showing that when businesses lose customers, in 70% of cases they are lost because they do not like the human side of doing business with you.

The evidence for caring goes further; the Gallup group is the leading researcher into what makes up a strong brand, and their findings highlight the value of human qualities. Gallup looked at customer loyalty and brand advantage, finding people want a brand that:

- listens to me, cares for me
- reliably delivers what it promises
- is always interesting by being different or innovative
- wraps up our dealings smoothly and simply
- is happy, and projects this happiness

Any aspiring CEO would do well to think of them self as a "brand", and test how they match up against the key brand features.

Reinforcing my point that "nobody cares how much you know until they know how much you care", most of the Gallup brand features are very human. For example, we want brands that listen to us, that care for us, that are interesting and happy.

Modern business is truly a people business, if Gallup is right. This means that modern managers will need to be truly caring, using their own humanity to show the way.

For many, this step into the personal side, into human values such as caring and listening, is foreign territory; after all, business schools and work experience have taught them little about caring for others. Now we know there are real dollars and real advantages in doing just that.

Brand experts are now talking about brands we "love", and following the Beatles line of "All you need is love". The basis of their thinking is the Gallup research, combined with a belief that good brands care, they're personal, they communicate.

The danger signals for the manager still wrapped up in their own decisiveness or the beauty of their strategies is that reputations do stick; one day this reputation could be a huge disadvantage.

A friendly and inquisitive engineer, known as a willing "Mr Fixit", illustrated this commercial value of the right reputation. After his retirement, he was called back to solve a problem with a complex piece of machinery. Finding the problem, the engineer placed a chalk mark "X" on it, saying that if they replaced this the problem would be solved. They replaced it, and the problem was solved.

This engineer then sent his old firm an invoice for \$50,000. They queried the amount, for it was not a long job. The engineer happily explained his invoice: for the chalk mark \$1: for knowing where to put it, \$49,999.

One top four accounting firm partner had by far the best qualifications in his specialist area; yet lamented that this had not turned into strong business or boardroom appointments.

Knowing the person, my guess was that invitations did not come his way because he was not relaxed, lacked warmth in his dealings and just stuck to his area of expertise. Some might say he hid behind his expertise.

With some training, he learned to give a little more of his personal side; at meetings, he would tell people about his

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children or the latest news from home. He began to accept corporate invitations to the theater or to sports, instead of seeing them as a useless distraction from work. And he learned to smile some more, seeing how instantly this made people feel at ease. None of this was rocket science, but for this professional adding a dose of the caring personal side meant that doors opened.

One wise sage said that a man wrapped up in him self is a small parcel. Another urged us to remember we're unique, just like everybody else. But my favorite said that the only difference

between a rut and a grave is the depth. In other words, getting out of that rut, letting your guard down and revealing more of you could be the one vital ingredient for future success as a caring leader.

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