

Rethinking Leadership Training

Bob Murray and Alicia Fortinberry*

We humans learn from what we do well and being praised for it (Robinson, 2006). To change ingrained habits such as old, more transactional styles of leadership takes many months of being praised for exhibiting new behaviors. Yet, few CEOs get any praise outside the tight circle of their own kind, many of whom share somewhat dysfunctional leadership habits. The praise that is given tends to reinforce those old leadership traits. The result is that there is a powerful disincentive to change, to be different from the leader's peers. The truth is that teaching leadership is not about what is learned from a keynote or in the classroom but rather about a program of praise and recognition when the leader is caught doing the right, human-centered thing.

A year ago, we spent three weeks talking to some very angry workers and some really incompetent executives at a company we will call Citiwide. We were preparing some advice on leadership training for their senior managers and divisional leaders. They were operating in a monopoly industry, where people could not realistically avoid using their services, and the money just kept flowing in. Despite their privileged position, they were not making a profit and indeed were running short. The truth is that the organization's leaders were underskilled and vastly overpaid. It was not, for the most part, that they did not know how to manage the processes of their business, or that they did not have general managerial technical skills. Rather they did not know enough about people and how to really lead them to get the best out of their

employees and engage their cooperation. As a result, all the cost-cutting, efficiencies and layoffs that they had put into practice had turned out to be self-defeating. Those measures only added to the distrust and enmity that the workforce felt towards 'management' and their reluctance to cooperate in any meaningful way in turning the business around. The unions were having a field day, go-slows and stoppages were commonplace and 'sickies' by key operatives an almost daily experience. And this was in spite of the fact that most people there told me they were disillusioned with the unions.

Whatever industry it is in, the success of a business lies to a very great extent in the quality of its people leadership. In my observation, the top leaders of many of even the largest organizations do not feel that they need further

* Bob Murray, MBA, PhD and Alicia Fortinberry, PhD are the founders of the international management consultancy Fortinberry Murray. They specialize in culture change, strategy and leadership. The company has offices in London, New York, Sydney and Hong Kong. Their clients include PepsiCo, Ford, McDonald's, Wesfarmers, PwC, KPMG, Herbert Smith Freehills, Macquarie Bank and Deloitte. The authors can be reached at bob.murray@fortinberrymurray.com; Website: www.fortinberrymurray.com

training—that is for the lower ranks. They feel that the fact that they have reached the top is proof enough of their leadership skills. However, the famous quip derived from the Peter Principle, “a person rises to his or her level of incompetence” holds true for senior management as well as for other ranks (Peter and Hull, 1969).

Even though leaders, or potential leaders, receive training, often such training has not been very fully thought through or based on any scientific evidence. There is a lot of emphasis on what I call the technology of leadership—the how-to of the particular parts of running a business: negotiating, strategy, decision making, succession planning and so forth. Little thought seems to have gone into the more fundamental, human aspects of the role of a leader. Of course, especially in large businesses, there are hundreds of courses on ‘people management,’ but these are generally too short, not embedded and based on concepts from the 1980s or 1990s which recent research has shown to be misguided.

In this paper, I want to investigate the science of what I call ‘human-centered leadership’ and how it might be taught to business leaders. A leader is, by definition, a leader of human beings. It is someone who must gain the respect, the loyalty and the commitment of his or her employees, junior partners, soldiers, volunteers.

What is ‘Leadership?’

There was a fad not long ago for confusing leadership in the corporate sphere with sports coaching. Leadership Away Days were keynoted by football luminaries, cricket captains and ice-hockey gurus. Inspiration also came from athletes who overcame extreme difficulties to win. CEOs and other corporate leaders gave pep talks which sounded like pre-match motivation sessions. Leadership was about ‘inspiring’ and ‘kicking

goals’. It was easy, it was simple, and anyone with a larynx could do it. There were even scholarly articles proclaiming that it was easier to be a loyal follower than a leader. There was no great skill to leadership. So long as he was managerially efficient and inspiring (whatever that meant), and was able to work with partners from Bain or BCG to develop a strategy, success was inevitable, or at least more likely. What leaders had not thought through was that the ‘pep talks’ were the more public aspect of coaching: what really paid off were the hours coaches spent working with their people to encourage them, to create a sense of ‘tribe’ and mutual support, to spot individual issues, personal as well as athletic and help them learn and experiment with new ways of doing things. And all that of course required trust. Little wonder that workers do not respond the way hockey players or footballers do on television to superficial pep talks. Workers tend to listen to these, roll their eyes, and decide “this too will pass.”

It seems almost quaint now. Though some of those sports identities still pop up on the lecture circuit, their place has been largely taken by professors of management from the likes of Sloan, or Harvard or Ivy business schools. Executives trot off to Harvard to get their one-week charge of complicated models and theorems and come back convinced that they now know ‘it’—whatever ‘it’ is.

But, really, what is it? Some years ago, Bob spent a year with hunter-gatherer Bushmen, studying and recording their lives. Because the dangers that they face are relatively simple (though very real) and the decisions that have to be made are also relatively uncomplicated, by observing them, he could see clearly how human beings were actually designed to operate and what kind of leadership actually works for the kind of creature we are.

Major decisions, he saw, involved the whole band; leading was a matter of persuasion, since there was no hierarchy as we would understand it. The council of elders in a hunter-gatherer band were the survivors, those with the greatest experience, the repositories of wisdom, the keepers of the secrets behind rituals, they were the role models for the behaviors expected of the members of the band. These attributes gave them their status and enabled them to be the effective leaders of the group.

Recently, the sciences of neurobiology and genetics have rediscovered the veracity of many of the principles the council of elders used and this knowledge has begun to creep, slowly, into academic leadership theory. The danger is that this simple, basic knowledge will be expanded into overblown complexity and thus lost on the average corporate leader.

Leadership, in a hunter-gatherer band or a vast corporation, is in essence the art of getting people invested in a real or potential relationship with the leader or leaders, as was the case with the council of elders in hunter-gatherer society (to them the concept of there being only one leader—such as the ‘imperial CEO’ would be absurd). Leading is a relationship exercise. Although strategic insight and decision making do play their part, at base a leader is as good as his or her relationship skills. This idea is not new; it has been around since the 1990s (Graen and Uhl-Bien, 1995). The problem most corporate executives have with the concept is that relationships are not rational—ask any psychotherapist or parents of teenagers. Relationships cannot be accurately reduced to an excel sheet. Business leaders seem to be confused by what the term ‘relationships’ in an organization setting means. To many, they are the sum of the connections that a person has within the entity, as if a business was some variation of LinkedIn.

We have watched many consultants map out these connections as if they were really meaningful. They are not. A relationship, any relationship, is essentially two things. Firstly, it is a mutual satisfaction of needs (Murray and Fortinberry, 2004). It is the leader’s understanding and being able to meet the needs of his or her workforce and then in turn their knowing and being able to meet the needs of the leader. Secondly, it is a mutual recognition of there being sufficient in common, including values, goals and rituals, to create a ‘tribe’ which they will defend (Wilcock, 2008).

If a leader can meet deeply felt emotional and physical needs and demonstrate sufficient commonality, then he or she can be said to have a relationship with his or her followers and will be truly effective. The leader will get engagement and, more importantly, commitment to himself or herself and thus to the direction in which they wish to take the business. Without that mutual commitment change, progress and innovation are impossible. Essentially, that is why 70-90% of all strategic initiatives fail.

Establishing that mutual engagement is, above all else, his or her job.

Leading Human Beings

Human beings are messy, complicated creatures, driven by genetic and neural processes that scientists are only just now beginning to understand. However, one of the things that we are sure of is that we do have a few fundamental drivers. The most basic, of course, is survival. Like every living being we are genetically programmed to survive and to thrive within a particular environment. Our ancestral environment was the African savanna which was harsh and full of predators who saw humans as an easy meal. The important thing to bear in mind about our remote ancestors is their physical

defenselessness. We have neither speed nor significant tooth or claw. Our survival depends on our ability to cooperate, to defend, and maintain each other. Our safety lies in having a nexus of relationships around us that we can absolutely depend on. Overwhelmingly, in terms of our genetics and our neurobiology, we are programmed to create and strengthen relationships with those that we feel we have most in common with and who will support us. The predators are different but the drive for relational safety is the same. We are, of necessity, relationship-forming animals (Gesselman and Webster, 2012).

The mutual sustainability of the hunter-gather band enabled us to move out from the savanna, and to adapt to almost any environment, including the urban information age we live in. But our basic programming has not changed (it takes over 100,000 years for a creature with or number of protein-encoding genes to evolve to any significant extent).

Since safety lies at the heart of our dependence on relationships, it is not surprising that the quest for safety underlies all our motives and what we look for from each other, and from our leaders. This is true of the family, the political party or the office.

A workplace (real or virtual) is essentially the modern version of this hunter-gatherer band. At best, it gives us companionship, fulfillment, a learning environment and the opportunity to find status and self-esteem. All of these are closely tied up with safety in the human mind. For example, status is very much a safety issue since those of high status are the least likely to be sacrificed in times of danger. The more we know, like the council of elders, the more we will be valued and protected. The modern research has indicated that the quest for the meeting of these needs is the main reason why people come to

work and why they stay with or leave a particular business (Nohria et al., 2009). People feel engaged with an organization and its leadership if they are fulfilled in these areas, and not if they do not. A leader who concentrates on aggressive cost-cutting and on reducing the size of the workforce without their consent or involvement (like the CEO of Citicorp attempted to do) cannot expect to get commitment and engagement. He is not giving safety, and without safety, there is no relationship and no commitment. Similarly, a leader who does not give employees the maximum opportunity to socialize with each other, both during and outside of work hours, will not get the all-important feeling of 'tribe' that is the foundation of productivity and profit. A leader who does not give praise and recognition will not lay the foundation for self-esteem and status without which humans will not do their best (Robinson, 2006).

Recent research tells us that there is a fundamental problem with the idea of 'going to work' itself. In evolutionary terms, we are geared to 'work' about 5-15 hours a week (Haywood, 2000). Beyond that we get stressed. Yet, we ask our employees to work a minimum of 40 hours a week, and usually much more. It is small wonder that workplace stress is increasing at an alarming rate (Hudson Institute Study, 2012). If you study hunter-gatherers, it is easy to see that the fundamental driver for a human in what we call 'working' is getting pleasure from the activity, rather than achieving specific goals or targets. The more the pleasure we get, the more the voluntary effort we expend to get that pleasure, and, obviously, the more voluntary effort the more productivity. Work which you enjoy is more like 'play' (Gray, 2009). The reward is the release of neurochemical dopamine (the 'happiness drug') that drives pleasure, happiness and also really productive work (Niv et al., 2005). Hunters went

out and hunted because they enjoyed the activity, the thrill, the companionship. Gatherers sang, gossiped, talked and laughed a lot while they were out digging up tubers or selecting succulent berries. In our observation of modern hunter-gatherers, it is clear that both groups did what they did for the sheer fun of it.

Human beings are designed to get this neurochemical reward from doing what they enjoy doing and from being in relationships that they feel are supportive (Berne, 1973).

One of the leader's prime jobs, therefore, is to create an atmosphere of work that is fun for those doing it and relational safety in the workplace. He must step back from the old paradigms which stress targets, productivity goals and charts tracing the rise and fall in output and ask himself "How can I make the work here more enjoyable, more like play?" and also "How can I make the relationships that the employees have with me and with each other more fulfilling and safe?" Many of the successful high-tech firms have done this. Google has, perhaps more than any of the others, turned the quest for dopamine into a fine art with what it calls its 'wacky offices.' These are not unlike children's playgrounds with their slippery slides, their fireman's poles, their encouragement of socializing and emphasis on having 'fun' (Wakefield, 2008). What Google has found is that by emphasizing the pleasure that people derive from work activities they are not seen as inherently 'working.' They are getting vastly increased productivity, engagement and, above all, from their perspective, innovation. And since innovation is their lifeblood (as agility and adaptability are now for all organizations), work as play is a very serious business indeed.

That is not to say that work, even to a hunter-gatherer, is always fun; no conceivable workplace could be. Often humans must be called on to do things they do not enjoy. This is the 5-15 hours.

But the major lesson that Google and other similar businesses have learned is that people are more productive when they feel safe and are getting pleasure from what they are doing.

Training to Lead

So the major three things leaders should be taught is how to form and encourage the formation of good relationships, create enjoyment as well as 'productive work' and to discover and meet the real, underlying needs of their employees. According to experience and research, this would involve the skills which science says are necessary for effective human leadership. When we teach leadership, these are the skills we concentrate on:

- The skillful use of praise and recognition.
- Creating an atmosphere of relational safety.
- Using good dialog skills—especially asking and listening.
- Seeing employees as individual members of the tribe rather than 'resources' to be used.
- Talking to members of staff as equal human beings no matter what their roles are.
- Developing trust.
- Showing interest in the things that employees are interested in.
- Finding out what 'fun' means to workers and, where possible and appropriate, providing it.
- Providing opportunities for learning, challenge and personal development.
- Encouraging the development of self-esteem and a sense of status.

Many of these are currently taught under the rubric of 'transformational leadership.' It is small wonder, then, that most studies have found that this is by far the most successful leadership style (Bass and Riggio, 2005). These skills are also very much in line with our genetic inheritance and similar to what Bob has observed that a council of elders actually does as it goes about

leading. A modern leader has to be taught to overcome the limitations of her assumptions and many of her societal norms. Each one of the leadership points above is, in some ways, counterintuitive to the mindset of the majority of today's existing and potential leaders (although there are very many notable exceptions). Part of the training of a leader involves embedding within him the concept of mutuality which is at the heart of a hunter-gatherer society. Not only he has to get the commitment of his workforce, he has to be committed to his workforce as well. He cannot expect employees to have loyalty to him if that loyalty is seen as a one-way street. In our experience, over the last 30 years of working with CEOs, very few corporate leaders really demonstrate that commitment. Those that do are among the most successful (Iacocca, 2008).

John Denton, the Managing Partner of Corrs Chambers Westgarth, one of Australia's premier independent law practices, puts it this way: "In my experience, staff are most engaged when they know that the firm has their best interests at heart."¹

We humans learn from what we do well and being praised for it (Robinson, 2006). To change ingrained habits such as old, more transactional styles of leadership takes many months of being praised for exhibiting new behaviors. Yet, few CEOs get any praise outside the tight circle of their own kind, many of whom share somewhat dysfunctional leadership habits. The praise that is given tends to reinforce those old leadership traits. The result is that there is a powerful disincentive to change, to be different from the leader's peers.

The truth is that teaching leadership is not about what is learned from a keynote or in the classroom but rather about a program of praise

and recognition when the leader is caught doing the right, human-centered thing. The actions of the transformational leader then become lodged as habitual in the basal ganglia (where such routine, unthinking, actions such as driving to work are lodged) and reinforced through the brain's reward system.

Added reinforcement should come from the leader's, or prospective leader's, KPIs. Her remuneration should be partly, at least, based on how effective she is in creating a needs-based, relationship-focused workplace. I have yet to see a set of leadership KPIs that come close to this, at least not at the senior level.

A leader, who, like the great Lee Iacocca, is truly human-centric in his leadership style, will improve an organization's productivity and profitability to a far greater extent than one who is not. Because of this, we believe that training in this aspect of leadership is far more important than anything that has, in the past, been emphasized in business schools or in internal corporate programs.

References

1. Bass B and Riggio R (2005), *Transformational Leadership*, Psychology Press.
2. Berne E (1973), *Games People Play*, Penguin.
3. Graen G and Uhl-Bien Mary (1995), "Relationship-Based Approach to Leadership", *The Leadership Quarterly*, Vol. 6, No. 2, pp. 219-247.
4. Gray P (2009), "Play as a Foundation for Hunter-Gatherer Social Existence", *American Journal of Play*, Vol. 1, No. 4, pp. 476-522.
5. Gesselman N Amanda and Webster Gregory D (2012), "Inclusive Fitness Affects Both Prosocial and Antisocial Behavior", *Evolutionary Psychology*, Vol. 10, No. 4, pp. 750-761.

¹ E-mail to the author, June 10, 2013.

6. Haywood J (2000), *The Illustrated History of Early Man*, PRC.
7. Hudson Institute Study, 2012.
8. Iacocca Lee (2008), *Where Have All the Leaders Gone?*, Scribner.
9. Murray B and Fortinberry A (2004), *Creating Optimism*, McGraw-Hill.
10. Niv Y, Daw Nathaniel D and Dayan Peter (2005), "How Fast to Work: Response Vigor, Motivation and Tonic Dopamine", in Y Weiss, B Schoolkopf, and J Platt (Eds.), *Advances in Neural Information Processing Systems*, Vol. 18, pp. 1019-1026, MIT Press.
11. Nohria Net al. (2009), "Employee Motivation: A Powerful New Model", *Harvard Business Review*, July.
12. Peter L J and Hull R (1969), *The Peter Principle: Why Things Always Go Wrong*, Bantam.
13. Robinson J (2006), "In Praise of Praising Your Employees", *Gallup Business Journal*, November.
14. Wakefield J (2008), "Google Your Way to a Wacky Office", *BBC Online*, March 13.
15. Wilcock K D (2008), *Hunting and Gathering in the Corporate Tribe*, Algora.

Reference # 03M-2013-09-05-01