

In Retrospect

Messages from the Leadership Summit

Seeking new and powerful ways to lead in a world made evermore challenging by change of extraordinary scale and speed was the recurring theme of the New Zealand Institute of Management and Asian Association of Management Associations (AAMO) International Leadership Summit held in Auckland in October.

We are, quite simply, “in a world at war”, keynote speaker Frances Hesselbein told the New Zealand-hosted International Leadership Summit. Hesselbein is famous for her leadership work in organisations ranging from Girl Scouts to the US military. And, “we are more capable of imagining our end... than imagining our future”, a Chilean poet recently told Margaret Wheatley, the second US-based leadership advocate who addressed the conference.

In such a world, the imperative of leadership has never been more critical. If only a relatively small number took up the challenge, they could make a deep difference. “If a few hundred thousand people made relatively modest changes in their lives, they would have a big impact on the world,” said Peter Cammock, a Canterbury University academic at the forefront of New Zealand’s leadership studies and thinking.

Powerful leadership styles are at the heart of the transformation of companies, said Jim Collins, author of *Good to Great* and other best-selling books, speaking via a video link from the US. But the style is not charismatic but rather self-effacing and focused on selecting and building the right teams and then helping them endlessly pursue excellence.

“Greatness is not a matter of circumstances but a conscious choice and discipline – discipline of thought and discipline of action,” said Collins.

He and his colleagues are exploring these concepts in a number of new ways. For example, they are seeking the

attributes that enable people to become great leaders even when their companies are in difficulties. And they are starting to look at leadership in the social sector. “If we only had great companies, we would have a prosperous society but not a great society,” said Collins.

Hesselbein also emphasised the necessity of exemplary leadership across all sorts of organisations in communities, government and elsewhere.

Crucially, though, that leadership is best when it is dispersed throughout the organisations rather than applied top-down. It also honours the diversity of people within the organisation and society when leaders enable the organisation to build powerful alliances with others around them.

But not all the trends in leadership are positive, said Wheatley. This time of terrorism and crisis has, unfortunately, seen a revival of old styles of command-and-control leadership in the US. This was “not a pretty picture”. The technique relied heavily on discredited ideas such as leaders have all the answers, people do what they’re told, high risk requires high control and fear is a good motivator. All of which were patently wrong, she added.

The world needs life-affirming leaders. They succeed because they have more faith in their organisation’s people than the people have in themselves and they know that people only support what they have helped create.

Wheatley challenged delegates to engage in “revolutionary” acts. “Act as a

host not a hero,” she said and spend time reflecting and thinking with colleagues, drawing on the strength that comes from the diversity of people in the organisation and then “rely on human goodness”.

“Above all, work for what you believe in,” Wheatley said. She underscored the point by quoting Martin Luther King: “Our



“ We make our own luck... we create our own future.”

– Prime Minister Helen Clark

lives begin to end the day we remain silent about something that matters to us.”

The sentiment was echoed by Lynn Brewer, a former senior executive of Enron, the US energy company that collapsed in a scandal that destroyed tens of billions of dollars of shareholder value in 2001. She had, she said, tried on a number of

occasions to blow the whistle on illegal and damaging accounting and management practices but was always rebuffed. She had to make a supreme effort in the face of great hostility from colleagues to successfully challenge the way they ran Enron.

“Without a change in our behaviour and in society, there will be one Enron after another,” said Brewer who now runs The Integrity Institute, an organisation that helps companies evaluate and work on their cultures and ethics.

But the damage done to the economy and society by poor leadership is far more pervasive and subtle than that done by scandals. “Merely poor performance or entrenched mediocrity” is a bigger threat, said professor Nick van der Walt of Massey University, quoting an editorial in the *Financial Times* of London.

The problems of poor leadership and failure to build capabilities within organisations is widespread, judging by US studies quoted by Wheatley and by British reports quoted by another speaker, Neville Bain, a New Zealander who held senior international executive roles in Cadbury Schweppes, The Royal Mail and Hogg Robinson, a major insurance and travel group.

In one United Kingdom study of 1000 organisations only 11 percent of respondents said they believed that leadership inspired their organisations. Just 39 percent believed their leaders were knowledgeable and 38 percent believed their leaders had authority.

A number of speakers told delegates the relentless drive for leadership learning is critical to overcoming weaknesses in leadership, particularly as the speed and scale of change accelerates. The pressures confronting managers and leaders were vividly portrayed by Ed Barlow, a US futurologist. So profound are the changes that 80 percent of the information executives need to do their jobs lies outside their existing expertise or narrow industry knowledge.

He offered a number of strategies to help managers cope, including: “think beyond your experience... plan beyond your tenure; and the only sustainable corporate

advantage is acquiring knowledge faster than your competitors”.

Perspectives on New Zealand leadership experience came from several speakers. In welcoming the delegates from home and abroad, Prime Minister Helen Clark said it was vital New Zealanders do not succumb to the debilitating belief that the country is too small and too far away from major markets to prosper. “Nor should we feel overwhelmed by the world’s many problems. We make our own luck... we create our own future,” she said.

And Ralph Norris, chief executive of Air New Zealand, described the profound change in the airline’s culture in recent years from command-and-control to team-based work that encouraged everybody to think outside the box. One example of the change was the shift in perspective from “we fly airplanes” to “we fly people”.

But while the airline had made considerable progress, “we still have a long way to go before we are sustainably and adequately profitable”, he added. One of the keys, is to improve the quality of leadership all the way down the organisation to make it possible for the airline “to deliver a uniquely Kiwi experience”, one that sets it apart from other niche airlines in terms of a distinctive, high quality customer experience.

And two very memorable contributions to the conference came from a pair of 17-year-old Auckland students, Holly Ford from Rangitoto College and Jonathan Harris from Avondale College. Speaking at the conference dinner and the summary session, they expressed personal excitement about the rewards of leadership they had already experienced.

But they also spoke of their concerns about the issues facing the world. While they were willing to take on more responsibility as they grew older, Holly Ford reminded delegates that they were the people currently in positions that affected the course of society. She left them with the challenge: “What horizon are you leading us towards?” **M**

Rod Oram is a business writer who summed up the Summit proceedings.



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