

Corporate Leaders Abandoning Ship? It Happens! ThoughtLEADERS

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We've read a lot these past weeks about the faulty leadership of the Costa Concordia cruise ship captain who decided to go into risky, uncharted waters and then abandoned his ship when it went aground. Well sadly, this captain's not the only example of faulty leadership. Business publications are full of stories every day about similar behavior. Here are three major leadership gaffs on the part of the ship's captain and a few corporate examples that are equally embarrassing:

Making a Risky Move with Inadequate Knowledge of or Protection Against the Risks: The captain admits there were no charts showing the reefs but he went ahead anyway. In fact, it seems he was on an ego trip, intentionally deviating from the standard route to "showboat." We recently learned that the leader of MF Global may have been on his own ego trip, trying to achieve fame via a financial home run: he put his entire company at risk buying euro bonds with no protection on the downside to avoid a big loss. Strong leaders at times take risks, but only after understanding all facts and opinions, and putting appropriate safety nets in place.

When the Ship is Sinking, Failing to Quickly Develop and Implement a Plan to Deal with It: The captain was nowhere to be found when the ship hit the reef. Apparently the crew followed the behavior of the captain, since reports indicate the passengers were loading the lifeboats themselves. For the past three years the leadership at RIM, who markets the Blackberry, has been missing in action (sinking) as the iPhone and Android phones emerged with easy to use touchscreens and lots of apps that turn the smartphone into a powerful personal information center. The good news is that before the company actually sunk, the RIM board finally recognized the problem and recently inserted a new CEO. At all times, good leaders make sure the troops know the game plan – especially when the ship is sinking.

Accepting No Responsibility for the Welfare of the Folks Who He or She is Supposed to Lead: The captain simply sailed off in a life raft and left the ship and passengers. From 1975 up until its recent bankruptcy, General Motors saw its U.S. market share go from 50% to 18%. Throughout this period, the leaders of GM demonstrated very little sense of responsibility to the shareholders. They did virtually nothing as the business press constantly pointed out the manufacturing cost disadvantage versus Japanese competition, the boring and look-alike styling of GM models, and the weak marketing. Strong leaders thrive on challenges, responsibility and getting things accomplished. They also realize that as the person at the top, they have a responsibility for those whose livelihoods depend on their leadership know-how.

What's the common thread here? A lack of gutsy, courageous leadership. Truth is, this type of leadership is not all that complicated. Sam Palmisano, Stephen Elop and yes, Steve Jobs, are all examples of leaders who did the opposite of this ship's captain and the poor leaders at the corporations mentioned earlier. At its core, gutsy leadership is about repeatedly doing the following: facing reality, assembling the facts, developing a plan and communicating and implementing it, and modifying the plan on the fly as new information is available. It's also about making the people you serve your top priority.

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