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Chief executive skills

Few research projects are guaranteed to make a business school academic happier than one that tries to tease out those qualities most desired among chief executives.

These lists of leadership traits have been trotted out with some regularity in the past few years and there can be few executives who cannot count the qualities they are supposed to possess on their fingers, usually ensuring that words such as "vision" are included in the first three or four.

It was not surprising, therefore, to find the "V" word high up in a new list compiled by London Business School for the Association of Executive Search Consultants.* The research looked at chief executives and chief operating officers in 212 companies in 15 European countries to discover whether the characteristics of European chief executives and companies were changing.

The Euro-executive, it seems, will need to be more brilliant than ever in future. Asked to identify their most important traits, the current bosses listed managing change, vision, adaptability in new situations and achieving targets.

When asked to list the qualities needed in their successors the list grew even bigger, with twice as many traits listed as "extremely important" including international strategic awareness, ability to motivate cross-border teams, sensitivity in different cultures and international experience. Short of wearing their underpants outside their trousers, there seems little that is not expected of these individuals.

Yet something was missing. Some of the headhunters at a meeting of the AESC seminar in London to discuss the results seemed surprised that entrepreneurship was valued less in successors than in the existing executives.

Why should there be surprise at such findings? Few of the people recruited or promoted to run European companies can be classed as entrepreneurs.

Entrepreneurs often arouse suspicion among potential investors because their ideas tend not to be tried and tested and because their ambitions demand financial risk.

But there is another reason why such qualities might not be admired by chief executives in their successors. People who have built companies are hardly likely to warm to the idea that their successor might have alternative plans. Who wants to see their life's work dismantled and rearranged by someone with new ideas?

How many former chief executives, I wonder, look back with some sourness and frustration at the way their company - their legacy - has been changed, particularly if the verdict of the successor is that previous policies were ill-conceived. No wonder some company heads are loath to let go of the reins.

Headhunters do not like to admit this - at least not within the earshot of clients - but the people they place in companies are only human like the rest of us. This kind of research tends to portray big company executives as almost superhuman and the executives seem to lap it up. The more I see of it the more I think that headhunters have much in common with the tailor of the emperor's new clothes.

Another problem with the findings is that they tend to be focused on the needs of the company rather than the needs of the individuals. The best chief executives, says the study, are internationally mobile. It complains that there are too few of these people. Could this be because chief executives want a life like the rest of us?

What is the joy of jetting around the world if you want to rear a family? Such questions, sadly, are treated with disdain in many companies. If you aren't prepared to walk over broken glass for the job then you can't be worth it.

Such attitudes seemed to prevail in the army when soldiers were not encouraged to question orders. Anyone who has been moved to consider the lessons of the first world war on the 80th anniversary of the armistice might believe that there could be no repetition of the leadership behaviour that valued territorial gain more than life.

If, however, we accept that the great war generals were not inhuman, but men who were focused on a single aim - to win the war - we can see how a goal, be it corporate or military, can dominate leadership thinking to the exclusion of concerns for the welfare of the individual.

Daniel Goleman reminds us in his latest book, *Working With Emotional Intelligence*, of the draconian cost-cutting by Ronald Allen, the chief executive of Delta Air Lines who was fired last year.

Did Mr Allen display open-mindedness or sensitivity to different cultures when he cut 12,000 jobs, a third of the Delta workforce? Apparently not. Admitting the devastating effects of the cost-cutting, the callousness of his comment "So be it" smacked of some pronouncement of a Roman emperor on the defeat of his gladiator. Employees defiantly wore badges bearing his words.

Sometimes we need reminding that there can be a gulf between lists of expectations and reality. Fortunately the LBS research did provide some areas of light relief at the expense, as usual, of UK chief executives.

Not for the first time British bosses found themselves being criticised for their lack of language skills. This time, however, they really excelled themselves. Asked how many European languages they could speak, several said "none".

"In all honesty they just didn't think of English as European," says Maury Peiperl, an assistant professor at LBS and co-author of the study who explains the response as a "poignant reflection of non-integration".

The British chief executives spoke an average of one and a half languages compared to the Swiss, the most multilingual of the sample, who could speak at least three languages. So where are all those dynamic Swiss bosses of multinationals?

The report did not specify the languages spoken by UK executives but the half language probably refers to their growing proficiency in American-style management jargon where nouns become verbs, A stands for amortise, Z stands for zero-sum game and V can have only one meaning.

As if UK executives were not feeling challenged enough the report has been priced in euros, which is jumping the gun somewhat. When I called the AESC office in Brussels and asked how much this was in sterling they didn't know. "Send us a fax," they said.

**Chief Executives in the New Europe: Challenges, Shortages, and an Agenda for Change, web site: www.aesc.org*

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