

Lead & Train

The recent events that have led to the downfall of corporate CEOs – some legendary – require that we draw some conclusions about the role of leadership and the function of training within the corporate maze. The idea that a company leader, no matter how successful or powerful, has the right to rule a company as if it was his own personal kingdom is being debunked by prosecutors who are discovering severe improprieties. These events – some simple bending of rules and other downright criminal – were in most cases the result of an authoritarian company CEO who was successful in intimidating his subordinates into remaining silent and complying with things they clearly understood to be unacceptable behavior. The result has been more than the ending of careers in shame and the decline in company valuations. The result has been a crisis in the way corporate America is managed and the way the public perceives its business leaders. Both of these difficult results, if sustained, will prove to be highly problematic.

The role of a leader in today's business environment transcends the traditional tasks of formulating strategy, overseeing implementation, allocating resources, and providing a long term company vision. Today the CEO must also provide a living example of the characteristics he/she wants the company to represent. The words and actions of the CEO must be consistent with the vision, and must also fall within the lines of ethical business conduct. The way to achieve this objective is for the CEO to lead, but also to train his/her staff in the art of managing a business in an ethical way. The CEO must not only embrace certain values and rules of operation, he/she must also make sure that they become embedded in the words and actions of all subordinates.

The training we are championing is not necessarily in-class study, although perhaps some of that would not be that bad of an idea. The type of training, however, that we view as an imperative is on-the-job training that takes place by the CEOs side. This training must include the critical review of operations, the freedom of subordinates to speak their mind, the absence of any type of intimidation. By witnessing first hand the open and honest operation of the company, executives will understand the standards under which the CEO expects the company to operate. Any absence of this finds employees taking liberties either because they believe the CEO tacitly endorses that sort of behavior or because they do not believe the behavior will render any negative consequence. It's up to management to show it isn't so.