



LEADERSHIP WHEN THE GOING GETS TOUGH

Gihan Perera with Ian Berry, Mandy Holloway and Rowdy McLean

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Introduction

In my Web design business First Step and my consulting practice, we work with infopreneurs – speakers, trainers, consultants, coaches, authors, and other information experts. One of the joys of working with these people is that they include some of Australia's – and the world's – leading thinkers and change agents.

So when the world woke up with a severe financial hangover in October 2008, I turned to three people in my community of clients and colleagues. They are all recognised experts in leadership, both at a personal level and an organizational level. I facilitated a panel discussion between these experts, who generously shared their wisdom, insights and advice on leadership in this tough economy.

This special report is the edited transcript of that discussion. If you'd like to listen to the recorded discussion, it's available free at my blog:

www.gihanperera.info/2008/10/leadership-when-going-gets-tough.html

For more interviews and discussions with leading experts, subscribe to my *Leveraging Ideas* podcast at gihanperera.com/podcast.

Gihan Perera

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Welcome

As we're recording this, Australia and a lot of the Western world is going through a severe financial crisis. The USA is heading towards a recession – some people say it's already in recession – and other countries might not be too far behind. In fact, some analysts say this could be the worst economic crisis since the Great Depression in the 1930s and that took 25 years for the US stock market to recover to its previous position.



In times of crisis, leadership is crucial. So today I'm talking with three of Australia's leading experts in leadership – leadership at all levels from individuals to small businesses to large corporations.

Ian Berry is an international speaker, consultant and strategic advisor to difference makers. He's the author of 2 books and a contributing author to 3 more; including one that is particularly relevant now, the latest book from the Australian Institute of Management, *Resilience at Work*. Welcome Ian.

Ian: Thank you very much.



Rowdy McLean is a professional speaker, consultant and mentor to CEOs, thought leaders and entrepreneurs. He retired at 34 but was coaxed out of retirement soon after to help turn around one of the largest hospitality companies in Australia, which was in crisis. He helps organizations develop their leaders and work on their culture within the organizations. Welcome Rowdy.



Rowdy: Hi Gihan.

And I've also got Mandy Holloway, who helps emerging leaders, connecting them to existing leaders to create high performing work cultures. Mandy also works with leadership at different levels of organizations, and she's passionate about creating these high performing work cultures to create something I think we really require at this time – long term organizational sustainability. So welcome Mandy.

Mandy: Thank you very much Gihan.

What's the mood?

I'd like to start by asking all of you what you see as the current economic mood. Mandy, we'll start with you: What is the mood you see in boardrooms and around the water cooler now in the current economic crisis?

Mandy: I've just recently been working with an executive team and the overwhelming behavior you're seeing coming out – not just over the last couple of months but leading up to it, with the increasing pressure from financial analysts and performance at that bottom line level and shareholder value – they've really jumped into very reactionary and defensive ways of leading. So protecting, controlling, complying – and those are driven throughout the organization.

People are very, very afraid to put their hands up and make decisions, claim things and say, "Yeah, let's go and do this". So it's created an incredibly indecisive culture

and one that frustrates the existing leaders. So they become even more protecting and more controlling, and it's like a spiral.

Around the water coolers, the people who are on the receiving end of this leadership are very aware there is a lot of fear driving that need to control and protect. So they're quite fearful themselves of what they can and can't do.

Ian, you've worked with organizations not only in Australia but internationally as well. Are you seeing the same sort of fear and defensiveness and indecision?



Ian: I think in some corners it's fair to say that on the pessimism and optimism continuum, some are very pessimistic. But I'm also seeing a lot of people who are cautiously optimistic, and even some who are downright optimistic. And I think that has to do with the fundamentals they have in place, as opposed to the other people who don't have the fundamentals in place.

Rowdy, you work with organizations at different levels and different sizes. Do you see a difference in the way small businesses are coping with this compared to larger organizations?



Rowdy: I think small businesses probably don't have the deep pockets of the large corporations, so they're probably likely to be affected by it a little bit more. I watched Rupert Murdoch do his address to his shareholders recently, and he was talking about 6 years of consecutive growth. They've got \$5 billion in cash so they're in a good position. Small businesses may not be in that position.

I worked yesterday with one of the banks at a conference and they were quite optimistic about what is on the horizon and where this is going to end up.

I'm pleased to hear that there is some optimism. I think all of us are old enough to remember the 1987 stock market crash and even in 1991 the recession we had in Australia. Some people are saying that this is going to be worse than those two, and maybe even as bad as the Great Depression of the 1930s. What is your sense of what organizations and people are thinking? Does anyone have any comments on how this compares?



Ian: Gihan, I spent, as you know, 17 years in the financial services industry prior to becoming a consultant and speaker nearly 20 years ago. This is certainly the worst that I've seen in my lifetime. I think the others didn't have as big an impact globally as this one has had. So this is certainly the worst in my nearly 40 years experience in the industry.

Rowdy: I think Ian that you just raised something very, very important in terms of leadership: Most of the young leaders in organization today haven't been around to experience what happened in 1991.

Ian: That's true. I was talking with a client of mine on Friday who is a listed company and we were about to do a piece of work with them and I was told clearly, "Look, we've made promises to the stock market about our third quarter results and we're going to absolutely make sure we nail those results, and then we'll move on with the work". So that's an example of what I would call the cautious optimism.

But one thing that my client did say to me was that half of his executive team wasn't around in '87 and '91 and therefore this is a whole new experience for them.



Mandy, you do a lot of work with emerging leaders, not just existing leaders. What impact does it have on them?

Mandy: It's interesting. I see a lot of people, the younger people looking for reasons, "How did we get here?", finger pointing and trying to find out. I really think there is a large degree of we can't explain how we got here. It's so complex and the house of cards is slowly falling that we're going into the unknown.

The power of the younger people is – if we can unleash this fear, the wedge of fear that exists between the emerging leaders and the existing leaders, because they haven't experienced it before – they could come to it with great creativity, as opposed to, "Oh, this won't work". So the optimism that Ian's talking about – I really believe our younger people could come with great optimism so long as the existing leaders are prepared to jump in and have some of the ways of doing things challenged, rather than saying, "That wouldn't work in 1987 so that's not going to happen now".

That's where I see the power of the emerging leaders if we can "un-tap" that potential that is sitting there.

That's an interesting perspective. I've heard a lot of people say that the younger people, particularly the Gen Y's, have no idea what is about to hit them. And yet you're saying that maybe that's not a bad thing, it's a good thing.

Mandy: Yes, I think it's a good thing. I think they can come with great creativity and great courage because they won't have the deep seated fear that some of the existing leaders will have because they've experienced it before. Some of them lost their houses; some of them lost their jobs. They can come with great courage so long as they're managed and led really well and they're allowed to embrace it, be honest and come forward with their ideas.

Sticking to the fundamentals

Ian, you mentioned the word "fundamentals". What sort of business fundamentals or leadership fundamentals should we still do even in this economy?



Ian: I think to begin with we can look at the financial services industry because in my view it's very clear why this happened: Greed, lack of accountability and poor legislation (particularly in the US).

When I go back to my training in financial services, we were taught you lend money to people based on 3 things: Character, capacity and collateral. And you only consider collateral when the first two have already been proved.

Now in the current market – and the same thing happened in '91 and '87 – banks and other financial institutions were lending money to people who didn't have character and didn't have capacity. So fundamentals like that have been "let go through to the keeper", if I can use an Australian term. And there has been just a total lack of accountability in most lending institutions.

The only reason it saved Australia is we have a regulatory authority that stops us from being stupid.

So those kinds of fundamentals we have to go back to. Anyone that has been raised in the financial services industry would know those fundamentals. And the fact that we've stopped applying those fundamentals to this common sense lending is a part of the reason we're in this crisis.

Having said that, I think this is the greatest opportunity in history to not make the mistakes we've made in '08, '91, '87, '74 and other times. I mean this goes back 150 years, these kinds of mistakes. So if we go back to the fundamentals and we learn from history we won't repeat the stupidity of the last year or so.

Rowdy, you run a mentoring program for CEOs. What are their reactions to some of the things that they think we should continue doing rather than drop by the wayside just because things are a little bit tough?



Rowdy: I think the important thing is not to batten down the hatches and stick your head in the sand. I think it's a real time for the leaders to stand up and stand out. You need to be seen to be calm, you need to be seen to have a plan and you need to communicate your expectations and be clearer about your decisions.

People go back into that place of security: Can I pay my mortgage, can I pay for the kids to go to school, will I be able to afford the luxuries? So if you go into panic mode or batten down the hatches and you're not seen, people will react in a negative way in

your team. And as a result productivity drops off, you get into the spiral and things are just getting worse and worse.

The true leaders, when the crisis happens, stand up and speak out and speak out clearly. And probably the greatest example was Rudy Giuliani during the September 2001 crisis. Instead of hopping into his little bunker, he actually went out and was seen by the people as being a leader.

The leaders in Australian business need to do that with their people. It will be a real testing time for leaders to be seen, to be able to stand up in that leadership in a time of crisis.

Mandy, knowing you I'm sure you're dying to add something to that!



Mandy: I am! I listened to Ian when he was talking about the need to face up to corporate greed and the lack of accountability. I personally believe in that, and I'm going to be really, really interested to see what happens.

We've heard lots of business leaders talk about the lack of loyalty to business, people are not loyal to staying in organizations and there is a lot of finger pointing going on with the Gen Y's and all that. To me it's what really needs to remain the same is most organizations have talked about people first. And we really have to see them live up to this.

So how are we going to dismantle the corporate greed and the huge salaries of the execs and CEOs? Like we've seen the Australian government say, "Okay, we've had a surplus; we're going to put back into our country to make sure we create

sustainability". I would like to see some of those leaders put back for sustainability as opposed to retrenching.

How are we going to start dismantling that corporate greed? And I saw on Channel 7 last night when Kevin Rudd stood up and had conversations with your average Australian. And there was a question there of "When is enough enough?" from that corporate greed perspective and the huge salaries that very few people are earning. Now is the time to dismantle corporate greed and really put the soul back into business and create something.

was talking to a director of a very large publicly listed company just the other day around really creating soul and purpose and get away from this whole myopic focus on producing something for financial analyst to say whether your business is good. If we do stuff that creates passion, it stands for the soul of the business, then the profit will come anyway and the financial sustainability will come.

So I'm really interested to see from that perspective what remains the same with our people first focus and just how true we can stay to that.

Ian, I know that corporate social responsibility is one of your passions and you're an authority on it. What would you like to add to that?



Ian: I think that it's interesting that those people who have a truly authentic corporate social responsibility strategy and are genuinely putting people before profits are not in trouble in this environment. I think that corporate social responsibility is about 25 years old in terms of the movement and some people would say it's a false

strategy to look good. But people who are genuinely putting people first will be the winners in this environment because those that are doing that already are the ones making the gains in this time.

An example would be HSBC Bank, who is not tainted by these current issues. And Westpac Bank in Australia is not tainted by this issue, from what I can see. They're two banks that have had a clear corporate and social responsibility approach over a long period of time and they genuinely do believe in putting people first. And profit is – as I say to my clients over and over – profit is not a reason for being in business and it never has been. Profit is a result of being good at business. And if you make profit under false pretenses which is what has happened to many financial service organizations, you pay the consequences eventually.

We have to get back to the fundamentals of, "What is a business?" In my view a business is simply delivering value to our stakeholders. We are long past the age of just the shareholder. I think it was 1984 when Professor Freeman first coined the word "stakeholder" and even if you have a fiduciary responsibility to shareholders we've got to start understanding that a shareholder is just one stakeholder. We've got to take care of all of our stakeholders in business. And the outcome of doing that well is profitability. But it has to be done within a sustainable framework otherwise we're all going to go broke.

How can we make this a priority?

Let me act as devil's advocate, or maybe take the skeptic's position. All three of you have talked in different ways about authenticity, heart and looking after people. It's a bit of a contrarian attitude, isn't it? In a crisis they're the *easiest* things to let go. So why are you saying that now is a good time to be focusing on them and making them high priority?



Ian: Because I think it's a proven formula. One of Australia's great executives was Paul Simon, the former CEO and then Chairman of Woolworths. He had a policy in his term as CEO that the maximum an executive could be paid was 30 times the salary of the lowest paid employee. We now have a situation where that is almost uncontrollable in many industries. I mean even the guy from Lehman Brothers took a \$480 million payout. That kind of immoral decision – we can't tolerate those kinds of decisions anymore. We've got to go back to authenticity which is what a fellow like Paul Simon did.

Interestingly Woolworths is still a solid company in this time. They're ahead of the pack; they're number one in their field because I think they put the fundamentals like people first, stakeholders first. They do all those things in their day to day operations.

Rowdy McLean?



Rowdy: I think we are definitely going to have an increase in unemployment but I think we're still going to have the talent shortage. So I think it's critical that you (1) hang on to your high achievers, well first of all identify your high achievers, know who they are and make sure they're well embedded into your organization. And (2) I think if your strategy now is to cut your staff, then that sets you up for that downward spiral of no morale, no vision for the future.

Probably the worst thing you can do right now is cut your numbers. By all means cut the perks and all the extras, but be prepared to not only look after the people that are really important to your organization but look out for people who are jumping ship from organizations that are in panic mode.

Ian: Good point.

Mandy I know this is something you're passionate about. Do you want to add to that?



Mandy: I've read both of Anita Roddick's books – she was the founder of The Body Shop. When she passed away there was very little reporting of it because she had always gone well out of her way to say she didn't use marketing, didn't use advertising and if people bought shares in The Body Shop to make money than they were absolutely not the right shareholders for her, like to make money in the short term.

She always went out to say that she looked for long term sustainability, not just for the business but for the communities in which she operated. And she had five levels of audits, so not just the financial audit. And each of those audits was just as important as the other. So she didn't put the financial analysts and the need for short term returns up on a pedestal like I see and you hear stories of a lot of businesses.

There are businesses – and I'm sure Rowdy and Ian can vouch for it – where you look at their vision and they want to be number one in the market. That is not stuff that your average person in the business is going to get up and say, "Wow, I really want to go and make this business number one so the shareholders make lots of money!" That is not what excites people.

When I read Anita's books and I've really learned so much from that experience that I carry that forward all the time: Looking at the value you're providing, the soul in the business.

Sure, I'm not saying in any way that you don't need financial sustainability but you need far more than that. It's about stepping into that space where you're going to make long term decisions that might mean short term profit takes a bit of a nose dive because you're protecting the sustainability from a long term perspective in the business.

And just as Ian said, the businesses have got to get the fundamentals right. That is just going to be a tiny trough and up they go, they'll move on in a very positive way.

What should we stop doing and start doing?

We've talked about some of the things we should *keep* doing – some of the fundamentals. I would now like to take a more detailed look at the things we should *change*. Specifically, what are the things that people are doing that they should stop doing; and what are they not doing that they should be doing?

Rowdy, you've done a lot of work with turning organizations around and dealing in crisis. Are there some things that you would recommend that businesses now should be doing differently?



Rowdy: I've already mentioned cutting the fat, so getting rid of the perks. We've had some really good economic times and so companies should probably have a few dollars in the bank. They've probably built up things in their organization that they don't necessarily need that are luxuries and they should probably be the first things to go. And when I say that I don't mean staff!

I think they need to be prepared for things getting worse. So we've heard the full spectrum of people saying, "Well, it's just about over and the governments have pumped a lot of money into these banks and the credit crisis is just about done". And then Professor Steve Keen said on *60 Minutes* last night that it will last for 10 years. So we don't really know where it's going to end up and that's not really our area of expertise. But be prepared to do something swiftly if it does take a turn for the worse – that is, know what you're doing to cut when if it gets worse.

The other side of it is be prepared for the upturn because that's when the really successful companies take leaps.

Ian, you are an author in the book *Resilience at Work*. What do we need to do to be more resilient?



Ian: Well it's the \$64 million question isn't it? First, stop focusing on profit and focus on value. One of the things that stands individuals and organizations apart is value, and I would be really questioning in my own business as I am with my clients, "What is the value we're delivering to our stakeholders?" And how does that differ from the value that those stakeholders want? What is the difference? Now is a good time to be asking your stakeholders what they want from you.

And often we probably would discover, as often is the case, there is a difference between want and need. So I think it's a perfect opportunity to start talking to your stakeholders. What are the challenges they're facing? What are the problems they're facing? And how do we as business owners in all aspects of our business help them solve those problems and meet the challenges?

That's good advice for business at any time, isn't it? To ask your stakeholders what their actual problems are, so you can make sure that you solve them rather than solving problems that don't exist. I think you're saying that it's more important now than ever before.

Ian: Absolutely. The quicker the people get out and ask the stakeholders those kinds of questions, the more credible they will be seen and the more likely it is that loyalty will come back as a response.

Mandy, I'm sure in your work with organizations there have been things you've been telling them that now it's become more important than ever that they should be doing. What are some of those things – that perhaps you've been urging people to do that now they absolutely *have* to do for survival?



Mandy: Following on from what Ian and Rowdy were saying, definitely create so much more transparency. Part of that is going to the stakeholders but a big part of it also is creating transparency within the organization. Help existing leaders to let go of the fear and let go of the self expectation that they have to have answers all of the time. They need to have real conversations and connecting and committing with people and

its okay to say I actually don't have the answer to that. Because we have to learn to live with uncertainty, as Rowdy said we've got some people saying it's going to take 10 years, we've got other people saying we're nearly through. There is a total lack of clarity because we're jumping into the unknown.

We have to learn to work and live with that uncertainty and it's going to be our existing leaders that are really going to make a huge difference by providing information and support and being okay about saying, "Look, I don't know what the answer is". And ultimately, something I've been saying to people and integrating into my leadership development programs is, it's about taking responsibility for being the kind of person and the kind of leader you want to be. And I think in the tough times, that's where that real pearl and that strength can come out if we provide the environment that nurtures people to do that. And people can come out with great support, great strength, great ideas if they know they're being supported and people are not being critical around them and that we're all in this together.

I get really excited by the opportunity that we could provide to really capitalize on those wonderful fundamentals that Ian spoke about before.

Practical steps going forward

If somebody listening to this program is inspired and motivated by the things we've talked about, what are a couple of things they can actually take away and put into place today, tomorrow, in the next week? I'll start with you, Ian.



Ian: There are 3 things that I generally start with, with an organization when I do workshops and run seminars and do intervention programs. I think these are the places to start.

1. Is the vision for your business a compelling story for all of your stakeholders? I think the vision thing where it's on the wall and it says the same thing as everyone else's says, is a thing that is dead. So is your vision a real compelling story?
2. Do you have a mission that has become a cause beyond profit? Again, it's not the typical mission statement.
3. Probably the biggest one is – and I asked this question of a group last Wednesday – Are your values virtues? Do you really live what you say you're going to do?

If your values are virtues and your mission is a cause beyond profit and your vision is a compelling story, you're going to thrive in what is the greatest opportunity in history. If those things are fake and false and just words, then you're going to struggle. So revisit vision, mission and values.

Rowdy what sort of advice are you giving people?



Rowdy: My advice is to be prepared. Be prepared and make sure you've got a motivated team of high performers with great knowledge and clarity about what the business stands for and where it's going to go. And have some strategies in place to act quickly. The people that will gain the most out of this are the ones who are prepared to act quickly no matter which way it goes.

The leaders need to get out of their command and control structure that Mandy was talking about earlier. There are so many leaders that in a crisis go back to command and control when it should be really more a case of let's integrate the whole organization and make sure we're all on the same bus going in the same direction.

Most importantly, there are going to be some fantastic opportunities for business to renegotiate the way they're being seen in the market. Kevin Rudd has done a good job of positioning himself in a market of crisis. His approval rating has gone through the roof because of the things he's done. And I think businesses have that opportunity, leaders have that opportunity as well.



Mandy, Rowdy just mentioned something that we started talking about very early on in this conversation – which is about leaders who are controlling and protecting. So what are your tips for those sorts of leaders who might feel that that's the best way to handle it? What should they be doing instead?

Mandy: One of the first things I think is to really develop their personal confidence in their leadership mastery. A lot of people who currently lead companies have – in their defense – little education around how they can lead. So go out there and explore and really develop personal confidence in the kind of leader they want to be and the kind of leader the business really needs them to be in these times moving forward.

Then develop that really strong conviction to go out there and make the right decisions relevant to – as Ian mentioned – getting clarity on the direction but then so they can have the conviction to make the right decisions.

Along with that I passionately believe we need to be creating unified populations of leaders within business. And what I see is there is the top leadership team and then there is the stratum below that, and what fits there? My fear is this is going to get even bigger if companies go back, if the directors go back to the command and control. It's that wedge of fear that sits between emerging leaders and existing leaders. And if we can get them to start having conversations, real conversations where they're really sharing openly with absolute transparency and you've got existing leaders prepared to be challenged, prepared to change. It's not "This is the way I've always done it!" and holding onto some defensive ways to protect their position.

If we could get people doing that – so really skilling them up in, "How do I go and have those conversations that I know I really need to have?" – that would really mean we could have that incredibly passionate, exciting, creative, unified population of leaders instead of just the exec at the top. You can have this huge population of people and really unleash the potential. That's what I find so exciting and that's where I would say I think organizations can make a huge difference if they pick up this opportunity.



Ian: If I could add to that, I agree with all of that and I think the biggest issue of our time is self leadership, and I would add self management. I think we've forgotten about management over the last few years. Leadership is kind of sexy but people forgot about management. And for me leadership is more art, management is more science and we need both.

And it starts with self leading and managing yourself. I think self leadership and management is a prerequisite for leading and managing others. And there has been an absence of self leadership and management. However there are also a lot of shining examples of real true leadership.

I just finished reading, for example, the book *Creating a World Without Poverty* by Muhammad Yunus, who is the 2006 Nobel Peace Prize winner. He's created a \$6 billion business on lending money to poor people! Now there are thousands examples like that and I must say I was so thrilled by the book that I sent him an email and you wouldn't believe this but I got a reply. You wouldn't get a reply from a lot of bank leaders today.

So I think there are examples in the world of people who do lead and manage themselves and they're an inspiration to others. We need more self leaders and self managers who are the heroes that other people can follow rather than the traditional command control war hero kind of person. There are other heroes out there that we can follow rather than perhaps the traditional ones we've tended to follow.

And I think Generation Y and Generation X people are looking for a different kind of hero.



Mandy: I agree. When I say build conviction, I agree with you completely around the self mastery. What I see happening with people that I work with is I talk about Steven Covey's time management matrix and I say they're caught up in the tyranny of the urgent and they just keep putting out one crisis after the other, so they don't take time to go into their "Quadrant 2", which is to look after myself, decide what is

important to me so that I can be the kind of leader I want to be and make those decisions that are right. They might be the tough ones that I need to have absolutely clarity from a self perspective. I can stay true to me and I can get myself out of the tyranny of the urgent and prioritize what is important, and lead people just very, very differently.

And the only way you can do that is to stop controlling and commanding everything and empowering other people to get on board and do more work.



Rowdy: I think one of the worst things you could probably do at this time is stop investing in your leaders, shut them down and put them in a knowledge vacuum. I think you need to at least continue the investment in your leaders in terms of training, development, growth, skill development, if not keep it going at least add to it and expose them to more information and sharing ideas and strategies with people rather than put them away in a room where they're isolated and don't get a real feel for what is going on.

Ian: I agree with that and I think wise people understand that now is the best time ever to get a return on investment. And if we're really investing in our people and we're doing that in an authentic and true and wise way, then the return on that would be better than having your money under the bed, which is where a lot of people have put their money in recent days.



Mandy: I just had a meeting with a lady who is doing a lot of work in the corporate world around creating stories. I know this is something Anita Roddick did very well as well. It's almost like adopting the mantle of the spiritual elder. We could have our

leaders adopting the mantle of the spiritual elder and creating some very powerful stories how, when the times were tough we actually looked after our people and this is what we did. And actually create the stories. Don't do it all sort of underground or not taking the time because everyone is so busy they forget to go and tell the story.

I know a lot of businesses have said that there is sort of no loyalty anymore. To me, this is the most incredible opportunity to create that loyalty by saying this is what we're doing to look after you. These are the wonderful stories we're creating in these tough times because that's the stuff people will remember. And I think there is such an amazing opportunity there to create some of that sort of tribal elder stories that you can sit around the campfire and share.



Ian: Initially I was working in England when Anita died and believe it or not I had written a blog about her 2 days before because she's one of my heroes. I wrote recently because when L'Oreal took over The Body Shop there was a lot of cry out that she sold out to the devil as it were. But when you study a company like L'Oreal for example – and I just wrote an e-book about this recently – this is from L'Oreal's corporate social responsibility report. They say, "The first essential and indispensable objective is economic success. However, it is not our sole aim. Our objective is to make L'Oreal a company where all employees thrive both personally and professionally. If the company is to succeed today, we must more than ever before and more than anyone else attract and retain the most talented individuals".

Now it goes on to talk about them working hard to be seen as a global citizen. Companies that are doing this kind of thing and are true in the way they do it, they

will attract the right kind of people. I think this is the greatest opportunity to put to bed the old world. The old world is broken and dying and it's time to put it away and get to a place where we are able to conduct business that is good for society.

Recently Björn Stigson, who is the President of the World Business Council, said, "Business cannot succeed in a society that fails." That is a profound insight and now is the biggest opportunity in history to do things in business that are good for the community in which we work and to mesh the whole thing. There is no reason why everyone in the world shouldn't be prospering. It's just a lack of will and I think this is the opportunity and I admire Rudd even though we may not necessarily agree on some of his political ideology. At least he's having a go. At least he's standing up and leading. I think good for him. So this is an opportunity that we have to grasp and if we do not only will the world be a better place but we'll be leaving a legacy that's a lot more than money can buy.



Rowdy: I've experienced that just this week – the two ends of that spectrum. On Saturday, Mandy and I participated in an event for a company where they got all their 22- to 35-year old leaders into one room and invited 36 experts to come along to work with them in a really dynamic workshop environment where we spoke to groups of 10 people in 20 minute intervals. It was dynamic, it was fun, it was interesting. They're investing in their people, they were excited and they left ready to embrace the world and definitely not scared of what was going on and really looking for the opportunities.

Tomorrow I'm supposed to be talking for another company with a group of four speakers in Sydney. They cancelled it because the organization is in crisis and they

can't afford to take the people out of the business for a day. So those are the two ends of the spectrum.

I guess what you're saying is if you think about which company is going to be around in 5 years time or maybe 3 years time, you know where you would be putting your money?



Rowdy: Yes, and you can feel it already. In talking to the people within the one that cancelled they're in scare mode, they're in fear mode: "We don't know where we're going; we don't know what is going to happen". They're cancelling this, who is going to be the first person to get a redundancy payment? With the other company, everybody walked out going, "How good is this? We're on the fast track, we know where we're going and we're ready for anything that might come along".

Mandy: Yeah it's that sort of abundance mentality versus the scarcity mentality. I'm a great believer in running your own business – as you guys do – the same way. You can become quite reactionary and think, "Oh, my gosh!" or you take the attitude of "Let's live in the abundant world, let's work out things we can do to be ready when everything turns around". And along the way because you've got that positive and abundant kind of mentality, you attract opportunities. They just come and stick to you because you have that positive outlook.

If we go back to what Ian said right at the beginning, there are people out there who are reacting and behaving defensively and fearful; and there are the others on the other side of the spectrum being very optimistic. And I agree we're going to see both ends of the spectrum really jumping out with enormous clarity under these tough times.



Ian: One of the things that real leaders do is inspire hope and I think that that's what is going to happen. There are going to be people who are optimistic or cautiously optimistic and they're going to inspire hope and that will encourage lots of other people. Like I said, I've never been more excited about being in business in my life.

Rowdy: I'm the same, Ian. If you look, interest rates are coming down, petrol rates are coming down, the government is investing money in the building sector and providing grants to people so that will prop up the retail sector. There are going to be some very good opportunities and remember this is all happening on the back of some great results, years and years of great results for companies. And we've had a fairly long lead time, so the really smart companies have got themselves in a really good financial position.



I think there are huge opportunities. I think it's a great opportunity to see leaders of companies, big and small, take the initiative and take the bull by the horns and really do something really fantastic with what is happening.

Ian: If the Prime Minister of Australia can appoint a 29 year old Chief of Staff I think that's an amazing example of what is possible in the world today. And what an opportunity, because the baby boomer generation are moving on and the next generation is moving in. We have an obligation, as we work in this field, to help those people provide a different kind of leadership to their predecessors.

Rowdy: Yeah I'm running a seminar on the 1st of December of this year at the request of my clients. I normally run a leadership seminar in the early part of February in most years as a lead-in to shape up for the year to come. I've been asked by clients this

year to do it on the 1st of December so that they're ready and raring to go in 2009. So on the 1st of December in Fox Studios I'll probably have 100 to 150 leaders in a room getting ready for the opportunities that are going to pop up in 2009.



Mandy: That is so exciting and I think that's absolutely right. This is the opportunity; it's the catalyst for change. I've often stood in front of groups of people saying that I think Gen Y will be the guys because they'll just keep banging away and banging away that will create a catalyst for change. And I think that with this economic situation that we face is going to speed it.

As Ian was saying, it gives so much propulsion to these young people coming through and they have a different way of learning. They've learned in so much more an independent kind of way and an exciting way that I don't think our corporate environment has been able to embrace that. They've embraced it with fear; they've embraced it with blame that they don't have loyalty due to time, where these guys aren't used to doing time. They're used to just grabbing things, trialing them, experimenting and working with them and I'm very excited about the opportunities that that could create if we can embrace it. And yes, what a wonderful catalyst for that change. So I'm with you guys. I'm incredibly excited about what it can create.



Ian: I'm working currently with a client where I've been involved for the last 4 years and we've had 570% growth in that time. The CEO is 63 years old and he has made a transformation from how he used to lead to how he leads currently. So it's not just the young people, even the older folk can make the necessary shifts as well.



Mandy: They can. I actually shared with Rowdy the other day that I went back to playing competitive hockey and got selected. At the ripe old age of 48 decided I can go and play again! The greatest achievement for me was I got the “Most Improved” award from the coach. To me the lesson is you’re never too old to change. You’re never too old to learn and yet there have been people in the past that have held onto that mantle around these are my habits and you can’t teach an old dog new tricks.

So absolutely agreed – I didn’t mean it to sound that it was just the young people. But absolutely the catalyst of who is prepared to change and who is prepared to go with the new times that’s the power we’re going to get and the opportunities that are going to be created from it, absolutely. That’s exciting.

Conclusion

Mandy, a couple of times you’ve mentioned the “F” word – fear! That is possibly the emotion that is out there at the moment, certainly in the business world. And yet all three of you very clearly can see the opportunity and you’re very optimistic about it, and I’m excited about that.

We’ve barely touched the surface, I’m sure. Before we finish up, I want to give you the chance to tell people a little bit about the services you offer and how they can get in touch with you. I’m sure there were people listening to this who want to work with excited and optimistic people who also have the depth of expertise to help them through these troubled times.



Mandy: Thank you. I started my business, Holloway Consulting, about 6 years ago. Prior to that was a leader at World Partner KPMG, so the experience I bring is I've actually worked in a large organization, I understand the pressures you work under. And what I want to do is work with existing leaders and emerging leaders, which is what I do to remove that wedge of fear and get them really connecting and optimizing their opportunities. And I do that through development programs, speaking engagements, a lot of one to one coaching with both emerging leaders and existing leaders – and I'm current writing my book which is very exciting.

You can get hold of me either on my website www.HollowayConsulting.com.au or on my mobile 0418 973 513. I would love to work with the guys out there who are wanting to capitalize on this optimism that is currently sitting there.



Rowdy: I mentor a group of CEOs or business leaders in the boardroom at the Sheraton Sydney once a month in a program called Flame Business Leaders. That is just about to finish for 2008. So anybody who might be interested in that in 2009 can contact us on 07 5536 6049 and speak to Emma who is one of those genius young leaders that drives our business. Check out our website www.Rowdy.com.au.

Ian: Thanks very much and thanks to Mandy and Rowdy and yourself Gihan. I think we should have more of these conversations.

About 50% of my time I'm a conference speaker and I speak all over the world on corporate social responsibility, strategy and execution and leadership and management. I also head up a consulting company that specialized in people engagement. One of my own personal services for organization is to do an



engagement strategy review to find out where your organization is at and how to improve levels of engagement. We then have a series of people who will follow an instigation program to increase your levels of engagement because we know that when engagement increases productivity follows and profit increases follows that.

My personal website is www.IanBerry.au.com, and the company is www.Remacue.com. I would love to hear from you. My number is 0418 807 898.

Ian Berry, Rowdy McLean, Mandy Holloway thank you so much for your time.



About Gihan Perera

Gihan Perera is a business consultant, speaker, author and entrepreneur – with clients throughout Australia, and in New Zealand, South Africa, Singapore, the U.K. and Canada. He works with professional speakers and trainers, consultants, business owners, CEOs and strategic leadership teams to improve their marketing, sales and persuasion skills in one-on-one meetings, group presentations and on the Internet.

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