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HOLIDAY 2004

## ARE YOU A TYRANT?



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# ARE YOU A TYRANT?

And is  
it bad  
for your  
business?

**H**e was in many ways the embodiment of the American dream. An immigrant from Eastern Europe, he was a brilliant mathematician and computer specialist with a groundbreaking software idea. He attracted investors, hired employees, and his company seemed poised for explosive growth.

But it wasn't long before his overbearing management style swamped the company. "He was relentless in his expectations from employees. He would hold meetings on Sundays," says Jim Masciarelli, a corporate coach and chief executive officer of Massachusetts-based Archer Development.

"He had lots of turnover, and then others would come in for interviews and after a few minutes they could tell they didn't want to work there," Masciarelli says. It wasn't simply that the owner demanded long hours—many start-ups do. More distressing, he seemed driven to be right in every situation, and inadvertently

belittled those around him.

"Every interaction was like a chess match. He was...well-intentioned, but his employees felt he was running a sweatshop without a strategy," Masciarelli adds. After two CEOs quickly left, the investors pulled the plug and the company failed.

That's an extreme example of a fairly common phenomenon faced by small-business owners and their companies. Many entrepreneurs by nature are ambitious, decisive, convinced of the correctness of their ideas, and relentless in their pursuit of success.

But once the business is up and running and taking on employees, those qualities, if not balanced by communication and regard for how employees interpret things, can create an unproductive workplace, experts say. "The very intensity and commitment and perseverance that's required to build that success will in some leaders manifest itself as hard-charging, arrogant, and domineering behav-

ior," says Dr. Gerald A. Kraines, a Harvard Medical School psychiatrist and chief executive of the Levinson Institute, a management leadership center in New England.

Often the leader is the last to know that his management style is terrifying, rather than inspiring, the workforce. "They say, 'We've been successful, we've grown. But I can't seem to galvanize a corporation of 75 people the way I did a company of five,'" Kraines notes.

Kraines adds, "They're used to being street smart and acting on their instincts. But that becomes a liability if you can't explain these things to others, because they're the ones who now have to act on those instincts. And when the boss gets frustrated with his people for not seeing what he sees, he thinks they're stupid."

Of course, some gruff leaders inspire their workers, because they are also seen as fair and even-handed. How can you tell if your style is being seen as tough-but-lovable, or simply abrasive?

You can't always count on your workers to tell you. After all, the more frightening you are, the less likely many are to come forward. But here are some signs you may need help:

▶ **Turnover.** If people seem to be leaving your company at a high rate, especially to take lateral or even lesser positions with other companies, it's a good indication that your work environment needs fixing, notes Masciarelli.

▶ **Difficulty in hiring.** If you find that the most desirable candidates are turning down positions, they may be picking up signals from you during interviews.

▶ **A drop in productivity.** Fearful workers will avoid sticking their necks out. They won't suggest innovations for fear of being ridiculed or ignored. Dynamic employees will find such a climate intolerable, and when they leave you'll be left with middling workers more worried about keeping their jobs than helping the company succeed, says Gregory P. Smith, president of Chart Your Course International, a leadership training and management consultant company based near Atlanta.

If your management style is causing problems, the challenge is to modify your behavior without eliminating those self-confident qualities that make you successful.

#### GET ADVICE

One positive step is to create an advisory board to review your company's strategy and operations periodically, Masciarelli suggests. The board should comprise business people whose opinions you respect who are not employees. They should meet regularly and have the opportunity to speak confidentially with your senior staff. Since they are not employees, they are much more likely to notice problems and bring them to your attention.

Dr. Barry Borgerson, head of Michigan-based Complete Leadership, a leadership coaching company, says management behavior is based on two types of thinking: "foreground processing" and "background processing." Foreground behaviors are those we conduct consciously and with intent. Background processes are deep-seated behavior patterns that are so automatic to us that we may not even be aware of them.

In order to change, "you have to get to the foreground to take

notice of what the background is doing," Borgerson says. "People are often shocked" when confronted with their own behavior and how it is affecting others, he says. "They aren't even aware they're doing it. They don't mean to do it, so they think they aren't."

The change process can be difficult and painful at first, because it means confronting one's own behavior openly, often with the help of

## RESOURCES

### On the Web

A quick check through any search engine reveals hundreds of management coaches and trainers. A good directory can be found at

<http://directory.google.com/Top/Business/Management/Leadership>. Take your time selecting a good coach. See tips for finding a good consultant on page 2 of this issue.

The coaches quoted in the article can be found at: Jim Masciarelli, [www.powerskills.com](http://www.powerskills.com); Gerald A. Kraines, <http://www.on-leadership.com>; Gregory P. Smith, [www.chartcourse.com](http://www.chartcourse.com); Barry Borgerson, [www.completeleadership.com](http://www.completeleadership.com)

### Books

*Building Top-Level Relationships for Bottom-Line Results* by Jim Masciarelli

*Here Today, Here Tomorrow: Transforming Your Workforce from High-Turnover to High-Retention* by Gregory P. Smith

a coach, Borgerson says. That means enduring evaluations, sometimes anonymous ones, by the people who work with you.

Borgerson recalls one client who considered himself a model of the hard-charging leader capable of bringing out the best in those around him, and couldn't understand why employees weren't responding.

"We got feedback from a lot of people... 'He's killing us, he's driving us nuts.' When he heard this, he was devastated.

We all see the limitations in those around us, but we don't see them in ourselves. But to his absolute credit he took it and worked hard to turn things around."

Planning and communication are keys to improving your workplace environment, Borgerson says. If you keep your vision for the company locked in your head, employees are likely to feel rudderless and powerless. Learning to delegate rather than micromanage is another key.

The process can take a year, he adds: "We're really in the transformation business." Eventually, "The habits that you are trying to break become increasingly uncomfortable, and the new ones you are trying to create feel increasingly good to you."

### IN THE ARMY

Gregory Smith, the Atlanta consultant, started his career in the US Army, an entity with no shortage of hard-nosed leaders. As an officer, Smith says he himself could be an abrasive leader. "I am one of these personalities. I had to adapt. I used to think if people under me didn't have the same style as I did, they were inferior or defective. My behavior was not generating what I wanted from people. What you get with that style is people who only want to give you minimum performance," Smith says. "I was able to change and create an environment where people felt like they had ownership. It took a considerable amount of time to transform from Raging Bull. You may have the vision, but it doesn't mean you have all of the answers." ■

