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*Leaders of high-commitment,  
high-performance  
organizations refuse to choose  
between people and profits.*

## The Uncompromising Leader

by Russell A. Eisenstat, Michael Beer,  
Nathaniel Foote, Tobias Fredberg, and  
Flemming Norrgren

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# The Uncompromising Leader

## The Idea in Brief

Managing the tension between performance and people is at the heart of every leader's job. Focus single-mindedly on delivering profits, and you disenchant your workforce, destroying your capacity to drive needed strategic change. Concentrate solely on employees, and you slide into complacency, eroding your competitive vitality.

Exceptional leaders refuse to choose between profits and people, say Eisenstat and coauthors. They take five actions to promote both:

- Earning employees', investors', and other stakeholders' trust
- Engaging directly with employees
- Maintaining focus and consistency of purpose
- Building collective leadership power
- Fostering shared purpose

By applying these practices, the CEO of diesel engine maker Cummins turned the recession-stricken company around. He launched a global program to rearticulate Cummins's mission and reaffirm its values. Then the company taught employees skills needed for a new strategy. Sales doubled. Stock price increased by one-third. And employees' commitment to the new strategy soared.

## The Idea in Practice

Eisenstat and coauthors recommend these five practices for promoting profits *and* people in your company:

**Earn Trust.** Be open in sharing information with and receiving feedback from all stakeholders—from directors to front-line employees. You'll foster a sense of shared reality and trust that enables you to build alignment around a new direction.

► Example:

Royal Mail Group's chairman Allan Leighton doesn't spare employees painful news ("We're laying off 30,000"). Owing to his consistent candor, people believe him when he communicates positive news ("The new strategy is working").

**Engage with Employees.** Display authentic concern for employees, and communicate directly with them.

► Example:

Leighton personally visits most of Britain's 1,600 delivery offices and routinely talks with mail carriers on their rounds. His "Ask Allan" e-mail account gets 200 messages a day; each receives acknowledgment immediately and a full response within seven days.

**Maintain Focus and Consistency of Purpose.** Spearhead only a few major change initiatives at a time. Once you've selected these areas of focus, communicate relentlessly about them.

**Build Collective Leadership Power.** Balance playing a strong personal role in focusing your company's agenda with building collective leadership capacity. For example, assemble a core team of leaders whose strengths complement your weaker areas.

**Develop Shared Purpose.** Forge an emotionally resonant shared purpose for the company that includes these elements:

- **Building a better world.** A strong social mission strengthens your firm's brand *and* unleashes your people's commitment and energy.
- **Delivering performance to be proud of.** People feel most fulfilled working for organizations recognized as high performers. To deliver exceptional results, establish a full set of performance indicators—not just financial performance—required to build a great firm.

► Example:

At IKEA, all leaders—from the CEO to the front lines—receive upward feedback about whether they're living up to the company's values and management principles.

- **Providing personal and professional growth opportunities.** People get excited by opportunities to advance their skills, not by cost reductions or capital efficiency.

► Example:

Every year at Standard Chartered Bank, each operating unit conducts a strategic people review, checking the health and diversity of its talent pipeline and updating succession plans for key positions. And the CEO personally monitors the company's senior executives, regularly contacting them to see how they're settling into a new position or whether they feel they need new challenges.

*Leaders of high-commitment, high-performance organizations refuse to choose between people and profits.*

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# The Uncompromising Leader

by Russell A. Eisenstat, Michael Beer,  
Nathaniel Foote, Tobias Fredberg, and  
Flemming Norrgren

Managing the tension between performance and people is at the heart of the CEO's job. Firms are at once economic organizations whose survival and prosperity depends on the delivery of superior value in an unforgiving global marketplace and social institutions that profoundly shape the lives of their employees. Too many leaders view their organizations primarily through one lens or the other. For many CEOs under fierce pressure from capital markets, the focus is entirely on the shareholder, with a single-mindedness that can lead to employee disenchantment and loss of capacity to deliver long-term value. For others, who perhaps have a commanding market share or are operating in protected markets, concern for the firm's people, culture, and heritage can all too easily slide into complacency, inward focus, and loss of competitive vitality.

Some CEOs, however, do manage to resolve the tension between performance and people without sacrificing either. They succeed in harnessing the energy and commitment of their people to implement change that may

be wrenching and dramatic but which creates a platform for future success. Consider Tim Solso of diesel engine maker Cummins. One of his first moves when he became CEO in 2000 was to launch a global program to rearticulate Cummins's mission and reaffirm its values. Six months into his tenure, the company, which was highly leveraged, hit a recession that lasted through the first half of 2003. Demand in its core markets dropped by some 72%. To ensure the company's survival, Solso and his team decided that they needed to perform radical surgery: They closed Cummins's original manufacturing plant in its hometown of Columbus, Indiana, restructured its truck engine business, and laid off a significant portion of its workforce.

Accepting layoffs of long-term colleagues is difficult for the employees of any company, Cummins included. But because Solso had created energy around the company's mission and values, employees were prepared to invest in learning new skills and leading the development of new products and services even as the

layoffs took place. He and his team mobilized the remaining workforce to support the company's strategic shift to focus on the less cyclical areas of distribution and service—making future layoffs less likely. Solso capitalized on Cummins's long-standing commitment to the environment and its resulting expertise in pollution-control devices to build a distinctive source of competitive advantage. As a result, by the end of 2007 Cummins had more than doubled its sales, and its net earnings and stock price had increased more than fivefold. Total employment had increased by more than a third, and the workforce was strongly committed to the new strategy.

Solso is not alone. Over the past year we have conducted extensive research into the strategies and practices of leaders who are building organizations characterized by high levels of commitment from and to their people and by high levels of performance—what we call high-commitment and high-performance (HCHP) firms. To find them, we interviewed people at executive search firms; reviewed academic papers, business school cases, and the press; read the public communications of companies; looked at rankings such as the “Best Companies to Work For” lists; and interviewed people in our international networks of academics and industry partners. We accepted companies only when several sources confirmed their high levels of commitment from and to their people. We then checked financial data and narrowed the group down to those companies that outperformed their peer group during the CEO's tenure. In the end, we interviewed the current or former CEOs of 22 organizations in Europe and North America. They are listed in the exhibit “High-Commitment, High-Performance CEOs.”

This article focuses on two questions that were central to our research: How were these leaders able to successfully reconcile the inevitable tensions between their quest for high performance and their desire to build a sustainable high-commitment institution? What allowed them to introduce the often drastic changes their companies needed but also win acceptance and commitment from the people most affected?

## Resolving the Tension Between People and Performance

The CEOs we spoke with understood that

their companies had to meet the intense performance demands of investors. If you are unsuccessful with investors, “then the rest of the constituencies are really not relevant because you're dying,” one CEO said. “It's just a question of how fast.”

Yet these CEOs were motivated by far more than financial success. Many had spent the better part of their managerial careers within the firms they had come to lead. All, whether promoted internally or hired externally, felt personal responsibility as stewards of their firms' future. As Leif Johansson of Volvo explained, “For me, the work in the organization has a soul and values and a purpose that transcends only making money. That soul does not end with me; it will be passed on to the next generation.” Ed Ludwig of Becton, Dickinson captured the more-personal motivators that drive this type of CEO to build great firms. “Being a CEO is like answering a call to bring the organization to a better place than where you found it,” he said. “Maybe it was my conservative Catholic upbringing....You can never try hard enough. Your mom is always there telling you, you can do better.”

Pushing for superior performance was not always easy. In many cases it required these leaders to make extraordinarily bold and unconventional moves. Nokia's Jorma Ollila placed all his bets on mobile phones, selling off the firm's other businesses. Whitbread CEO Alan Parker sold the Marriott Hotel chain, a business he had built, in order to focus on two core growth businesses—Premier Inn and Costa Coffee. At Volvo, Johansson sold off one of the jewels in the crown of Swedish industry when he sold the car division to Ford.

Virtually every CEO we studied faced the challenge of driving major strategic and cultural change. Unlike many of the North American and UK firms, however, those on the European continent and in Scandinavia—whether because of better management or because of less intense pressures from shareholders—were generally able to avoid major downsizing.

These CEOs believed that their moves were an affirmation—not a rejection—of their firms' fundamental capabilities and values. As Nokia's Ollila explained, “My job was twofold: to make sure that people had an opportunity to realize the potential of what there was in this business, number one. And number

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## High-Commitment, High-Performance CEOs

### **Bang & Olufsen**

Torben Ballegaard Sørensen (former CEO)

*Struer, Denmark*

Audio and video products

### **Becton, Dickinson**

Ed Ludwig

*Franklin Lakes, New Jersey*

Medical supplies, devices, and diagnostics

### **BUPA**

Val Gooding

*London*

Health care insurance and services

### **Campbell Soup**

Doug Conant

*Camden, New Jersey*

Food products

### **Cummins**

Tim Solso

*Columbus, Indiana*

Engines and related technologies

### **Getinge AB**

Carl Bennet (former CEO)

*Getinge, Sweden*

Health care cleaning, disinfecting, and sterilization solutions

### **H&M**

Stefan Persson (former CEO)

*Stockholm*

Designer clothing and apparel

### **Herman Miller**

Brian Walker

*Zeeland, Michigan*

Office furniture

### **Hewitt Associates**

Russ Fradin

*Lincolnshire, Illinois*

Human resources services

### **Husqvarna**

Bengt Andersson

*Jönköping, Sweden*

Outdoor power products

### **IKEA**

Anders Dahlvig

*Älmhult, Sweden*

Furniture and housewares

### **Infinity Pharmaceuticals**

Steven H. Holtzman

*Cambridge, Massachusetts*

Oncology drug research and development

### **Italcementi**

Carlo Pesenti

*Bergamo, Italy*

Cement, concrete, and related construction materials

### **Lafarge**

Bertrand Collomb (former CEO)

*Paris*

Cement, aggregates, and other building materials

### **McCain Foods**

Dale Morrison

*Florenceville, New Brunswick,*

*Canada*

Potato products, frozen foods, and juices

### **Nokia**

Jorma Ollila (former CEO)

*Espoo, Finland*

Cell phones and related technologies

### **Quest Diagnostics**

Kenneth W. Freeman (former CEO)

*Madison, New Jersey*

Medical testing, information, and services

### **Royal Mail Group**

Allan Leighton (chairman)

*London*

Postal and distribution services

### **Standard Chartered Bank**

Peter Sands

*London*

International banking

### **Timken**

James W. Griffith

*Canton, Ohio*

Antifriction products, power transmissions, and specialty steels

### **Whitbread**

Alan Parker

*Luton, United Kingdom*

Hospitality and leisure services

### **Volvo**

Leif Johansson

*Gothenburg, Sweden*

Trucks, buses, construction vehicles, and industrial engines

two, we needed to get rid of the no-growth business—the cable, the televisions, etc.”

One CEO, while reflecting on the wrenching task of eliminating thousands of jobs in Europe and the United States, observed that the move ensured the firm’s future competitiveness and created thousands of job opportunities for people in developing countries. Although this CEO struggled with his decision, he came to believe that it was consistent with his own and the firm’s core values because “the people who we’re hiring today in India have the same value in God’s eyes as the people who work in our hometown.”

### Holding the Center

The legitimacy to chart such a radical path forward is not conferred by title alone; it must be earned. CEOs who take the commitment of their employees for granted risk destroying the social fabric of their organizations: While they move in one direction, the rest of the organization stays stuck or, worse, heads the opposite way. HCHP leaders, however—through intense, focused, and dogged day-to-day involvement with their people and operations—manage to hold the center. They almost personally create the link between the people who do the work and the performance they must deliver.

The CEOs we studied did so by combining four strategies. First, they *earned the trust* of their organizations through their openness to the unvarnished truth. Second, they were *deeply engaged* with their people, and their exchanges were direct and personal; employees in the companies we studied had a particularly close connection with the CEO and were seldom surprised to meet him or her. Third, having earned legitimacy and trust, these CEOs were able to mobilize their people around a *focused agenda*. Finally, while they were all strong individuals, these senior leaders realized that they could succeed only as part of a committed leadership team, and they devoted considerable efforts to *building their firm’s collective leadership capabilities*. Let’s look at each of these in more detail.

**Earning trust.** The CEOs we spoke with were remarkably open in sharing information with, and receiving feedback from, all stakeholders—from their boards of directors to their frontline employees. This openness

led to a sense of shared reality and trust that allowed these leaders to build alignment around a new path forward. When Allan Leighton was asked how he built trust in the workforce at Britain’s Royal Mail Group, he answered simply, “Tell the truth. I never mislead people. If I say ‘It’s rubbish,’ then they know it’s bad. If I say ‘30,000 jobs are going,’ they know 30,000 jobs are going.” The advantage of such honesty, of course, is that people are more likely to believe you when you are trying to communicate positives. Leighton continued: “If I say ‘It’s working,’ they know it’s working.”

This honesty extended to acknowledgment of the CEOs’ own imperfections. When Ludwig took over as CEO of Becton, Dickinson, he commissioned a task force of trusted managers to conduct open-ended interviews with key executives about the challenges the firm faced. Ludwig said that he and his senior team wanted “to marshal some energy around the brutal facts.” Near the top of the list of strategic barriers was a breakdown in the implementation of a major SAP project that Ludwig had launched in his previous position as CFO. “That was the first and most brutal thing I had to confront myself,” he said. “We had already [poured] a hundred million bucks into this thing. And my name was all over it.” Ludwig publicly acknowledged that the program was broken and that he bore significant responsibility. He and his team shut the program down for nine months to fix the identified problems. The relaunched program is now a foundation of the company’s success.

**Engaging with the organization.** While a central part of any CEO’s job is communication, these leaders went to extraordinary lengths to ensure that their communications with their people were direct and unmediated. Leighton of Britain’s Royal Mail is a case in point. He has personally visited more than half the country’s 1,600 delivery offices. Every time he sees a mail carrier on his rounds, he stops to talk. Leighton and his staff also maintain an e-mail account called Ask Allan, which gets about 200 messages a day, each of which receives an acknowledgment within 15 minutes of receipt and a full response within seven days. Finally, every 12 weeks, he sets aside three days for meetings with all the delivery office managers. The managers come in groups of about 350, and there is no prescribed

agenda. Leighton told us, “If you believe, as I do, that the operators know best, then spend your time with the operators. Don’t spend your time with all the treacle in the middle.”

For leaders to establish trust with employees, though, they need to display an authentic concern for them. Russ Fradin of Hewitt Associates was particularly insistent that managers share in any personnel reductions inflicted on the workforce. If he trimmed frontline employees by 5%, then he looked to trim management ranks—from the ground up to the executive suite—by at least as much. Having the officers share the pain made it clear that everyone was in the same boat. Said Fradin, “The people in the call center are just as important as the people in the executive suite.” In other words, he demonstrated a real respect for all employees as people with important lives and rights.

**Maintaining focus and consistency of purpose.** Establishing relationships of trust and direct connection was a necessary precondition, but it was not sufficient to transform these firms into high-commitment, high-performance institutions. In many cases CEOs had to overcome years of institutional inertia and limited organizational capabilities to successfully compete in a changing market. Doug Conant of Campbell Soup told us, “You can’t talk your way out of something you behaved your way into. You have to behave your way out of it.” Shifting the behavior of thousands of people to align with new competitive requirements demands extraordinary focus and consistency of purpose. Tim Solso of Cummins realized early in his turnaround that he could spearhead at most two major change initiatives at a time. He came to understand the need to “pick one or two things and drive it for four or five years, and good things will happen.”

Moreover, these CEOs discovered that once you have selected your areas of focus, you must not let up. Val Gooding, CEO of BUPA explained, “You have to bore yourself to death. The customer is the most important thing. I’ve said it hundreds of times. The reinforcement and continuity of direction is the real job of the CEO.” Relentlessly focusing on a few key messages helps employees keep their bearings in large, complex organizations in rapidly changing markets.

**Creating collective leadership capability.** HCHP chief executives manage to strike a delicate leadership balance. On the one hand, these CEOs play a strong personal role in focusing their firms’ agendas. On the other, they understand that they need to build leadership capacity. Many of the CEOs we interviewed became positively cranky when we focused our questions on them personally. A belief in collective leadership was particularly apparent in our interviews with CEOs outside the United Kingdom and North America. (A content analysis of our interviews revealed that “I” was used more in British and North American interviews; “we” was used more in those conducted in the rest of Europe.) However, every CEO interviewed tended to underplay his or her personal contributions to the firm’s progress.

These CEOs also highlighted the ways others’ leadership styles and approaches complemented their own. For example, one CEO explained that his natural tendency was to move too slowly in addressing individual performance problems, and so he had learned to trust his core team’s appraisals of key personnel decisions. Another described how his long-term colleagues had helped him to realize and correct a strategic blind spot.

### **Developing Shared Purpose**

Holding the center, even with all the focus in the world from the CEO, won’t work unless purpose is shared across the company. Achieving this collective vision is especially challenging in complex, diverse global firms. It’s much easier to build unity of purpose when your company has a small geographic base and a homogeneous workforce. Indeed, many HCHP firms—Bang & Olufsen, Cummins, Herman Miller, IKEA, Nokia, and Timken—were founded in rural areas and have long histories as firms deeply committed to their employees and local communities. But their CEOs understood that in a hypercompetitive global marketplace, the old formula of building commitment, community, and common purpose based on lifetime employment and ethnic and cultural similarities was no longer sufficient.

To align their increasingly diverse and global enterprises effectively, HCHP leaders invested considerable effort in forging an emotionally resonant shared purpose for

*“You can’t talk your way out of something you behaved your way into. You have to behave your way out of it.” Doug Conant, CEO of Campbell Soup*

their people. At the heart of this shared purpose was a three-part promise: The company would help employees build a better world, deliver a performance they could be proud of, and provide an environment in which they could grow. HCHP executives worked hard to deliver on this promise because they understood that each part added value to the firm as a whole while also serving as a powerful motivator for the individuals within it.

**Building a better world.** Serving as a good corporate citizen helps build a firm's brand and reputation and often makes it easier to do business in a range of countries and cultures. That said, the commitment of HCHP CEOs to corporate citizenship was driven by much more than an interest in enhancing external reputation. HCHP CEOs understand that being part of an enterprise that is helping to create a better world unleashes the commitment and energy of their people. At Herman Miller, Brian Walker discovered that the stories employees told about their work in the community—such as 20 colleagues building a school in India with vacation time that had been donated by others, or a joint effort with a creative partner to build a textile that could gather and store solar power for use in the developing world—both energized current employees and served as a powerful recruiting beacon for talented professionals looking for a larger sense of purpose and contribution in their work. At Standard Chartered Bank, chief executive Peter Sands found that mobilizing the whole bank around a blindness prevention initiative to help more than 1 million people has helped raise the firm's overall level of ambition. According to Sands, people throughout the organization have come to learn that “by concentrating resources, by being focused, and also just by being ambitious...we can do the same sort of thing in our businesses.”

**Delivering a performance to be proud of.** Most HCHP leaders found that, as Herman Miller's Walker explained, “people won't get fulfillment from an organization that isn't recognized as being high performance.” The best employees want to work with other stellar employees. HCHP CEOs also realized that performance accountability up and down the line was essential if they were going to reliably deliver on their commitments to the financial markets and to their boards. In this spirit a number of them put significant energy into

strengthening their performance and talent-management systems. The challenge of strengthening performance focus was greatest in some of the firms with the longest history as values-driven organizations. At Cummins, for example, Solso had to find a way to shift the culture from a “best-efforts company,” where people felt that it was good enough to be smart and work hard and do the best they could, to “believing that they actually had to deliver on their performance commitments.” But in moving toward meritocracy, what mattered to these CEOs was delivery on the full set of indicators required to build a great firm, not just financial performance. For example, at IKEA every leader in the 110,000-person company—from the CEO to the front lines—receives upward feedback about whether he or she is living up to the company's values and management principles.

**Providing opportunities for growth.** At the heart of the high-commitment high-performance value proposition is the opportunity for employees to realize their personal and professional potential. According to Russ Fradin of Hewitt Associates, “People don't get excited by cost reduction or capital efficiency or share buybacks. People want to go to a job that is fulfilling and that they get excited about. They get excited because we've got the right growth initiatives for them.” Most of the leaders we interviewed regarded the creation of opportunities for their people as one of their most important jobs. In many cases these CEOs directly taught and mentored the next generation of leaders in development programs that they had personally designed. They also spent days in personnel review meetings so that they knew where the talent was hidden at all levels of the organization. They were willing to cut through the hierarchy to use high-potential employees as a resource to drive change and lead growth initiatives. Standard Chartered's Peter Sands said, “We have so many opportunities, the single biggest constraint is, Who's going to pick up that ball and run with it?” Every year at the firm, each operating unit conducts a strategic people review, checking the health and diversity of its talent pipeline and updating succession plans for key positions. Sands himself monitors the group's senior executives. He keeps a log of the team's birthdays in his diary, and he sends each member an e-mail on that day. He might ask them

how they're settling into a new position or whether they feel they need a new challenge.

### Keeping Perspective

HCHP CEOs somehow seem to comfortably bear the tension of reconciling the relentless demands of the market with their role as steward of their people. These leaders are clearly energized by delivering on their larger mission, by soundly thrashing their competitors in the marketplace, and by directly connecting with the people in their firms. These traits, of course, are shared by most CEOs. What sets HCHP leaders apart is their ability to keep their work in perspective. How did they do this?

First, while many reported great camaraderie with the members of their senior leadership teams, they were also careful to maintain enough personal distance to avoid favoritism. The challenge of keeping a distance was particularly strong for CEOs who had been promoted from within. These CEOs realized that they might have to make tough personnel decisions for the good of the institution concerning colleagues with whom they shared decades of experience.

Second, despite long hours on the job, HCHP leaders devoted considerable energy to maintaining full lives outside work. Many of the CEOs were deeply involved with their families and their communities and credited these activities with giving them perspective on their work. For example, Hewitt Associates' Russ Fradin has worked actively to maintain a close relationship with his wife and children, despite his long hours and travel. He explained, "You find a way to integrate it," even if it means getting up at 4:30 AM on the East Coast to talk with his night-owl college-aged son, who's just ending his day on the West Coast. He joked, "There's always a Fradin up somewhere in the world." Another CEO described the importance of passing the "Saturday morning breakfast test"—being able to explain to his wife and children during these weekly meals what he was achieving at work in a way they would find both sensible and inspiring.

Finally, it helps to have a sense of humor. HCHP leaders tended not to take themselves or their positions too seriously. Allan Leighton explained, "I'm just an ordinary bloke who didn't set out to be the chairman of the Royal Mail or be a successful businessman. I think I'm exactly the same as when I was 17, in terms of what goes on in my head and the way I think about people and how I can talk to people. But clearly, people's perception of you is different. Nobody ever says, 'Hi, Allan, how are you?' The standard response when I turn up is for people to say, 'Uh-oh, it's the chairman.' So I'll go and talk to them. They'll give me a bit of banter, and I'll give them a bit back."

• • •

How do HCHP leaders successfully manage the tension between people and performance? In the end, the answer lies not just in *what* these leaders do but in *how* they go about their work. These CEOs approach finding and holding a firm's moral and strategic center in a competitive market as a calling and an art, not an engineering problem. Because of their passionate commitment both to their people and to achieving superior performance, they do not make the trade-offs that most CEOs make. They drive their firms to be more strongly market and reality focused than their competition while at the same time reinforcing their firms' core values. They are committed to delivering short-term performance while also heavily investing in longer-term leadership and organizational capabilities. They push to increase the diversity of their firm's people, even as they reaffirm the common ground of the firms' shared purpose. These executives build the future one quarter at a time. Because they refuse to compromise on any of these goals, they discover powerful and integrative solutions to fundamental management tensions that other leaders too often avoid. In this way, they build great firms.

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*Finding and holding a firm's moral and strategic center in a competitive market is a calling and an art, not an engineering problem.*

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# The Uncompromising Leader

## Further Reading

### ARTICLES

#### [Cracking the Code of Change](#)

by Michael Beer and Nitin Nohria

*Harvard Business Review*

April 2001

Product no. 615X

The authors introduce the notion that it's crucial to balance two seemingly incompatible approaches to leading change. "Theory E" change emphasizes economic value, as measured only by shareholder value. "Theory O" change stresses developing organizational culture and human capability. Leaders can balance these two approaches along several dimensions, including goals, focus, and reward systems. For example, the CEO of U.K. grocery chain ASDA boosted economic value through painful structural changes, such as removing top layers of hierarchy and freezing wages. He also fostered transparency and egalitarianism throughout the organization, making ASDA "a great place for everyone to work." A culture of trust and openness developed, and shareholder value increased eightfold.

#### [Transforming Giants](#)

by Rosabeth Moss Kanter

*Harvard Business Review*

January 2008

Product no. R0801B

Kanter focuses on the principle of developing shared purpose—especially building a better world—as a key to balancing profits and people. When companies commit to shared values stressing social good, their employees respond quickly and creatively to opportunities and challenges. For example, IBM supports national cultural projects throughout the world. The company's commitment to this value led to an international collaboration to digitize an Egyptian museum's contents and ancient structures, including the pyramids. IBM leaders, engineers, and researchers exchanged ideas with leaders of a similar project in Russia. The completed project won wide ac-

claim and led to a commercial contract to digitize the contents of the Library of Alexandria.

#### [Primal Leadership: The Hidden Driver of Great Performance](#)

by Daniel Goleman, Richard Boyatzis, and Annie McKee

*Harvard Business Review*

December 2001

Product no. 8296

This article focuses on the principle of engaging with employees to foster commitment to strategies and change efforts. To engage directly with people in your organization, you need to understand how your own emotions affect others. Ruthless bosses create toxic organizations filled with negative under-achievers. Inspirational leaders cultivate positive employees who embrace and surmount even the toughest challenges. One executive charged with growing his company realized he had to become more encouraging and optimistic. To strengthen his ability to understand others, he coached soccer, volunteered at a crisis center, and got to know subordinates by meeting with them outside of work. These new situations stimulated him to break old habits (including being intimidating) and to try new responses.

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