

LORD JONES OF BIRMINGHAM ADVISED BUSINESS LEADERS RECENTLY ON HOW TO MANAGE THE YEAR AHEAD

On the beach



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‘This is a time to carry on training and upskilling people,’

AT A BUSINESS event hosted by Impact Executives earlier this month, Lord Digby Jones of Birmingham, former Director-General of the CBI and now senior adviser to Harvey Nash, Impact Executives’ parent group, shared his views on the state of the economy and on how private and public sector organisations can take advantage of the incipient recovery.

Research from KPMG shows that 83 per cent of CEOs believe that the business climate in 2010 will be ‘good’ or ‘very good’, with one-third of that group looking to expand their companies internationally.

But Lord Jones warned the gathered business leaders and interim managers to be realistic. “We’re not actually onto the summit uplands of economic good fortune,” he said, pointing out the economy is “just bubbling along... you’re not going to see unemployment appreciably drop, you’re not going to see GDP go up to two or three per cent.”

What’s more, he predicted, interest rates will rise before the end of the year.

As such, he suggested, “this is a year for battening down the hatches and doing

what we do well.” However, it is also a time to be more innovative, in terms of thinking which areas will deliver greatest return on the company’s investment, and “for investing in overseas markets.”

But above all, he believed, “it is a time to carry on training and upskilling people” – not just to sustain competitiveness in the private sector, but also because impending cuts in the public sector mean that “it will be hugely important to deliver more for less” if the quality of services are not to suffer.

And he believed that interim managers have an important role in helping public- and private-sector organisations to sustain their competitiveness and quality of service delivery through what will be a year of considerable change and adaptation.

He said: “It is important that you drive change through, be firm to your ideals, set your objectives, make them clearly understood by everybody and then make sure your own and others’ behaviours are consistent with the change goal.”

Interim managers can cut through the politics and legacy of an organisation,

which means they can be very effective at helping bring about change.

But because of their expertise and experience, they can also prove a very rapid and cost-effective solution to an immediate problem at a time when firms are understandably wary of splashing out on “big-ticket managers,” he pointed out.

Throughout the still turbulent economic waters of 2010, communication will remain critical. Everyone can communicate better, said Lord Jones, pointing out that “Uncertainty causes stress, and bad news is better than no news.”

Lord Jones also related a personal story that, for him, illustrates true leadership. Just 18, he won a Royal Navy University Cadetship and went to Dartmouth to train.

“One part of our training involved being divided into small groups to learn all the different aspects of making an amphibious landing.

“My group of four included Michael who, to put it mildly, was just not up to the task; in fact he was no good at all. All through the training we laughed at him, teased him and left him to his own devices. We were too busy feeling comfortable in our own ability and seeking to impress the supervisors.

“Come the test, Michael got into an awful mess. Thankfully, he emerged unscathed but our group didn’t get up the beach. I was left with the searing words of the assessing Chief Petty Officer ringing in my cold wet ears.

“All through the training you’ve been trying to impress us. We knew you were well-qualified; but we wanted to see how good you were at bringing the best out in others who aren’t as good, who don’t feel they can win, who need to be inspired to get up the beach. Never once have you done any of that so you’ve failed the objective. And you have let him down as a member of the team.’

“It was a lesson I never forgot. Leaders are judged not just on how well they do, but on how they get the best out of others. At this hugely important time for our country, we need leaders to stand up and be counted in all walks of society. We can all help others get up that beach We are all leaders in some aspect of what we do and now is the time to show it!”