



The North American Conference on  
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*putting the customer at the heart of the business*

**The North American Conference on Customer Management  
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## **How to develop customer-focused leaders at all levels**

**A truly customer-focused organization needs leaders at all levels, making decisions for customers rather than having to refer upwards to their boss, and keeping the customer waiting. Phil Dourado offers some tips on how to develop leaders in this short article.**

“The wicked leader is he who the people despise.  
The good leader is he who the people revere.  
The great leader is he of whom the people say,  
‘We did it ourselves’.”

**- Lao Tsu, from the Tao Te Ching**

Or, as Sinclair Beecham, founder of the sandwich store group Pret a Manger, said recently, “I used to think my role as a leader was to be indispensable, with the phone always ringing, showing what a good leader I was by always being there to solve problems and fight fires. Now I know my job is to stop that phone ringing. The less it rings, the more dispensable I am, the better.”

### **Make leaders, not followers**

You make yourself dispensable by making more leaders. The role of the leader today, says the consumer rights campaigner and occasional US presidential candidate Ralph Nader, is not to create followers, but to create more leaders.

According to Apple founder Steve Jobs, Microsoft’s powerful culture and epic growth was not down to Bill Gates’ charisma as a leader, but his ability to create ‘mini-me’ leaders who drive Microsoft forward:

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“Bill has done a great job of cloning himself as the company has grown. Now there are all these aggressive ‘Little Bills’ running the various product groups and divisions, and they just keep coming at you and coming at you. They’re not afraid to stumble...”

Mike Harris, till recently executive vice-president at the European on-line bank Egg, says any attempt to drive transformational change from one leader at the top, or even a small group of leaders, is doomed to failure. “I recall when we reached a point where I just couldn’t see us moving forward with the speed we needed. The whole organization was running on my ability to generate transformational change.

The clear answer was we needed 30 or so leaders generating transformational change, not just me. Creating a cadre of leaders around you who can take the odd failure and not be cowed gives you an exponential growth in your organization's ability to transform itself.”

### **Leaders everywhere**

You need to go even further than that and cascade leadership to create leaders everywhere: people who take the initiative, make decisions, take calculated risks on behalf of the organization and for customers.

The key to spreading the leadership virus is not being afraid to help other people to achieve greater levels of control; not feeling threatened by their increased power or independence. Dianne Thompson, CEO of the world’s largest lottery operator, says you have to be enthusiastic about appointing people who are better than you are.

### **Reward viral leaders**

One obvious route to encourage leadership development is to reward it. Tony Highland, a leader at Barclays Bank, began rewarding his people based on their development of the people around them. Barclays' central development unit is looking at the possibility of replicating this model across Barclays. Tony, incidentally, is an example of an customer-focused leader who has the ability to create a vibrant culture within a business unit that is part of a giant, fairly slow-moving, group. His secret is that he just does it. Talk to his direct reports and they tell you, reverentially, that they’ve never worked for anyone like him. “It is just so liberating”, said one.

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Concerned that his large organization needed to channel its energies, Tony took to the road, asking all 2,167 people who reported, ultimately, to him, what kind of organization they wanted to work in. They all, more or less, wanted the same six things: challenge, responsibility, trust, reward, learning, and to have fun while doing it. They were then challenged to commit to behaving in those ways.

Tony also puts regular time in his diary to be out on the 'shop floor' at least once a month for a day, working in the front of house area of one of his banks, to soak up customer issues and observe and be part of the customer experience.

### **Leaders learn**

John Stewart, CEO of National Australia Bank Group, told me this: "When I was CEO at the Woolwich (a mid-sized UK financial services company) I noticed, as we all do, that there are branch managers who can be put into a poorly-performing branch and turn it around to top all the league tables.

So, we got ten of these leaders together for two days to find out how they do it. Let's see what they have in common, bottle it and spread it around the organization, I thought. Two days later, we realized it wasn't possible. You can't clone leadership. They all had their own leadership styles and approaches.

But, there was one thing they all had in common: they were learning from each other all the time. I watched them, and noticed that they were all writing pages and pages of notes after talking to each other. They were constantly saying 'That's a great idea!' They were enthused. They were pushing forward and getting 1% better at everything all the time.

They just kept learning from each other what works and what doesn't. Learning from the experiences of other leaders is what this generation of leaders has to do. It's how you minimize mistakes - learning what to avoid as well as what works. What you don't do is as important as what you do".

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At a European Conference on Customer Management a few years ago, one of the keynote speakers was Feargal Quinn, whose chain of retail supermarkets in Ireland pioneered customer innovations that supermarket chains around the world - from Wal-Mart to ASDA to Tesco - copied. Quinn wowed the audience at the conference with his morning keynote session.

Later in the afternoon, after most keynote speakers would have disappeared, there was a small figure sitting at the back of a break-out session, scribbling furiously in a notebook. It was Feargal Quinn, multi-millionaire transformational business leader and Irish senator, still learning.

Developing leaders is time-consuming. As Warren Bennis puts it, "You can't put a person in a microwave and out pops the McLeader. It doesn't happen like that. Leadership evolves." That's why Jack Welch, legendary former CEO of General Electric, spent up to forty per cent of his time developing GE's leaders. And it's why his successor, Jeffrey Immelt, continues to do so. How much time do you spend on it?

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**Source:**

This article is an updated and adapted extract from Phil Dourado's book ***Seven Secrets of Inspired Leaders***, co-written with Dr. Phil Blackburn. You can download Phil's free eBook, *The Little Book of Leadership*, on [www.PhilDourado.com](http://www.PhilDourado.com)