

THE ROYAL BANK OF CANADA MONTHLY LETTER

HEAD OFFICE, MONTREAL, OCTOBER 1951

THE MAKING OF AN EXECUTIVE

TO be a business executive is the ambition of many a young man. The business executive is a central figure in the economic and social life of Canada. Our prosperity as a nation and as individuals depends in no small measure upon the successful functioning of industry, commerce and finance under the hands of capable men.

Not everyone is a natural-born executive, but many can become good executives by training, by observing the methods and abilities needed, and by working toward self-development.

Being an executive is not merely having a massive desk and a name-plate on a door. It makes many demands upon a man, demands of temperament and drive and health. An executive is always meeting challenges. He must know his job, make sound decisions, and direct the work of other people. He needs imagination and courage.

The market value of an executive is determined by his special qualities. He is not paid for the thing he does, but for the moral content of his effort — his enthusiasm, his specialized abilities, his knowledge, his experience and his judgment.

Naturally enough, there are intelligence requirements, though successful executives differ greatly in their ratings on tests. All of them have a high degree of ability to organize, and keen vision to see the path ahead. They are skilled in taking several seemingly isolated events or facts and detecting the relationships that exist between them.

We might say that it is not superior mental ability or age or social background or family affiliations that count in these days. The executive has transferred himself to a new arena, one in which his development of good mental habits is the key to success.

Choosing Executives

The problem in business is to get the right men and women, keep them, and develop them into good leaders. Facts are better than opinions in this screening: what has this man done? how has he done it? what can he do today? Length of service alone does not qualify a man for executive rank. It is, undoubtedly, an advantage, but during it the man must have developed alertly. He must have learned to perceive meanings that do not appear on the surface. He must be almost psychic in his ability to steer safely through dangerous economic waters. He must be able to get on well with people above and below him in the firm's roster of workers.

Above all, the executive must be a leader of men. No business and no department will run itself. It needs a leader who keeps a jump ahead of the procession.

A leader is not one who achieves by his personal powers, but one who inspires all those under his command. Morale is the child of good leadership. Men work best for the executive who holds his beliefs with confidence, who will stand up on Wednesday for the principle he believed in on Monday. The executive needs inner harmony, which shows itself in judgments based upon sound thinking and in his whole attitude toward his business and society.

Confidence and Control

The executive is a man who must trust his own judgment. Success will never be attained by a person who has to ask advice before doing anything important, or who leans on the boss, or who asks how to execute an order. A man's self-confidence measures the height of his possibilities, and no man passes his own selfimposed limitations.

Synthetic self-confidence will not do. The most painful tumble a man can take is to fall over his own bluff. The bluff may be caused by his conceit, or by a foolish and unproved belief in his ability.

Next to confidence, built solidly upon knowledge, comes self-control. There never has been, and cannot be, a good life without self-control. It enables a man to adapt himself to the perpetual shifting of conditions, to meet unexpected challenges, and to deal effectively with crises.

This is one of the most difficult of all qualities to attain. Men in more humble spheres may indulge in violence, engage in quarrels, express themselves in angry passions, but these are unbecoming in an executive; they undermine his authority and destroy the effectiveness of all his other virtues.

Discretion is imperative in an executive. It is true that a man who never goes out on a limb may preserve the safety of his position, but he will never rise above it. That is not the kind of discretion we mean. The executive should have a hundred eyes to scrutinize a project before he calls upon his people to carry it out.

Courage

The executive also needs courage. Many a brilliant idea has been lost because the man who dreamed it lacked the spunk to put it across.

The budding executive who finds that he is too conservative should practise taking chances in a small way until he gets the feeling of self-confidence that comes from exercising initiative. The courage he is seeking is not mere absence of fear. He who realizes clearly all the risks involved, and decides to go ahead with his plan, is a courageous man in the best sense of the word.

Bravado is to be equally censured with cowardice. The ill-considered acceptance of any and every risk has no part in the essence of true courage.

The executive must have the power of decision. Life is constantly confronting us with a series of choices. We cannot avoid deciding, because even to seem to make no choice at all is in itself to choose not to decide.

It is not required that the executive make decisions in rapid-fire succession, though this seems to come naturally to some men. More crucial is the ability to arrive without dithering at a decision that is wise.

This is one of the traits watched in a man when he is being considered for promotion: does he come to his boss with decisions or for decisions? The man who says "Do you want to do so and so?" is trying to use the head of the man above him. Some weaknesses can be covered up by superior qualities in other spheres, but if a person is not certain and decisive he has only dim prospects of becoming a good executive.

Administrative ability is taken for granted as a necessary quality. In a great many businesses it is more important than technical knowledge. The good administrator is able to develop an organization and keep it working purposefully and harmoniously.

The good executive leaves his emotions at home, and only his family knows of his temperamental upsets. It is a sad day for the rising executive when his secretary warns his subordinates: "Don't go near Mr. Blank today — he is in one of his moods."

Seasoned Youth

It may be that the need for so many perfections has contributed to the preference of men for executive positions who have attained a certain degree of coordination through years of experience. Age in itself is neither handicap nor benefit. Many men who occupy high places in industry are going strong at sixty-five, while others have wrecked businesses at half that age.

It is only a feeling, not a fact, when the mature man experiences a twinge of envy in contact with younger people. He has not their light-heartedness, their casual manner, their air of living for today. But on the other hand he has poise, knowledge of the world, and understanding of people: assets which, in the very nature of things, younger men cannot yet have acquired.

Whether a man ranks as youthfully immature or fixedly aged depends not at all upon his calendar age but upon his mental age and his flexibility of thinking. The expression "seasoned youth" covers all cases: the young executive may take a seasoned attitude toward life and make good; the older executive may take a mentally youthful attitude, with wide horizons still beckoning, and keep on making good.

The Firm's Responsibility

The personal qualities of a man, however good they may be, are not made use of except in the proper environment. One of the bitterest situations for a qualified and eager executive is to be given a title without authority. Rank should not be looked upon as a reward for past services; it is given a man for the sole purpose of enabling him to meet responsibilities.

Everyone in an organization should know precisely what he is responsible for, what his authority is, and who does what in directing effort. The executive has the right to be consulted.

Many a firm would benefit by a stocktaking in this area. Progress in business, as in the making of the world, is the domination of chaos by mind and purpose. It can be achieved only when there is a basic philosophy and a good plan.

Let us ask, have the objectives and policies of the firm been defined? This may sound academic, but unless there is a clear statement available, how are executives to mesh their efforts? How are they to obtain teamwork on their own or lower levels? How are they to be sure that their time and effort are being spent productively? How are they to avoid the all-toocommon frustration that arises when projects are squelched because the firm doesn't know whether it wants them or not?

The Human Problem

It is good policy for an executive to refrain from doing anything that can be done sufficiently well by a subordinate. If he hugs his job to his bosom down to the last trivial detail, he is being unfair to himself as well as to his people. He deprives himself of the opportunity to deal with more vital problems, to consider and plan expansion and improvement. He is, truly, working himself into an early grave.

Of course, one must not go too far. No good executive tries to delegate everything, including his own responsibility for seeing that the job gets done well. Those who do so have probably come into their offices by inheritance or accident, and not by winning their spurs in the open field.

Of all the problems faced by an executive, the human problem far exceeds the mechanical in difficulty.

No predigested psychology will give the executive what he needs in human understanding. It is good to study, but theory must be tried out and applied so that the right response becomes habitual.

It takes a big man of superior quality to be capable of treating little men so as to gain and retain their respect and affection. He is the sort of man who, instead of climbing upon his fellow workers whom he has pulled down, sets himself to help everyone around him in order that he may go up with them. No man has true power, poise, charm or good personality unless he has a genuine interest in people.

It is necessary to get along well with associates on the executive's level. There is a temptation for the young or new executive to lean over backward rather than appear to be a "yes man." Instead of that, he should accept gladly every gesture of friendship and help, seek to understand his associates' problems, give the feeling that he is genuinely interested in their work, and accept in good part even irritating things if his good sense tells him they are for his benefit.

Only if morale is high in a firm will production be high, both in quantity and quality.

Morale means more than an occasional staff party. It means that every man is interested in the success of the firm and works for it. Field Marshal Sir William Slim, Chief of the Imperial General Staff, is quoted in the *Canadian Army Journal* as stating this in a striking way: "An army must have Generals to lead it, but if the only men in it who have the mark of greatness are the Generals, it will win few victories."

Praising and Scolding

All great executives have turned away from inspiring fear and seek instead to increase devotion. The best way to arouse enthusiastic support is by expressing appreciation and encouragement. In giving praise it is not necessary to use a trowel, but on the other hand it is not wise to omit praise just because only a saltspoonful is warranted.

We need not wait for a perfect performance to bestow praise. Often when we praise an improvement in a man's work we give him an incentive to seek perfection. The old idea that "everything is all right unless I tell you otherwise" is not good enough. The executive who lets his people severely alone unless some occasion calls for criticism is losing his grip on them.

It is foolish to scold. Reproof should be grave, and not taunting. Able men take great pains to prevent others being humiliated, and back away from the barren triumph of forcing them to admit they are wrong. In short, the Greek playwright hit the nail on the head when he wrote: "Our high rank, with greatness long acquainted, knows to use its power with gentleness."

Anyone aspiring to an executive position will compromise his chances if he develops a habit of criticising his superiors, except to their faces. All men have faults and peculiarities, but those of high executives are especially apparent because these men are so much in the spotlight.

It is wise, also, to refrain from the habit of criticising juniors. To be under a barrage of criticism is ruinous to a person's peace of mind, and it destroys his will to do good work. When something is wrong, it is better to approach it in a helpful spirit. The only virtue in pointing out a fault in one job is to show how the next can be done better.

Training Assistants

The wise executive is on the look-out for men who can relieve him of detail, fill in for him when he is absent, and contribute to constructive planning.

When a department ceases to function efficiently in the manager's absence, management is bad. Every head of a department ought to be able to leave his desk, even in times of crisis. If he can't, he hasn't the right kind of men working for him, or he has kept them too much in leading strings.

A Time to Apply Brakes

There are some aspects of business life that call for carefulness in a man's climb to the top of an organization.

One of the great marks of a good executive is the appearance of ease with which he performs his duties. The man in a hurry shows that the thing he is tackling is too big for him. It is the lazy or inefficient man who is always too busy to listen to an idea.

Hurry is wearing on the body and nerves, too. No matter how high the pressure may be, it is well, once in a while, to apply the brakes. Too many executives have the idea that their irresistible drive demands that they ignore questions of health, leisure and relaxation. They regard these as shifting values with which they may play, increasing them or decreasing them as the demands of their main purpose allows. They pay an exorbitant price, one that need not be exacted at all.

Only when the body is in splendid trim will the mind function at its highest efficiency. When the body is too tired to allow a man to read more than his evening paper, he is being deprived of mental sustenance in a way that will reflect itself in his work. When restlessness takes the place of directed activity, and a man starts to fidget, it may signify that he has been driving his machine too fast and should slow down.

Beware of Flattery

Another thing to look out for is the opiate of flattery. The higher our station in life the more care we should take to keep our thoughts within the compass of humility. That doesn't mean degrading ourselves, or sitting quietly waiting to inherit the earth. It means what Edison meant when he said: "I haven't any conclusions to give: I am just learning about things myself." It means what Robespierre meant by his "prudent resolution to be satisfied with possessing the essence of power, without seeming to desire its rank and trappings."

When he detects an incense-swinger in his office, let the executive be wary. He should examine with appreciation what is said in his honour, but reject whatever oversteps a certain line he has drawn. If he allows any and all flattery to make an imprint on his mind, he runs the danger of becoming self-satisfied, then lax in his self-discipline, and, finally, apathetic about putting forth the effort needed for further advancement.

Resting on past laurels means fixation, of which some of the symptoms are delayed decision, sluggish judgment, and management procrastination. It is an insidious disease arresting development and starving personality.

A balance is needed between the superior feeling likely to be cultivated by listening to flattery and the sense of inferiority that is coaxed into our systems by feelings of inadequacy. If we find ourselves selfconscious, self-critical, touchy, unpoised, and suffering from feelings of persecution, we should look for something that is making us feel inferior. Neither superior nor inferior feelings conduce to the success of an executive.

Probably the nearest approach to an ideal for the executive is to combine humble and conquering feelings into what we might call healthy self-confidence, and to strike the happy medium between in-growing and out-giving that psychologists call ambiversion. To reach this desirable state one needs to build a personality made up of seasoned youth, knowledge, personal maturity, emotional stability and mental and physical alertness.

This means continuing to learn. One great foe to efficiency in an executive is the thought that he knows it all. Experts in various activities may do jobs, but the direction and counsel and the organizing of big affairs are done best by men who are always learning.

The executive should have part of both active and contemplative life. He should spend time thinking. His character can be nothing else but the sum total of his habits of thought. Enriched life demands an enriched mind. And, to speak on a very practical level, ten years of effort directed to one's work may not be as effective as ten minutes of concentration backed up by an informed mind thinking in a disciplined manner.

On Measuring Up

The measure of success of an executive is the success that attends his efforts. He is not fighting on a static field. He is increasingly conscious of the extent of the territory yet unconquered, and his conception of the extent of territory conquered decreases with every year. His story is one of endless recommencements, of the dispersal and reforming of doubts, and of the need, every once in a while, to examine whether he is measuring up to his own standards and those set for him by society.

No matter how far an executive travels on his upward path, his ability is put to serious tests. So long as his physical and mental health hold out, he revels in these challenges. He would rather accomplish something in spite of circumstances than because of them. He likes an atmosphere of collision and disturbance. As an honest workman he even welcomes a failure, because it teaches him something and gives him a new starting place.

The opportunity to do worthwhile things crowds upon the man who is sensitive to it. Only weak men cry for "opportunity." Sometime in his life — many times in some men's lives — opportunity knocks imperiously at the door. It offers itself in proportion to a man's ability, his will for action, his power of vision, his knowledge, and his readiness. All of these are virtues within the reach of everyone in this country.

What counts in a man's life is the number of opportunities he grasps. Small men waste their time looking for big opportunities, without preparing effectively to capture them when they come within reach. The big man uses his time taking advantage of the little ones as they come.

True Satisfaction

Complacency and self-satisfaction are dangerous traits. They cannot possibly lead to that sharp vision of higher and better things which is the mark and symbol of leaders. They mean, when we see them in a man, that he is content to flounder along on last year's or last century's knowledge, looking over his glasses severely and saying "no" automatically to everything new. He is a negative person, in whose way of life there is nothing to hope for, but only deterioration and destruction.

If there is one point worth remembering more than another, both by the aspiring young executive and by the man who has been through the mill, it is this: the successful business leader gets more satisfaction from doing a job than from contemplating the finished product. Far more real than completion and ease and prestige is the stimulation that arises from the sense of accomplishment. It is not a "game", as some like to call it, but a way of behaving and thinking that the executive finds rewarding, and in which he believes.

As to the executive's long view of his life and the purpose of it, he must have a certain idealism, a vision of what might be. He needs an honest purpose, founded on a just estimate of himself, and steady obedience to the rule of life which he has decided is right for him. He will, of course, have a sense of the perpetually unattained. He must be always trying. But so long as he succeeds in being every day just what he wants people to think he is on that day, he is perpetually attaining.