

The Advisory Alliance

60-Second E-mail™ – October 28, 2005

Leadership Courage, Whistle-blowing, HR, and First-time Leaders

(An Interview with former **Pepsi CPO Mike Feiner**)

This month, in the second of a special 2-part 60-Second E-mail™, The Advisory Alliance talks with Mike Feiner, former Chief People Officer at Pepsi, and current professor of Management and Leadership at Columbia Business School. At a time when Pepsi's operations comprised 70,000 employees in 150 countries, Mike advised, coached and counseled executives on how to enhance their leadership effectiveness. He is credited with upgrading Pepsi's performance standards and organizational excellence, and is acknowledged as one of the key architects of Pepsi's distinctive culture, known for its openness, results orientation and assertive, "David vs. Goliath" style.

Harper: What 3 key lessons about Leadership did you take away from your experience as Pepsi's Chief People Officer?

Feiner: Next to raising kids, leading people well is the most difficult thing to do. It takes application and perseverance and stamina. Which means it's a lifelong quest to grow and develop leadership skills. Most importantly, leaders--even great ones--need to be told by their subordinates when their agenda is muddled or their strategy is flawed or their priorities are questionable. So leaders at all levels need intellectual courage to be able to tell bosses this stuff. Enron or Arthur Anderson or HealthSouth or AIG or Tyco or WorldCom or Parmalat would never have happened if people pushed back on their bosses.

Harper: That may be true, but couldn't you equally argue that those who tell the truth are punished by corporate America? Their deeds may be noble and make for compelling television or even a Hollywood movie, but many people need to feed their family and pay the bills. Many stories abound about whistle-blowers whose lives were ruined by the companies they were exposing. Isn't corporate America speaking out of both sides of its mouth? On the one hand, companies claim they value leadership integrity and have zero tolerance for fraud, racism, sexism and other misdeeds. On the other hand, they often go to great lengths to suppress and punish those who reveal any hypocrisy?

Feiner: Anybody can be a whistle-blower. The problem is that whistle-blowers get fired most of the time. What takes courage – and savvy – is to figure out how to push-back from inside the social system and be seen as a change agent and constructive force. I devote an entire chapter in "The Feiner Points of Leadership" to articulating HOW to push back on bosses so they're persuaded and influenced to do what's right for them, the organization, and the shareholders.

Harper: Why is there so much controversy these days concerning the impact and contribution of HR?

Feiner: Because the most important role of HR – to tell the emperor when he/she is naked – is ducked by too many HR execs and HR generalists. Sure, controlling health care costs is vital. Yes, designing sound compensation plans is essential. Of course, an effective training & development strategy is

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crucial. But the #1 task is to help line managers adjust their leadership practices when their leadership is not working. And who better to do that than HR managers who observe operating leaders on an ongoing basis. To have a seat at the table HR folks need to demonstrate that they are essential to improving the leadership of everyone else at the table. With feedback, with coaching, with counsel.

Harper: Beyond hiring the best and the best fit, how did you ensure at Pepsi that you had the right people in HR who were capable of advising leaders and were worthy of their respect?

Feiner: I chose people who had the intellectual courage to tell their line clients what they needed to hear. And these HR people needed to have the insight and objectivity to know when a line client, whom they were committed to, was on the wrong track. The fact is that good HR people, even when relatively inexperienced, know when a line leader needs to recalibrate his/her agenda, priorities, or leadership approach. It's having the courage to tell the line leader that is crucial. How did I assess for that? I'd really focus on this during the interview process. I'd ask questions such as:

- Tell me the most difficult professional challenge you've faced in your career and how you handled it.
- How do you react to a boss who tells you to do something that you feel is imprudent and potentially harmful to the people agenda of the business?
- What techniques have you used to persuade bosses to change their minds?
- Are some harder to persuade than others? How does that affect your approach?

Harper: With people changing jobs so often these days, how can a company reasonably expect to retain and develop people over the long term?

Feiner: People join good companies and leave bad managers! Hold leaders accountable for developing their subordinate leaders – and weed out the ones who don't want to learn. Much more than money, the way people are treated day-to-day plays a far bigger role in whether people quit.

Harper: Lastly, what advice would you give for a first-time manager or leader?

Feiner: Be a learner, seek ongoing feedback, and read my book!

Mike Feiner's book, "The Feiner Points of Leadership: The 50 Basic Laws that Will Make People WANT to Perform Better for You" is available at Amazon and all fine book stores.

If you have a question or comment for Mike, please e-mail him at mfeiner@advisoryalliance.com.

You can access this and past 60-Second E-mails, as well as subscribe to our mailing list, via this link: <http://www.advisoryalliance.com/detail.php?page=newsletter>

Until next month, best regards,

David

David Harper
Member and Directing Manager

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