

A CONVERSATION WITH CHARLES HANDY

Lessons in Leadership, Work and Wellbeing

Conference Report

A Conversation with Charles Handy; *Lessons in Leadership, Work and Wellbeing* Tuesday 17th April 2012- Landmark Hotel London

Charles Handy quotes: “It’s like the Irishman Frances Crick once said: ‘How do I know what I think until I hear what I say?’”

At the latest Benchmark for Business event, ‘A Conversation with Charles Handy’, audience participants were invited onto the stage, Michael Parkinson style.

Charles Handy is described as a storyteller and over the years, he has written a number of books that contain rich tales and showcase his philosophies on the meaning of life, business and purpose. Now, he opens up the floodgates and asks each of us to share our own insights and how are we, as a collective group of people and business leaders, going to address the challenges that modern day society is throwing at us:

He hosts four conversations around the themes of:

- The future of capitalism
- The changing workplace and workforce
- Leadership: What does it really mean?
- Happiness: Can it be a goal for life?

Using the ‘Empty Chair technique’, Charles sits poised between two empty chairs, each one nestling a microphone, and dares participants to come up, sit beside him and ask questions or talk around the four main conversations of the day. So when the first person comes up on stage, any member of the audience can get up and sit in the empty chair waiting to continue the conversation.

First conversation – The future of capitalism

Charles talks about capitalism and democracy as bedfellows. “It’s not for us to destroy capitalism or to put iron bands around it to constrain it because this defeats freedom from which capitalism thrives. We have a duty to make sure capitalism works for the benefit for all but it isn’t working right now”, he argues. “Society is only held together if we have sympathy and empathy and a mixture of self-interest and altruism. We mustn’t let self-interest drown out altruism. Much like animals that hunt for food but nurture and protect their young.”

Charles gives a potted history of how capitalism arose and cites Adam Smith who first coined the phrase ‘Invisible Hand of the Market’. His concept; if you pursue your own self-interest, it works to the benefit of all people. In the 18th century, the environment was different and in his day there existed a marketplace of traders.

However, with the legalisation of shares and then stocks, Charles believes this is where a fundamental shift occurred between companies making profit and furthering society as a whole and fuelling capitalism for the benefit of shareholders. CEOs were encouraged to think like shareholders themselves and every action they took was to be in the interest of rewarding the shareholders.

In the 1960s, no one talked about shareholders or about bonuses. Then came the bonus culture which distorted the whole managerial behaviour. “It’s an extraordinary result in the history of capitalism,” comments Charles.

A CONVERSATION WITH CHARLES HANDY

Lessons in Leadership, Work and Wellbeing

“Nowadays, Europe is dominated by the invisible glass towers of corporations. The buildings are made of glass but you can't see them,” says Charles. “What's interesting about being made of glass, is how are you to know what a company name means when you're a passer-by on the street? What does the name GSK or Aviva mean to you if you don't know who they are, or who runs them?”

“The glass tower corporations are accountable to shareholders and to managers of pension funds who live in other glass towers, unknown to the people outside. And that's very dangerous for capitalism and democracy if the glass towers are invisible and turned in among themselves and not concerned with community.

“So what's the new capitalism about? We need new entrepreneurs, people who start things out of nothing, like Richard Branson; an average person who has created thousands of jobs. In the UK we haven't produced a Google, Apple, or Amazon.

“People are rewarded for their contribution to finance and seen as more important than the people who contribute on the inside of the business, the ones who are actually creating the wealth. It seems odd.

“We need more places like John Lewis or maybe we need to go back to the glass towers and change the way they think and reinvent what they think they are about.”

Charles reads out a statement made by David Packard:

‘I want to discuss why a company exists in the first place. In other words, why are we here? I think many people assume, wrongly, that a company exists simply to make money. While this is an important result of a company's existence, we have to go deeper and find the real reasons for our being. As we investigate this, we inevitably come to the conclusion that a group of people get together and exist as an institution that we call a company so that they are able to accomplish something collectively which they could not accomplish separately. They are able to do something worthwhile – they make a contribution to society (a phrase which sounds trite but is fundamental)...You can look around and still see people who are interested in money and nothing else, but the underlying drives come largely from a desire to do something else – to make a product – to give a service – generally to do something that is of value.’

Charles argues that today's corporations are all focused on targets and companies have lost the human connection – connection to their own people by putting them under pressure to deliver goals, and in doing so people lose their spirit and love of carrying out their own work. He asks us to ponder on this question: “If you had sole charge of your organisation, what would you do to redeem capitalism?”

Second conversation – The changing workplace and workforce

Charles talks about the concept of the flea and the elephant. Fleas are independent workers but need to ride on the backs of elephants to be able to earn their living (clients who pay for your services or products). He notes that 27% of the workforce are fleas. The difference is fleas get measured much more and are paid by results.

He says: “Why should you sell your ideas to an organisation? I think they are getting you on the cheap. More and more people are taking themselves out of organisations and selling themselves back into different organisations. People want to be independent, and to be fleas. Could you leave your organisation? Would you dare to do that? It means life is more uncertain – similar to the life of an actor who gains short-term projects with no guarantee of the next one. However you are free. More and more people are thinking like that.”

A CONVERSATION WITH CHARLES HANDY

Lessons in Leadership, Work and Wellbeing

Reinvent your life: my recipe for your future

Portfolio life

“If you groan about your job or find it has become monotonous and boring, you need to ask yourself – what do you secretly want to do? Do it. You can have a breakpoint and reinvent yourself. Sensible people reinvent themselves every 10 years. You can have a mixed portfolio of paid work, gift work or voluntary work, study work, where you continue to learn, and then homework, running the home.”

Acorns

“We need more of an acorn economy. We ignore acorns; businesses that consist of less than four people. These Acorn businesses only contribute 4% of national GDP so the government ignores them. The people who earn money by carrying out a trade. Yet the people who run these businesses provide apprenticeships and train acorns. We could learn from them. If every company took on apprentices, it would solve some of the unemployment issues. Some acorns may even go on to become oak trees.”

School system

“We have a funny school system where pupils are judged on their mathematical and analytical intelligence, not interpersonal, creative or emotional intelligence. I believe everyone is intelligent in one way but there are many people who never find out what their talents are because schools put them into a narrow channel. Curriculum constrains a lot of children. So it’s up to parents, teachers and managers to plant golden seeds.”

Golden seeds

“The greatest gift you can give anyone is to water a golden seed; help identify in someone what they are good at, plant that in them and cultivate their talents so the golden seed will grow and flourish, then go on succeed.”

Waking giant – social innovators

“Whatever you’re going to be doing, you will be working. Money helps you put your toe in the water. I encourage leaders of organisations not to work your people so hard but to allow them to be able to dip their toes in other waters.

“If you don’t have your own portfolios, then create one. Practice reinvention as you go along. I wonder about people who are trapped. I urge you to dabble in the flea world.”

Third conversation – Leadership: What does it really mean?

Charles states: *“Quite ordinary people can do extraordinary things.”*

Charles refers to the concept of the doughnut and talks about the space beyond the core. He says you can always do more to stretch yourself and keep learning but leaders have a duty to encourage their people to give them the space to do this.

He explains: “Enlightened organisations help their people to move out of the core of the doughnut and into the empty space. This is leadership. Leaders need to trust their people and imbue their people with the spirit, values and purposes of the organisation. Leadership in an organisation is about inspiring people, and letting their people know where it’s going and what it believes in.”

He asks the audience to discuss and tell someone else: “What are you most proud of?” Quite often we do not stop to think and celebrate our successes, but by doing this, allows us to build up self-awareness, self-belief and self-confidence that we can go on to take up greater challenges and take ourselves out of our comfort zone.

A CONVERSATION WITH CHARLES HANDY

Lessons in Leadership, Work and Wellbeing

The Sigmoid Curve

Charles introduces the Sigmoid Curve which is representative of a business cycle. The life cycle of a business typically starts off with low growth moving into steady growth, wealth and success, and then the curve dips showing decline. It's at the point of the curve when it reaches its pinnacle of success that a second incarnation or reinvention is needed.

He cites Steve Jobs and Apple as an example. Can you imagine, Macintosh was doing well, and then Steve Jobs joins Apple and says: 'We're now going into the music business. Now we're moving into the telephone business'. Now, he's got a new product in a new industry and then says we're next going to start up our own shops and Apple stores. Can you imagine what any board would think if they don't understand technology. 'What on earth are you thinking about? You're absolutely crazy'. Very quickly Apple stores became iconic and it was an extraordinary thing to do.

"Steve Jobs by all accounts was impossible. Why is he interesting? He was a lousy manager. He was insulting and dismissed people on the spot. However, he was the master of the Sigmoid Curve. He had imagination and created products that no one knew they even wanted until he created them.

"He only wanted to work with 'A class people' and he imprinted the values of the organisation on everyone else. Employees would tolerate him and everything that he stood for as they believed in what he was doing and felt they were working for something very special. Steve Jobs wanted to create a legacy and that means leaving something behind that lives beyond you.

"Where's your organisation or career on that curve? We're on that curve sooner than we think and it will ultimately turn down. It's a highly depressing thought if you're already past the peak, but there is hope. There's always a second curve or a third curve but it has to start before the first or second curve dips. You need to start reinventing, either within your organisation or life just at the point when all is going well.

Fourth conversation – Happiness: Can it be a goal for life?

"One of the words Thomas Jefferson, who was a Latin scholar and studied Aristotle, was keen on was the word 'Eudaimonia', translated as happiness or sometimes translated as wellbeing. It's the only thing in life pursued in its own end. To become successful in the hope it brings you happiness.

"What did Aristotle mean? He meant fulfilment, but I translate it as doing the best with what your best at. This is when you totally feel fulfilled.

"Philosophers never really provide an answer. What's the definition of a good life? My life in many ways is in search of the pursuit of happiness. It's why you must continuously experiment. When you have done, you are not done. The search for fulfilment is an endless journey until you die because you constantly have to move up a notch or two.

"It's a search for what you're best at. Who do you think you are? We are all acting out one or more aspects of our lives. What's the most critical part of us? You have at least three roles. Which part of you is on the road to happiness?"

Charles shows examples of people who took part in a photography project carried out by his wife, Liz Handy.

He asks if you were to take three photographs of yourself and place them in order of importance, what would you do? Or if you were to create a still life and you were asked to bring with you five objects to place in the composition and a bit of nature, what would you pick? Behind every object there is a story.

A CONVERSATION WITH CHARLES HANDY

Lessons in Leadership, Work and Wellbeing

He concludes: “Stories are triggered by pictures. If you can work out what enough is in terms of money or success, you can get a lot of personal satisfaction.”

So what’s Charles Handy’s own pursuit for happiness? On his desk he keeps a white stone. “In the ‘Book of Revelations’, a particular verse struck me.”

“He that hath an ear, let him hear what the Spirit saith unto the churches; To him that overcometh will I give to eat of the hidden manna, and will give him a white stone, and in the stone a new name written, which no man knoweth, saving he that receiveth it.” Revelation 2:17.”

“ If I live up to my potential, I will earn my name on a white stone. I keep a white stone on my desk as my symbol, in my search for happiness. Before I die I want to have my name written on a white stone.”



About the Author

This report was written by Natalie Cooper,
Editor of Changeboard.

I’m a storyteller at heart. Do you help develop your employees, provide them with a career that gives meaning to their life or offer advice to help empower people? If you have a story to share, please email: natalie@changeboard.com

Connect with me on Twitter: @NatalieCooperCR

