

# Handle with Care

Top Performance the Humanist Way



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# Jens Moberg

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**Gyldendal Business**



# Preface

I first became a manager at age 19. This was as a sergeant in the military. In my civilian life, I first became a manager at the age of 26, and in the course of my subsequent business career, I've had executive responsibility for several thousand people in large organizations, as well as for just a few employees in smaller, newly established businesses.

In the beginning, I focused intensely on being a manager and less on being a leader. Since then, I've chosen to focus more on being a leader, and I've learned that by doing this, I need not worry too much about being a manager. It is my assertion that by choosing to follow a leader, employees have no need for a manager. A leader elected by his or her employees can focus almost 100 percent on being a leader and avoid wasting time on being a manager. Whereas a manager not elected by his employees will spend almost all his time stuck in the role of manager.

I wasn't born a leader. Nor do I know if anyone else is, but I sure wasn't. I'm a little shy by nature, and in fact a bit of an introvert. As a young boy, I dreamed of becoming an architect or a forest ranger. I loved – and still do – creating things, building Legos, drawing and constructing stuff. Likewise, I love nature. The peace and quiet of the forest – the majestic trees, the animal life, the smell of the woods on a rainy summer day. In high school, I was convinced I was to become an army general. That was the first time I dreamed of a leadership position.

After many years in executive positions being in charge of thousands of employees and turnovers in the billion-dollar range, where presentations for large audiences, TV appearances, and media attention have become everyday occurrences, I am, in fact, still an introvert person. But I have learned to put my extrovert side to good use.

There have been intense crises. I've cheered, and I've cried. I've achieved excellent results along the way, but I've also made an enormous fool of myself. I've worked with immensely inspiring people, and I've experienced profound disappointment in my very soul over people's narrow-mindedness and self-absorption. But I maintain a steadfast belief in humanism and the inherent good of man.

People grow and deliver excellent results in collaboration with others, and it is my experience that you get far better results through inspiration than through inspection. I've learned to focus on what I can change, and that only by understanding myself can I truly understand others – just as you should always understand others before attempting to be understood yourself. I have also learned to forgive, and I have not least learned that my family, my integrity, and my self-respect are more important than any job.

The principle of due diligence is universal. But I don't think it can stand alone in today's knowledge-based society. I do, however, feel that we should complement this principle with another, namely that of due care. As leaders, we must exercise due care in relation to

our clients and our employees. By succeeding in this, we will have the opportunity to deliver incredibly strong business results! And that is what I wish to draw attention to with this book.

Through time, I've reaped both criticism and credit for my way of managing. The criticism has usually come from managers and colleagues, whereas the credit has mostly been expressed by my employees who have thanked me for bringing out the best in them. I don't consider my management style rocket science. The principles and ideas I rely on are simple and can be employed by anyone.

The purpose of this book is not to lecture on the right way of managing, nor to preach a specific type of leadership style. The goal is to inspire by means of good ideas, specific suggestions, and concepts on how to become a more effective leader by working with your principles and values. This not only applies to managers with personnel responsibility, but managers at any level and in any type of job seeking inspiration for their interaction with other people.

I hope everyone wishing others to follow them will benefit from this book. Be it people who have already been managers for many years, but who do not feel they have completely succeeded in making people follow them. Be it successful managers in need of new inspiration, and possibly also in need of new input in order to evolve. Be it the specialists wishing to become managers, or the project manager with no specific executive responsibilities, but who nonetheless relies on people to follow him or her in order to be successful in his or her job. And finally, the book is also aimed at the individual who manages five or ten employees and wonders how you go about managing hundreds of people. All in all, this book is aimed at anyone wishing to become a better leader!

The book offers no specific instructions as to how to practice leadership in times of prosperity or, for that matter, times of crisis. Sound leadership is first and foremost about helping employees develop their potential, making organizations as strong as they can possibly be, so that businesses can deliver the best results possible! This applies to times of prosperity as well as times of crisis. A 25 percent growth is not satisfactory if your market grows at a 35 percent rate. That means you lose market shares, and then your growth can look ever so great, but you still need to improve – also as a leader. If, on the other hand, your market shrinks ten percent, a three percent growth is not necessarily bad. Especially not if you are able to reduce costs by 15 percent at the same time. The point here is that sound leadership is about making your organization perform its very best in good times and in bad, which is why this book is aimed at any type of manager in any type of organization at any point in time.

My way of managing by no means contains the one truth about how to practice good leadership. And this is no blueprint for doing so with the greatest possible success. My way of managing only constitutes one of several ways, but it works for me. Through many years, I've worked on getting to know myself as a human being. Through practice and consistent analysis of my experiences, I've worked on finding a management style that suits me. It is not complete, and it is constantly being perfected. But the foundation of my preferred way of managing is, more or less, in place.



So my best advice for others in search of the management style best suited for them is to also begin looking inward and understanding themselves. The foundation of successful leadership is laid through self-awareness. But if leadership is about looking inward, the reader may rightfully ask: What's the use of this book? Self-awareness begins with discovering who you are as a person. But self-awareness also develops from learning to understand how you form relationships with other people. As a manager, I've learnt a great deal from other people's experiences, just as I've also uncovered a lot about myself by mirroring my own actions against those of other people. So it is my humble hope that by listening to both my good and my bad experiences as a leader, others might get inspired and thus helped along on their own formative journey as leaders.

This book contains a number of examples and experiences drawn from my own professional life. All of these are true, but every name is fictional, apart from that of my own family, so the persons mentioned in the book remain anonymous.

The book can be read from cover to cover, but you can also use the extended table of contents to obtain a general idea and read the sections that appeal to you the most.

I suggest you put the book down after reading one or more sections, and then pull it out every once in a while, reread the extended table of contents, and dig in wherever you need inspiration or a brush-up. Use the book for discussions with colleagues, managers, employees, or friends. Sound leadership springs from dialogue, and sound leadership requires, as mentioned, an understanding of oneself. For this purpose, you need others to help hold up the mirror. Use the book as inspiration for this dialogue.

Remember, you're only a leader if someone follows you.

Happy reading!

Jens Winther Moberg  
Husband, father, brother, friend,  
citizen, colleague, leader and humanist.

*Throughout this book, Anders Morgenthaler has illustrated most of my management principles with penguins – among penguins, the male takes care of the eggs. At the end of the book, you will find these illustrations in color, ready to cut out and put up on the wall.*



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# Being Elected Leader

“Moldt, this is an army barracks, not a retirement home, and your mother’s not here! You must clean up after yourself, and clearly, that’s beyond your abilities!” The setting is Vordingborg Barracks on a spring morning of 1982. The outburst erupts from a young sergeant. Me. At that point in time, I’m barely 20 years old and have just been appointed sergeant – after nine months as a private, being whipped around by other sergeants and lieutenants at Sønderborg Sergeants’ Academy. But now, I’m the one in charge. And it’s time for payback! I fling private Moldt’s black beret along the dorm floor. No matter how thoroughly the floor has been cleaned, the beret’s black felt is bound to attract filth. A completely superfluous display of power with the sole purpose of emphasizing the fact that I’m now the manager.

Six years later, I was for the first time appointed manager in the corporate world and was now a department manager with IBM. Although I had evolved since my days as a sergeant, I was still more focused on being a manager than on being a leader. I remember telling one of my friends: “This is great. Now I can tell my employees: ‘Will you please do this and that,’ and finish off with a full stop instead of a question mark. Because I’m the one in charge – I’m the manager.”

Today – more than 20 years and a bunch of executive positions later – I have, thankfully, matured and discovered the important distinction between being a manager and being a leader. Managers may make their employees do whatever they ask them. But that doesn’t make these employees follow them as leaders. You see, there’s more to becoming a leader than simply acquiring the title of “manager”. It’s a matter of winning employees’ trust and recognition.

Even the most competent people with high ambitions and grand dreams may heave a sigh of relief when appointed manager. They may have dreamed of becoming a manager for a long time, and now they have finally reached their goal. Or they may already be there, but they have been striving to go even higher in the hierarchy and gain even more power and influence. They now pat their own backs and rejoice in having reached the higher rungs of the corporate ladder.

But it’s far too early to breathe this sigh of relief, for now is when the real battle begins. You may have won recognition from top management as well as their expression of belief in you and your ability to make good things happen for the organization. But your actual success in this role depends on your skills as a leader.

The greatest leaders through time, Nelson Mandela, Mahatma Gandhi and Martin Luther King, achieved what they did because they were leaders – not because they held executive responsibility. In fact, none of them were in an executive position when they became leaders of the people. What made them leaders was their ability to gain people’s trust and light a hope in them. They had something to offer people – inspiration, faith, hope and a direction in life – and that’s what made people follow them.

The same applies to the relationship between you and your employees. If you want your organization to succeed, you need your employees to follow you and be passionate about reaching the company’s goal with you. This means they need to believe in you as a leader, believe in your values and your abilities, and believe that you have a vision of the path you must walk together. That’s what makes them elect you.

So it is my claim that you may be appointed manager, but you can only be elected leader. You can never impose your leadership on a group of employees. You can work to make them follow you, and that’s the first task you’re faced with as a newly appointed manager. And should you succeed in getting elected, you’re not necessarily safe in the saddle for time eternal. You need to be reelected, and this doesn’t take place within fixed election periods like in politics. So your status as a leader is even more uncertain than in politics. Theoretically, you’re up for reelection every single day. Every minute and every time you bat an eyelid. Those are the terms. And yet it’s important not to be intimidated by this knowledge, as this will only paralyze you.

The distinction between being appointed and being elected is not only relevant in business. It applies to the vast majority of relationships between individuals in our society. When, from time to time, I have observed my children’s grade school teachers, I have been profoundly impressed with their leadership. The teachers who succeed do so because they have a certain ability to motivate students to grow and give the best they’ve got. They are capable of awakening the children’s trust, connecting with them, and thus instilling in them a desire to learn. They do so with no executive responsibility whatsoever, merely because they possess strong leadership skills.

Of course, I’ve also witnessed lots of examples of the opposite; of teachers not succeeding due to their inability to motivate and generate energy in the children. But this phenomenon cannot just be observed in grade school. It can be seen in lots of places every day in various of society’s institutions. Not least among our politicians. Those who succeed as politicians and are reelected over and over do it the same way; because they manage to light a hope in voters and demonstrate a drive that proves their ability to transform this hope and this dream into reality. Those who do not succeed fail because they seem to care more about themselves than about getting the message across. Their careers as politicians end up being short-lived.

The foundation of being elected is the trust existing between you and your employees. But trust is an elusive thing. It can quickly vanish. If you misstep or screw up, you lose people’s trust, which means you lose your ability to gain influence. At the same time, you lose your ability to support people as their leader, since they will no longer listen to you with an equally open mind. If people have trusted a leader and identified with him or her,

most of them will also have understood this person's way of leading. But if you misstep, people will no longer feel confident in your motives and the reasons behind your actions. They will not actually listen to what is being said. Instead, they will listen to what is not being said.

*You can be appointed manager,  
but you can only be elected leader.*

This is, however, not an invitation to brownnosing. By doing so, you will only end up selling out as a manager and disregarding your management principles in order to please your employees. Doing the right thing only to win your employees' enthusiasm will quickly lead to managerial populism – which under no circumstances will lead to lasting support from your employees.

Four factors determine whether or not your employees will elect you:

- *Trust.* Whether you are able to establish trust between you and your employees, as well as within your organization in general.
- *Direction.* Whether, in collaboration with your organization, you are able to understand the market situation, develop an overview, and establish the direction for your organization to move in.
- *Drive.* Whether, once the plan is in place and the strategy established, you are able to exhibit the necessary drive and prove to people that you are capable of backing your words with action. You must be able to make both the easy and the tough decisions and assume responsibility.
- *Consistency.* You must always do what you say. And say what you do.

## **Opening Up Is a Requirement for Building Trust**

In the spring of 2005, I was offered the position of head of Microsoft's North American sales force. As the first ever non-American, I was to lead the approximately 5,000 employees of the American sales and service organization. My awareness of the need to be elected by your employees if you wish to succeed as a leader led me to accept the offer with a certain degree of skepticism. Steve Ballmer, CEO of Microsoft worldwide, offered me the job aboard a flight between Stockholm and Copenhagen. Obviously, I was honored by his offer and his trust, but I also fundamentally had doubts. As a non-American manager in that position, would I be able to gain the support of my employees? Would I be able to establish the necessary trust, considering my Danish and European culture and background – as well as my rather broken English? If I were unable to win people's trust, I wouldn't be elected leader. Steve could appoint me manager, but it was up to me to get elected leader. And would I be able to?

I went home and thoroughly talked it through with my wife, Inge. Moving to the United States would mean a break in her career as the Nordic HR manager of an international IT company. But if we were ever to move to the United States, now was the time, before our oldest son, Jacob, would reach his teens. We decided to take the chance; I accepted and moved the family to Seattle in the summer of 2005.

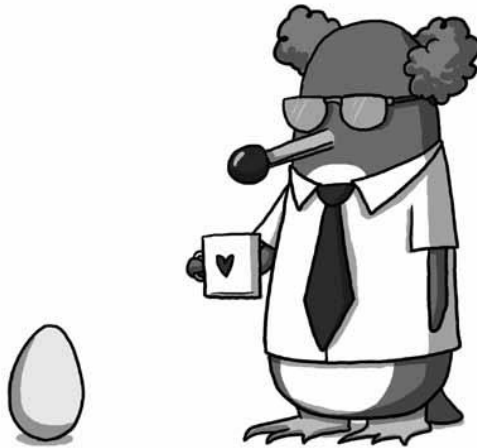
When I had held the job for six weeks, I was faced with the first big test. Prior to my appointment, a big Dallas conference had been planned for 2,000 employees on the American sales force. All these employees were to be flown in from far and wide, the program was set, and I now appeared on it as the keynote speaker of the day. In other words, this was my welcoming party, and expectations were running high – both those of my surroundings and my own.

While preparing for the conference, I was in two minds and thought like crazy about how to present myself. This was my first time face to face with my new employees and I knew this first encounter would be crucial to their perception of me and to my chances of gaining their support in the long run. At the same time, I knew that given my background and my alternative approach to management, I probably didn't quite fit the prevalent notion of an American manager. So the question was whether to act the way I thought they would want me to be, and the way they expected a manager in my position to act. Or whether to be myself and present myself as the person I really am. One could obviously argue in favor of both. I was, after all, the manager of a large group of Americans, and should probably therefore also present myself the American way, with a lot of theatrics and strictly on their terms; as they say: "When in Rome, do as the Romans do."

On the other hand, I also knew that by presenting myself the American way, I would not actually be myself. And if you're not yourself, you're basically questioning your own management values and what you stand for. To me, this is the equivalent of playing a game. And by so doing, you are indicating that what you have to offer is not good enough. Which would be a bad starting point for establishing the crucial trust in relation to your employees. Hence, I decided to be myself.

So I went on stage in Dallas, presented myself as husband, father and leader Jens Moberg, and started out telling people about my family and my family life. I related anecdotes about our first time as a family in the United States. Talked about how my children, Jacob and Jesper, had reacted upon arriving in the States, all the while showing a slide show with pictures of Inge and the boys, with Louis Armstrong playing "We Have All the Time in the World" in the background. This was no doubt a rather unorthodox way of presenting oneself as a manager in an American company, and quite possibly also too sentimental for some among the audience. They would probably have preferred a little more authority and a little less emotion from the manager's initial presentation of himself. But that was the chance I took.





*If you want to be somebody; be yourself.*

## **Recognizing and Understanding Your Fundamental Approach to Managing**

Following the more private part of my presentation, I also talked about myself as a manager. Once again, I did it in a not-quite-so-American fashion. For instance, I showed a picture of a flowery meadow with the text “letting a thousand flowers blossom,” inspired by Mao Zedong’s expression. I explained to them how this very expression frames what I see as my most important vision in life: getting people to blossom. Which not only applies to my private relationships, but also to the people I surround myself with in the other aspects of my life – and hence also my colleagues, my partners, and my business associates, but most of all my employees. So I told them my supreme goal is to make them thrive and blossom, as this is very likely to rub off on clients and in turn make them blossom. And if clients blossom, they will come back demanding more goods and in turn make the company turnover blossom.

Despite the rather mundane nature of this line of thought, I nonetheless made a point of emphasizing it that day in Dallas, as it illustrates in a simple way my fundamental view of employees, managers, and the relationship between the two. Also, it was important for me to have my employees know and understand this fundamental view if they were to understand my way of managing.

I told them how, for instance, this view manifests itself in my belief that employees don’t work for the managers of an organization, but that they work for the clients. And since they are closer to the clients, my role must necessarily be to serve my employees and help them serve the clients, who are, after all, what the company must earn its living from.

At the same time, I made it clear that this view of the relationship between my employees and myself does not mean I cannot also be the one to make overall decisions or take executive action. I didn't want them to think I was not prepared to accept my executive responsibility. So I went to great lengths to emphasize the fact that I obviously perceive my role to be that of maintaining the overall view of the company's development and future.

The idea was for them to understand that I'm not always the one who knows best about everything going on in the company, although I do hold the overall responsibility. As employees, they have a much better understanding of the clients than I do. And this fact above anything else is what helps establish the premises underlying the type of management I practice.

I obviously didn't expect to win my new employees' trust with one stroke and have them elect me simply by telling them about the principles underlying my way of looking at and perceiving an organization. But I do believe that by talking about my basic perception of the relationship between managers and employees, and by endeavoring to present myself as the anti-authoritative manager I strive to be, I did actually help build the foundation that could in time make these employees elect me their leader.

## **Intimacy – A Step Toward Trust**

Building trust between manager and employee can be a lengthy process and can be approached in a number of ways. The first foundation of trust involves understanding each other. This is why, that day in Dallas, I told the employees what I had so far observed in the organization during the few months I had been there. I didn't exactly claim to have come to grips with the entire organization, but I did tell them what I had observed and seen, and what *I* considered to be some of the challenges.

My hope and wish in doing so was to give the audience a sense that I understood them and was able to put myself in their place. It may be taking it too far to claim that I could gaze into their inner selves, but if, as manager, you wish to build trust, you must start by sending the signal that you are able to put yourself in your employees' place. That must necessarily be the first step toward establishing contact. If a manager is unable to connect with his or her employees in this manner, the employees will feel alienated. This is often what happens with elitist managers. They do not recognize the value of speaking the same language as their employees and of relating to each other. This makes it difficult for them to build trust, and thus to get elected by their employees.

Furthermore, I believe in the necessity of creating a certain intimacy between manager and employee if you wish to establish a working relationship based on trust. The word intimacy can be pronounced *In To Me You See* – and can, in other words, be translated into allowing others to look inside you.

*Confidence is like fertilizer to organizations. With it, organizations can move mountains. Without it, organizations will – in time – bury themselves.*

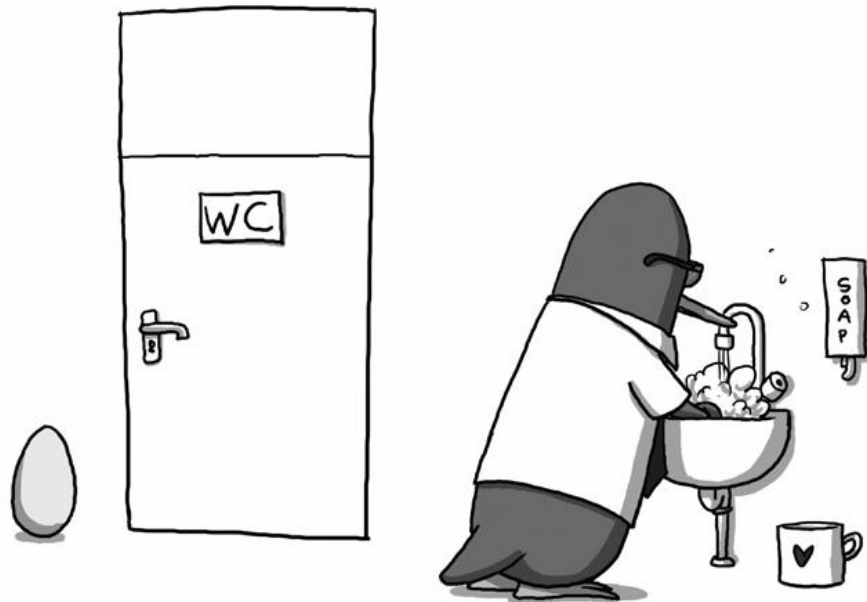
This can be approached in a number of different ways. For my part, I try to show my employees who I am as a person. At the Dallas conference, I tried to do so by showing pictures of my family and by telling stories and anecdotes from both my daily life and my personal life. But also by going one step further and telling people about something that to some managers seems far more private than privacy itself, and something most managers by no means want to share with their employees: my vulnerabilities – or weaknesses – as a manager. If, as a manager, you are to establish trust within your organization, you need to build a culture in which people are allowed to display your vulnerabilities. If you are to succeed, you must have the courage to lead the way yourself. So I talked openly about on one hand how excellent I am at initiating projects and how I love to launch lots of ships. But I also talked about how I find it difficult to always follow up on old projects and bring these ships all the way to port.

To some, it may appear as though you're completely undermining yourself as a leader from the outset if you, when facing your employees for the first time, start out by telling them of your vulnerabilities and the areas in which you don't perceive yourself to be particularly strong. And I myself was, in fact, not quite sure how this would actually be received. But I took the chance, because I sincerely believe this is the right way to practice leadership.

If you share with people the things you are not good at, you lend more weight to the things you later tell them you actually *are* capable of doing. And if, on the other hand, you only tell them about all the areas in which you excel, you can be pretty sure someone will be left thinking: "There's *got* to be something he's not good at. I wonder what that might be."

By telling people you recognize the fact that you don't master everything equally well, you demonstrate to your surroundings that you are in possession of self-awareness. This builds credibility, and that is the fuel for the trust needed by every organization. As a leader, you are a role model. But people abide more by what you do than by what you say you do. Show openness and credibility, and your employees will have the courage to do the same. Show vulnerability, and the rest of the organization are more likely to have the courage to follow suit.

Obviously, you should not see every single meeting as an opportunity to ladle out childhood trauma and crises and display all the vulnerabilities you perceive yourself to have. But, after all, it is a matter of creating a climate and a work environment where people feel they can be themselves – with all their inevitable strengths and weaknesses. You see, in a place where employees feel they can be themselves – for better and for worse – confidence grows. And confident employees will approach their work with far



*It's Not What You Say – It's What You Do*

more energy and a far more creative and innovative mindset than employees who feel insecure.

When my humanist approach to doing business encounters reservations from, say, fellow executives, it often manifests itself in remarks such as: “Well, this whole openness about vulnerabilities is all good and well. But the most important thing is, after all, for us to make some money – and how do we do that the humanist way?” This statement holds an inherent claim that humanism and solid profit are mutually exclusive. But I find, on the contrary, that the two go perfectly hand in hand. For if you can create a culture in which it is acceptable for people to share their vulnerabilities, it will also be acceptable for both employees and managers to recognize their individual limitations and ask for help when they feel unable to cope with a certain task. It then becomes easier to bring problems and mistakes to light and get them solved, and hence you avoid them being swept under the carpet and ignored.

Evidently, a culture of this kind holds far better conditions for creating good results than a place where people hide their mistakes and vulnerabilities. And this is why having the courage to recognize your vulnerabilities and ask for help when needed, in my eyes is a sign of strength rather than weakness.

## **Do You Have a Plan?**

Trust is the first step toward getting elected by those surrounding you, but trust alone doesn't do it. In order for your surroundings to wish to follow you, they must also believe that you know which way the organization should be headed. So you must be able to show them the way, have a goal, and have a mission.

A couple of weeks before the big Dallas conference with my employees, I met for the first time with my new management team. My manager was there, too. He had been acting head in my position for a long time and had called the meeting prior to me taking over the job. It was the same full day meeting described earlier, in which we, the management team, were to discuss some of the great challenges facing Microsoft in the United States at that point in time.

Shortly before this, an extensive organizational restructuring had been undertaken within Microsoft. The great challenge had been to decide whether to divide the organization based on geographical location or industry. Should a client such as Ford Motor Company fall to the sales office in Detroit, where Ford's own corporate headquarters is located, or should they fall to the Microsoft division that generally works with the company's other clients from the automotive industry? A typical problem within sales organizations. Instead of making a decision on this issue, they had tried to please all parties by creating a complex matrix organization in which many mid-level managers now reported to two or even three managers. This had resulted in the sales people's work becoming more difficult and the work and decision-making processes becoming more complicated and less transparent. Which further resulted in the emergence of a considerable amount of dissent within the organization, which we now had to do something about.

Meanwhile, sales figures were not satisfactory, we were more than 20 percent under budget. In other words, we needed to establish an overview of the situation, and we needed to make decisions.

There was a lot of talking going on among the management team, and lots of interpretations and analyses were quickly put forward. Not by me, though. I was completely new in the job and despite being in charge of the area, I still felt too new in this part of the organization to be able to present any grand explanations or serious takes on which direction to head in for the time being. So I remained silent, practicing, as explained earlier, not saying anything until I really had something to contribute. The only thing I did do was to ask clarifying questions along the way.

My silence was, however, stressful for me. Here I was, surrounded by a host of talented people, all senior managers, and although they all knew how to present things, they were also used to being interrupted. Not least by their manager. Which, as it happened, was me. But here I was, searching for words and a vision that had not yet materialized – and thus I felt an increasingly urgent need to step into character and prove myself worthy of my executive title. At the same time, I knew that should I give in to temptation and speak up merely in order to do so, I risked falling through because I did not yet feel ready to say anything of particular substance. So I struggled to suppress my

personal need to prop up myself in the eyes of my new management team, and focused instead on what this was really all about: solving Microsoft's problem. Fortunately, structure and an explanation for the organizational problems then started appearing in my head. After nine hours!

About an hour before we were to round off the meeting, I asked to have the final half hour – which I got. I told them I saw three challenges for the organization. One was our sales people needing more time to sell. They spent far too much time on internal activities and therefore didn't have enough time with the clients. I expressed this in the following way: "We're behind on the sales budget – so it's TIME to SELL – and our sales people must have TIME to SELL."

The next challenge was the fact that the organization had become so complex it impeded our own work. In other words, we needed to make our organization simpler and more straightforward while freeing up energy to get some work done, to cut a long story short. I expressed this in the following way: "You're saying the matrix organization is creating additional work for you. You must make sure the matrix works for you and makes you more efficient instead."

And finally, I sensed there was a basic lack of trust within the organization. Management had to trust employees to be capable of solving the tasks they had been charged with. And the employees had to trust management to back them up. We needed to display trust and free up responsibility in order for people to act more independently: "We need trust to empower and empower to trust."

They all looked at me wide-eyed as I finished talking, and then exclaimed: "That's it! Exactly. That's just it!" And I must admit I heaved a sigh of relief. Because I sensed I had probably just passed the second test of being elected leader: the test of showing that you maintain the overview, are able to set goals, and establish a direction. The funny thing is, even today, I still don't really know if that sentence about empowerment even made any real sense the way I formulated it in English. But nonetheless, that sentence, as well as the other two, happened to become almost a mantra for the organization in the following years.

## **Drive**

If you want your organization to move forward, it is crucial to back your words with action and have the courage to spearhead the specific actions needed.

If you have already been elected and enjoy the support of your employees, this, among other places, is where reelection takes place. It also happens to be where you run the risk of once again losing your employees if you are unable to follow through on decisions. I was plunged into that test a year after starting as vice president at Microsoft.

At the marathon meeting with my new management team, we thus fleshed out the general challenges facing Microsoft's American sales division, and what kind of initiatives we should focus on in the future. But as time passed during the following

months, I started to realize that these were not the only challenges facing the organization. There was another and even more pressing concern – this one of a financial nature, as our expenses had become too high. Sales happened to be doing really well, and we had two-figure growth rates on turnover. But a number of considerable budgeting errors had resulted in the organization growing larger and more expensive than our growth in turnover could withstand. Our expenses thus grew at a considerably higher rate than our turnover and exceeded acceptable levels by more than \$40 million. Something had to be done.

On the face of it, there were several different ways of attempting to recover the money. The fastest way would be to simply take the \$40 million from the existing marketing budget by making cuts there. That would be a quick operation and a solution I could easily garner support for, as it would not impact too many employees personally in the short term. But in my eyes, this was still not the right solution. As far as I could tell, the marketing budget had already been cut considerably and to the extent possible. If we made further cuts, I felt it would have a significant and long-term negative impact on our entire sales in the region.

Another way would be to increase the organization's growth goals – in other words asking the sales force to sell more than they already did. This was a solution that could, on paper, quickly take care of our problem and in the short term make it look as if we had recovered what we were missing. But in the long run not a solution I myself believed in. The organization was already operating with very ambitious growth goals, and in order for us to make the budget, these would have to be doubled. Microsoft was already struggling with the image that this was the place to apply for a job if you wanted to work yourself to death. Increasing the growth goal and thus the workload was a surefire way to wearing down a large number of our employees with stress, and it would probably just drive our numerous good sales people right into the arms of our competitors. Hence, this would not solve our problem, but rather burden us with even more of them – thus making matters even worse for the organization.

The last option, as I saw it, was to cut down on the activity level in a number of areas, thereby allowing for staff cuts. But this wouldn't exactly be an easy solution, either. At that time, I had been with the organization for less than a year and knew that this would be the first time ever in the history of Microsoft that a large number of people would be let go from sales and marketing in the United States. A solution, that is, which no doubt would send shock waves throughout the organization. Furthermore, I had just arrived as the new manager with the humanist approach to managing, and I had already spent lots of energy preaching from top to bottom in the organization about the need to establish trust and non-judgmental work cultures. A few months earlier, I had even found myself face to face with most of the employees, telling them I was working for them and not the other way around. So how would my message of trust and humanism be received if, shortly thereafter, I started announcing layoffs? And how would I manage to gain support for cutting almost ten percent, equaling 160 employees, from the very same sales and marketing staff of just under 2,000 people, when everyone in the organization knew, as did I, that Microsoft's sales were doing really well?

The more I pondered how to tackle this task, the more apparent it became that here, too, the humanist approach must be the way to go about it. Some might feel that true humanism in this situation should be about avoiding resorting to layoffs as far as possible, instead coming up with solutions that do not entail letting go of employees. I, however, do not share this view. A manager cannot avoid having to make tough decisions from time to time. That comes with the executive responsibility, and you have to acknowledge that. Laying off employees in a humane way is not about protecting them by, for instance, entirely avoiding firing them, if possible, or by masking the reason behind the layoff to an extent where the affected parties never get to hear the truth.

When it comes to firings, humanism is about doing what is needed, meaning firing, where it's needed, while maintaining the greatest possible respect for the individual. That means preparing and planning for the layoffs as thoroughly as humanly possible and doing so in close collaboration with the managers who have to carry out the layoffs, and who have to stand face to face with the employees losing their jobs. It is also specifically about carrying out these layoffs in an honest and straightforward manner while always being considerate.

According to a widespread misconception within certain management circles, when firing employees, you should preferably use general and never personal explanatory parameters – the underlying perception being that you should never kick somebody while they're down. And on those grounds, people often get fired in the name of restructuring, although this is not the truth.

The thing is, people are often fired because they simply can't handle the task they've been charged with. But this is not the reason they're given. Many managers feel they should protect people as much as possible and therefore give a general reason associated with the financial crisis, periods of recession, or something completely different. In my eyes, however, this is not an expression of humanism. The result, you see, is sending people along in their careers on a lie and with a false impression of their own capabilities. And to me, this is not a decent way of treating people.

With all this in mind, I realized there probably were no quick-fix models for the round of firings I had to spearhead. If this were to be done in a humane way without doing too much damage to the organization, I would have to team up with the mid-level managers who were to carry out the actual layoffs. They needed to assume ownership of the process instead of being left with a feeling that this was something that had been imposed on them. For the same reason, I also had to listen to their input and suggestions for solutions. If this were to be done wholeheartedly, I would therefore also have to be willing to do things their way, if that was what it took. So the first challenge was not so much to implement the staff cutback – rather, it was to make the people who were to execute the layoffs realize the need for this action.

I thus initiated a tour in which I visited the company's twelve U.S. districts. In each place, I scheduled half a day with the local general managers and their management teams to thoroughly discuss the layoffs. I presented them with the numbers and offered them my assessment of the problem. Our expenses exceeded the budget by \$40 million; I wasn't willing to make cuts in marketing, nor to increase our sales goals. So the only



option was to reduce the work force. But at the same time, I told them where my doubts lay, and where I wasn't quite sure. And even more importantly, I told them how it was of the utmost importance to me that we collaborate on finding the right way to carry out these layoffs.

Then everyone around the table was heard, and they all offered their take on the issue. I made it clear that I had drawn no advance conclusions, and that their input was essential to the process. And together we actually ended up agreeing on how to do this.

It ended up being a demanding process and a time-consuming course of events. With a reduction of 160 employees, it was evident that we could not just cut so-called superfluous parts of the organization. There was no way around also cutting to the bone. But I had to stand by my word that I would listen and have the managers on board. And as a consequence, we didn't end up with a solution that had been conceived at corporate level and then forced upon the local organizations. It was something we did together.

I did not relate this story to illustrate the supposedly one right way to carry out layoffs within an organization. I told it in order to show how there may be a number of different ways to tackle these kinds of challenges. The most important thing is for you as the person ultimately responsible to fully realize beforehand what end result you perceive to be the most important.

This process had two end results. One was for me not to go back on my principle as the senior manager. I wanted to demonstrate the drive that is indispensable if you truly want to be elected by your employees. The other end result, and this is probably where the real challenge lay, was to do so without disregarding the humanist values that I do fully believe to be the foundation of sound leadership – both in times of adversity and in times of crises. You are also elected in times of crises, you see. This is where you have the chance to step up, demonstrate your drive and serve as an example of the values you preach over and over again. Even though it may seem rather troublesome.

This meant, among other things, that this was not the time to take executive action. It also meant that I had to put my doubts on display. I had single-handedly decided there was going to be layoffs, but I communicated openly to the management team that I hadn't answered the where and the how. By doing so, I risked appearing weak to the managers who might have expected a different type of crisis management. It also meant that the process took a little longer and, from my perspective, probably initially became more troublesome, as the dialogue about whom to fire and where to cut took time and involved a lot of people. But on the other hand, it was this very process and openness that resulted in the remaining employees in the organization emerging from the round of layoffs without having lost their trust in management and in each other – which is why they could shortly thereafter regain their strength and pick up the work where we left it.

## **Waiting Too Long to Take Executive Action**

Assessing when a manager should demonstrate his or her drive can be a difficult balancing act, and the timing can be crucial. You should not take executive action too soon, for by doing so you jeopardize the principle of letting employees handle as much as possible themselves. If you practice the humanist approach to managing, as I do, it is important not to be too quick on the trigger. You may have spent years getting the message of the self-correcting organization to sink in, spending huge amounts of energy convincing employees that you honestly feel they should handle as many tasks as possible themselves. You have told them you want them to trust management and trust you to support them in the responsibility they've been given. This statement also implies a promise that you are not going to immediately retract the delegated work if you catch them making a mistake or slipping up.

So what does the humanist leader do the day the individual in question points out a mistake has been made in the organization, or a problem has arisen, because an employee has been unable to administer the responsibility given to him or her by you?

If you tighten up control and retract part of the delegated work in order to demonstrate your drive and correct the mistake, you run the risk of your principles collapsing. You risk ending up looking like that fake humanist who deep down inside is, after all, just primitive and control-driven. And with that, you lose support from your employees.

But the same happens if you wait too long. Then employees will stop believing that you even possess the drive that you, as the person ultimately responsible, will have to employ in particular situations, whether you're a humanist or not. Your employees expect you to, and this is what you're getting paid for.

There are probably no clear answers as to where this line is drawn; when it is wiser to demonstrate your drive, and when it is wiser not to. You have to proceed by trial and error and learn from the mistakes you risk making when setting out to discover your own right way of doing things as a manager. I, too, have made these mistakes. One of them was waiting too long to demonstrate my drive. It was at a point in time when I was the Nordic vice president of marketing for Microsoft and lived with my family in Stockholm. One of my good executive colleagues in the Nordic countries was called Richard. We weren't exactly what you would call friends, but we had a great liking for each other and could probably have become friends. We knew each other very well and both knew what kind of ambitions and dreams we each carried with us. Both of us had the ambition and hope of one day holding one of the highly sought-after positions for Danes within Microsoft, namely that of general manager for Denmark.

One day it just so happened that the existing general manager for Denmark quit his job and moved on to another. I called Richard, and we had a candid talk about how the position we both dreamed of was now vacant, and we were both sufficiently frank to declare that we would each pursue the job. Both of us respected the other person and also had the honesty to admit that we were both qualified. The conversation was concluded on a nice and friendly note with a mutual wish that the best man would get the job.

Then followed a recruiting and hiring process in which both he and I participated. Following this process, I got the job. I was obviously immensely happy and proud, but I also knew that Richard must be disappointed. Soon thereafter, I contacted him and obviously expressed my own happiness, but at the same time an understanding of his disappointment. I also told him how important it was for us to be able to handle this new situation – how we were no longer colleagues, but I was now his manager. I found him a highly competent employee and hoped he would stay in his job. I promised to do whatever I could for us to have a good working relationship – albeit under new conditions. He didn't say much – frankly, he was extremely curt – and the conversation didn't last long.

The next time I met him was a few months later at a large annual conference for 12,000 Microsoft employees. He was still curt and seemed not only disappointed, but also angry about the outcome of the process. Vi talked about it for a while. He was bitter over the process, as he had felt the outcome had been predetermined. I tried to make it clear that this was not my perception of things. It was okay for him to feel that way, but it was not my responsibility, so I didn't find it fair for him to take his anger out on me to that extent. I had been a player in the process just like him, and I had exercised no influence on this process. But Richard was adamant, and he clearly remained bitter – especially with me.

I offered to find other job opportunities for him – among other things in the United States – and during the following months, I made quite an effort to seek new challenges for him elsewhere in the organization where he would not have to be confronted with me, or the defeat that clearly nagged him. Time passed without my efforts really proving fruitful, and Richard clearly remained angry with me. He was a well-liked manager and generally enjoyed great support from his employees. But it was evident that speculations started to arise within the Danish organization, because he so blatantly refused to elect me leader and didn't lend his backing to me as the new general manager.

As the weeks passed, I considered the issue at length. At one point, I confronted him, saying he would have to rid himself of his bitterness before long, and should he not do so, he would have to leave the organization. His reaction was mumbling and evasive, and apart from that, he did nothing. Neither did I. After all, I was new in the job in Denmark, I wanted to be elected by my employees, and I was probably afraid to look like a cold and ruthless manager if I fired Richard on the grounds of disloyal behavior. So I let time pass.

However, Richard's behavior did not change. He continued to be disloyal toward me – and the entire organization was witness to this. I realized I had to do something, and I told him that if we didn't manage to find a job for him outside of the Danish organization within the next four weeks, I'd let him go.

Two weeks later, Richard got a job with Microsoft in the United States. I was incredibly happy – for Richard, but probably mostly for myself – and I assumed that when Richard took over his new position in the United States, our relationship would go back to normal. But I was wrong. After six months, I met him again at a large conference.

I was sitting at table having lunch with a number of other Danes. Richard came and sat down at our table, but didn't greet me. As I left the table, I went over to him and said, "Nice to see you again, Richard." He looked me in the eyes and said, "The pleasure was all yours!" And that's when I made my decision. He hadn't elected me, but then I didn't have to elect him, either. And after that, I put him on ice.

Four years later, we met again. I hadn't approached him over the years, but I thought now must be the time to put it behind us. I grabbed him and said, "Richard, it's now been four years. No matter what happened before, isn't it about time we forgot it and looked to the future? After all, we both have a career ahead of us with the company. Why don't we forget whatever happened and start over? This is just silly!" "Yes," he said right away. He agreed completely. When a few minutes had passed, he came back to me and said, "Jens, I'm incredibly glad you approached me, and I'm really happy we decided to put this behind us. There's just one thing I regret. And that's the fact that I wasn't the one to take the initiative. I should have!"

After that time, we have talked to each other, and these days we are even Facebook friends. We'll probably never be friends in the real world, but we have now put it behind us.

Many people later told me they thought I had allowed too much time to pass before reacting to his behavior and his disrespect. In the beginning, I brushed off the criticism. This is my way of managing. I did not want to appear a primitive leader – least of all being the new guy on the very post I for so many years had aspired to fill. But my lack of drive also revealed a completely different side of me. And maybe the reason why it is difficult for me to show this side is that I am afraid how my surroundings will perceive me as a leader. If you wait too long, you lose the respect and support of the people around you, which means you are no longer elected.

The different elements of my approach to managing are like a scale. A balance is needed between humanism and drive. I am not only elected for my humanism, but also for my drive.

## **Jens Moberg Fact Sheet:**

### *Born:*

1962 in Buddinge. Grew up in Næstved from 1970.

Parents: Knud Frederik Moberg and Kirsten Winther Moberg.

### *Education:*

Graduated from Herlufsholm High School 1981.

Bachelor of Commerce, Marketing, Copenhagen Business School, 1988.

### *Career:*

Army sergeant, 1981-1983

Finance trainee, A.P. Møller, 1983-85

Product manager, IBM EMEA, 1985-88

Department manager, IBM EMEA, 1988-91

Department manager, IBM Denmark, 1991-95

Nordic manager, Microsoft, 1995-97

Nordic marketing director, Microsoft, 1997-98

General manager, Microsoft Denmark, 1998-2001

Vice president, Northern Europe, Microsoft, 2001-03

Vice president, Central and Southern Europe, Microsoft, 2003-04

Vice president, Western Europe, Microsoft, 2004-05

Corporate Vice President, US Enterprise & Partner Group, Microsoft, 2005-08

Corporate Vice President, Emerging Markets, Microsoft, 2008-09

CEO Denmark and EMEA President, Better Place, 2009-

### *Personal life:*

Married to Inge Sandager 1993, living together since 1984

Father of Jacob Sandager Moberg, 1993

Father of Jesper Sandager Moberg, 1996

1984-1996: Residing in Lyngby/Søllerød, Denmark

1996-1998: Stockholm, Sweden

1998-2005: Lyngby, Denmark

2005-2008: Seattle, USA

2008-: Lyngby, Denmark



**Fact Sheet:**

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