

# **Leading in Challenging Times**

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The Westchester County Association

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Thank you Paula, for that kind introduction and all you do for this wonderful organization. Your leadership clearly has made a difference for business in Westchester County.

I also want to thank Al DelBello and Bill Mooney for your roles in leading this terrific association. And Mike Fisch and The Journal News for your support of the annual Westchester Business Leader of the Year award.

Good evening to all members of the Westchester County Association and your guests this evening. It is my pleasure to be with you as you hold your annual spring leadership dinner – at home in Westchester.

My wife Peggy and I are both lifelong Westchester residents and both graduates of Iona College. Our son Jack attends Iona Prep and our oldest son Al is a graduate of Iona Prep. And our three daughters have – or in one case will – attend School of the Holy Child.

Tonight I want to talk about the subject of leadership and, in particular, leading in challenging times. But before I dive into that topic, I want to pay tribute to this evening's honoree, the Journal News' Westchester Business Leader of the Year, Brother James A. Liguori.

Fourteen years ago, I had the privilege of speaking at the Inauguration of Brother as the seventh President of Iona College. At that ceremony, I said the following about Brother Liguori:

He is driven, he is smart, he has a "can do" attitude and approach, he is an aggressive dreamer, an excellent strategist and a good implementer.

I also said later in my remarks, that Brother "sets goals, takes action and delivers results."

The followers of Iona College know that Brother has made my words come true. He has transformed Iona College in so many ways over the past almost decade and a half.

He has changed the campus look, the student body quality, and, the on-campus experience for our students. In short, he has made it happen and, in doing so, he has enhanced the brand of Iona College. All that remains is to return our basketball team to the NCAA tournament and this will happen under Coach Kevin Willard.

Brother, tonight I am proud to represent the alums, staff, faculty, students and trustees of Iona College in congratulating you on this great recognition.

Now let's talk about leading in challenging times.

If one was to look at the business world today, it would be so easy to say "what a mess"! What an economic tsunami of unfathomable proportions!

One could feel like Noah did when The Lord said to him, "There is a flood coming!" You must build an ark and collect all the animals. And you must do it quickly."

Noah said to God, "Are you crazy? Find all the wood to build a boat. Find a pair of each type of animal. Get them on this ark and have it ready to sail in two weeks."

God looked at Noah in a matter-of-fact manner and said, "Noah, my friend, for how long can you tread water?"

I am sure that we are all feeling a bit more pressure today than a year ago and the tasks at hand can be quite daunting. But we need to continue to provide the leadership that is required for our organizations in these tougher times.

The fact of the matter is that leadership is about 90 percent the same in the best of times and the worst of times. And, the other 10 percent in more challenging times is not necessarily new or completely unique but tends to be different in terms of the frequency or intensity of specific leadership behaviors.

Before talking more about leadership, let me make a very important distinction between being a strong manager and being a strong leader.

A top-notch manager has strong organizational and administrative skills. She or he runs a good meeting, manages projects carefully, delegates well, keeps to their calendar and has industrial-strength follow-up. A top manager can keep things running well.

A top leader is focused on vision, mission, strategy, success, and talent. A leader may have the same skills of a strong manager, but not necessarily.

And, if they don't have those skills, they are self aware enough to surround themselves with one or more people who can manage those details for them.

A leader is thinking about both today and tomorrow. A leader is focused on seeing what others cannot see. A real leader is maniacal about his or her end customer and what they need and what will bring them back time and time again. A leader is acutely aware of his or her organization's strengths and weaknesses and equally focused on the same for competitors.

But, in my opinion the factor that most separates a leader from a manager -- and a top leader from a good leader -- is their unwavering commitment to talent.

Talent can make or break your organization.

I have given a talk to American Express employees and to outside audiences that I call “Be There” Service. In it, I ask the following questions:

- Why do you shop where you shop?
- Why do you eat where you eat?
- Why do you travel where you travel?
- Why do you bank where you bank?
- Why do you buy services where you do?

And I go on to share seven personal situations in which I am the end consumer – some of these experiences were positive and some were negative.

The one common thread in each situation was service and the people delivering the service – or in some cases -- not delivering it.

Talent can be a powerful differentiator. Great leaders clearly get that. And so they focus lots of time and energy on recruiting, developing, training, rewarding, coaching, motivating and listening to their people.

Leaders don’t view their talent as a cost of doing business but as a unique asset. At all times, leaders need to:

- Show that they care about their people.
- Communicate openly.
- Listen attentively.
- Give their people insights into the business so they are better able to understand the context for their role. (It is important to connect the dots for people.) And,
- Demonstrate gratitude.

A strong and committed leader welcomes input and different points of view. This enhances innovation and provides checks and balances. Different people can truly have some unique perspectives on situations.

Let me share a story -- actually a fable -- that I think really illustrates this point.

The Dean of the Mars Institute of Technology located in the northern mountain region outside the capital of Mars decided that she wanted to learn more about the daily activities on earth. So she dispatched three graduate school researchers to Earth for two weeks of observation.

Here are some highlights of their observations:

The Earth is occupied by thousands of 4 wheel vehicles, which come in many different shapes, sizes and colors. The vehicles are found in all regions. For the most part, the vehicles seem to sleep at night.

In the mornings, two legged slaves get up early and take the vehicles to places where the vehicles can congregate and socialize with lots of other vehicles while the two legged slaves spend hours seemingly working hard and not always happily.

The work of the slaves seems to be necessary to take care of these dominating and demanding vehicles.

We observed the slaves bathing their vehicles and taking them to locations where the slave pays for them to drink gallons of liquid. And most of the time, the slave is actually feeding the liquid directly into the vehicles side mouth.

The vehicles seem to do nothing but socialize in vehicle gathering points – some of which are covered -- and the slave seems to pay more for those accommodations. And usually, while the vehicles are spending time together, the slaves are waiting on lines, running on machines, arguing with other slaves and generally appearing to be under lots of pressure.

These vehicles are very powerful.

The report was longer than this excerpt but you get the point.

Talented people can sometimes come to the table with breakthrough insights. You need to make sure that the welcome mat is out so people raise ideas.

At the same time you want to make sure you create an environment where it's safe for people to push back and have a constructive dialogue. This ensures checks and balances (and in the fable cited – that we don't get side-tracked marketing to vehicles rather than their owners).

So what about these tougher times? Do we as leaders need to change our style or approach?

Yes, to some degree.

But, as I referenced earlier, this change is often about the frequency of your interactions, the intensity of your focus and some alternations to your approach.

My advice:

- Level with people. Leaders often tend to be -- and should be -- the “chief advocate” for their organization, their products and their services. But it is important to define reality for your people. They need to know that you get it and they want to be treated like professionals.
- Bring people “inside the tent.” People always want to feel that they are in the know but this is even more true in tougher times.

- Give direction and be clear about what needs to happen. In more challenging times, people, even stronger players, can become cautious or a bit paralyzed. People don't want to take a chance that they are going to be wrong if they're fearful about their job.
- People want their leader to step up and be specific about what they need to do. Yes, it is necessary and important to be direct
- Emphasize and remind people about your organization's core assets and the things that have differentiated your products or services from others.
- If your business is under some stress, don't make the mistake of hiding that fact from your people. You are kidding yourself if you don't think they know.

You need to give people a sense of your plan to weather the storm. Are you going to reduce prices or increase them? Are you going to cut some costs? Are you going to change some practices? Often the specifics are less important to your folks than the mere fact that you have a plan.

In short, you need to dial up your visibility and your communication. People need to see you and hear from you.

A few other points that I think are important to make about leading in more challenging times. And these are points more personally directed at you.

- Make sure that you don't become too internally focused. The internal pressures can easily lead to you taking your eye off the external marketplace – don't let that happen.
- Don't allow yourself to lose sight of your customer as you deal with business challenges.
- Your customer is your lifeblood and you cannot allow your attention to sway from the person that you are serving.
- Recognize that a tougher environment is a great time to learn. I definitely believe that I have learned more in the last year than the five years before that. You can and should become an even more rigorous student of your business. You should be in search of more insights, more ideas, and, more learnings.
- Be sure you have a sounding board. We all need a person or two to whom we can turn for advice, ideas or simply an interested ear. Perhaps you can find that sounding board in this room or in the Westchester County Association.

Let me close with a pitch for your leadership – not just in your organizations, but more broadly. You have the opportunity to begin the process of rebuilding America – right here in Westchester. Let me explain.

Given the economic tsunami we're living through, it's no surprise that people are in a bit of a funk. In fact, I see a complete lack of confidence among consumers and small business owners. People are fearful of making investments, of taking that planned trip across the country, of moving forward with a planned capital campaign to restore a church or synagogue, even of making contributions to their 401(k) plans.

But we can help. We can shop at local merchants and support our neighbors and each other. We should look to steer business to each other and recommend each other. We can, and should, talk more openly about the need to get the business cycle going.

Working together – as leaders – we can get through this crisis of confidence – and restore a sense of pride in our community, in our wonderful Westchester County, and in our country.

Thank you for inviting me to be with you this evening.

**Alfred F. Kelly**  
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