

**THE LEADERSHIP
SECRETS
of COLIN
POWELL**



O R E N H A R A R I



**THE
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SECRETS
OF
COLIN
POWELL**

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0-07-140623-9

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DOI: 10.1036/0071406239

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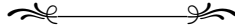
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KNOW WHEN TO PISS PEOPLE OFF



*“Being responsible sometimes
means pissing people off.”*

COLIN POWELL, the nation’s former number-one soldier and current number-one statesman, is above all a *gentleman*. He’s unfailingly polite—the very embodiment of civility. I would be surprised if he ever applauded the management styles of Darth Vader (*Star Wars*) or “Chainsaw” Al Dunlap (multiple corporate dismemberments). Simply put, Powell is not interested in intimidating people. Why? Because, as well as being a gentleman, he also is convinced that frightened people don’t take initiative or responsibility, and that their organizations suffer as a result.

And yet this same Colin Powell is perfectly prepared to make people angry, even *really* angry, in pursuit of organizational excellence. His explanation for this seeming inconsistency is pithy: “Being responsible sometimes means pissing people off.” Let’s take a closer look at how Powell’s personal

comportment as a gentleman and a team player fits together with his sense of responsibility as a leader. At the same time, let's get a clearer sense of the organizational realities to which he is alluding when he talks about "pissing people off."

YOU CAN'T PLEASE EVERYONE

Effective leadership is exercised across a full spectrum of responsibilities, and also over time. Across an entire organization, involving a wide variety of people engaged in a multitude of tasks (both concurrently and in sequence), the leader must spark high performance and ensure the welfare of the group. Well, that's complicated. Even if the leader manages to get everybody happy with today's reality, somebody's very likely to get off the bus tomorrow. A leader simply cannot please everyone all the time.

Making people mad was part of being a leader. As I had learned long ago . . . an individual's hurt feelings run a distant second to the good of the service.

Leadership can't be a popularity contest. Trying not to offend anyone, or trying to get everyone to like you, will set you on the road to mediocrity. Why? Because leaders who are afraid to make people angry are likely to waver and procrastinate when it comes time to make tough choices. Leaders who care more about being liked than about being *effective* are unlikely to confront the people who need confronting. They are unlikely to offer differential rewards based on performance. They won't challenge the status quo. And inevitably, by not challenging tradition, they hurt both their own credibility and their organization's performance.

Powell learned this lesson in his first leadership position: as company commander of the Pershing Rifles, his ROTC military society at City College of New York. All of CCNY's ROTC societies (like ROTC programs throughout the region) competed at a regional meet each year for various awards. Powell hoped that his Pershing Rifles would win both the regular and the trick drill competitions at the regional meet. As the meet approached, however, he began to hear discouraging comments about the student he had chosen to lead the trick drill routine. The student was distracted by girlfriend troubles, he was told, and had lost his edge.

Powell's problem was that he was friendly with this student, and so, although he talked to him about the negative feedback he was hearing, he decided not to relieve him of his leadership position. Predictably, the Pershing Rifles lost the trick drill competition—although they won the regular drill competition, under Powell's leadership—and Powell realized that his unwillingness to relieve his friend of command had cost the Pershing Rifles their second medal.

The issue is far deeper and more pervasive than a personnel problem. Organizations, like people, get into ruts. As the environment continuously changes around them—with new technologies, new demographics, new competitors, new consumer expectations, new waves of deregulation and globalization, and so on—organizations get *stale*. Systems, processes, and cultures become calcified. People get comfortable with what they know, and they fend off the unfamiliar. “Not invented here” (NIH) takes root, and the organization settles into a comfortable, backward-looking mindset. Nostalgia and rigidity get woven into the fabric of the organization.

This is a big problem, and it is one of the reasons why more than half of the companies that appeared on the 1980 *Fortune* 500 list no longer exist. They were big, dominant, and

resource-rich—and they couldn’t adapt. The fresh and compelling ideas came from their scrappier, faster-moving competitors. A few years ago, a vice president of a faltering *Fortune* 500 company told me ruefully that his company’s financial swoon was due primarily to one factor: “We’ve got years of tradition, unmarred by progress.” Carly Fiorina echoed this sentiment a year after taking the helm of HP in 1999, when she described the company’s biggest challenge as a culture marked by “a gentle bureaucracy of entitlement and consensus.”

This is the kind of environment that Colin Powell, gentle and gentlemanly as he is, is perfectly willing to disrupt for the greater good.

*I’ll be frank. From time to time,
I’m going to make you mad as hell.*

CHANGE RUFFLES FEATHERS

Because Powell’s career has been all about *change*, change is a central focus of this book. As we will see, changing things inevitably makes some people upset—even angry. But the fact is that external change is *endemic*, *proliferating*, and *accelerating*. In such a context, good leaders defy conventional wisdom. They constantly prod their people with “what if?” and “why not?” questions. They engender a climate of let’s-try-it experimentation, demand innovative initiatives from people, and reward performance. And, yes, along the way they definitely piss some people off.

Think about the pace of change that has prevailed in the last decade or so. Before the mid-1990s, few people were using e-mail, and few were even aware of something called the “World Wide Web.” People did business by phone, fax, and FedEx. Then that world got turned upside down. As a

new reality set in, a certain percentage of people simply chose to dig in their heels. Here's Powell's comment on exactly this subject: the tendency of some people to fend off the new realities of a digital world by rejecting new technologies:

I'll bet you right now that there's no established organization where you won't find somebody who says . . . I know what I've been doing for the last fifteen years, and you're not going to screw me up.

That's absolutely true. And the leader's role, in this situation, is to overcome institutional (and individual) inertia. Pissed-off people are the inevitable result of challenging the status quo. In fact, they may be the best indicator that the leader is on the right track.

THE PARADOX OF CONSENSUS

But at this point, there's another ingredient that I need to throw into the mix. Powell is a team player, and he would be the first to say that the leader's role is to generate organizational consensus. How does that fit together with a willingness to piss some people off?

The answer lies in Powell's particular definition of *consensus*, and how the leader should think about it. Emphatically, he does *not* equate consensus with "let's put it to a vote" or "let's chew on this until we can all get happy with it." That may be democracy, but Powell would see it as an abdication of responsibility. Instead, Powell follows his own formula for achieving, and then using, consensus.

To begin with, he is *crystal clear* about the general direction in which he wants to steer the organization. When he

took over the State Department, for example, he communicated his vision in simple and compelling terms. He was determined, he said, to see the organization become open, collegial, and decentralized (that is, with field personnel making key decisions), fast, Web-centric, “boundaryless” (with groups and functions linked together, sharing ideas and resources), constructively confrontational (let the best ideas win), coherent in execution, and—most important—*performance-based* (no more rewards for cover-your-butt internal politicking).

After articulating these kinds of expectations, Powell was aggressively inclusive. Everyone was invited, and expected, to participate in the new game. Having communicated his “simple standards” (his words) in a speech to State Department personnel shortly after taking the helm, he declared, “*I want everybody to be part of it.*” That’s both an invitation and an expectation.

But clarity of purpose and inclusiveness only go so far toward consensus building and organizational success. That’s why no matter what the setting, Powell makes it his personal priority to *provide people with the necessary resources to successfully compete in the new game.* Two of his first pronouncements at State, for example, had to do with getting Internet connections for everyone and securing more training for foreign service officers. In his first major State Department address, he told his assembled legions, “*I am going to fight for you. I am going to do everything I can to make your job easier.*” It was a theme that he had sounded in almost the same words in several of his previous commands.

Concurrently, and in a related vein, Powell works very hard to earn a personal commitment from every member of his team. He is careful not to push too much harder than the emerging consensus will allow. “Everyone wants me to reor-

ganize,” he wrote me shortly after he took over at State, “but I’m not reorganizing until I’ve got these folks on my side and believing in my leadership.”

So Powell is very deliberate and methodical as he sets out to spark change in his organization. Even as he lays out his new agenda and starts the change ball rolling, he spends an enormous amount of time listening, learning, and involving people in the change process. He does this to make himself smarter—a theme to which we’ll return in later chapters. But he also does it to enhance his employees’ understanding of the whys and hows of change, to get their input and participation, to boost morale, and to build trust. And all of this creates the necessary foundation for even more ambitious changes in the future. Powell’s point is that change is not a one-shot deal. It’s a continuous, dynamic process that people must understand and accept. The leader’s job is to build a direction and *foundation* for sustained change.

But don’t assume that Powell is prepared to wait patiently until everybody gets into line and declares himself or herself to be ready for change. Let’s face it: There are some people who will *never* come around. And there are some circumstances that are too dire or desperate to allow for *any* sort of gradual process. In such cases, as we shall see in subsequent chapters, Powell is perfectly willing to throw himself out in front of the pack.

As a top-ranking military officer, for example, he was willing to take the lead and publicly embrace policies designed to shake up and recast the U.S. military at the end of the Cold War. It’s hard to imagine a public stance that would be more likely to piss off a lot of people with vested interests in the old way of doing things—including a lot of the people under his command.

So seek consensus, but be prepared to move ahead decisively (and risk pissing people off) when the organization demands it. “There are times when leaders have to act,” says Powell’s colleague in the Bush cabinet, Secretary of Defense Donald Rumsfeld, “[even] when the public’s not there yet.”

***I only have to do so much compromising.
There comes a time when I can
just say, ‘Do it!’***

Bottom line: even as Powell expects to upset people with his performance and change agendas, he works hard to build consensus for those very agendas. Good leaders are comfortable with that paradox.

WHO NOT TO PISS OFF

There is one more significant corollary to “Pissing People Off the Powell Way” that needs to be taken into account. And that is, *a good leader ensures that the right people are getting pissed off, and the wrong people aren’t*. Phrasing it a little more positively, Powell believes that *good leaders focus ceaselessly on making sure that their best people are the most satisfied*.

At every opportunity, Powell reiterates his belief that, ultimately, it is *people*—not plans, systems, structures, or budgets—who make the difference between organizational success and organizational failure. Good people develop the best ideas. They generate the most creative action plans. They implement those plans better than anybody else.

Well, you don’t attract, retain, and inspire these remarkable people by treating everyone the same. You have to *differentiate*. This means not only rewarding top performers, but also refusing to coddle the also-rans. On at least one occasion,

Powell the commanding officer got into trouble for being slow to award medals and honors to large numbers of his troops. Yes, many of these individuals had *performed*, but, as Powell saw it, they hadn't *excelled*. Medals, Powell felt, should not be standard issue, as he believed they had become during the Vietnam War. Ribbons, stars, and commendations ought to be reserved for the overachievers.

Inflation debases currencies and medals.

Your best people are those who support your agenda and who deliver the goods. Those people expect more and deserve more, whether those rewards take the form of additional compensation, accolades, career advancement, assignments to plum projects, or personal development opportunities. If they don't get what they expect and deserve, they become deflated, demotivated, and cynical. Because they're marketable, they're the first ones to update their résumés when they're unhappy. And for organizations competing in today's knowledge economy, that can be a recipe for disaster.

This is not a zero-sum situation, of course. In the unlikely event that everyone in the organization is making a significant commitment and contribution to the agenda, then everyone should receive significant rewards. But in most cases, simply awarding across-the-board increases, percentage bonuses, or the like is just a leadership cop-out. Even this early in his tenure at State, Powell has already drilled home the message that performance counts. And if that's true, then high performers need to be properly rewarded, and underachievers need to be reviewed, retooled, or removed.

What if lower performers don't retool satisfactorily and, despite the leader's efforts to help them improve their performance, wind up dissatisfied with their lower rewards? Well,

so be it. Pissing off these kinds of people can be good for the organization. If they leave, the organization is likely to benefit. If they *don't* leave, the good people eventually will, and the organization will suffer. Powell, despite his gentlemanly ways, is quite willing to turn the heat up under low performers.

***If you perform well, we'll get along fine.
If you don't, you are going to
give me push-ups.***

In the military battlefield, the leader's distinction between good and subpar performance can easily mean the difference between victory and defeat, which is perhaps why Powell is so uncompromising in his stance. Savvy private-sector leaders understand that this distinction can mean the difference between corporate victory and defeat.

That is why successful CEOs like GE's Jack Welch, Sun Microsystems' Scott McNealy and Microsoft's Steve Ballmer are unapologetic about three things: one, providing everyone with resources and opportunity; two, clearly providing the best players with the greatest rewards; and three, insuring that chronic poor performers are shown the door.

Powell's concern about assessing and rewarding performance is such that he does not shirk from elevating it above any other consideration, even politically sensitive issues. For example, in a public forum within the State Department, an employee asked Powell point-blank about his commitment to diversity. Powell's response was equally point-blank:

I will be looking at promotion rates. I will be looking at what happens as you go up the cone, to make sure that there are no vestiges of institutional discrimination of any kind,

and it's performance that counts. But I'm also not going to blink if performance isn't there but a claim is made because of diversity you have to do this. Performance is going to count. So we have to make the pool big enough in the beginning so that performance can count as you move up.

“LEADING ANGER” IS ESSENTIAL FOR SUCCESS

In the aftermath of the September 11 terrorist attacks in New York and Washington, President Bush and his cabinet—the nation’s leaders—found themselves in an extremely difficult situation. No matter which course of action they chose, they were almost certain to anger an important constituency, either in this nation or abroad.

Good leaders in any enterprise know that this dilemma comes with the territory. Any significant leadership decision will get some people mad.

Further, the more stressful the conditions faced by the enterprise, the bolder the leadership decisions needed. The bolder the decision, the more it upsets the status quo. The more it upsets the status quo, the further likelihood that some (or many) people will be angry.

And yet, when the enterprise faces turbulent and stressful times, a nondecision from the leader might very well generate the most universal anger. (Can you imagine Americans’ reactions if the Bush team would have been perceived as indecisive or waffling in the wake of September 11?) One can argue that the weakest leaders get everybody mad. If a leader doesn’t provide the boldness and inspiration that capable employees (or citizens) yearn for, the resulting disappointment is enough to demoralize the entire enterprise—whether nation or corporation.

In the first days after the September 11 tragedy, Powell riled some people within the Bush administration by arguing for goal clarification, even at the expense of immediate action. What, exactly, are we trying to achieve? Once those goals are defined, what roles might diplomacy and military play in achieving them?

Then, even as he mounted an intensive diplomatic coalition-building effort, he was not afraid to rile potential allies either. Within 48 hours of the September 11 attack, Powell telephoned Pakistani leader General Pervez Musharraf and told him bluntly: “General, you have got to make a choice.” Within the next 24 hours Powell had dispatched Deputy Secretary Richard Armitage to deliver a seven-point ultimatum to Musharraf demanding, among other things, that Pakistan close its border with Afghanistan, open its intelligence files to the U.S., and provide safe haven for American forces. Clearly, the Bush administration sweetened the deal with a quid pro quo of political and economic aid, but the point is that Powell was not hesitant to risk upsetting or offending a potentially critical ally.

The recent terrorist attacks have been interpreted—I think correctly—as an indicator of enormous *change*. It’s too early to say exactly how that change will manifest itself in our professional and private lives, but it’s safe to say that we will think about ourselves, and about our challenges and opportunities, very differently from here on out. The rules of engagement have changed in fundamental ways. It won’t be “business as usual” anytime in the foreseeable future.

Many managers had reached similar conclusions about the business world well before the events of September 11. Across a wide spectrum of industries, they perceived a melting away of the status quo and a rewriting of the rules. They

talked a great deal about change, which became by far the most popular theme of corporate pep rallies and management retreats in the 1990s.

Well, that was good as far as it went. But in all likelihood far too few managers *acted* on the perceived need for change. All too often, they fell back on what leadership researcher James O'Toole calls the "ideology of comfort and the tyranny of custom." Why? The answer, I believe, is simple: change doesn't happen because custom is powerful, comfort is comfortable, and managers are *afraid to piss people off* in their quest to change things for the better.

Too often, even in companies that are in dire straits, managers find it difficult to squarely confront (however constructively) employees, peers, or partners whose performance is subpar or is no longer appropriate for the times. Nor can they bear to rile them by challenging their ingrained power fiefdoms, by unabashedly lauding and promoting new people who hold contrarian ideas, or by following through on sweeping changes to tradition.

They should heed the example of Colin Powell. They should set a clear agenda, and act decisively if it's the right thing to do for the enterprise. They should continually clarify, exhort and push. They should confront employees, peers or partners whose performance is below par or no longer appropriate for a changed business context. They should reward differentially.

Those managers who fail to carry out these responsibilities are putting their organization in harm's way. In the hope of not getting people angry, they're not sufficiently raising the bar on performance, or sparking the changes, both in direction and in urgency, that are absolutely necessary for their organization's revitalization and success.

SUMMARY

On one level, the practical lesson for leaders is straightforward: Set a clear disruptive agenda, stick to it, invite everyone to participate, give them considerable opportunity to shape and develop it, provide people with tools and resources to succeed, be open and collaborative, hold people fully accountable for new results, and reward accordingly. That's what it means to be responsible, and "being responsible sometimes means pissing people off."

On another level, the lesson is deeper. Good leaders don't evade or cover up anger, they lead it. Powell will tell you that when leaders press for new directions, new behaviors, and new performance expectations, peoples' comfort zones will be invaded, and they'll get angry. *And that's precisely what's supposed to happen.*

Ultimately, a good leader knows that gaining respect is more important than being liked, and performance is more important than popularity. That being said, earning people's respect and insuring top performance is the surest way to earn loyalty and, yes, even affection. And when you're asking people to take risks for you—in the case of the military, to risk death for you—respect and performance are indispensable resources indeed.

POWELL PRINCIPLES

1. **Make performance and change top organizational priorities.** Elevating performance and challenging the status quo are two keys to success. Help others do the same. Provide people with the tools, technologies, and training to build their skill sets and enhance their level of personal responsibility. Help people jettison habits and mindsets

that don't work anymore. Encourage experimentation and innovative initiatives to replace "the old way." Encourage a culture of constant curiosity and innovation, in which sacred cows are pushed toward extinction.

2. **Define the new game, and expect everyone to play it.** Clearly articulate a broad agenda (priorities, goals, values), and provide everyone with the tools and training necessary to take powerful action. Insist that everyone take the responsibility for carving out the best ways to execute that agenda.
3. **Make sure that your best performers are more satisfied than your poor performers.** Reward those who demonstrate commitment to your new agenda. Remember that this is not a zero-sum game, and that there's plenty for everyone, as long as performance counts. But don't take the easy, "across-the-board" way out.
4. **Get rid of nonperformers.** Powell, like other effective leaders, confronts people who can't or won't perform. Tightly run organizations can't afford foot-draggers, who not only consume resources, but get in the way of (or, worse, demoralize) the high achievers around them.
5. **Consider the possibility that if nobody's pissed off, you may not be pushing hard enough.** I think this is the implicit lesson behind the lesson of this chapter. No, random hostilities are not what the organization needs. But Powell's example suggests that a commitment to creative disruption ought to be at the heart of your leadership style.