

Humane leadership & healthy capitalism

VITAL INSIGHTS There are many lessons to be learnt from the recession which is an outcome of the actions of greedy leaders

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Healthy capitalism is the buzzword, we often hear in today's troubled times and simultaneously, humane leadership is gaining more importance than ever. We can expect this leadership to emerge from 'healthy capitalism', out of the shadows of the brutality of capitalism, provided we strike the right balance between social justice and profit. In other words, capitalism needs to transcend beyond profit (duty or karma), which is a necessary cost of survival, and include 'social responsibility' (justice or dharma) as an integral part of capitalism.

Let's look at the origin of the current recession, which is an outcome of the actions of greedy leaders who lacked even minimum EQ (emotional quotient) and SQ (spiritual quotient) and believed only in the pursuit of money disregarding the means, exploiting the loopholes of the economic, constitutional and legal environment. They believed in a 'win' situation for themselves at the cost of other stakeholders. It's a matter of some satisfaction that such selfish leaders are now being brought before the pillars of jus-

tice. However, is humane leadership a weakness or strength? This is a debate that arises in today's recession. There are two undeniable outcomes of the recession that have triggered this debate.

Barriers encountered

One, the tough market situation imposes several barriers to improve or sustain productivity and second, with reduced manpower organisations still demand productivity at normal level. Even as employees are struggling to adjust to the changes, traditional task leaders caught between karma and dharma could easily look only at the 'end' compromising on the 'means'.

It's common for all leaders to have high IQ, but humane leaders generally have a high EQ and SQ. While a high IQ and acumen is a fundamental prerequisite in business, a high EQ prepares us to handle people and a high SQ ensures a high sense of ethics, even in troubled and testing times.

Humane leaders are people oriented and their understanding of their people transcends beyond normal factors of motivation, as explained by various social psychologists such as Maslow, Hertzberg and McGre-

gor. They understand that the values, customs and faiths differ from people to people, from one country to another and are quick to understand the nuances of behaviour and attitude. Also, needs of people keeps changing and so does the hierarchy of needs.

Most importantly, humane leaders are proficient to quickly adapt themselves to situations as they unfold, whether it's an economic boom or recession, continuously striking the right balance between duty (karma) and justice (dharma).

Tips on leadership

The fundamental principle of a humane leadership is to treat people as human beings, and operate with a fair balance of achieving efficiency while maintaining social justice.

■ **Develop EQ and SQ:** A humane leader needs to have a high EQ, which helps to understand people better.

Many psychologists stress that for an effective use of IQ in corporate environment, it's necessary to have a high quotient of EQ. Also develop your SQ (spiritual quotient), which is becoming increasingly relevant as material possessions alone are not enough to be happy in life and is a countercheck on



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our propensity to make compromises.

■ **Achieve balance of business and social responsibility:** It's vital that every corporate gives back to society, on which it depends for its survival and not indulge in unfair means to achieve profits.

This should be part of the corporate culture, as it also helps to build in their employees a sense of social responsibility, even as individuals.

■ **Operate within organisational and constitutional framework:** It's difficult to be a successful humane leader but operate within the organisational, legal and constitutional framework.

■ **Review policies from human angle:** Organisational policies are also an outcome of circumstances and need a periodic review.

These policies should always be framed keeping all sections of the organisation in mind as I have seen some extreme cases of being sympathetic to one levels of the strata, at the cost of the other.

In other words, policies should be universal in application while not being prejudiced in intent, for any level.

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■ **Talk from the heart, not from your power point:** A corporate culture takes pride on power point presentations, which can get monotonous and can be an obstacle to 'building a team'. Even while we use presentations, it is necessary to talk from the heart, often going beyond the points in the slides

■ **Smile more, frown less:** To become a humane leader, we should smile more and frown less. A genuine smile is personification of a humane leader, making it easy for people to approach and avoid building up of unnecessary work tension.

■ **Discourage emails for routine tasks:** Yet another irritating practice is the excessive usage of emails, which is counterproductive. Emails are necessary but can often be replaced by a talk on the phone or walking across.

■ **Walk more, listen more, talk less:** As a humane leader, be amongst your people. Walk more, talk less and listen more. Humane leaders are very good listeners and observers especially of the unspoken language.

■ **Build high energy levels:** Build a team with high energy and enthusiasm levels, and it is essential to lead by example.

■ **People are human beings and treat them as such:** A humane leader is people oriented and

hence knows people well, in terms of where they live, their family members, their circumstances etc.

Visit them, when possible or as demanded by situation. Lastly, treat your people as human beings and in fact, treat them, as you would like to be treated. Often place yourself in their position and look at issues from the other perspective.

Look at any list of the best and the worst corporate leaders, to understand the importance of humane leadership. The worst leaders are generally difficult to work with, are eccentric, stubborn, highly individualistic, and often unethical. If we work for such leaders and follow their means, we should be prepared to face the consequences, as seen in recent financial and corporate scandals.

On the contrary, best leaders of today are people oriented, pragmatic and socially responsible, yet they manage to achieve commendable results year after year.

They are mentally tough and do not succumb easily in testing times, being also guided by justice, apart from duty. These are the leaders of today as well as tomorrow, and are always ready to give it back to the society, on which they depend to run the business. We need to identify such leaders amongst us and emulate their examples by developing the right balance of IQ, EQ and SQ. Let this be the platform to build a socially responsible and healthy capitalism.

