

THE CHALLENGE OF CREATIVE LEADERSHIP

Gottlieb GUNTERN

Kasuhiko NISHI

Former Vice-President of Microsoft, founder of ASCII Corporation, Japan

My name is Nishi, and Nishi means "west" in Japanese. So from the very outset I am aware of what west is and what east is. Although Japan is in the Far East, my name is "west." I think the theme for the 21st century will be the amalgamation of East and West and North and South. This North-South-East-West issue is going to be the hottest topic of the new century. Why? Because thousands of years ago, man developed a Western style of culture and an Eastern style of culture. Take medicine: the Western approach to medication is to use drugs. If something is wrong with your organism, take the drug, fix it or cut it off. That is what the physicians prescribe, and the effect is felt within three hours. In China, which is almost the Mecca of Eastern medication, you change the organism, and you change the system. You eat some vegetables, you take some herbs, and gradually, slowly, your body changes. The effect takes three months. If you are seriously ill and cannot wait three months, you die. But then if you just take a very strong drug that kills part of your organism, that too, is bad. So in this case, a combination of Eastern and Western medication looks very interesting, and that is what many doctors are out to achieve.

Getting back to businesses, I was on the Board at Microsoft. I learned that if you do not speak up at the Board meetings for one year, it means that you have no opinion, and you are fired. Board meetings are almost a sort of fight. In Japan, typical Board members always listen to the President. If the President says "white," I am white, if the President says "black," I am black. Now that is a good Board member. Yet the Chairman is required to ask everybody's opinion before making a decision. This is a very interesting contrast: in the Western approach to management, individuals have to stand up and talk and insist; in the East, you do not really have to stand up and talk. You are respected, your opinions are listened to. That is a sort of totalitarian approach. I would say that ideally, we should combine both approaches. Thus everybody's opinion would be highly respected and everybody would be given the opportunity to speak out in a more non-competitive way. That is probably the future of management, and I feel it will really work well.

As regards feeling, there is a thing called "meditation" in Western culture. And there is an Eastern equivalent called "Zen." We have to take the good from the East and the good from the West and try to make them co-exist. That is probably the trend toward the 21st century.

Now let us talk about the contrast between North and South. Typically the North is rich and the South is poor. In the case of Italy, southern Italy does not have much industry, whereas northern Italy -



Florence, Milano - is very rich. In Korea, South Korea is rich and North Korea is in trouble. Germany is not just North-South, but East-West; America's North and Asia's North, which is Japan, Korea, Taiwan, Hong Kong, are prosperous; the rest of Southeast Asia is relatively underdeveloped. Can we let North and South just drift apart? Of course not! Germany decided to re-unite. It is just a matter of time before Korea re-unites, and Italy has been united for a long time. My point is that even though we can expect a lot of trouble between North and South, people are going to come together despite that. We have to cope with the problem with a lot of wisdom, and this is another very important issue.

Let me point out briefly the great difference between China and India. I had a subsidiary in Beijing, China so I have had some experience there. The Chinese people are very sensitive to poverty and very sensitive to equality. If I pay a person some money for a job, and somebody else who is doing the same job is getting different pay, the people start to complain very strongly. There is a very great awareness of equality and of poverty, and that has been the headache of the company which operates in China.

Indian people are different. I take full responsibility for my statement when I say they don't really care about poverty. If they receive so much money and have to live on it for 2 weeks, fine. A rich person goes by; who cares? That is the general attitude of the people in India. This strong contrast in the perception of equality and money is probably going to be the most important success factor for the countries in the 21st and 22nd centuries. Many people feel that China is going to prosper most in the 21st century. I think that India is the country which is going to prosper, not because of its industrial power, but because of the mental power of the people plus their infra-structure which uses the English language.

Guntern: When we began working here in Zermatt with these International Symposia, I was doing some thinking about vision. And I came up with the idea that to have vision is to look far into the future. Now you said something quite different today: vision is seeing the gaps in applications in the present. You have computers, you have software and you have to see what is lacking; this is your window to opportunity, and you go for it. What helps you to see these gaps? There are many people working in your business, looking at the same world, but they do not see them.

Nishi: I think the key is knowing the brighter side and the darker side of history. I have seen what has happened in the computer industry in the past 20 years. Many people write biographies or their autobiography. Ninety per cent of biographies are true, ten per cent are total lies, but they only look at the bright side of history. The only way to be able to identify the "why" of things that have happened, is to look at both sides. One of my hobbies is reading biographies and autobiographies. I have a huge collection.



Guntern: Napoleon, for instance?

Nishi: Some of them. But all of Napoleon's biographies are somewhat artificial, so they are not terribly interesting. The records kept by Napoleon's subordinates, however, are very interesting.

Guntern: What have you learned from those records?

Nishi: He was such a crazy man. He did too much. I like him very much, and what I have learned from his biographies is that you have to slow down. If you slow down, things are a lot better for you.

Bellus: I am from Ciba-Geigy. Nishi-San, I would like to ask you something about the business part of your presentation concerning creativity. You pointed out that you have a company with small divisions and the managers have to think about budgets. They are under pressure regarding profitability, prosperity, so creativity is a problem. Certainly you have some vision or concept or perhaps some dream about how to overcome this difficulty. Let me ask perhaps just one question connected with this: of course, all your co-workers have their dreams. You said the limit of the company is the limit of the president's dream. These certainly conflict at times. How do you overcome this problem?

Nishi: Excellent question. That is a topic we actually discuss every day: to encourage the creativity of the general manager of the division who is responsible for running the division on the basis of the budget. One approach I have taken is this: If there is anything new, any new project which is not on the budget, they have to come to me and give me some small presentation, and we immediately agree on additional budgeting and fund the project. It is a small venture-funding kind of thing in the company. That is number one.

Number two is that nobody is born to be president. And nobody is born to be a successful general manager. You have to go through mistakes and you have to learn from them. What does success really mean? You have to have "hands on" experience. So, when I look at a general manager, I ask myself why he is so creative. These people have a track record of always achieving successful projects. So we intentionally put a potential general manager on a tough project, but one which we feel is going to be a success. We give him a special assignment to do with a limited budget. If there is an unlimited amount of money, then people do not think. So give them the experience of success. This is the answer. We create success artificially and imprint the experience onto general managers. The key is always to have room for some additional thinking. You know, if you just touch the trigger of a gun, it fires. This goes for very high-precision guns. But on low-precision small guns, there is a small thing called play, and you have to have play within the budget. About five percent. That is the point.



Guntern: You have really illustrated, lived through, leadership today. A leader is a person who is able to inspire, to motivate other people - us, in this case - for outstanding performance. You can do that only because you have credibility; if not, we would not take up the signals you emit in the right way. Now you have got credibility because you have shown that you are a visionary, that you are a strategist and a patent-breaking Maverick, what you call a "crazy." I think the combination of all of these traits make up your personality and I would say that you belong to the category of real charismatic leadership. Now, "charismatic," like "creativity" and "intuition," is a very misused term, but it used to be an intelligent one with a very precise meaning. Charisma (*το Χαρισμα*) in Greek means the irradiation of something you cannot capture in words, but which strongly touches you. And you have that.

