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Eric Kelly

# You Need To Understand Different Cultures And How To Navigate Them



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***Eric Kelly, chairman and CEO of Overland Tandberg, shared his key leadership insights in my latest "Art of Leading" interview. Subscribe [here](#) to receive future interviews.***

**Q. If you were walking into a new company as CEO, what would you tell people on the first day about your approach to leadership?**

A. I start at a very high level to understand what business we are in. It's always interesting when you have that conversation, because you can hear three or four different answers from people. And that's so critical to setting your overall strategy. So you really want to figure out what

business you are in and the different assets you have. I always say that strategy without execution is a daydream, and execution without a strategy is a nightmare.

From there, you start looking at your global strategy. I talk often about global intellect and inclusion. That means you need to understand that doing business in Japan is different than doing business in Germany or Italy or South Africa or Brazil. Global intellect is so critical today because every aspect of your business has a global footprint or global impact. You need people who understand the different cultures and know how to navigate those environments.

From a leadership standpoint, accountability and support are important to me. I'm going to support the team but also hold them accountable. And I always tell everyone in the C-suite that we are the ones who are establishing the company culture.

**Q. What were early influences that shaped your leadership style today?**

A. I'm a second-generation entrepreneur. My parents owned automotive centers throughout northern California for 40 years, and I learned a lot from them, just hearing their conversations at the kitchen table. And what it really came down to for them is that your word is your bond. You have to deliver on whatever you commit to, and people have to be able to trust you.

Back then, my parents would do business on a handshake. Now you have a lot of attorneys nailing down contracts, but at the end of the day, it really is about, do people trust you, and are you going to do what you said?

**| The best golfers have a very short memory.**

The other thing I learned is that you have to be able to compartmentalize. You have to be able to come into a meeting, even though the building is on fire, and be able to compartmentalize and focus in that moment. I mastered the ability to compartmentalize from playing competitive golf in high school and college.

You had to really be able to focus, even though you may

have just had a bad shot. The best golfers have a very short memory. By the time you get to the next shot, you have to be able to focus. And the tougher things get, the calmer you need to be, because people are looking for somebody who has a very steady hand.

**Q. You've worked for big companies like IBM and Dell before starting your own company. What advice would you give to a B-school audience of aspiring entrepreneurs?**

A. Go work for one of the most successful large corporations because that's going to build the foundation so that you understand how to be a good entrepreneur, not just in terms of business fundamentals but also what it means to have a strong culture.

Without that, the success factors are going to be a lot more challenging. I see a lot of entrepreneurs who want to jump too soon into starting their own company. You really need to get that foundation and always be a student of your own profession.

**Q. How do you hire?**

A. The first thing is really trying to understand their core values and learning as much about them as a person. I do that in a couple of ways. One is to interview them to understand their values and make sure that they align with the company's values. I also will interview them in different environments. We'll go to dinner, and we may go to an event. I want to understand how they operate and treat people in those environments. And I can tell you that probably 30 percent of candidates don't make it after I get a better sense of who they are and how they treat others.

I'll also ask them how they think about culture. What makes a great culture for them? A lot of people haven't thought about it. I also want to know how they mentor and sponsor people. And mentorship and sponsorship are two different things. You might be mentoring someone, but are you going to put your badge next to theirs and say that you're sponsoring them because you think they're ready for the next big role?

I want to understand how they make business decisions. How much of their process is based on gut and how much of it is based on data? The final one is asking about their management style. In terms of references, I not only want to talk to their boss. I want to talk to their peers and the people who actually worked for them, because I want to understand how they manage down, and not just how they manage up. A lot of people manage up really well and they just totally destroy the people who work for them.

**Q. When you're coaching and mentoring senior executives, what is the common advice that you share?**

A. You must have a good mentor and they must be a good mentee. People can trip themselves up because they don't have the capacity to accept real feedback. It takes a lot of confidence to accept real feedback rather than justifying why you did what you did.

You need to understand the impact of your decisions across the organization.

I've seen a lot of very talented people come back five, ten years later and say, "I wish I was listening to everything that my mentors told me, but I thought that I was doing the right thing at the time and really didn't take that advice." If you think you don't need a mentor, then you just need somebody to tell you that you're always the smartest and brightest and you got everything right.

One thing I always share is that when you become a senior executive, you need to understand the impact of your decisions across the organization, not just the business you are responsible for.

**Q. What aspect of leadership can be particularly challenging?**

A. One is patience. I'm always running at warp speed, and I expect people to keep up. I might think that if I said something once, then of course it's clear. But if they're not keeping up, then it's something that I've done wrong because they're not clear about where we're going.

So you have to have the patience to slow down and say, let

me explain to you why we're going where we're going, and why this is the north star. And what does winning look like? What are the business goals so that, when we get back together six or twelve months from now, we'll know whether we actually won or not? When you slow down, you can provide more clarity and you can see people connecting the dots, often just because of something simple that you said. You can't just sit there with a PowerPoint for 20 minutes and say, "Let me tell you our vision."

Sometimes big corporations can get so disconnected because different parts of the organization are focused on different things. They get into these silos—one is focused on growth, one is focused on cost cutting, another is focused on innovation, and they can't figure out why they don't seem to be in sync. But when everybody really understands the vision, the interdependencies required to achieve the overall objectives and trusts where you're going, they will be totally with you when you make hard pivots. And some companies are now making pivots several times a year because of all that's happening in the world today.

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