

SPEAK UP! YOUR COMPANY AND IDEAS

DEPEND ON IT

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These days, honesty is a much-touted leadership behaviour. Research consistently tells us that the most effective leaders are those who are open and willing to tell the truth. But in reality it's not so black and white. Armed with the belief that sharing less than perfect news with employees will cause morale problems, senior leaders often decide that the best strategy is to keep undesirable news closeted away in the executive offices.

But in doing so, leaders make a flawed assumption. Believing that they are the only ones strong enough to deal with the situation, they send the message that employees are not able to handle the current reality in a way that would help rather than hinder the organization. In effect, they hold their employees "small."

^ut those organizations that are consistently recognized as the best places to work - such as **QLT Inc.**, a leading Vancouver biopharmaceutical company that develops therapies to treat eye diseases and cancer - take a different approach. As **Paul Hastings**, the company's president and CEO, stated: "You can't shy away from communication - no matter how painful it may be. You have to be open with everyone in the company."

QLT has developed organizational processes that encourage openness. It holds a number of management and employee forums in which the company brings people together simply to engage in conversation. With little structure, participants are encouraged to take responsibility for raising issues. As Hastings puts it, the process allows people both to listen and to shine.

How did QLT develop such a culture of openness? Hastings gives a lot of credit to QLT founder **Julia Levy**, who established the company's collaborative foundation. When Hastings came in just over a year ago, he was able to implement business practices by effectively building on these values.

As an example, Hastings recalls what happened in November. With a combination of a downturn in the industry and a focus on business discipline, QLT realized that it had to let some people go. Hastings said QLT didn't shy away from this one, but did it in a way that demonstrated how the company felt about its employees. **Linda Lupini**, QLT's senior vice-president of human resources, said conventional wisdom suggests the moment you tell individuals that they are being let go, you ask them to leave immediately. But QLT conducted an "all hands meeting" in November, stating its case for making the decision to downsize. Many individuals were told in November that they would be leaving, given the time to plan for their future and finally left the organization

in January. Lupini pointed out that QLT felt its employees could not only handle the bad news, but would in fact appreciate the respect it demonstrated.

"We really had to trust our intuition," she said.

There is an interesting observation to make here. Although QLT doesn't use the term, it is clearly willing to engage in what many organizations would consider to be risky behaviours. But Lupini said standing up and saying something doesn't work is what employees must do in the biotech business. It's not an industry for the faint-hearted - it's a high-risk business.

In other businesses, acknowledged Lupini, you may not get rewarded for standing up and saying that something isn't going to work. But given QLT's background of scientific exploration, it's hardly surprising that it can develop and nurture leaders who speak up. This explains why there is a willingness to do things differently when it comes to dealing with people and to trust intuition over conventional wisdom. Hastings and Lupini clearly believe that QLT is different from most organizations. Perhaps that's why they are considered one of the best employers in Canada - *Report on Business* recently ranked them at No. 27.

However, Hastings recognizes that QLT is not perfect. Sometimes, those in the less senior positions are reluctant to speak up, particularly when the more senior staff have something to say. It's a dynamic QLT tries to be conscious of. Lupini recounts an incident when Hastings decided to send all the executives to the back of the room, and bring the project team members to the front, simply so he could find out what they were thinking. "It wasn't that I didn't value the opinions of the executive. It was just that I knew what they thought - but I hadn't heard the views of the project team members, and that was critically important to our success," he said.

Hastings and Lupini continually emphasize that what you think gets rewarded at QLT.

And what are the rewards? People listen to you.

And the consequences of not speaking up?

You will not be heard and neither your opinions nor ideas will be echoed, shared or considered.

As Hastings summed it up, "It's imperative you speak up here - it's not just a nice option to have."

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