

LESSONS FROM LEADERS:

The Value of Hard and Soft Skills

Executives don't reach the upper echelons of corporations alone – they are influenced and supported through peer networks and interactions with other senior leaders. In this glimpse into the ExecuNet General Management Roundtable, we offer some of the most pertinent advice from executives on the value of hard and soft skills and their place in executive leadership.



“At a recent online seminar, our colleagues from the Corporate Executive Board discussed the rational and emotional engagement everyone really needs to be more productive at work. Their research is highlighting some interesting priorities for business leaders as they approach their own skill development. We’ve been discussing this while developing a new white paper, and we’ve been debating the value of ‘hard’ vs. ‘soft’ skills. I would argue that it is the proficiency in the ‘soft’ skills like empathy, communication and emotional intelligence that determine whether a leader is even able to successfully employ the ‘hard’ skills like analysis, risk management and operating efficiencies. You really can’t operate efficiently if you can’t get the best from your people, and they may not ‘hear’ you if there’s no emotional connection. I am wondering what the ExecuNet community thinks about this topic.”

— LAURYN FRANZONI, EXECUTIVE DIRECTOR, EXECUNET

“I tend to divide these into the more classic definitions of leadership versus management. Managers use what you call hard skills to plan, organize, command and control organizations. This is very different from the role of a leader, who uses personal influence (soft skills) to guide people toward goals.”

— JAMES REA, COO, MANUFACTURING

“In today’s world there is no black and white for managers; it is extremely important to combine hard skills with soft skills. Interestingly, managers have a great sense of soft skills when they deal with customers, investors or higher level of management, but when it come to dealing with their people they like to only use the hard skills, to keep distance and show their power. The soft skills of a manager are more important than ever before.”

— AXEL CONRADS, VICE PRESIDENT OF SERVICE, MANUFACTURING

“As a manager progresses through the ranks, the people who he/she is directly managing change. They typically change from hands-on technicians in the early stages of his/her career to other managers later on. This in turn changes the relationship a manager has with his/her reports from relating at a hard skills level to managing them almost exclusively with soft skills. Hence, I believe that even though a combination of soft and hard skills are required all stages of a manager’s career, the mix changes steadily from being biased toward hard skills initially to soft skills later on.”

— SACHIN AGARWAL, CONSULTANT, FINANCIAL SERVICES

“I agree that the soft skills are extremely important to cultivate, especially during this challenging business environment. With the level of employee frustration building that Corporate Executive Board documented within corporations, imagine the environment when employment picks up and corporations are fighting to maintain their top-tier managers and executives! There will be a traffic jam at the exit door, and the corporate cost for retention and recruitment will be astronomical.

I look at soft skills much like a parent; at each stage of development or situation, the employees need empathy, communication and emotional intelligence. We also need to insure that we have a genuine respect for the individual. Imagine a parent or coach, teaching a new skill to their child. If the child knows and feels that the coach has a genuine love or respect for them, they will do that much more to master the skill or the task. Look at the most admired companies and you’ll see they have a culture of family. Their retention challenge will be much less when the economy improves. Not to say they are soft, there is discipline and expectations (performance goals) in a family as well.”

— WILLIAM B. CREECH, PRINCIPAL, LIFE SCIENCES

“I am truly amazed at the number of executives who are not aware or don’t care about the concept of inspiring the workforce as opposed to dictating. Both ‘hard’ and ‘soft’ skills are needed to be a successful leader. A leader should be a competent decision-maker; however, it is the ability to use and apply the skills appropriately that separate the excellent leaders from the average.”

— JOSEPH TRACEY, PRESIDENT AND COO, MANUFACTURING

“I strongly believe that, given a foundational level of hard skills, soft skills are MUCH more important than hard skills relative to an executive’s success and the success of their organization. Some functional areas are driven more by hard skills than others, but on a relative basis, leaders with superior soft skills are much more able to drive their teams and organizations to a higher level.

Of the many leaders who I worked for or observed in my multiple companies, from Fortune 500 to entrepreneurial levels, the easy differentiator amongst who were viewed as ‘good’ or ‘bad’ completely revolved around their soft skills and had NOTHING to do with technical, hard-skill competence (even in industries whereby the latter is critical and the foundational bar is set higher than most industries for needing hard-skill sets).

Additionally, I see a very myopic/linear approach to hard versus soft skills within the job search market, too. In short, all job descriptions these days have a significant dose of both hard skill experiences as well as a litany of soft skill requirements. But in a normal résumé/cover letter/interview, how many hiring managers really screen on soft skills? None, because what candidate has EVER admitted, ‘Well, to be honest, I’m a marginal communicator; I’m not great in working with teams;’ or ‘I think listening skills are overrated.’ But for someone like me, without meeting the hard skill credentials due to my eclectic experience, I often cannot and will not be considered for my superior soft skills and the record-setting performance I have facilitated.

Finally, here is another way to look at it in an admittedly far-edge example. Were the leaders of Enron, Stanford Financial, and Bernie Madoff’s investment funds incompetent relative to their hard skills? Absolutely not. In fact, they had strong industry experience prior to their final firms where they fell down, and at the end of the day, it was their LACK of key soft skills that ultimately failed them. It was not due to technical incompetence. Yes, these examples are easy to pick out due to their headline quality, but in the four broad industries I have served in, those who failed did so based almost entirely on soft skill issues and not hard skill ones.”

—RANDY GUSTAFSON, MANAGING DIRECTOR,
MANAGEMENT CONSULTING

“My good friend of many years is the CFO of a medium-sized tree service company and recently took an unprofitable field office (which the owners had given up on and were going to close) and doubled their profitability in one month.

The crews and office personnel were unmotivated and were under-producing due to the owner’s soft skills (or severe lack thereof) even with their exceptional hard skills (all have done tree work). Without ever climbing a tree or executing any other field work in this industry (he has done extensive research into the industry to get some basic hard skill knowledge), he came in and discussed the situation, asked what was need to get the jobs done more efficiently and then gave them what they needed. The owner knew what needed to get done; he heard what was needed in order to get it done. I’ve seen this many times with various leaders and, given some basic understanding of what the line troops do and need to do, I believe that soft skills are invariably much more important (with the possible exceptions for the most technical industries).”

—CHARLES E. FINCH, JR., DIRECTOR OF PRODUCT SERVICES
IN NORTH AMERICA, FINANCIAL SERVICES

“The responses on the question of hard and soft skills have been insightful and fun to read; clearly a lot of people in this Roundtable are sophisticated in their understanding of leading

people as opposed to managing process and things. Early in my career I did not understand that distinction well enough, and I sometimes struggled until I realized that success was less influenced by my pushing tasks and more so by aligning and motivating people around worthy causes.

Whether you call them hard or soft skills, the main distinction to me is that when a leader is placed in a position of trust and authority how they behave depends on both their ability to lead and their motivation for leading. If the intent is to be a positive influence on others’ lives while making good things happen, the leader will take time to listen, engage and support people. If the intent is self-advancement and achievement of goals at any cost, the leader will treat people as the means to that end.

Values and character traits of prospective leaders are more fundamentally vital than role competencies and social behaviors. In a world with abundant and accessible knowledge about effective leadership practice all around us, we still see widely different behaviors among so-called leaders, and people with exceptional soft skills (in business, politics, finance, etc.) who guide willing followers to ruinous ends. Character matters in determining potential to become a great leader, and it isn’t learned in undergraduate or graduate programs; it is formed at an early age.”

—JOSEPH MARZANO, PRESIDENT, EDUCATION

“In my 30+ year international career, I’ve worked with and for managers all over the world, and, in keeping with the Pareto Principle, only 20 percent of them actually treated people like people. I must say that in my early days in management I was one of the 80 percent. For me, people were just another asset to use to get the expected result. My ‘Aha!’ moment occurred when I was particularly troubled by a pending decision to eliminate people, and I reviewed my thinking with my wife. She told me it wasn’t what I said, but how I said it, and I should remember what it was like to be a staff member. For the last 20 years I made it part of my decision process to ‘feel’ what it would be like to be a recipient of a decision or a management pronouncement. Perhaps this is what is meant by ‘soft skills.’

It is very easy to drink the ‘corporate Kool-Aid’ and distance yourself from people; it is expected by many senior corporate leaders. My global experience has taught me that the toughest decisions must be made with a view to their intellectual, emotional and moral effect on people.

No new manager or leader should be left alone with people in the beginning of their tenure. The act of promotion should come with coaching to develop people skills, yet often it does not. The consequences to the company are significant and can make the difference in retaining people.”

—JEROME THORSON, MANAGING PARTNER, CONSULTING

“In my experience there’s nothing soft in soft skills, and they are undervalued in many organizations, resulting in negative effects on the bottom-line. Soft skills are ‘hard’ business skills, involved and essential in creating successful teams and organizations to produce measurable business results.

To me, it all revolves around ‘treating people as people.’ In my work as a management consultant and executive coach, it is amazing to see how to many leaders view people as elements of an organization (and not necessarily people). Although many organizations will publicly declare people to be the cornerstone of the organization and the most important aspect of the organization, leadership’s behavior is not necessarily people-focused. Leaders who ‘treat people as people’ create collaborative successes; they build successful teams; they act with integrity; they build innovative platforms in the organization, and they are ‘we’ focused versus ‘I’ focused. Simply put, they value human contribution.

Leaders claim to have an exterior focus (on other people) when many are still challenged by their own introspective ability; are challenged to evaluate how they think; to evaluate their own behavioral patterns and fears; how they ‘see’ people; the words they use in their communication; and how they communicate and come across in general. A leader needs to have a great level of self-awareness, before even being able to start effectively

dealing with other people. As we know from the many examples of leadership failure, this is not a given. The sequence for most leaders is to start managing other people long before they ever develop an introspective ability.

It is ironic to see how failed leaders’ self-centered behavior is usually not leading to increased self-awareness. When asked, most of these leaders have no idea of how they come across and what their behavioral patterns are. They will often say that the organizational behavior and consequential negative output has no relationship to any of what ‘they did’ and/or ‘what they said.’ This is confirming the disconnect these leaders have with the people in the organization. Leaders ought to accept accountability for the environment, for the ‘people factor’ in the organization, ‘treating people like people.’ Leaders cannot be in an organization without affecting its people. To improve, leaders must be able to see clearly how their own behavior affects others and their performance.

I vote for more leadership self-awareness and a ‘hard’ business valuation of the ‘soft’ skills through key business measurements. This in turn will lead to positive and tangible return on investment for the organization and so much more ‘fun’ for the people to work in such a healthy led environment.”

—**JOHAN F. REINHOUDT, PRESIDENT AND PRINCIPAL CONSULTANT,
LIFE SCIENCES**

Published By
ExecuNet, Inc.
295 Westport Avenue
Norwalk, CT 06851
(800) 637-3126 or (203) 750-1030
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