

# The executive's guide to better listening

**Strong listening skills can make a critical difference in the performance of senior executives, but few are able to cultivate them. Here's how.**

February 2012 • Bernard T. Ferrari

A **senior executive** of a large consumer goods company had spotted a bold partnership opportunity in an important developing market and wanted to pull the trigger quickly to stay ahead of competitors. In meetings on the topic with the leadership team, the CEO noted that this trusted colleague was animated, adamant, and very persuasive about the move's game-changing potential for the company. The facts behind the deal were solid.

The CEO also observed something troubling, however: his colleague wasn't listening. During conversations about the pros and cons of the deal and its strategic rationale, for example, the senior executive wasn't open to avenues of conversation that challenged the move or entertained other possibilities. What's more, the tenor of these conversations appeared to make some colleagues uncomfortable. The senior executive's poor listening skills were short-circuiting what should have been a healthy strategic debate.

Eventually, the CEO was able to use a combination of diplomacy, tactful private conversation, and the bureaucratic rigor of the company's strategic-planning processes to convince the executive of the need to listen more closely to his peers and engage with them more productively about the proposal. The resulting conversations determined that the original deal was sound but that a much better one was available—a partnership in the same country. The new partnership presented slightly less risk to the company than the original deal but had an upside potential exceeding it by a factor of ten.

The situation facing the CEO will be familiar to many senior executives. Listening is the front end of decision making. It's the surest, most efficient route to informing the judgments we need to make, yet many of us have heard, at one point or other in our careers, that we could be better listeners. Indeed, many executives take listening skills for granted and focus instead on learning how to articulate and present their own views more effectively.

This approach is misguided. Good listening—the active and disciplined

activity of probing and challenging the information garnered from others to improve its quality and quantity—is the key to building a base of knowledge that generates fresh insights and ideas. Put more strongly, good listening, in my experience, can often mean the difference between success and failure in business ventures (and hence between a longer career and a shorter one). Listening is a valuable skill that most executives spend little time cultivating. (For more about one executive’s desire to be a better listener, see [“Why I’m a listener: Amgen CEO Kevin Sharer.”](#))

The many great listeners I’ve encountered throughout my career as a surgeon, a corporate executive, and a business consultant have exhibited three kinds of behavior I’ll highlight in this article. By recognizing—and practicing—they, you can begin improving your own listening skills and even those of your organization.

## 1. Show respect

One of the best listeners I have ever observed was the chief operating officer (COO) of a large medical institution. He once told me that he couldn’t run an operation as complex as a hospital without seeking input from people at all levels of the staff—from the chief of surgery to the custodial crew. Part of what made him so effective, and so appealing as a manager, was that he let everyone around him know he believed each of them had something unique to contribute. The respect he showed them was reciprocated, and it helped fuel an environment where good ideas routinely came from throughout the institution.

The COO recognized something that many executives miss: our conversation partners often have the know-how to develop good solutions, and part of being a good listener is simply helping them to draw out critical information and put it in a new light. To harness the power of those ideas, senior executives must fight the urge to “help” more junior colleagues by providing immediate solutions. Leaders should also respect a colleague’s potential to provide insights in areas far afield from his or her job description.

Here’s an example: I recall a meeting between a group of engineers and the chief marketing officer (CMO) at a large industrial company. She was concerned about a new product introduction that had fallen flat. The engineers were puzzled as well; the company was traditionally dominated by engineers with strong product-development skills, and this group had them too. As the CMO and I discussed the technological aspects of the product with the engineers, I was struck by their passion and genuine excitement about the new device, which did appear to be unique. Although we had to stop them several times to get explanations for various technical terms, they soon conveyed the reasons for their attitude—the product seemed to be not only more efficient than comparable ones on the market but also easier to install, use, and maintain.

After a few minutes, the CMO, who had been listening intently, prompted the engineers with a respectful leading question: “But we haven’t sold as many as you thought we would in the first three months, right?”

“Well, actually, we haven’t sold any!” the team leader said. “We think this product is a game changer, but it hasn’t been selling. And we’re not sure why.”

After a pause to make sure the engineer was finished, the CMO said, “Well, you guys sure seem certain that this is a great product. And you’ve convinced the two of us pretty well. It seems that customers should be tripping over themselves to place orders. So assuming it’s not the product’s quality that’s off, what else are your customers telling you about the product?”

“We haven’t spoken to any customers,” the engineer replied.

The CMO blanched. As the conversation continued, we learned that the product had been developed under close wraps and that the engineers had assumed its virtues would speak for themselves. “But maybe not,” said the team leader. “Maybe we ought to push it a little more. I guess its good traits aren’t so obvious if you don’t know a lot about it.”

That engineer had hit the nail on the head. The device was fine. Customers were wary about switching to something untested, and they hadn’t been convinced by the specs the company’s sales team touted. As soon as the engineers began phoning their counterparts in the customers’ organizations (an idea suggested by the engineers themselves), the company started receiving orders.

Had the CMO looked at the problem by herself, she might have suspected a shortcoming with the product. But after some good listening and targeted follow-up questions, she helped to extract a much better solution from the engineers themselves. She didn’t cut the conversation short by lecturing them on good marketing techniques or belittling their approach; she listened and asked pointed questions in a respectful manner. The product ultimately ended up being a game changer for the company.

Being respectful, it’s important to note, didn’t mean that the CMO avoided asking tough questions—good listeners routinely ask them to uncover the information they need to help make better decisions. The goal is ensuring the free and open flow of information and ideas.

I was amused when John McLaughlin, the former deputy director of the US Central Intelligence Agency, told me that when he had to make tough decisions he often ended his conversations with colleagues by asking, “Is there anything left that you haven’t told me . . . because I don’t want you to leave this room and go down the hall to your buddy’s office and tell him

that I just didn't get it." With that question, McLaughlin communicated the expectation that his colleagues should be prepared; he demanded that everything come out on the table; and he signaled genuine respect for what his colleagues had to say.

## 2. Keep quiet

I have developed my own variation on the 80/20 rule as it relates to listening. My guideline is that a conversation partner should be speaking 80 percent of the time, while I speak only 20 percent of the time.<sup>1</sup> Moreover, I seek to make my speaking time count by spending as much of it as possible posing questions rather than trying to have my own say.

That's easier said than done, of course—most executives are naturally inclined to speak their minds. Still, you can't really listen if you're too busy talking. Besides, we've all spent time with bad listeners who treat conversations as opportunities to broadcast their own status or ideas, or who spend more time formulating their next response than listening to their conversation partners. Indeed, bad listening habits such as these are ubiquitous (see sidebar, "A field guide to identifying bad listeners").

### A field guide to identifying bad listeners

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I should know because I've fallen into these traps myself. One experience in particular made me realize how counterproductive it is to focus on your own ideas during a conversation. It was early in my career as a consultant and I was meeting with an important client whom I was eager to impress. My client was a no-nonsense, granite block of a man from the American heartland, and he scrutinized me over the top of his reading glasses before laying out the problem: "The budget for next year just doesn't work, and we are asking our employees to make some tough changes."

All I heard was his concern about the budget. Without missing a beat, I responded to my client and his number-two man, who was seated alongside him: "There are several ways to address your cost problem." I immediately began reeling off what I thought were excellent suggestions for streamlining his business. My speech gained momentum as I barreled ahead with my ideas. The executive listened silently—and attentively, or so it seemed. Yet he didn't even move, except to cock his head from time to time. When he reached for a pen, I kept up my oration but watched with some annoyance as he wrote on a small notepad, tore off the sheet of paper, and handed it to his associate. A smile flitted almost imperceptibly across that man's face as he read the note.

I was already becoming a bit peeved that the executive had displayed no reaction to my ideas, but this little note, passed as though between two

schoolboys, was too much. I stopped talking and asked what was written on the paper.

The executive nodded to his associate. “Show him.”

The man leaned across the table and handed me the note. My client had written, “What the hell is this guy talking about?”

Fortunately, I was able to see the humor in the situation and to recognize that I had been a fool. My ego had gotten in the way of listening. Had I paid closer attention and probed more deeply, I would have learned that the executive’s real concern was finding ways to keep his staff motivated while his company was shrinking. I had failed to listen and compounded the error by failing to keep quiet. Luckily for me, I was able to get a second meeting with him.

It’s not easy to stifle your impulse to speak, but with patience and practice you can learn to control the urge and improve the quality and effectiveness of your conversations by weighing in at the right time. Some people can intuitively grasp where to draw the line between input and interruption, but the rest of us have to work at it. John McLaughlin advises managers to think consciously about when to interrupt and to be as neutral and emotionless as possible when listening, always delaying the rebuttal and withholding the interruption. Still, he acknowledges that interrupting with a question can be necessary from time to time to speed up or redirect the conversation. He advises managers not to be in a hurry, though—if a matter gets to your level, he says, it is probably worth spending some of your time on it.

As you improve your ability to stay quiet, you’ll probably begin to use silence more effectively. The CEO of an industrial company, for example, used thoughtful moments of silence during a meeting with his sales team as an invitation for its junior members to speak up and talk through details of a new incentive program that the team’s leader was proposing. As the junior teammates filled in these moments with new information, the ensuing rich discussion helped the group (including the team leader) to realize that the program needed significant retooling. The CEO’s silence encouraged a more meritocratic—and ultimately superior—solution.

When we remain silent, we also improve the odds that we’ll spot nonverbal cues we might have missed otherwise. The medical institution’s COO, who was such a respectful listener, had a particular knack for this. I remember watching him in a conversation with a nurse manager, who was normally articulate but on this occasion kept doubling back and repeating herself. The COO realized from these cues that something unusual was going on. During a pause, he surprised her by asking gently, “You don’t quite agree with me on this one, do you? Why is that?” She sighed in relief and explained what had actually been bugging her.

### 3. Challenge assumptions

Good listeners seek to understand—and challenge—the assumptions that lie below the surface of every conversation. This point was driven home to me the summer before I went to college, when I had the opportunity to hang out with my best friend at a baseball park. He had landed a job in the clubhouse of the Rochester Red Wings, then a minor-league farm team for the Baltimore Orioles. That meant I got to observe Red Wings manager Earl Weaver, who soon thereafter was promoted to Baltimore, where he enjoyed legendary success, including 15 consecutive winning seasons, four American League championships, and one World Series victory. Weaver was considered fiery and cantankerous, but also a baseball genius. To my 18-year-old eyes, he was nothing short of terrifying—the meanest and most profane man I’d ever met.

Weaver wasn’t really a listener; he seemed more of a screamer in a perpetual state of rage. When a young player made an error, Weaver would take him aside and demand an explanation. “Why did you throw to second base when the runner was on his way to third?” He’d wait to hear the player’s reasoning for the sole purpose of savagely tearing it apart, usually in the foulest language imaginable and at the top of his lungs.

But now and then, Weaver would be brought up short; he’d hear something in the player’s explanation that made him stop and reconsider. “I’ve seen that guy take a big wide turn several times but then come back to the bag. I thought maybe if I got the ball to second really fast, we could catch him.” Weaver knew that the move the player described was the wrong one. But as ornery as he was, he apparently *could* absorb new information that temporarily upended his assumptions. And, in doing so, the vociferous Weaver became a listener.

Weaver called his autobiography *It’s What You Learn After You Know It All That Counts*. That Zen-like philosophy may clash with the Weaver people thought they knew. But the title stuck with me because it perfectly states one of the cornerstones of good listening: to get what we need from our conversations, we must be prepared to challenge long-held and cherished assumptions.

Many executives struggle as listeners because they never think to relax their assumptions and open themselves to the possibilities that can be drawn from conversations with others. As we’ve seen, entering conversations with respect for your discussion partner boosts the odds of productive dialogue. But many executives will have to undergo a deeper mind-set shift—toward an embrace of ambiguity and a quest to uncover “what we both need to get from this interaction so that we can come out smarter.” Too many good executives, even exceptional ones who are highly respectful of their colleagues, inadvertently act as if they know it all, or at least what’s most important, and subsequently remain closed to anything

that undermines their beliefs.

Such tendencies are, of course, deeply rooted in human behavior.<sup>2</sup> So it takes real effort for executives to become better listeners by forcing themselves to lay bare their assumptions for scrutiny and to shake up their thinking with an eye to reevaluating what they know, don't know, and—an important point—can't know.

Arne Duncan, the US Secretary of Education, is one such listener. He believes that his listening improves when he has strong, tough people around him who will challenge his thinking and question his reasoning. If he's in a meeting, he makes sure that everyone speaks, and he doesn't accept silence or complacency from anyone. Arne explained to me that as a leader, he tries to make it clear to his colleagues that they are not trying to reach a common viewpoint. The goal is common action, not common thinking, and he expects the people on his team to stand up to him whenever they disagree with his ideas.

Duncan uses a technique I find helpful in certain situations: he will deliberately alter a single fact or assumption to see how that changes his team's approach to a problem. This technique can help senior executives of all stripes step back and refresh their thinking. In a planning session, for example, you might ask, "We're assuming a 10 percent attrition rate in our customer base. What if that rate was 20 percent? How would our strategy change? What if it was 50 percent?" Once it's understood that the discussion has moved into the realm of the hypothetical, where people can challenge any underlying assumptions without risk, the creative juices really begin to flow.

This technique proved useful during discussions with executives at a company that was planning to ramp up its M&A activity. The company had a lot of cash on hand and no shortage of opportunities to spend it, but its M&A capabilities appeared to have gone rusty (it had not done any deals in quite some time). During a meeting with the M&A team and the head of business development, I asked, "Listen, I know this is going to be a little bit shocking to the system, but let's entertain the idea that your team doesn't exist. What kind of M&A function would we build for this corporation now? What would be the skills and the strategy?"

The question shook up the team a bit initially. You have to be respectful of the emotions you can trigger with this kind of speculation. Nonetheless, the experiment started a discussion that ultimately produced notable results. They included the addition of talented new team members who could provide additional skills that the group would need as it went on to complete a set of multibillion-dollar deals over the ensuing year.

Throughout my career, I've observed that good listeners tend to make better

decisions, based on better-informed judgments, than ordinary or poor listeners do—and hence tend to be better leaders. By showing respect to our conversation partners, remaining quiet so they can speak, and actively opening ourselves up to facts that undermine our beliefs, we can all better cultivate this valuable skill.



#### About the Author

**Bernard Ferrari** is an alumnus of McKinsey's Los Angeles and New York offices, where he was a director; he is currently the chairman of Ferrari Consultancy. Elements of this article were adapted from his upcoming book, *Power Listening: Mastering the Most Critical Business Skill of All* (Penguin, March 2012).

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#### Notes

<sup>1</sup> Once, after I had explained this formula in a university lecture, a clever MBA student asked, "What if the conversation is between two good listeners?" My answer: "Congratulations! You folks will have productive—and short—conversations." This response, while firmly tongue in cheek, hints at an important truth about what the priority should always be in conversations: to gather information. If more executives followed the 80/20 rule, I'm convinced we'd have shorter, sharper, and more productive meetings.

<sup>2</sup> For more about cognitive biases and decision making, see Dan Lovallo and Olivier Sibony, "[The case for behavioral strategy](#)," mckinseyquarterly.com, March 2010.