



TrainUtopia

31012 La Quinta Drive
Georgetown, TX 78628
Office: 512-423-5416, Fax: 253-369-6205
Website: www.trainutopia.com

ARTICLE

WHY I SOMETIMES WISH SOMEONE WOULD FIRE GENE

By Michael Masterson

Gene, a senior executive I consult with, doesn't like to deliver bad news. When talking to me about problems and disappointments he's encountered, he always finds a way to present them as good news.

This is not a good thing for three good reasons: It is dishonest, manipulative, and ineffective.

Turning bad news into good usually involves some form of mental prestidigitation. Twisting facts, even to put a glow on them, makes you seem untrustworthy. As a result, I don't trust Gene to tell me when bad news happens or to tell me all the important facts when I find out about the bad news by myself.

When he spins a story for me, I don't feel good about his optimism; I feel bad about how stupid he must think I am. When I confront him about it, he talks around my accusation. He simply won't be pinned down.

Despite having been asked to do otherwise, Gene persists in this habit. Apparently, he trusts that more than he does me.

I don't blame him for having this habit. He no doubt developed it in the politically oriented Fortune 500 business world he grew up in. But my world - the world of growing, thriving, fighting small- to medium-sized (\$1 million to \$200 million) companies - it doesn't play.

In business, as in the rest of your life, nothing ultimately matters except two things: your skill and your integrity. Everything else - power, position, personality, and even connections - can disappear overnight.

Businesses can be sold. Management can be changed. Corporations can crumble due to economic, legal, and financial factors beyond your control. Contracts can be broken and/or ignored. Promises can break too. Friends can die or disappoint. Pacts can dissolve.

What endures is what you have in your mind and in your heart.

In your mind, you possess the essential skills that make you valuable. (The most valuable skills in business, as we've said so many times, relate to creating, marketing, and selling products and producing profits.)

What you have in your heart is your personal integrity. People need to know that you are essentially honest and reliable. That you'll tell the truth, good or bad. And that you'll do what you say you'll do... or be honest about it when you can't.

Gene has many strong and admirable qualities - including valuable business skills. But I question his integrity.

If he were my employee, I'd be tempted to fire him. But first I'd give him one more chance. I'd sit him down and tell him this:

When bad news happens, tell the people who need to know.

- Tell them immediately.
- Tell them fully.
- Give them options (i.e., possible solutions).
- Trust them to trust you to work things out.

And then I'd show him an article by Karen E. Klein that I recently read in Business Week. Titled "The Importance of Being Up Front," the article gives this very good advice (taken from "[The Organized Executive](#)") about how to convey bad news:

1. "**Prepare the recipient.** 'I have some bad news, and it's going to be very disappointing to you.'
2. "**Lay out what happened.** 'We won't be able to deliver the equipment on time...'
3. "**Explain why it happened.** Don't make excuses - simply show that you understand what caused the problem. 'Our computer failed, and several orders were dropped from the system.'
4. "**Show that you understand the impact.** 'I understand this is going to make things tough for your company.'
5. "**Explain what you're doing to make sure it doesn't happen again.** 'Our computer system is going to be revamped so we can't overlook orders in the future.'
6. "**Make amends. Provide the client with a token gesture or more.** 'I'm so sorry that happened. To make sure you get what you need on time, we'd like to rent the equipment for you from another vendor until we can deliver your order.'
7. "**Ask for their continued support going forward.** 'You're very important to me personally and to our company. Can I count on you to stick with us during this difficult time?' As you go forward with the customer, don't continually apologize - it only hurts your ability and your credibility."

If Gene could learn this skill - so well articulated by Ms. Klein - I'd be his biggest fan.

