

# Leadership in 10 Points with Lee Scott

August 25, 2009



As the keynote speaker in this year's NWABJ 40 Under 40 Banquet and Induction Ceremony, Lee Scott reminded us all what a good leader looks like. His speech came at a time when recession and sagging consumer confidence weighed heavily on the minds of the Bentonville suppliers, but was vigorously well-received and refreshing. In a style reminiscent of his years as CEO of the world's largest retailer, he deeply engaged the crowd and planted positive seeds of hope. In this time of uncertainty, he wisely encouraged us to "focus on what we do know and how we can act on that knowledge." He went through the various observations of shopper behavior in the marketplace, including more trips, smaller basket sizes, greater use of lists, increased planning, and stretching the short-term dollar. He clearly distinguished this era of our economy as "not merely a recession, but as a 're-set' and a 'new normal'." Finally, he boiled the success of Wal-Mart in these times down to one thing: Trust. Wal-Mart has built trust into its shopper's experience based upon price and now, with improvement of store quality, is seeking to deepen that relationship.

Scott followed up his initial commentary on the state of the economy and shopper behavior with perhaps the best speech on leadership any of us had ever heard. Each of his 10 points on successful leadership had humorous and insightful anecdotes, and Scott's closing thoughts put the perfect book end on a very insightful and motivation speech. I will summarize below:

## *What it takes to be a successful leader:*

1. "Hiring people better than you is the most effective way to build your career"
  - Lee talked about his decision to hire Mike Duke
  - Think about a President's cabinet
2. "Ego is the greatest enemy of leadership"
3. "When people know what you want, they will often give it to you . . . so be careful"
  - Always have the humility to not know what you don't know
4. "The ability to give honest, constructive feedback is a rare talent"
  - Don't lack the courage to be honest
  - Leadership is an obligation . . . a responsibility
5. "Very few people feel that they are on top of things; there is an underlying fear of failure"
  - When creating a team, transparency + trust = success
6. "What you say/ how you say it is NOT what matters; it is what is heard/ how its heard that matters"
  - Some only hear positive; some hear negative
  - Combat any disconnect with a good listening technique

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7. “Just because you feel strongly about something doesn’t mean you can’t still be wrong about it”
  - Don’t allow passion/ emotion to dictate action . . . let wisdom, truth be your guide
  
8. “Your harshest critic may be the most helpful voice you could ever listen to”
  - It is wise to listen to your critics; it requires humility but points you in the right direction
  - (joke on humility) “In your 30’s you don’t know what people are saying about you; in your 40’s you don’t care what people are saying about you; by your 60’s you realize they were never talking about you in the first place”
  
9. “Sharing praise is a compromise . . . give it away instead”
  - All great leaders give away praise . . . genuine humility/ genuine endearment
  
10. “Integrity is the single most important foundational characteristic of effective leadership”

In his closing remarks, Scott speculates about what might lead the economy to recovery. His answer? “The men and women who step up and lead; who listen, motivate, communicate vision, drive innovation and get the best out of themselves and their organizations.”

*Submitted by Jason Reynolds, RW3 Business Development Manager and “40 Under 40” Honoree, 2009*