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A Tale of Two Ships and the Leadership Factor

Crisis, Accountability and Responsibility

This is the story of two ships, their masters and how they reacted in the aftermath of a mishap. You have heard of the Costa Concordia earlier this year; a ship with state of the art navigation and communications technology. The other ship was a 1637 ton sailing barque that lost all its masts in a storm off the Falkland Islands in December, 1905.

So, at face value nothing in common; different times and ships, part of the world as well as type and cause of the accident. Even the ending is different: the sailing ships managed to limp into Montevideo harbor after 46 days with its valuable cargo of nitrates intact.

What they have in common are the culture, values and traditions of the two masters and crews. So, how could their behavior and performance after their respective mishaps have been so different.

There are of course many reasons but the one that is key is the role of a ship's captain, and for that matter any business or government leader, in the 21st century and 100 years ago.

Today a ship and its captain are pretty much on automatic pilot; in fact, many decisions are made off the ship in an office somewhere where "managers" decide on a course of action. While maintaining objective responsibility, a captain is reduced to a mere figurehead.

The captain of that other ship was the ultimate decision maker. He had no choice, being so far away from home and for long periods of time. He and the ship owner shared in the risk and responsibility as well as in the rewards in the event of a successful voyage. In other words: total accountability!

Technical issues aside, this could be a determining factor in the performance aboard ship and in the conduct of a business, a government or a nonprofit institution.

That captain from a century ago had every incentive to perform. He also had total responsibility and the unconditional allegiance of the crew; the ultimate team effort with a clear leader!

Today's captains are salaried employees. Nothing wrong with a salaried employee but who are the real de-facto captains of today's ships? The implication is that today's highly trained and sophisticated managers do not take responsibility by design. They have a job to do and they do it extremely well.

Under this scenario, when something goes wrong it is difficult to establish accountability and assign responsibility. More importantly, it takes a long time to determine the causes of a problem and make the necessary adjustments.

Systems with diffused power and limited liability have major advantages but, as with the economic crisis of the last several years, they also lead to disasters with long term consequences for everyone.

Note: The captain of the sailing ship was this writer's grandfather.

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