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## The People-Centric Journey Begins

### People-Centric Skills

People-Centric (P-C) Skills aim to improve all aspects of personal interactions, relationship development, and communications. These skills are as essential to success as are the technical skills. The People-Centric Skills include, but are not limited to: communication in all mediums, conflict resolution, active listening, leadership, mentoring and coaching, establishing business relationships, effective teaming and team dynamics, consensus building, nonverbal communications and body language, assessing corporate culture, etc.

MATT SANDERS STOOD with his hands behind his back, pensively looking out the 12-story window of his office building. It was a bright, sunny, and crisp autumn day in Chicago. His view of the Chicago River, and the hypnotic procession of boats, helped calm his uncharacteristically frayed nerves.

Matt glanced at his reflection in the floor-to-ceiling window of his office. In the reflection, he saw a 47-year-old executive intently staring back. He is six feet

tall, but like most men, usually thought of himself as a couple of inches taller; he has a square firm jaw, prominent nose, piercing dark eyes, and an erect military bearing from his tour with the Air Force. His dark hair has streaks of gray at the temples, which he has reluctantly convinced himself makes him look more distinguished. At least Leslie, his wife, tells him so. His audit staff see him as an intelligent, warm, even-tempered, and caring leader with a very dry, self-deprecating sense of humor. With wry amusement, he thought that in all humbleness, he had to agree with them.

As the head of Internal Audit for MultiCrown Corporation, Matt had a team of 33 auditors currently scattered over four continents. He was proud to be an officer of the Corporation, one of the world's most reputable and admired advanced materials companies. The Company was founded almost 100 years ago, and used to be very paternalistic, stodgy, and resistant to change. However, under the capable leadership of MultiCrown's current CEO, Caleb Line, it has transformed its culture into a modern, progressive organization, with a high degree of technological innovation focused on customers. MultiCrown has, over the past decade, reinvented itself from a basic aluminum, copper, steel, and plastics company into a diversified global manufacturing company that makes and markets advanced material composites. The senior executive team, of which Matt is a member, has been very focused on creating a world-class organization and having a strong and ethical culture. Matt thought it had succeeded in this, with the exception of a few employees. The Corporation has had consistently high profit margins over the past eight years, and operating revenue that recently reached the \$15 billion mark, firmly entrenching it as a Fortune 500 corporation. Of its five diverse businesses, three were very profitable, one had turned the corner and was starting to show a modest profit, and one division, the Plastics Molding Division, was rapidly going downhill. They had been consistently losing money for three years.

Matt prided himself on having composed, orderly thoughts, but this morning he was struggling. A couple of his audit teams were having problems, and Bill Dorset, the manager of his audit team in Mobile, Alabama, was experiencing significant difficulties dealing with the prickly and explosive head of the Plastics Molding Division, Tom Peterson. They really seemed to be miscommunicating.

Since the original definition of the word *auditor* is "one who listens," Matt reflected on the irony of his staff's current problems being mostly due to missteps in communications. As he had come to realize over the past few years, auditors and other business professionals, while receiving a heavy dose of training in "hard" technical skills via their college degrees and certifications,

were woefully deficient in their interpersonal, communication, and other “soft” skills. Matt was determined to close his team’s skills gap.

Matt snapped out of his reverie to note that it was almost 8:00 A.M., and Dalton Zimmer was due to arrive at his office. At just that moment, as Matt turned from the window, his ultra-efficient and elegant executive assistant, Lila Carlson, entered his office. Lila is a statuesque, 35-something, dynamic single woman with auburn-reddish hair reaching to her shoulders. “Mr. Zimmer is here—do you want to see him now?”

“Thank you, Lila, yes, please bring him in,” Matt replied with understated anticipation.

Dalton’s jovial and expressive face lit up with a smile as he entered Matt’s office. He was relaxed, energetic, and confident and sported a shaved head and goatee. Dalton always joked that he had long flowing locks, and shaving his head was just a stylistic choice—but no, it definitely was *not* a choice. Dalton strived to differentiate himself from the currently casual standard corporate look as he always wore a three-piece suit, matching pocket square with tie, and his grandfather’s pocket watch neatly tucked into his vest pocket. Dalton has always been known for his boisterous personality and outgoing demeanor, a true product of his vocation. As a professional speaker, trainer, and career coach, Dalton’s business was built on his ability to engage people and connect with anyone and everyone. Prior to his current profession, Dalton was the head of audit for a midsized retailer, so Matt felt comfortable that he could relate to his current difficulties.

Matt warmly shook his hand in welcome. “Dalton, great to see you! I want to tell you again how much we appreciated your People-Centric training on interpersonal skills for our auditors last spring. It wet our appetite for a much heavier infusion of your concepts, and, quite frankly, I’m now seeing the need for it more and more.”

“I can’t thank you enough for bringing me back and I’m excited to be here,” Dalton replied. “I have traded emails with your team since my P-C training and I can see that it was very thought-provoking for your staff. What do you have in mind when you say a ‘heavier infusion’ of training?” Dalton asked eagerly, sensing a business opportunity.

With Matt gesturing to the two wingchairs at the other end of his office, both men settled in comfortably with cups of coffee invisibly provided by Lila. “When you did your training,” Matt explained, “you told us that a two-day session was only enough to raise awareness of how critical good communications and soft skills are to the success of an internal audit organization. You *did* warn us that it would not cover the majority of the possible topics in much depth.”

Matt, usually careful in what he said, paused for a few seconds to consider his proposal. “Dalton, what we really need now is practical P-C Skills advice *at the point* we’re interacting with our audit clients and with each other. That would help our auditors and managers cement these skills via real interactions. Also, selfishly, I hope you can make those interactions go better for us. We’ve had a few rough ones lately!” Dalton nodded to signal his close attention and to encourage Matt to keep explaining.

Matt continued, “Quite frankly, your class provoked a lot of thoughts and suggestions from the group and we are now ready to retool our communications and interactions. I believe this will help our relationships with our auditees and significantly drive us to be a more effective audit group. Based on what I have seen over the past few months, I do think we need more than just a longer training session; we need hands-on, situational, direct coaching. I’m willing to invest in the future success of my team.”

“Dalton, what I’d like to propose is for you to join us for several months as a P-C coach. The audit managers and I can decide which of our audits, exit conferences, planning meetings, risk discussions, and so on could benefit the most from your advice and expertise. I want you to help us prepare for each selected interaction, sit through each, provide guidance, later help us debrief after the event, and finally, give us suggestions for the future. At the end of your coaching period, we could have additional training where you can share the events and related lessons with the entire audit staff.”

Dalton tried to hide his excitement and continued to nod thoughtfully as Matt explained what he wanted. “These are great ideas, Matt, but some of your auditors and managers may feel threatened by what they see as possible criticism and someone looking over their shoulder,” he cautioned.

Realizing the truth in this, Matt thought for several long moments before he responded: “We’ll need to help the staff see that just as we make improvement recommendations to others and expect them not to get defensive, we also must accept suggestions. Otherwise, we’re being hypocrites!” Matt then went on, “However, it’s a valid caution, and I’ll emphasize to the staff that your assistance is meant to be a positive step for us. We have a great group and I am not planning to change the makeup of the team. I’m not looking to blame or criticize anybody. What we all should want is to have a leading-class audit organization.”

Dalton said enthusiastically, “Matt, that sounds great; this is a very novel approach to this problem and is a very exciting project to undertake. I’m very interested in helping you and your team! How do you want to proceed?”

“Great!” Matt exclaimed, “How about if you look at your schedule and put together a quote and proposal on timing? Please remember, we have to fit this in our budget, so be kind to us. Once we reach agreement, we could meet with a couple of my managers to jointly lay out some of the upcoming events we want your help with.”

“You guys always get my best rate! I can probably carve out 8 to 10 weeks of assistance in the next six months or so, but not continuously. I have other obligations and we’ll need to work around them.” In his mind, Matt cynically challenged the “best rate” comment; however, Dalton had been fair with them and had delivered good value in the past. While Matt was distracted with his private thoughts, Dalton continued: “How about if I get back to you tomorrow with a proposal?”

On such an upbeat note, both men got up, and Matt shook Dalton’s hand as he escorted him to the door. On his way down the elevator Dalton had to contain his excitement as this was definitely a new and profitable type of project. A renowned speaker and writer, Dalton had undertaken more than a few interesting jobs over the years, but not many audit shops “opened their doors” fully to an Interpersonal Coach. This was a truly unique experience and just about the right timing; with his divorce now settling, being on the road and very busy is just what the doctor prescribed! He also, mentally, but enthusiastically, patted himself on the back with both arms for branding the bundle of interpersonal, communications, and other “soft” skills as the much-catchier “People-Centric Skills” concept. As he exited the building, his thoughts strayed to his social media campaign to introduce the *P-C* term. He was ecstatic with how well it was working.

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During the week following his discussion with Dalton, Matt actively sought support from the Audit Committee and the Company’s CEO, Caleb Line, to bring Dalton in for the *P-C* skills project with Internal Audit. With Matt’s vast experience and his consistent professionalism leading the audit team, the Audit Committee and Caleb have always had high confidence in his ideas and judgment. In fact, the Audit Committee Chair, Larry Worthem, was very excited about this cutting-edge development program. “If this works out, I have a few more audit committees I serve on that could use this type of training in the organizations.” Caleb also agreed, and Matt remembered him stating, “MultiCrown Corporation has been successful for 100 years because we do not rest on our laurels. We are

looking to constantly improve.” Matt further remembered his kidding smile when he said, “If this People-Centric stuff can really make the auditors popular, it might be something we push through to the entire organization!”

Matt wasn't sure about his auditors being “popular,” but with such a ringing endorsement, Matt finalized the agreement and asked Lila to schedule a session with his U.S. audit management team plus Dalton to focus on the highest-priority needs.

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On a cold November morning, Lila escorted Dalton into the audit conference room to meet with the team. Matt's ever-efficient assistant had a glint in her eyes and seemed to have developed a proprietary attitude toward Dalton. Matt looked at the two of them and thought “*hmmm. . .*” He was not sure what was going on, but hoped Lila would not distract Dalton too much before the project was completed.

Matt, Dalton, and Lila were joined by Meghar Dorsch, MultiCrown's Audit Director; Jim Franklin, IT Audit Director; Linda Hernandez, IT Audit Manager; Bill Dorset, Audit Manager; and Lee Akisodo, Audit Manager.

Matt began by walking the team through an overview of the key objectives for the meeting. “As we have discussed over the past few months, we have some communication and interpersonal areas that we could improve upon. You all know Dalton, and because you and the team thought so highly of his P-C training and suggestions, we are bringing him back to observe our staff in action for a few months, and figure out how we can further improve our P-C skills. This is open to anything and everything in dealing with people. In essence, P-C means putting people at the center, or focusing on human interactions. For example, Dalton is going to work with me in reformulating our Internal Audit ‘branding’ and communication plan for management. We have had mostly informal and ad-hoc communications, but I want to make sure the Audit Committee and MultiCrown management are fully aware of everything we do to help this company succeed.

“In my opinion, here are some areas we could focus on: establishing positive relations with our stakeholders; improving all facets of communication with them, including planning, risk assessment, and audit exit conferences; improving our own teamwork and developing good team dynamics; and preventing and managing conflict. There are probably many other areas we can focus on. Anyway, these are my initial thoughts, but what I really want is to hear *your* ideas.”

Bill was the first to nervously chime in: “Matt, I hope my problems with Tom Peterson are not the reason we are taking this approach; regardless, Dalton’s guidance is something we definitely want. I promised Tom a follow-up conversation and I need some good, unbiased insights.” Matt spent a few minutes calming Bill’s fears and misgivings and allowing the conversation to continue.

Linda was very interested in “nonverbal communication” and thought this could be of significant value to the audit team, especially for her boss, Jim. “Matt, this is awesome! I really like the topic of ‘Body Language’ and think it can really help us!” As most of the team nodded agreement with Linda, Jim’s mouth puckered as if he had sucked on a lemon and his facial expressions were easily read by all, but not commented on. Dalton, a very savvy nonverbal communicator, noted this for future reference.

Meghan added, “I’m not sure if performance appraisals are a hot-button issue, but it’s something we struggle with, especially since the management turnover last year. We may want to consider it. I also really agree with your idea to work on the branding of our audit department. Quite frankly, people still hear the word ‘auditor’ and think of the IRS. Then they might hear ‘Certified Public Accountant’ and think auditors are all ‘numbers’ people. I think our organization does not get what internal audit is, or can be. I believe we need to continue to inform our company as to how we can help, and take away the stigma behind audit.” A long discussion ensued on this topic, with both Dalton and Matt agreeing that this is an area to focus on.

Jim, usually reluctant to speak in front of a group, saw the pause in the conversation as an opportunity to discuss the issues he had with getting the right information from the Information Technology (IT) department in a timely manner. “I think a great topic would be to understand how we, as auditors, can convince people to do things that they don’t necessarily want to do and don’t really have to do. For example, pulling requested information, assisting us with questions in a timely manner, and so on.” Matt was impressed that Jim had chimed in at all and encouragingly replied: “Jim, great thought! How can we influence people to cooperate without having direct organizational power over them? That’s something I am sure many auditors struggle with.”

As the morning slowly shifted to the lunch hour, the group began to feel confident that the major areas had been covered.

Dalton, always the considerate gentleman, wanted to get the thoughts of the non-auditor in the room—Lila. Dalton began, “Lila, you have been quiet, but reading your body language and facial expressions, you definitely

have something on your mind. Please. . . .” Lila, obviously delighted with this recognition from Dalton, stated, “Well, with the team all over the world, I constantly see the cultural differences that come into play. For example, I know that the last time Dave, a senior auditor on our team, was in Mexico, he told me that he was given advice by José Aguayo, our CFO there. José was kind enough to explain the different cultural approaches and communications styles between the United States and Mexico, to make sure the audit went off well. I’m sure as our auditors travel all over the world, these types of cultural differences get in the way of great communications.”

Dalton quickly responded: “I think exploring cultural differences would be a great topic of discussion for the entire team. It is an advanced P-C concept, and it may need to wait until the near the end of our project.” Everyone in the room, including the ever-skeptical Jim, was impressed with Lila’s suggestion.

Dalton briefly started to mention an amusing personal story to the group about how his lack of cultural understanding almost caused a significant issue with a female CFO. However, a phone call from the chairman of the Audit Committee interrupted the meeting at this time, and when Matt returned to the conference room, Dalton had finished the story, with the group sharing in the rather humorous and embarrassing moment. Rather than have the team hear the story again, Matt suggested they continue their People-Skills deployment plan.

After another hour and with a deeply satisfied breath, Matt said, “I think this has been a very productive meeting. I really appreciate how all of you are jumping into this effort with such enthusiasm. Lila, can you send out your notes to all of us with the topics we’ve tentatively laid out? Thanks! For the next step, Dalton and I will get together and prioritize the list and begin to work on scheduling. Thanks again, everybody!”

Prior to Dalton leaving, Matt had to ask him about the story with the CFO and the cultural issues. “It sounded like you were going into a priest-and-rabbi joke,” Matt said with a smile. Dalton, laughing, dove into the short, but comical learning experience:

“When I worked at BlueSky Beverages, which is, as you know, one of the world’s favorite beverages, I spent a good amount of time at our subsidiary in Mexico. I met the CFO, Maria, a very intelligent, and quite frankly, gorgeous woman. In Mexico, prior to really working with each other, you should establish personal relationship and rapport. To that end, when we initially traveled to Mexico City, we spent our first evening there hosted by Maria and



her executive team. It was a very nice event, full of good food and drinks. When we called it an evening, tradition would call for a kiss on the cheek as a goodbye. However, I am half French, and the tradition there calls for a kiss on each cheek. Well, Maria kissed me on the cheek, and then I went in for the second kiss on the other side, which in her panicked, startled movement, hit her lips! She jumped back, laughing nervously and saying, “One kiss, one kiss only!” It was very comical and after explaining my background, she understood the situation, but it took me a few years to live it down with her. You cannot make this stuff up! Bottom line is everyone must know their audience and their cultural and social norms.”

Matt, shaking his head, exclaimed, “Dalton, this stuff only happens to you.” As Matt knows, Dalton frequently ends his implausible stories with the line: “You cannot make this stuff up!” After getting to know Dalton, Matt has come to believe that all of these stories are indeed factual, although he suspects a few embellishments now and then.

Matt walked Dalton to the elevator and commented on the great kickoff meeting. Dalton replied, “I am really pleased with how it went!”

Before pressing the elevator button, Dalton sheepishly asked, “Listen, Matt, since we have known each other for quite a while, I do have a personal question—do you know if Lila is seeing anyone?”

Matt, with his best poker face, remarked, “I don’t think Lila is seeing anybody right now, but she is pretty private about her social life. I think she might like you, though.”

With that, Dalton smiled and got on the elevator. As the door closed, Dalton laughed and replied, “That’s what I read as well. If we have time, we should chat on body language. She was definitely giving off favorable gestures!”

As Matt walked back to his office, he shook his head thinking about Dalton. He was truly a unique and interesting individual. The P-C project was going to be full of surprises.

Matt then switched gears to think about his twenty-third wedding anniversary with Leslie. He was really looking forward to their celebration that night at the new Spanish Tapas restaurant in Lincoln Park. He also hoped she would like the lapis and gold earrings he picked up for her when he was in Brazil the previous month.

Just as Matt was leaving his office for the day, Lila handed him the list that she had prepared during the meeting with Dalton. “I hope you and Leslie have a great anniversary,” she brightly said. “Thanks, Lila, we plan on it!” he replied.

## Initial People-Centric Topics for Dalton's Involvement

- Team dynamics/forming teams/making teams more effective
- Generating and prioritizing ideas
- Communication and listening skills
- Reaching consensus
- Conflict management/resolution
- Reading body language/nonverbal communications
- Influencing others
- Coaching/mentoring
- Branding Internal Audit
- Establishing constructive relations with key stakeholders
- Assessing the corporate culture
- Effective interactions in a multicultural setting