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Take me to your leader. You badly need one

Organisations can't be run by elaborate computer models or by majority votes. Strong figureheads are needed today more than ever

Ed Smith

Who needs leaders any more? What's the point of them? Andy Hornby argued last week that he wasn't personally responsible for the chaos at HBOS - after all, he was only the chief executive. And as Chelsea sacked yet another manager, the World Cup-winning Luiz Felipe Scolari, pundits shrugged that managers make little difference anyway.

In fact, on these pages last week, Stefan Szymanski argued that instead of a manager, a team should be run by a rolling referendum, a sort of wiki-England. His argument is much broader than just sport. As the relevant information is available for everyone to see, today's leaders, Professor Szymanski implied, are like estate agents in the age of the internet: unnecessary middlemen who obstruct the path of democratic wisdom.

I think the opposite is true. In business, in politics and in sport, the last thing we need is more wiki-style democracy. We are entering an age of tough decisions. Managing by referendum, with its inevitable popularity contest, is exactly the reverse of what is required. Leadership by a show of hands is a privilege available only when the stakes are low and the problems trivial.

So now, as we enter not only recession but also reconsider what a fair society should look like, leadership has never been more important. Testing times demand the preparedness to face up to uncomfortable facts and make unpopular decisions: in other words, leadership.

Take the great financial institutions. Instead of strong leadership, why not just leave the lads to get on with it? If the shareholders are happy, why cause any trouble? That was the prevailing conventional view in the boom years.

In good times you might be able to get away with it - but not for long, as we are now painfully realising. The case for strong leadership was eloquently made by the inquiry into the banking crisis. Andy Hornby, who moved swiftly from retail managing director of Asda to running one of Britain's great banks, may have been right that he wasn't personally culpable. He was simply out of his depth. More culpable was the wider idea that running something as important as HBOS required merely salesmanship rather than proper stewardship.

If, during the risk-bonanza that preceded the collapse of Northern Rock and HBOS you had taken a poll among shareholders, the punters would have voted resoundingly to keep making themselves rich. The risks seemed to be working, so take even more risks! When Paul Moore suggested HBOS was growing too quickly and putting itself in danger, he was sacked by Sir

James Crosby, then the chief executive. At the time, I'm sure the shareholders would have agreed with Sir James. But a strong leader would have examined Moore's argument more closely, no matter how uncomfortable.

The idea that leadership is a trivial issue is looking dangerously dated. Look at contemporary America. When I was living in America in 2000, a standard argument was that it didn't matter much if George W. Bush wasn't very bright as he was supported by the vast sophistication of the American political system. Who needed a good president when there were such stellar advisers? (Donald Rumsfeld and Dick Cheney: take a bow, please.) The legacy of thinking that intelligent leadership didn't really matter was eight years of George W. Bush, a war in Iraq and the ruin of America's international reputation. Underestimating the significance of real leadership will come to be regarded as the symptom of a decadent age.

How about sport? English football hasn't yet completely embraced management by popularity poll, but it did give us the next best thing to having no manager: Steve McClaren. McClaren was appointed because he was supposed to "get on well with the lads" like Becks and Rio. His successor, the uncompromising authoritarian Fabio Capello, suggests a more promising era ahead.

The popular alternatives to real leadership and dubious "consultation" and questionable science. Phoney democracy - all those endless feedback forms and questionnaires - allows process and popularity to supplant strategy and independent thinking. Worse still is the idea that systems and equations will one day supersede the need for human judgment.

It is not only light-touch legislation that is to blame; it is also "light-touch" leadership. Management via equations and the path of least resistance is what got us into these terrible messes. The way out resides in empowering strong leaders to do what is in our best interests, even - in fact, especially - when it hurts along the way. Acres of data and rocket-science statistical systems do not negate the need for leadership. They enhance the scope for leadership. With so much information sloshing around, the ability to cut through the dross and see what really matters has never been more important.

Given proper backing, one compelling figurehead can turn around any institution. Sir Simon Rattle took the unheralded Birmingham Symphony Orchestra to unprecedented heights. Warren Gatland took a Wales rugby team characterised by player power and in-fighting and turned them into serial winners. And President Obama has already galzanised a political party that had suffered consecutive electoral defeats - and now hopes to do the same for the whole country.

So what does real leadership look like? Its cornerstones are good judgment and personal charisma, each dependent for its ultimate success on the other. Judgment without charisma can seem unpalatable; charisma without judgment is dangerously unhinged. Great leaders combine the two.

Judgment, obviously, is about making the right decisions - ignoring public opinion and "expert" conventional wisdom when necessary, without succumbing to the myth of personal invincibility or becoming a martyr to contrariness.

If judgment is knowing the right destination, charisma smooths the path. As President Obama is showing, charisma can make political movements seem irresistible, even predestined. That

is a central part of his power. Charisma makes things happen. America, and the world, can only hope that Obama's charisma is buttressed by the same degree of judgment.

When the stakes are high - whether in sport, politics or banking - phoney democracy and management by computer screen will never work. Sometimes a splash of enlightened absolutism, to adapt Winston Churchill's quip about democracy, may turn out to be the worst possible system - except all the others.

Ed Smith is a former England cricketer. His book, What Sport Tells Us About Life, is published in paperback

Note the following comment that was posted:

The real difference between those at "the top" and the rest of us is not that "they" are better at their job. It is that " they" are better at getting to "the top". The curse of modern life is the "career person" who would not recognise altruism even if it slapped them in the face

Peter Bolt, Redditch, UK