



I am recalling a CEO with whom I worked many years ago. The corporation was challenged in many ways: difficult market, over-regulated, restrictive labor rules, many conflicting constituencies, politically vulnerable, and highly unprofitable. The CEO had a choice: act decisively on as many of these fronts as possible, with thousands of lay-offs, higher prices, court and political fights, or not alienating anyone, maintaining the status quo with small changes, and calling on the government to keep the company operating with billions in subsidies. He chose the latter.

His generous but timid approach was “successful” for a number of years, since he could point to small steps forward (“the curve to success is not as steep as it was last year”) and since the status quo was far easier than the alternative. He was viewed by many as a generous, accommodating, and visionary boss because he was very good looking, sounded and acted “like” someone in command, and could articulate a vision of success just over the horizon. Ultimately when things did not improve, and the political landscape changed, he left, to be replaced by a CEO who was neither generous nor cruel but realistic, and who made clear that the company was failing and should be shut down if it couldn’t be made profitable quickly. Ultimately all the necessary changes were made, amid much controversy and more expense, profitability was achieved and the second CEO was a hero while the first one was forgotten.

I try to be pragmatic and I think because I don’t have deep reserves of empathy I can avoid being too generous, at least in professional situations. In personal situations I tend to weaken when it appears another person is going to be hurt by a decision that I believe is right. Sometimes that means that others take advantage of my generosity--they let me pick up the check, literally and figuratively.

We can learn to be more or less generous based on our experiences. If others are generous to us and justify our trust in them, then we can learn to be similarly generous to others--as a matter of personal gratification. If others betray our generosity and trust, then we become conditioned to withhold generosity and trust from those around us--as a matter of avoidance.

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May 21, 2020
Washington, DC