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Why I'm a listener: Amgen CEO Kevin Sharer

The biotech giant's chief executive describes the epiphany that made him a better listener and explains why listening is a survival skill for leaders and organizations.

For most of my career, I was an awful listener in almost every possible way. I was arrogant throughout my 30s for sure—maybe into my early 40s. My conversations were all about some concept of intellectual winning and "I'm going to prove I'm smarter than you." It wasn't an evil, megalomania-driven thing; it was mostly because I was a striver, I wanted to get ahead, and getting ahead meant convincing people of my point of view.

The best advice I ever heard about listening—advice that significantly changed my own approach—came from Sam Palmisano,¹ when he was talking to our leadership team. Someone asked him why his experience working in Japan was so important to his leadership development, and he said, "Because I learned to listen." And I thought, "That's pretty amazing." He also said, "I learned to listen by having only one objective: comprehension. I was only trying to understand what the person was trying to convey to me. I wasn't listening to critique or object or convince."

That was an epiphany for me because as you become a senior leader, it's a lot less about convincing people and more about benefiting from complex information and getting the best out of the people you work with. Listening for comprehension helps you get that information, of course, but it's more than that: it's also the greatest sign of respect you can give someone. So I shifted, by necessity, to try to become more relaxed in what I was doing and just to be more patient and open to new ideas. And as I started focusing on comprehension, I found that my bandwidth for listening increased in a very meaningful way.

¹President and CEO of IBM from 2002 to 2011, and now chairman of the board.

The cultural environment, of course, is going to define every aspect of communication. If you're in a fear-driven, toxic environment, listening is going to be almost impossible, and I've been in places like that. Being the CEO, however, means that you can define the culture by whom you pick for positions under you and by the standards you enforce. I've always tried to emphasize an environment of partnership, teamwork, trust, and respect—and anyone with a bullying tendency, we fire. Of course, it's not perfect; we're human beings. But we try hard to have every aspect of our culture and of the way we operate encourage the sharing of information—to listen to the facts, listen to the logic, and draw well-formed conclusions.

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Kevin Sharer has been Amgen's CEO since 2000 and chairman since 2001. He recently announced his plan to retire from the company in May 2012. To see a video interview of Sharer on the importance of listening, visit this article on mckinseyquarterly.com.

Strategic listening

As a senior executive—particularly if you're responsible for a big function or division—you operate in a very complicated ecosystem with many sources of information that matter. In your mind, you need a picture of what reality is right now, with the knowledge that the picture is dynamic and ambiguous. That's why it's important to focus on what I call strategic listening: a purposeful, multifaceted, timesensitive listening system that helps you get the signals you need from your ecosystem.

You've got to seek out these signals actively and use every possible means to receive them. I imagine the individual signals as mosaic tiles of information. No single tile paints the picture—and you never get all the tiles—but by assembling them you get a good idea of what the picture is. My method of gathering the tiles involves regularly visiting with, and listening to, people in the company who don't necessarily report to me. I also read as much as I possibly can: surveys, operating data, analyst reports, regulatory reports, outside analyses, and so on. I meet with our top ten investors twice a year to listen, and at shareholder conferences I consider the Q&As very important. The key is making yourself open to the possibility that information can and will come from almost anywhere.

I also try to teach and model this behavior within our company. Often, when I'm with an executive, I say, "Hey, tell me about *your* ecosystem. Whose opinion matters to you? Let's make a list of those people. How do you hear from them, and how often? Where are you now with a particular constituent? When's the last time you got a particular piece of data? And don't tell me that no news is good news."

Listen or fail

It's terribly important to be able to hear danger, which is often a very weak signal. If there's a lag in your ability to hear it, you are going to be in trouble because the rest of the world—the press, blogs—is a gigantic amplification system for these signals. Listening is a threshold skill: if you don't have it, you will fail, but having it doesn't mean you will necessarily succeed. The failure may happen rapidly—the danger signal came, you didn't react, and it got you. Or it may occur in a more gradual way, when an accumulation of all your bad listening practices erodes personal relationships, causes you to make lower-quality decisions, or leaves you unable to monitor implementation. Eventually, executives

who don't listen lose the support of their teams and colleagues. And once you've lost that support, it's almost impossible to get it back. You can't be effective as an executive, and you're going to get fired.

Similarly, organizations that don't listen will fail, because they won't sense a changing environment or requirements or know whether their customers or employees are happy. In an incredibly information-intensive, dynamic environment, you have to listen or else—to mix metaphors—you're blind.

Changing behavior

Most people underappreciate the complexity of listening, the skills needed, and the value of doing it well. Everybody says you need to be a good listener, but in my experience it's often more lip service than conviction.

Listening can be learned, but to change your behavior on any important dimension you've got to have deep self-awareness. You have to change, and you have to *want* to change—and you can't fake it. That's what my epiphany was about. I started thinking: I'd better change my style. I was maybe 90 percent tell, 10 percent listen, and I knew I'd better try to move closer to 50–50 and force myself to be more patient.

That was hard because arrogance would lead me to think, "I'm smarter than you and I know what you're going to tell me, so let's make this really efficient for both of us. I won't have to listen, and we can get to the really important part of the conversation: me telling you what to do." It hit me hard that I had to stop this. What was I doing? Saving three minutes? We've all got three minutes to spare. There has to be a certain humility to listen well.

Of course, at the other extreme, listening doesn't mean being a witless receiver of information or taking a monk-like "hear and say nothing" posture. We have to process what we're hearing, think about what it means, and make decisions. Still, before you make a decision, you've got to make sure the listening has happened so that you have sufficient information.

At the level of very senior executives, this information includes understanding the psychology of the situation. Most of my job is not about deciding on the right thing to do—that's pretty easy. The hard part is

figuring out how to get it to happen, and that's about understanding the thinking and motivations of the people who help *me* achieve, so I can help *them* to be more effective. And if I don't listen enough to understand *their* world, I can't be a very good coach.

I recall one situation when we were developing a five-year resource plan for a very large function. Our financial executive was worried that the functional leader didn't really have the conviction to manage the costs and meet the financial targets the plan called for. This executive felt that he had to go in with a pretty heavy hand. In listening to him talk, I could tell right away that there would be resistance and that he was going to fail. So I coached him on how to talk with the functional executive and how to listen to the functional group's concerns and put them in a strategic context that would resonate for the group—not just, "Hey, we're going to miss the EPS² for the quarter." I was also implicitly giving him time to work all this through. In the end, he was able to come together with the functional leader and succeed. O

This commentary is adapted from an interview with **Thomas Fleming,** a member of McKinsey Publishing based in the Chicago office.

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²Earnings per share.