

Everyone's a Critic

By: **Alison Stein Wellner**

Most bosses can dish out the criticism. Here's how to take it.

Nothing used to annoy Christine White more than a complaint from an employee. The owner of Boudoir Baskets, a Web-based retailer of lingerie and other romantic accouterments in Santa Clara, Calif., was convinced that no one knew her business the way she did. Even as her company grew to 20 employees and White relinquished more of the day-to-day responsibilities to focus on larger, strategic matters, she had a hard time accepting that her sales reps might possess greater insight into her products and customers than she did.

So two years ago, when a sales rep told White that he had concerns about a new product, she was not inclined to listen. The device, he said, was shoddy and broke easily. White had already stocked her warehouse with the item. If she'd made a mistake, it would cost thousands. *It's a great product. I got a great price from the manufacturer, she thought. Why is this person bothering me?*

But the problem didn't go away. Other reps began complaining. Then the customer complaints started, and the refund requests started pouring in. And still it took White weeks to pull the product. "It took a while for it to sink in," White admits. "I took it all really personally."

Wasn't White being a tad hypersensitive? After all, every manager makes a bad call now and then. In fact, White's resistance to negative feedback is far from unusual. She was just being a typical entrepreneur, suggests Kelly G. Shaver, a College of William and Mary professor of psychology who analyzed data comparing start-up entrepreneurs with those in the work-a-day world. One difference between the two groups: The entrepreneurs displayed an uncanny inclination to trust their decisions and dismiss criticism. Indeed, that tendency is exactly what is needed to overcome the hard knocks that come with launching a business.

The trouble is, the same self-confidence that launches a company often gets in the way of managing it properly. If you're not open to hearing bad news, you're not getting the most out of your employees, and you may be missing the chance to capitalize on new opportunities. You may even be sitting on a ticking time bomb. The allergy to negative feedback sets up the dreaded condition known as groupthink: Debate is not tolerated; bad decisions go unquestioned; and when it all falls apart, no one can figure out why. "There is definitely a business cost to being unaware," says Shaver.

In theory, it should be simple: You ask staffers for feedback; sincerely thank them when you get it; let them know you'll consider it; actually consider it; and then let them know whether you've decided to take action. In practice, nearly every fiber of an entrepreneur's being resists this process. Shaver's research shows that entrepreneurs are adept at "internalizing" success, taking full personal credit when things go right, and "externalizing" failure, blaming setbacks on outside factors. This psychological dynamic leads to certain less than helpful responses: Some managers become defensive and lash out; others find themselves wracked with self-doubt.

There's only one way to approach the problem and it's pretty simple: Remind yourself that even if the feedback feels personal, your reaction to it has to be anything but. Tell yourself, Shaver urges, that a business mistake is not the same thing as a moral failing. White, for example, has now created an "open door" policy to invite negative feedback. When she feels herself getting defensive, she remembers that it's all just part of doing business.

It also helps to slow things down. Lena L. West, CEO of xynoMedia Technology, a Yonkers, N.Y., consultancy, recently got an earful from her nine staffers about her management style. "I thought I was being seen as a leader, getting things done and making people feel accountable," she says. "But in their

opinion, I was a little domineering and bossy." West was shocked. But she realized that her reaction would determine whether her employees would feel comfortable sharing opinions in the future. So she took a deep breath, thanked everyone, and promised to block off some time on her calendar to think about what she had just heard.

In fact, the faster you react to criticism, the more likely you are to react inappropriately, says Kim Kanaga, director of the Greensboro, N.C., campus of the Center for Creative Leadership. "The best thing you can say is, 'That's interesting, let me think about that,'" he says. Indeed, reactions like crossed arms, glares, and sighs will betray you, adds Ted Sun, president of Executive Balance, an executive development firm in Columbus, Ohio. People place great weight on such "nonverbal" information, and a bad reaction to criticism sends the message that you really do not care what your people think--a direct ticket to groupthink city.

West, for her part, ultimately decided that her employees had a valid point on at least one count--the company's "no-excuses" absentee policy during client projects. Two weeks later, West came back and asked employees to help design a more flexible policy. "They were shocked that I actually remembered, much less took the time to think about it," she says. And what if West had decided that her employees' feedback wasn't worth pursuing? That's okay too--simply letting employees know that you've considered what they have to say is enough to make them feel safe about speaking up. In fact, that's one of the great things about being the boss: Just because you've asked for feedback doesn't mean you have to follow it.

Published July 2004