



Howard Davidson
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At the time of this interview, Davidson's role included: raising funds for new ventures, development of strategy and solutions for direct portfolio investors, Initial Public Offerings, and Mergers and Acquisitions. Howard has had a distinguished career in the financial sector in commercial and investment banking. He is actively involved with non-profit organizations in Asia and the US. Currently, Howard is Chairman of the Foundation Board of Mercy Ships. Howard has a Bachelor of Arts degree with Honors in Economics from the

University of Wales. He was appointed a Fellow of the Institute of Bankers (UK) and is a NASDAQ registered Broker/Dealer. He moved to Hong Kong in 1984, and to the US in 1999.

professional

What are top 3 principles for success in your industry?

I'll talk about where I am at the moment, but also referring to what I've been doing for the last 30 years, which is the investment banking industry, I'd say the top three requirements for success would be total integrity, aggression, decisiveness and honesty, which in many ways is a flow back to integrity. But I think those are critical areas. So I would say integrity, aggression, dynamism and honesty.

What character qualities do you look for when hiring?

I think honesty is very important. I've become particularly impressed by this recently with the number of business cases that I see where people are trying to raise money and by the time they get to talk with me, it seems that 20 people have said all kinds of nice things to them, no intention of lending them any money, but it's much easier to say the nice things. "Well, it's a really exciting idea. Just doesn't quite suit us at this point in time." And very often there's a lack of honesty and integrity there. If they were honest, they'd no intention ever of financing this deal. I find it very often for entrepreneurs, it's much more, in the long run, honest for them to tell what the real facts of the matter actually are and sometimes a relief because they know better what's really happening in life. So I would say honesty in dealing with people.

What makes a great leader?

A great leader is always someone that others look up to. I am always reminded of what Gandhi said, "There go my people, so I must leave because I am their leader and I must go with them." In other words he was leading from behind. He was a quiet, strong character. There was no question he was a leader. There are other kinds of leaders that are very much up front and others do follow them. The key aspect is, in both cases, leadership qualities that other people recognize in them and want to follow them. A key aspect in a leader is having the character and the attractive personality that attracts others who want to follow them.

Who are your heroes and why?

The first one I suppose would be easy for me to say, being British, would be Winston Churchill. I think he was an outstanding leader. If you've read his biography, he talks about how when he was called to be Prime Minister in 1940, how he had sat on the sidelines, and how he eventually was called to be Prime Minister. He has a very well sense and he actually says, "I have to tell you, reader, that when I went to bed at three o'clock in the morning, having been appointed Prime Minister, it was with a great sense of relief because I knew this is why I had been born." He had a great sense of his destiny, which he then followed through to incredible leadership for five years as he lead the whole of the empire, really, their war efforts. So, undoubtedly, he is one of my great heroes from that perspective. Other ones? Totally different. Probably Mother Teresa of Calcutta. Somebody who very much is totally dedicated to whatever it is that she's doing. Quite happy to take on all kinds of world leaders



and remonstrate with them and tell them what they should be doing that's different. Totally consumed by the importance of her mission and what she was doing. A totally different kind of leader. I don't think it's possible to have more differences than a Winston Churchill and a Mother Teresa. But they would both be my heroes for completely different reasons.

What are the 2-3 most valuable lessons you learned in your career?

A valuable lesson is the critical importance of working with people. As I look back on my career, I can recall two people for whom I worked at various stages, who are probably, in my opinion, unbelievable bad managers of people, just terrible, really. I remember learning from both of them how not to be a manager of people. I think really the operations that I've worked with or been involved with that have been most successful have really had an integrated group of people working together towards a common goal. Now, I'm not talking too idealistically about, standing, singing the company song first thing in the morning. Not at all. But just the realization that with people in the institution, they grew up to feel valued or wanted, appreciated by management and involved in the overall decision making process. That's been one key area. And the second one has been ... and again, I think we're coming back to this area of the integrity and the honesty thing. Sometimes, it may sound brutally honest, but being honest and showing it to people with concern and care. So I would call it honesty with a soft approach, with a soft face. It's possible to be a very dynamic manager and make hard decisions. But the way in which you implement them can be done in gentleness. So it's honesty with gentleness.

personal

What is the difference between success and significance?

I have a problem with the question and I'll tell you why, because that implies that they are two totally different things. I think it's possible to be significant and successful at the same time. I think they are variations on the same theme. To me, being successful would be doing something of significance. So it is not possible to differentiate the two. So I actually don't sympathize with the concept that I'm going to spend one part of my life energetically seeking success and then switch my character type and look for significance. Generally speaking, I don't think people do that really easily. I think that's a problem. It's a difficult thing to do. I think we become the characters that we are as a result of thousand of decisions taken over 10, 20 or 30 years. And those decisions, as to how we make them in terms of whether we're seeking what we regard as success or significance, go to make up the kind of people that we are. So a strange way to answer your question is, to question your question. I would question the question.

What does balance mean to you? How important is balance to success?

How do you balance success in terms of achieving the glittering prizes and then having a family you're caring for? That leaves me very conscious in terms of, again, development of relationships. For example, I think it's very easy to wake up at 40 or 45, having traded in, as a friend in the Bay Area once said, "Having created your first marriage for market share". You need to make some decisions, basically, as to what it is you're going to do. And one of the ways that I personally have been able to handle this one is just by my wife and I making sure that we do spend real time together, quality time and quantity, as well. I think it's a misnomer. I hear people talk about, "Well, I really don't have time for members of my family. I don't have any quantity, but we have short periods of quality time." I don't know how you do that without some quantity as well. So over the years, my wife and I have probably spent, always, at least one evening a week ... no other appointments, no television on. Just chatting because we wanted to, because we wanted to develop our relationship. It wasn't a sense of duty, it was just fun to share together so that we were at least on the same wavelength on most major issues. We could talk them over. And that has made integrating the business life with my family life much easier because she understood what was going on. I think it's very easy to have problems and difficulties in a marriage, in a situation when both sides don't really know what the other party is really involved with or what the pressures are.

What are some reasons to seek the deeper issues and evaluate your life?

If I'm a 26-year-old, it's a case of what are the most important things in life? I always remember



dealing with young analysts at Sullivan Brothers, that I was working with. They were getting really stressed out, they were working 18 hours a day, they were working six days a week and I would try to take them aside and say, "Look, guys. This is a lot of fun. We're all having fun together. This is great. But ultimately it's not life. If we walk out of here and we leave this company, if 20, 30 years later we retire and move on to something else, the company will forget us is the truth of the matter." So, there has to be other values, other significant involvement in your life, whether it's faith, family, et cetera. Otherwise we'll fall a part as people.

Have you ever had a wakeup call in your life?

Yes, but at the time I didn't wake up. Let me explain. I was driving along a road in Colorado last August at three o'clock in the morning and fell fast asleep and the next I recall is five days later in hospital. I was actually conscious during that time and I'm told by a number of my clients, I phoned them and gave them some awesomely good advice, although I had no idea what I said or what was going on. In fact, I phoned one client who was in New York and told him not to accept the price that was offered for his company and told him, "Don't move, I'll be there tomorrow." And he said at that stage he knew I definitely lost it because I was actually not remembering anything that was going on. So it was a wake up call. Eventually things returned more to normal. It's the realization of how close we are, how thin the thread of life actually is. Because the first time I saw the photographs of the car, which I completely ruined, was about three months after the crash and these photographs just arrived in an envelope that a friend sent me. When I looked at them for the first time, I had to go off and be on my own for quite some time. And I don't know any of my friends who have looked at those photographs, who haven't shaken their head and sometimes cried with the realization of it being possible to walk away from that kind of crash. So yeah, I would call that a wake up call.

s p i r i t u a l

How has God changed your life? How has your choice of faith in God changed your life?

I would say it's this aspect of central importance, the theme of understanding significance. Of sometimes realizing that perhaps I'm not doing a business deal, but I'm sitting, having lunch with some business guy who starts to open up about his marriage problems or his ... whatever the case might be ... and suddenly realizing that after you may have gone through that, that I certainly didn't make any money at that lunch, but maybe I was able to help this individual get their marriage a little bit back on stream or get their life a little bit better back on focus. And you suddenly think to yourself, "That may have been the most significant thing I did all week, all month, all year". It is the realization of the value of who we are and what we do is way different to the dollars we've got in the bank account. Don't get me wrong, I like having dollars in the bank account. But it's a case of where's the value base in what we achieve?

How does your faith help you in your professional life?

My faith being as important as it is, being one of the absolute critical key things for me, helps to define the other aspects: the career, family, life. All these different aspects go together and they are all an integral part of my faith.

Is faith critical to leadership or character?

Critically important. Faith in its broader sense and the aspect of really believing something outside of yourself and something else that is really important and worth dying for, really ... goes to make a significant difference in building up a person's character. Interlinked with all of those thousands of decisions I talked about earlier, it starts in the mind and then it gets into an action ... something that we do and then it becomes a character. You've probably heard of the old-fashioned phrase about, sow a thought reap an action, sow an action reap a character. And that's true. Those things do happen...they have a follow through format. Faith is critically important and the decision as to whether or not we are involved or following some faith and how important that is, will be heavily instrumental in the development of character.



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