

Chapter 10

The Character of a Business Leader

What defines an effective business leader? After forty years in corporate leadership positions and more years as an active, close observer, Abdulaziz Al-Zamil has some important insights to share in response to this question.

Integrity

Integrity is one of the most important qualities a business leader must possess,” Al-Zamil observes. “He not only must demonstrate high ethical standards, but integrity must be an important component of his character. Such integrity not only wins the trust of partners and customers, but through the leader’s example, it becomes infused in the organization. It becomes the way a company goes about doing business.”

Like his eleven brothers, Abdulaziz Al-Zamil was taught by his father that integrity should be the foundation for both his business and personal life. In the early and middle years of his career, this tenet guided his attitude and actions in shaping negotiations with joint-venture partners at SABIC. He believes that “business should not be based on litigation, but on fairness and on both sides being happy with each other, whether as partner or supplier.” Integrity is a quality that Al-Zamil instilled in SABIC by his example and by the people he recruited, especially in the very early stages. Those who came into SABIC later, as it grew, were integrated into a culture that emphasized honesty. Those who could not conform were weeded out.

As Al-Zamil and others from SABIC are glad to point out, none of SABIC’s joint-venture partners ever needed to refer back to the original partnership agreements because SABIC was faithful in fulfilling every one of its obligations as a partner. Bill Joyce, who licensed Union Carbide technology to SABIC in the 1980s, still marvels at how easy it was to come to agreement. He found the process to be quite unlike his dealings with many companies in the West. With SABIC, major technology licensing agreements were reached with little negotiation and sealed with a simple handshake. There was never any doubt that either side would fail to keep up its end of the bargain. Mohamed Al-Mady, CEO of SABIC from 1999 to 2015, notes about Al-Zamil,

Dr. Al-Gosaibi was a man of high integrity, so he chose Al-Zamil to lead SABIC, and Abdulaziz chose similar people, and these people hired similar people. This way, integrity became a part of SABIC. Most of the people Al-Zamil brought in were well-educated people who had a good reputation—either a family reputation or business reputation of integrity. From day one, integrity was a basic building block of the company.

As SABIC grew, Al-Zamil's emphasis on honesty and integrity continued to be made clear. It was his emphasis on integrity that shaped SABIC's efforts to enter the petrochemical market in a slow, systematic way that would not be disruptive. In particular, he did not want SABIC to take action that would hurt its partners. Al-Zamil has brought this same ethos to Sipchem and Sahara. It has helped attract huge numbers of investors and has paved the way for important joint ventures with global chemical companies.

Choosing Partners

Another significant attribute of a successful business leader, Al-Zamil points out, is the ability to identify and secure good partners. “Business success greatly depends on your skill in finding the right people to work with. You can see the importance of this when you look at how SABIC quickly progressed. Identifying good partners has been essential for Sipchem's and Sahara's development, too. This is demonstrated today in our current joint ventures with Tasnee, LyondellBasell, and Huntsman Corporation. We always try to partner with established companies that have leading technology and good access to markets, but we also consider them in terms of their reputation for honesty and integrity.”

As we have seen, identifying and recruiting the right partners was fundamental to success at SABIC and has been important at Sipchem and Sahara. Capable partners have provided SABIC with needed technologies, hands-on training, and markets. Similarly, for Sipchem and Sahara, partners have also brought important technologies and offer secure markets for future output.

Finding good partners is only half the story. You have to be able to attract and secure them. At SABIC, Al-Zamil used oil incentives to draw companies into joint ventures; but at Sipchem and Sahara, his reputation for honesty, integrity, and success has played a key role, as he notes himself: “Today, when someone is offered a project, it is not uncommon for them to ask, ‘Did Al-Zamil agree to the project?’ If the answer is yes, they often say, ‘Okay, I will agree too.’ That is to the credit of my family as much as to my own personal success.”

Building a Team

Throughout his career, Al-Zamil has demonstrated an uncanny ability to assemble energetic management teams composed of individuals whose varied strengths complement each other. These teams possess the talents and knowledge needed to carry out the long-term goals and vision of the company that Al-Zamil has set forth.

Bringing together such teams has involved more than being a good judge of talent. It includes insight into the different skills needed for success and the ability to foster cooperation among the team members. Al-Zamil points out, “Building a good team is complicated. You have to see how people fit together, how they are going to work together, and know what skills and aptitudes are needed for specific projects. You don’t just look for ability. You have to look for the right chemistry. The team is much more than the sum of its parts.”

True as that is, an ability to evaluate talent is still an important part of putting together a good team. One testament to Al-Zamil’s judgment of talent is revealed in how skillfully he chose the first six employees for SABIC. From among them, Ibrahim Ibn Salamah and Mohamed Al-Mady went on to serve as CEOs of SABIC. The others also went on to play significant roles in the company’s history.

Delegating Authority

Al-Zamil also points out how important it is for business leaders to delegate effectively. “When you give someone a task, you have to give him the resources and discretion to achieve that task. You should not micromanage. This is something I learned at an early age from watching my father.” Abdullah Al-Zamil demonstrated how to empower people: he gave his sons autonomy to act and then supported them where necessary.

Another model of leadership for Al-Zamil was King Fahd: “I had his full support, especially in my endeavors in industrialization. Everybody around him rose up to the challenge because he knew how to empower and motivate people.” Al-Zamil credits King Khalid, King Fahd, and Ghazi Al-Gosaibi for giving him and his team staunch support and encouragement throughout his whole career.

A hallmark of the ability of Al-Zamil to empower others can be seen in how he gave enormous responsibility to his colleagues at SABIC. The trust he and Al-Gosaibi placed in the capacity of young Saudis was remarkable. As Abdullah Nojaidi recalls,

The trust of management in the young, inexperienced people at SABIC was one of the key elements of success. This was a challenge. I remember once I was talking about PETROKEMMYA and discussing its organization with a man from Dow. He pointed to a position on the organization chart and said that this position would not be given to someone at Dow who hadn't worked for the company for at least twenty years. We had a different point of view. We said, “We're delegating responsibility to someone, trusting him. We may still need to train him, but we are not going to wait twenty years before we give him the position.”

This ability to delegate effectively can be seen today in Sipchem and Sahara. Ahmad Al-Ohali, Sipchem's CEO, confirms how at SABIC and elsewhere Al-Zamil has shown the essence of business leadership: providing vision and outlining goals and then leaving competent people with the autonomy to execute this vision.

Caring about People

Another important attribute of a business leader that Al-Zamil points to is genuinely caring about people. He sees it as a very special trait for anyone who wants to lead others. “You have to have an authentic interest in the well-being of the people who work with you, of your customers, and of the people in the community. The success of your business depends on developing your employees, addressing the needs of those who buy your product, and getting the good will of the people who live where your company is located. You cannot achieve these things unless you truly care about people.”

Persons who work for Al-Zamil are quick to identify this characteristic of his personality. “He is a kind person. He cares about people. Your development is important for him,” notes Al-Ohali.

Persuasiveness

A little-appreciated trait of a leader is the ability to persuade others to a point of view. This ability has served Al-Zamil well throughout his career. He was skillful in his negotiations with joint-venture partners in the early days, as Mohamed Al-Mady testifies:

I don't know where he got his negotiating skills, but he certainly has them. I'm sure he absorbed them from somewhere. He is very persuasive. He listens very carefully, and only after he has listened to all the people around him does he talk. He respects those who have a different point of view. We all learned to negotiate by watching him, working with him. He showed us how it is done.

Al-Zamil's persuasiveness is a great asset in other contexts. It has enabled him to gain the support of the Zamil Group for his investments in petrochemicals. It has helped him with investors in Sipchem and Sahara and with building relationships with joint-venture partners and others. Fahad Al-Rajhi, a coinvestor, has noted,

He has successfully founded many companies, because he has vision, and he is able to communicate this vision to others in a clear and persuasive manner. He is a simple man; he is able to break down complicated things in a way that people can understand and appreciate. This helps him win them over. He has persuaded the other Zamil members to support him in achieving his vision. He can persuade investors. That's what I see.

When asked about his ability to sway others, Al-Zamil notes modestly, "People say I can be persuasive. Maybe it is true. Maybe it is because I feel passionate about the goals that I win people over."

Follow-Up

One additional trait of a business leader, according to Al-Zamil, is keeping a close eye on how projects are progressing.

Follow-up is very important. You delegate authority, but the ultimate responsibility lies with you. You have to see how things are progressing. People may be reluctant to come to you to tell you about problems they are having, but if you show that you are on top of things and interested, then they will even come to you first. You may be able to advise them or give them other support.

Al-Zamil's ability to keep track of all aspects of a business is legendary. "Mr. Al-Zamil reads everything," Moayyed Al-Qurtas notes with a smile. "When I was at SABIC, he would call up with questions about one or another detail that appeared in a report I wrote."

Al-Qurtas's recollection is echoed by others. Abdelaziz Al-Gwaiz, chairman of International Diol, notes,

Abdulaziz Al-Zamil is very quiet. He has a sharp memory. He reads a lot, especially the memos he gets from his subordinates. Sometimes my colleagues give him a report, and the next day he starts asking questions about it. And the questions are focused, important, and cogent, and cut to the heart of the matter. Sometimes my colleagues

can't even answer some of the questions he asks. This attention to detail and persistently following up on projects is one of his main characteristics: this precision, this care. He's a careful planner, a careful reader, and a very careful listener.

Asking focused, cogent questions is a trait of Al-Zamil that others have noticed. Ahmad Al-Ohali notes, "He is always knowledgeable about what is happening at the company. He asks good questions—always the right questions. That's how he keeps track of your progress. But if you need help or advice, he is always there for you."

Commitment

The most important characteristic of a leader is his commitment to the success of a given project or enterprise. Al-Zamil points out, "People look to the leader to set an example. If he is not committed to success—which he demonstrates by his efforts to overcome challenges, his readiness to lend a hand, his attention to progress, and how he keeps an eye on and encourages progress—then those working with him will see it. The leader's commitment energizes the people in the company. Commitment starts at the top."

Al-Zamil's commitment is visible to all. Colleague after colleague remarks on the enormous drive of Al-Zamil to get things done, his untiring readiness to plow through a demanding workload, to be prepared, to have a grasp of the big picture and yet an understanding of the details. Al-Zamil's determined commitment to every venture he undertakes is truly another secret of his success.

The people of Saudi Arabia, the countries of the Gulf Cooperation Council, and the global chemical industry all owe a debt of gratitude to Abdulaziz Al-Zamil, a true Knight of Industry.

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