

Leadership Myths and Characteristics of Effective Leaders/Managers

**ADDRESS BY ROGER RALPH TO THE HARFORD LEADERSHIP
ACADEMY, HARFORD COMMUNITY COLLEGE, JUNE 6, 2001**

FIVE LEADERSHIP MYTHS:

1. There are major distinctions between managers and leaders.
2. Leaders are made not born.
3. Leaders are fearless.
4. No great leader would ask his or her followers to do something that he or she would not do.
5. Successful leaders or organizations spend a lot of money on motivational programs for their employees.

FIVE LEADERSHIP CHARACTERISTICS:

1. You must understand how to change your particular unit of activity for the better.
 2. You must for your organization or activity center establish a working culture that is in alignment with your own value system.
 3. You must increase your Emotional Intelligence.
 4. You must connect with people, places, and ideas outside your organization.
 5. You must want to leave a legacy.
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This is the fourth year that Lyle Sheldon, the CEO of our county's hospital system and I have presented a talk and Interactive seminar on the subject of leadership. During this time, a lot has happened to each of us.

Lyle presided over the process of planning, obtaining funding for, and building a state of the art 120 bed hospital. That hospital has opened to rave reviews and a dramatic demand for its services. Currently it faces very serious financial challenges caused in part by the State of Maryland's hospital regulatory system. I suspect that Lyle, if asked, would tell you that as a leader it is far easier developing a building or growing revenues than having to drastically reduce operating costs especially when demand for your services is increasing.

In each of the prior years when I spoke to participants in the Harford County Leadership Academy I was introduced as the Founder and owner of the Bel Air Athletic Club. Having sold the business last year now I am speaking to you as the former owner of the Bel Air Athletic Club.

When my wife Elaine and I started this business in 1980, I was 38, which is relatively late in life to become an entrepreneur. I had quit my job as a Vice-President of the

Columbia Association and for a year worked from a desk located between the washer and the dryer in the now defunct Columbia Tennis Barn in the new town of Columbia, Maryland, planning and trying to raise the money necessary to build a small racquetball club. After being rejected by virtually every bank in the State of Maryland we were finally able to obtain a Small Business Administration guaranteed loan which floated at three over prime. This soon presented the challenge of adapting to the highest interest rates in recent history. I think at one point for us that meant paying an interest rate of 23%.

We began the Bel Air Athletic Club with fifteen employees, an acre of land, and a dirt parking lot since we did not have sufficient capital to pave it. By the time we sold it to the Wellbridge Company of Denver, Colorado, in June 2000 with over 13,000 members and 350 employees it had become one of the largest health clubs in the country. We had been rated by the International Health and Racquets Sports Clubs Association (IHRSA) as one of the five best health clubs in the country and cited as a 21st Century model for health clubs meeting the needs of families.

Having been involved passionately virtually every day for twenty years with growing a business within an exciting and rapidly changing industry each of you I am sure can appreciate that this is a significant personal change speaking to the Leadership Academy now as someone in the “EX” or “FORMER” stage of my career. This is the stage that everyone who has ever sold a business, been elected out of office, retires, or is newly unemployed enter. The hardest part of this “EX” stage for me had been answering the most frequent inquiry, “What do you do.” For all you employees out there think about how many times you actually get asked that question. I have spoken with former hard-charging business owners in the same condition as I, and they seem a bit uncomfortable with simply saying I am retired or I am doing a little consulting. Fortunately for me something occurred at the club where I had gone to work out that gave me an interesting answer to the question of what does a former health club owner now do? This is a true story. Not long after we sold the Bel Air Athletic Club I stopped at the club to work out. With my gym bag in hand I went upstairs to the men’s locker room to change into workout attire. As I was about to enter the men’s locker room, two women dressed in black, clipboards in hand, approached me and asked if I would do them a favor. I said, “Sure.” They explained that they were doing a facility survey for the new owners of the Bel Air Athletic Club. “Would I mind,” they asked, “helping them out by counting the urinals in the men’s room for them.” I said I would be happy to. Well I went into the men’s room, dropped my gym bag, went to the appropriate areas quickly and counted. Mission accomplished, I quickly returned to the locker room entrance and told the waiting women in black, “Four: two high; two low.” I then told them there were locker rooms next to the swimming pools on the lower level and I would be happy to count for them there as well. They said they appreciate the offer but that they had already done that. They thanked me. Silently I thanked them because I now had a very, very unique, very interesting, and very specific response to the question that had been troubling me of late, “WHAT DO YOU DO?” I am a ‘URINAL COUNTER’ in the health club industry.

So how can someone whose most recently displayed skill is Urinal Counting tell any of you who are employed and in leadership positions anything of value about leadership?

What credentials and experience do I have that might help you become better managers and leaders?

I'd suggest to you that experience does count for a lot. Despite what you frequently read and hear overnight success is rare. Most successful people in life and business become successful incrementally. Listen to Wal-Mart's founder Sam Walton: "Somehow over the years folks have gotten the impression that Wal-Mart was something that I dreamed up out of the blue as a middle aged man, and that it was just this great idea that turned into an over-night success. But our first Wal-Mart store was totally an outgrowth of everything we had been doing since 1945. Another case of me being unable to leave well enough alone, another experiment. When you probe success stories, you find that, as Sam Walton says, success does not happen overnight? "It takes years." Elaine and I were fortunate enough to be able to start a business that succeeded: a business that was part of a national trend that proved the bankers and a lot of the public wrong in that it proved mainstream rather than a passing fad. A business that forced one to learn about development as well as financing; about creating an environment where teenagers as well as seniors can flourish; and a business with sufficient scope to have recognizable positive impact on the community it served. I even got to spend time on national industry issues such as fair competition. I co-founded with Virginia-based colleague Mitch Wald a regional health club association and nationally chaired the committee that developed the health club industry association's member Code of Conduct. I also chaired IHRSA's public policy committee and in that capacity, had the unenviable task of suggesting before Congress that one of the most sacrosanct public charities, the YMCA, was getting off mission and that this was not a good thing. As important as these experiences were as a foundation for sharing some thoughts with you on leadership even more important were the failures. We started a health club in Washington, D.C. that was not successful. In retrospect, even if I tried I could not have picked a worse location. We also were not successful in the tennis business in Harford County. As you may recall we leased the tennis club on Emmorton Road. Our plan was to retain tennis and to add significant fitness facilities. As it turned out, my heart was not in the project. For an entrepreneur it is always a mistake to proceed with a venture if you are not totally passionate about what you are doing. I am delighted, by the way, that this facility, under Harford County Recreation Department direction, is doing well as a community center and that its involvement will ensure that retention of indoor tennis in Harford County, something which I do not think I could have occurred via the market place.

My purpose today is to draw upon the various experiences that I have had in both the for profit and non-profit worlds and the related reading and analysis I have done and debunk some myths about leadership and identify some very specific leadership characteristics that I believe you will find both encouraging and helpful as you grow professionally and personally.

Here are five leadership myths that serve to inhibit and limit the ability of the "ordinary person" to exercise leadership. Realizing that these are leadership myths rather than leadership realities will produce more leaders regardless of the setting.

The five myths are:

1. THERE ARE MAJOR DISTINCTIONS BETWEEN MANAGERS LEADERS
2. LEADERS ARE MADE NOT BORN
3. LEADERS ARE FEARLESS
4. NO GREAT LEADER WOULD ASK HIS OR HER FOLLOWER DO SOMETHING THAT HE OR SHE WOULD NOT DO
5. SUCCESSFUL LEADERS OR ORGANIZATIONS SPEND A LOT OF MONEY ON MOTIVATIONAL PROGRAMS FOR THEIR

MYTH ONE: There are major distinctions between managers and leaders

Warren Bennis has been President of the University of Cincinnati and a nationally recognized professor of leadership and management at America's leading universities. He has written numerous books about leadership. Like many leadership experts, Bennis draws a distinction between management and leadership. He uses these words to illustrate the differences between managers:

LEADER	MANAGER
IDEAS	FACTS
DEEP	SURFACE
EXPERIENTIAL	ROTE
QUESTIONS	CONTENT
STRATEGY	TACTICS
ALTERNATIVES	GOALS
ACTIVE	REACTIVE
LIFE	JOB
CHANGE	STABILITY
FLEXIBLE	RIGID
IMAGINATION	COMMON SENSE

Bennis' thinking about managers is more the rule than the exception. The classic modern leadership text is "The Leadership Challenge" by James Kouzes and Barry Posner. Kouzes and Posner say that at its core management is about handling things and leadership is about moving people and guiding them to a more fulfilling future. When you hear the word mid-level manager what do you think? Someone climbing Mount Everest or someone following his boss in the airport to make sure he hasn't forgotten his briefcase. Is this leader the captain of the ship and the navigator the manager or tactician?

In the real world and never more than today great organizations are built and thrive because this artificial distinction between management and leadership is blurred. If you are not a manager that can lead or a leader that knows when they must manage, rather than giving another speech on the vision of the organization, your organization will not change for the better which is the core goal of any company, organization or institution. The problem I have with Bennis, Kouzes and Posner is that to produce change inevitably takes the work of many leaders/managers over time. The most successful organizations today that change effectively continuously do so because those titled manager or a leader operate within the framework of a shared value system and culture. How, for example, do

Jim Harkins our County Executive or David Craig, our new Mayor in Havre de Grace, bring about positive, long lasting change without inspiring, developing, and supporting numerous leaders within their organizations and the community. The answer is, they can't nor can you within your own organizations unless you foster the development of many manager/leaders and leader/managers.

MYTH TWO: Leaders are self-made. They are not born.

Think about this for a minute: Are we not all born leaders? If you have children or grandchildren you will answer in the affirmative. As I write this, my eleven-month old granddaughter is smiling next to me. She is an ever smiling, feeding machine who right out of the gate in this case her mother's womb has been born with extraordinary leadership skills. There are four mature, sensible adults far more experienced than she, whose actions totally revolve around this leader's desires and whims. What lengths will we go to make her happy? We would follow her into traffic, lay down our bodies to insure a soft landing in case she stumbles, and willingly part with our hard earned capital to keep her superbly clothed. Visitors come bringing gifts seeking to court her favor and ours. Her mere existence makes us more concerned about how people treat each other. More importantly, she has gotten a group of people to think about the future and how to make it better which, in my view, is at the core of leadership. AND this leader has that most critical leadership ingredient without which no one can be a leader, namely: FOLLOWERS. Have you seen what happens, for example, when two-year olds are walking in a mall? Let me now ask all of you a question related directly to characteristics most admired in leaders. Please raise your hands if you consider yourselves (1) HONEST; (2) FORWARD-LOOKING; (3) INSPIRING; (4) COMPETANT; AND (5) FAIR MINDED.

If you answered "yes" to all five, you possess, in order of rank, the first five most widely admired leadership characteristics throughout the world according to a study of 20,000 people on four continents by Kouzes and Posner that began in the early 1980's. It appears that more than 90% of you do, in fact, as adults possess the highest ranked characteristics of leadership.

So, if it is true, as I contend, that we are all born with leadership skills and most people possess widely recognized leadership characteristics, why then are there not more leaders? Why in every community in this country can you hear the cry, "We need more leaders. There is no leadership over there. They are just a bunch of bureaucrats.?"

Part of the reason for the demise of leadership is that our celebrity and hero worship obsession makes it difficult for people to see themselves as leaders. More often than not individuals fail to appreciate and foster their inherent leadership abilities. There is a general societal failure to recognize and value the daily leadership acts virtually everyone displays. We do not applaud enough the hitter of singles, the clerk at the permit desk who smiles and tells us how to get through the permit process, or the mother who leads her daughter's scout troop. Perhaps most important, from the standpoint of the culture of the organization and the development of leaders, is the dominance by males of the decision

making process in our nation's organizations. This inclines the organization to centralized and traditionally top-down decision making with the leadership images being that of a Michael Jordan hitting a fade away jumper as the clock expires or General Patton defeating the Germans at the Battle of the Bulge. I think it is no accident that one of America's highest paid business lecturers, noted author Tom Peters, is now saying that the single biggest problem with America's companies and organizations is that they are not attuned to women, their needs, desires, input, and leadership abilities.

Do you agree with this quote from a female manager?

“THE KINDS OF COMPANIES WE ADMIRE TODAY ARE ALSO THOSE THAT DEPEND INCREASINGLY ON FEMALE ATTRIBUTES. WE ARE IN A RELATIONSHIP ERA; IT'S ALL ABOUT GETTING CLOSE TO CUSTOMERS, STRIKING UP JOINT VENTURES, PARTNERING WITH SUPPLIERS. WARRIORS DON'T MAKE GOOD CEO'S IN COMPANIES BASED ON RELATIONSHIPS. THE NEW CEO IS A SEEDER, FEEDER, AND WEEDER - AND THOSE ARE WOMEN'S ROLES.” Janice Gjertsen Manager, AOL Digital City

This suffocation of leadership cannot be blamed solely on a hero worship, celebrity mything, or a male-dominated society. Each of you bears responsibility for this and especially those of you who occupy supervisory positions at your work. How much do you read about organizational change and coaching your employees so they can grow personally and professionally? How much do you really do to lay the groundwork so your company, your department, your unit functions at a “nine” if it is currently at a “six”? (There are no “tens.”)

What specifically, for instance, will you do, as a result of having the privilege to participate in the Harford County Leadership County Leadership Academy, to change your organization and your life for the better?

MYTH THREE: Leaders are fearless

The image of a leader in the eyes of those who follow or admire, especially from a distance, is that they are fearless. The popularized image is that THE LEADER knows where he or she is going, knows how to get there, and is confident in the outcome whereas we mere mortals normally worry whether we are really up to the task when the chips are down.

How many of you remember when the rage in teen fashion was the NO FEAR brand. I recall telling a group of Bel Air high school honor students that the NO FEAR message on their T SHIRT was not a realistic or constructive motto for their growth and development as human beings. The fact is that no matter how successful a person is some element of fear is a very normal condition especially in new or changing situations. Phil Jackson, the extraordinary coach of the Los Angeles Lakers in his book with Charlie Rosen, “More Than A Game” recalls that when he was a college player at the University

of North Dakota he “was motivated by one thing: winning...It was about proving myself over and over again.” “But every time I stepped on a court there was also a risk that the team would lose, I’d play poorly, and I’d become an object of ridicule. I guess there was an undercurrent of fear that kept me playing so hard.”

How many veteran actors or actresses tell how worried they are about their upcoming performance? How many novelists agonize about whether they will ever get published again? Listen to the conversation between two of America’s most successful businessmen, Jack Welch, CEO of General Electric and Robert Goizueta former CEO of Coca Cola:

“NOW GE AND COCA COLA, WE’RE TRYING TO CHANGE EVERY DAY. THE KING OF COCA COLA AND THE KING OF GE ARE TRYING TO CHANGE THE THING EVERY DAY BECAUSE IF WE DON’T CHANGE WE’RE GOING TO BE LEFT BEHIND.”

Roberto Goizueta, CEO, Coca-Cola

“IT’S THE BIGGEST CHALLENGE WE HAVE. I’M ALWAYS SCARED, OKAY? IT’S TRUE. AND (ROBERTO), I THINK YOU ARE PROBABLY. I MEAN YOUR’RE ALWAYS SCARED.”

Jack Welch, CEO, General Electric

I remember the fear I had shortly after we got into business when a competitor told us he was going to put us out of business when we refused to lease our Nautilus space to him. I vividly remember the pit in my stomach when unexpectedly our General Manager and friend, Bill Blocher, came to me and said he was going to take another job because he wanted to work in Downtown Baltimore. I worried whether I would be as good a manager and up to the task. As it turned out, and it usually works this way regardless of the circumstance, things actually improved because I had no choice but to be more involved. So do not let fear hold you back when confronting a situation that calls for your leadership skills.

MYTH FOUR: No great leader will ask his or her followers to do something he or she would not do

How frequently have you heard this rubric? The surface meaning is easy to understand and appreciate. No one wants ivory tower leaders that are above the fray and will never stoop to do the “dirty work”. Managers should not be expected to do everything and there are times when they will need to ask someone to accomplish a task that they simply can’t do or are afraid to do. A subset of the expectation that the leader should be able to do it all is that leaders will tend to overvalue the contribution of an employee in areas where they are not particularly strong. A leader with limited aptitude for technology, for example, may as a result tend to overrate the abilities of his or her CIO? Have you ever witnessed this and its impact on the rest of the staff? I recall a time when the Bel Air Athletic Club had an administrative secretary who was very bright, understood the

culture of the organization, had good people skills, was well organized, and possessed the potential to run our new employee orientation program. She also was terrified, absolutely terrified of speaking in front of groups. There was no way initially that she would accept responsibility for heading this program. By teaming her with someone comfortable with public speaking, we paved the way for her to develop a vastly improved new employee orientation format. PS, she now is a terrific, humorous speaker in front of small groups.

MYTH FIVE: Successful organizations spend a lot of money on motivational programs for their employees.

How many of you have been or know someone who has been to a Tony Robbins' seminar, a Zig Zeigler sales training, or a Lou Holtz lecture? Many of you have been to these or similar motivational sessions. The motivational category now represents 16% of the \$2.2 billion audio book industry. According to an article by Del Jones in the May 10, 2001, issue of USA today, "There has been exhaustive academic research trying to find out what motivates workers, and it has turned up almost no evidence that motivational spending makes any difference. In fact a Gallup Survey reports that 55% of employees are not engaged in their jobs; 26% are actively engaged, and 19% are actively disengaged. Gallup uses the term "not engaged" based on several criteria including loyalty and the desire to improve job performance. It found that one in five are so uninterested or negative about their jobs that they poison the workplace to the point that the companies might be better off if they called in sick."

Spencer Johnson, author of "Who Moved My Cheese," believes research may one day show that the only long-lasting motivation will come from employees who bring with them in the form of God, spirituality or something else that causes them to "rise to a higher purpose."

Now that we've dispensed with these five handicapping leadership myths I want to talk personally about what I believe all good managers/leaders must know and do. There are five primary ingredients and each of these is true whether you are CEO of a fifty-billion global corporation, manager of a community recreation center, or the supervisor of a road crew.

First, you must understand how to change your particular unit of activity for the better.

Second, you must for you organization or activity center articulate a vision and establish a working culture that is in alignment with your own value system

Third, you must increase your EMOTIONAL INTELLIGENCE

Fourth, you must connect with people, places, and ideas outside your organization

Fifth, you must want to leave a legacy

FIRST LEADERSHIP CHARACTERISTIC - YOU MUST UNDERSTAND HOW TO CHANGE YOUR PARTICULAR UNIT OF ACTIVITY FOR THE BETTER

Perhaps the most useful definition of leadership is the characteristic set of skills, beliefs, and value systems that enable you to bring about change for the better. The Manager/Leader needs to be asking constantly, "What do I need to do to bring about change around here?"

To illustrate what I am talking about I have borrowed from a chapter by James Heskett in a book published by the Drucker Foundation, *The Community of the Future*. Heskett's chapter uses the New York City Police Department to illustrate an approach to change that works. I also reference-where appropriate-the Baltimore City School System. This school system is clearly being changed because of leadership and a defined strategy for change. By having a change strategy the percentage of first graders in the Baltimore system reading at or above grade level has risen from 30% in 1998 to 52% in 2001. Two-thirds of the schools increased their math scores in the same period.

When Rudy Giuliani took office as Mayor of New York City on Jan. 1, 1994, he immediately took steps to fulfill his three major campaign planks: A balanced budget, an improved educational system, and a significant reduction of crime in New York City. After being elected, Giuliani immediately named William Bratton as the new Police Commissioner for New York City. Bratton managed for results and the results showed. In the first two years of Bratton's tenure, murders declined by almost 40% auto theft by 36%, and robberies by 31%. Just like you would when faced with a situation that you want to change, Commissioner Bratton made sure he understood exactly what it was that he wanted to change. Polls showed that the public viewed crime as multi-dimensional. It was not just the major crimes such as murder, rape, and burglary but those inappropriate behaviors that absolutely affect the image of the city and the quality of life for its residents and visitors. Bratton understood that is was not enough to address major crimes. He had to tackle the public uriners, the panhandlers, subway fare jumpers, the graffiti artists, and the petty criminals as well. Bratton's theory was that if a broken window in a building is not fixed, soon all the windows in the building will be broken. Before I talk about the specific change steps that Heskett cites regarding the New York City Police Department, I want to reemphasize the importance of understanding what it is you want to change and how to most effectively get to where you want to go. For example, if you are a youth worker tackling the problem of an increase in teen pregnancies do you focus more on the issue of abstinence, birth control, or teen self-esteem. One study a number of years ago found that focusing on the connection between self-esteem and unwanted teen pregnancies reduced unwanted pregnancies from 147 to 20 over a three year period. If you are the change leader, you need to know the answer to this question or how to go about getting the answer. In Baltimore City, educators attribute the dramatic improvement in first grade test scores to a new emphasis on programs for four and five year olds. Many times the achievements of change agents do not last because the leader and their team has not been correct about what exactly needs to be changed to achieve the objectives. In many industries focusing more resources on the customers and less on staff training, recruiting, and evaluating ends up in the provision of less effective service to customers not more. Many of you will recall the time when American cars were

considered drek and all Japanese cars were viewed as the ultimate in engineering and value for the dollar. America's business academics fell head over heels in love with Japanese management practices. While this over the top admiration did not last I do remember one popular saying from this time that is especially useful: "The difference between the American businessperson and the Japanese businessman is that Americans usually spend 10% of their time thinking about the solution and 90% of their time implementing. The Japanese on the other hand spend 90% of their time thinking about the solution to a problem and 10% implementing." Next time you are in a sushi bar or with your kids at McDonald's figure out for yourself what ratio makes the most sense for you!

According to Heskett's interpretation, here are the sequential steps that Bratton followed:

STAGE ONE-APPLY COSMETICS

Bratton used a rallying slogan- "Taking the city back from criminals one block, one street, and one neighborhood at a time." He gave police officers improved protective vests and fifteen round ammo clips that had been requested. Is there a rallying slogan you would create if you were to be the change agent in your organization? While this may seem hokey, the reality is that when backed with substance the themes and slogans do help.

Recently I was consulting for a dedicated hard working health club owner whose club was under performing. I asked him where he wanted to be in two years. He said at two million dollars. I said, well let's get staff involved in figuring out how to do this and that perhaps a useful rallying slogan would be "2 by 2". I don't know whether this is a good slogan or not but I do know that using a rallying cry will help in the change process.

STAGE TWO-PICK MOVERS AND SHAKERS

Bratton decided that to make a difference his personnel focus had to be at the precinct level. He gave New York City's seventy-six precinct commanders a wider range of resources than they had had previously but he also held them accountable. However, the precinct commanders had to "buy in" and manage for results. Effort was not enough. Ultimately only one in four of the existing precinct commanders were not replaced. Take a look at your organization. If you were in charge what percentage of top management would you terminate tomorrow if you could? If you examine your immediate work team, what percent of them would you terminate tomorrow if you wanted to significantly change it for the better?

STAGE THREE-CREATE A SENSE OF URGENCY

Why is this change urgent? In case of the New York City Police Department, the gap between the public's expectations and actual accomplishments was identified and admitted, and set the foundation for creating a sense of "do it now". If you have followed the positive change occurring in the Baltimore City school system, this sense of urgency was created because the State of Maryland had threatened to take it over because things were so bad according to the Baltimore Sun, "many leaders termed it an academically bankrupt system". Is there anything that you view as clearly urgent that you could utilize to bring about change in your organization?

STAGE FOUR-CHOOSE THEMES AND VEHICLES

Lead teams set about restating the mission and goals of the New York City Police Department. Three hundred staff organized into twelve teams looked for ways to improve the operation of the New York City police department. They identified 600 practical ideas for enhancing the Department's value to its constituency. One team found 8000 forms in active use; another team found that officers were on duty during desirable working hours, not when crimes were being committed; and a third team's efforts resulted in video conferencing technologies which saved the fourteen hours of overtime associated with the average arrest by making it possible for officers to testify by remote video in front of judges.

Can you name two things that you or your colleagues could do differently right now that would help bring about change in your work or the work of your organization?

STAGE FIVE-PREPARING PEOPLE

The police department's new strategies were incorporated into Police Academy curriculum and training sessions on strategies became a regular feature at the precinct level. In Baltimore City the new dollars provided by the state to change the city's "almost bankrupt" educational system was made available to retrain teachers in reading and math. Can you identify in your own experience major organizational changes as a result of training or lack of success with change because people were not trained?

STAGE SIX-GETTING THE FACTS STRAIGHT AND FAST

Heskett says this is the cornerstone of all change efforts. The computerization and rapid reporting of cumulative crime statistics became the basis for the twice-weekly precinct commanders and senior staff meetings. This hard date discouraged the opinion-based rationalizations that frequently inhibit change and progress. The era of management by facts had begun. Performance, or lack thereof, could no longer be hidden. Can you imagine how the principal at Tench Tilghman Elementary School in Baltimore City, Elizabeth Turner, would have felt if she did not know that her school from 1998 to 2001 went from the 17th percentile to the 65th on the Comprehensive Test of Basic Skills and how her school compared with each of the others in the system?

Turner, clearly a change leader manager, says, "It really gets down to setting standards and sticking to them. People looked for results overnight. You don't see results overnight, but you do see results if you have a continual, strong program that you maintain the standards for." Obviously, without accurate data and the use of that data, you really do not know where you really are or whether change in fact is occurring.

Can you think of data you really need in order to manage for results in your organization? Can you identify data that you spend time collecting but don't use or data that you are collecting that is irrelevant?

STAGE SEVEN-RESTRUCTURING THE ORGANIZATION

Once initiatives were launched to increase the capability of the organization through improved personnel selection, training, and support systems, efforts can be made to

change the shape of the organization and the nature of the work. In the case of the New York City Police Department this involved increasing a team approach at the precinct level and measuring and recognizing outstanding performance in terms of results, i.e. reducing crime as opposed to answering 911 calls.

Take a minute and think about what this approach might mean in your organization.

STAGE EIGHT-UNDERTAKING NEW INITIATIVES

Successful change efforts should be followed by new initiatives designed to sustain the change effort by raising expectations. Police Commissioner Bratton, after reducing crime dramatically in New York City after two years actually raised the bar and established the goal of reducing crime by 10% more. In the case of the aforementioned health club owner who wanted to increase his club's revenue to two million dollars, I would predict that his next major initiative will be to focus the organization on profitability not simply gross revenues.

If your organization succeeds in a change initiative now, what do you think should be the next two or three new initiatives?

STAGE NINE-RETHINKING THE AGENDA

When results-oriented efforts sometimes produce unwanted results, either new initiatives or changes in existing ones are called for. In New York, as crime declined, complaints about police conduct increased by 40% which was clearly a significant problem. Heskett reports that a new strategy was developed titled "Rooting Out Corruption: Building Organizational Integrity in the New York Police Department." There are other approaches to change documented. John Kotter has identified an "Eight Stage Process of Creating Major Change" which is contained in the Handouts which you may find helpful. However, if your organization or team is to change, you need to develop a process, a strategy for change, and tactics that promise the highest likelihood of producing results. Think of the difference that would have occurred in the Baltimore City School System's ability to dramatically improve elementary reading scores if they had not used a phonics approach with teachers trained in the approach.

What is the most important thing to change in your organization and how could you accomplish this if you were responsible for leading this change?

SECOND LEADERSHIP CHARACTERISTIC- ARTICULATE A VISION AND ESTABLISH A WORKING CULTURE THAT IS ALIGNED WITH YOUR OWN VALUE SYSTEM-AND FOLLOW THAT CONSISTENTLY

You have heard a lot about "the vision thing." How many of you have been through various processes during your career that dealt with establishing or revising the mission, values, goals, and objectives of the organization? Raise your hands if you thought this effort made a significant impact on how the organization actually functioned? I am here to tell you that the "vision thing," the establishment of a working culture, and an

alignment of what actually happens within the framework of the stated values of the organization, is crucial to the long term success of the organization. Its existence is the hallmark of all great organizations and by extension all great leader/managers.

Because we do not have the time today that I would like to devote to this second characteristic of leadership I am giving you a reading assignment. The absolutely best business book I have ever read on the subject is "Built to Last, Successful Habits of Visionary Companies" by James C. Collins and Jerry I. Porras. Based out of Stanford University, Collins and Porras conducted a six-year study that identified specific habits of all visionary companies-their phrase. They believe that their findings are equally applicable to non-profit as well as for profit and government organizations. Having worked for government, non-profit organizations, and business I believe Jim Collins and Jerry Porras are absolutely right. First published in 1994, their findings will stand the test of time and are the key to building enduring great organizations. Although their work is focused on companies rather than individuals, successful leaders like great companies have widely different personalities but share in common the understanding that you need to foster both change and stability; you need to simultaneously think short and long term; you need to have a strategy but you also need to try a lot of stuff and keep what works. Most important of all you need a clear philosophical foundation for what you are doing.

In the business world I have always believed that profit is a by-product of value. Great companies understand this and have a clear purpose for being and a core set of values which consistently frame what they do and what they stand for. These two elements, core purpose and core values, form the companies' ideology. Here are some examples of core purposes noted in "Built To Last" that you will readily recognize:

DISNEY - TO USE OUR IMAGINATION TO BRING HAPPINESS TO MILLIONS
MARY KAY COSMETICS - TO GIVE UNLIMITED OPPORTUNITY TO WOMEN
MERCK - TO PRESERVE AND IMPROVE HUMAN LIFE
WALMART - TO GIVE ORDINARY FOLK THE CHANCE TO BUY THE SAME
THINGS AS RICH PEOPLE

A core value is lasting and has intrinsic value and importance to those inside the organization. There are not necessarily universal core values . . . different companies have different ones. If you were a company what would be your core values?

NORDSTROM: Service to the customer above all else; hard work and individual productivity; excellence in reputation and being part of something special.

SONY: Elevation of the Japanese culture and national status; encouraging individual ability and creativity.

DISNEY: No cynicism; fanatical attention to consistency and detail; preservation and control of the Disney magic.

WALMART: Swim upstream, buck conventional wisdom; be in partnership with our employees; run lean; pursue ever-higher goals.

The visionary companies that Collins and Porras identified were the premier institutions in their industry, widely admired by knowledgeable business people, made an indelible imprint on the world in which we live, had multiple generations of chief executives, and had been through multiple product life cycles. They include, for example, 3M, American Express, IBM, Sony, Hewlett-Packard, and Citicorp. Collins' data says that if you had invested a dollar in the stock market in 1926, by 1990 it would have been worth \$415. If you had invested in one of the comparison companies in the study (i.e. American Express versus Wells Fargo; Ford versus General Motors; Marriott versus Howard Johnson; Sony versus Kenwood) your dollar by 1990 would have been worth \$935. If you had invested that dollar in a visionary company that dollar would have been worth \$6,356.

This return on investment is not an accident. I urge you to read *Built to Last*. It will provide each of you - whether you are running the company or are in charge of a small activity unit - with a great tool for improving what your team is doing. In the Handouts you will find a statement of the Bel Air Athletic Club's purpose and values that were the result of an employee team process. The process and the resulting product were rooted in the work of Collins and Porras' and emerged from a six-month team effort. We first introduced it to all Bel Air Athletic Club staff in the form of a TV late night talk show featuring club managers as guests - a suggestion by one of our MTV generation staff who said no one will pay attention unless it is entertaining. Our dance director who had a theatrical flair played host. What was most impressive about this staff process was that it resulted in a product that was actually used as a real and valued management tool. For example, as you will note, one of the Bel Air Athletic Club's five values was to be a significant asset to the Harford County community. Shortly after our vision and values statement was unveiled, our young aquatics manager in his report at our regular weekly meeting said, "Our program this year for value number four is to develop and implement a food collection project for the benefit of the Harford County Food Bank."

So when you draw the boss' name for a Christmas gift next year, spend \$14.00 at Borders or go to Amazon.com and order *Built to Last*.

THIRD CHARACTERISTIC OF LEADERSHIP - YOU MUST DEVELOP A HIGH DEGREE OF EMOTIONAL INTELLIGENCE

A study by Dan Goleman found that emotional Intelligence is twice as important as IQ and technical skills for jobs at all levels. Goleman's study posits that effective leaders, though having tremendously different styles and approaches, are all alike in one way - they all have a high degree of emotional intelligence. David McClelland, who was one of America's leading experts on organization and human development, found that "when senior managers had a critical mass of emotional intelligence capabilities, their divisions outperformed yearly earnings goals by 20%." McClelland's findings for a global food and beverage company, held as true in the company's U.S. divisions as in its divisions in Asia and Europe. I'd encourage all of you who ever hire anyone to read Goleman's books about Emotional Intelligence.

You can focus on increasing your own Emotional Intelligence. This will make you a better Leader/Manager. Further, if you have a position where you are responsible for hiring other people, selecting employees who have a high degree of emotional intelligence will make your organization better and enhance your own reputation.

So exactly what Is Emotional Intelligence? In an article that appeared in the November-December 1998 issue of the Harvard Business Review, Goleman identifies five key components of Emotional Intelligence and three related hallmarks for each. These are: (1) Self-Awareness; (2) Self-Regulation; (3) Motivation; (4) Empathy; and (5) Social Skills. Let me give a few illustrations of what Goleman is talking about so you can appreciate why I have included Increasing Emotional Intelligence as a Leadership Characteristic.

Self-awareness, according to Goleman, "means having a deep understanding one's emotions, strengths, weaknesses, needs, and drives. Goleman uses a good example: He writes about a major department store manager who had expressed skepticism of a new personal-shopper service her company was about to introduce. Without prompting from her team or boss, she offered an explanation: She said, "It's hard for me to get behind the rollout of this service," she admitted, "because I really wanted to run the project, but I wasn't selected. Bear with me while I deal with that." Self-aware people know and are comfortable talking about their limitations and strengths.

Self-Regulation according to Goleman means control of impulsive behavior, being conscious that your bad mood at the top will mean more bad moods throughout the organization and visa-versa; and being able to go with the flow of change in a sensible and constructive way. What happens to an organization when its leaders have a reputation for flying off the handle or talking a lot to hear themselves talk, or frequently put down other colleagues or competitors? We actually had a policy against ever saying negative things about another health club.

A high degree of motivation is an obvious quality of leaders. Those with leadership potential are motivated by a deeply embedded desire to achieve for the sake of achievement says Goleman. I couldn't agree more. We always were much more interested in a candidate who wanted to learn more, wanted to accomplish something in our industry than one who wanted to work for us because the club was prestigious within the industry or because we offered more money.

The last two characteristics of Emotional Intelligence, Empathy and Social Skills, are more important today than ever before. Hallmarks of these characteristics are relational management, cross-cultural sensitivity, and expertise in building and leading teams. Think about it. Who are good team leaders that you have worked with? Why do you think they are effective? Don't good team leaders know what motivates each and every team member? Aren't they almost always more coaches than Generals? Don't good team leaders worry about your feelings? I have always been astounded at the oft accepted advice regarding employees having a hard time with personal issues: "Don't bring your home to work." Would you rather work for a leader/manager that says this or one that

says, "I appreciate what you are going through, we'll try to help in any way we can but we still need to work to get the job done. What do you suggest?"

Social skill, Goleman's fifth characteristic of Emotional Intelligence, is not as simple as it sounds otherwise all those men and women we've hired who say in the interview "I like working with people" would still be working for us or we for them. Goleman means something much more profound: He describes social skills as friendliness with a purpose; moving people in the direction you desire. Socially skilled people have a knack for finding common ground with people of all kinds, a knack for building rapport.

A question I hope you're asking is whether or not Emotional Intelligence can be learned. Or put another way, if you are not genetically inclined toward a high degree of Emotional Intelligence can you still develop it?

The reality, of course, is that some people are more naturally endowed with the hallmarks of Emotional Intelligence. I believe with experience most of us can increase our Emotional Intelligence. This is particularly true if we are self-aware or able to become more self-aware. People who talk a lot and don't ever listen usually are not truly socially skilled or sincerely empathetic. If they learn more about themselves, are trained to listen better, they can, in fact, increase their degree of social skill. I would argue, in fact, that most of us can improve our degree of self-awareness; self-regulation; empathy; and social skills if we want to. What we can't improve is our own motivation. If you yourself are not really motivated to be a leader/manager than you won't.

FOURTH CHARACTERISTIC OF LEADERSHIP - YOU MUST HAVE A POINT OF VIEW ABOUT LEADERSHIP AND MANAGEMENT THAT IS RECOGNIZABLE BY OTHERS BECAUSE OF YOUR WORDS AND ACTIONS

Each of you has just participated in an exercise where you identified people who you considered leaders, why you viewed them as leaders, and what you perceived as their most important accomplishments. Predictably some were world renowned such as Dr. Martin Luther King or politicians such as Lincoln, Churchill, or JFK. Others were sports heroes like Cal Ripken or Michael Jordan. Others were not famous in a public way but deeply affected your own life - a parent, a grandparent, a teacher, a colleague. It is likely that the leadership qualities of the latter group will be much more relevant to you in practical ways for how many of us have the oratory skill of a Dr. King or a Winston Churchill or the athletic abilities of either Michael Jordan or Cal?

When you think about the people that you identified as leaders they all will share one thing in common. Each in their own way will have a point of view about how things should be; how people should act; how people should treat each other; what is important and what is not. You know what they stand for and what you admire about them. Here are some quotes about leadership from leader/managers in our own community. I had asked them to respond to a query about what they had learned about leadership that they would be willing to share.

"I believe the Leadership Academy hosts many great leaders in Harford County. However, I am a believer in compassionate leadership. In other words - leadership that is willing to "serve" its followers to promote the greatest growth possible. The quote I often use when speaking to leaders is this:

"A true measure of compassionate leadership is the care leaders give the least of their followers." (Always looking out for the underdog!) - by Kevin Bradley, CEO, Outreach Foundation

"Respect and support those who you are to "manage." They come to their jobs with all kinds of experiences, difficulties and challenges. The jobs they perform are important but never lose sight as a manager that the most important job they have is outside of the workplace. The motto should be "FAMILY FIRST"! Let them know they are appreciated and that they can expect your support." - by Mary Chance, Director, Department of Community Services, Harford County

"I have learned three vital lessons: (1) creating a new order of things is perilous business, (2) progress is not possible without change and that's hard for most people to acknowledge, and (3) to talk about inclusion and diversity without bringing all people together is meaningless. Inclusion has to be for ALL." - by Claudia Cheisi, President, Harford Community College

"It took me a while to realize the value of a team. In the early part of my career, I tended to think that I had most of the answers and that I could be much more efficient by getting the job done alone. Efficient - maybe, but effective - no. There is such a value in taking the time to get input from multiple sources when moving forward on strategies or projects. Taking the time to get ideas and buy-in is one of the most important lessons I've learned." - by Carol Kaffinke, Vice President, Community Health Improvement, Upper Chesapeake Health Systems

"At the risk of being too dogmatic, I would say that the most beneficial leadership principle that all managers should learn early on is that workers (subordinates) deliver at higher levels of efficiency and productivity over time when they feel a sense of worthiness and self-fulfillment in their work. It then becomes the job of a leader to instill and cultivate these positive feelings in the workforce. People do not respond positively to personal feelings of inadequacy or being taken for granted. A good leader finds the worker's strengths and then maximizes the positive and downplays (or minimizes) the negative. This often involves finding the right (or better) person for a particular task or assignment. In the long term, the successful leader is one who is able to do this more often than not." - by Joseph Pfaff, Director, Harford County Department of Parks & Recreation

What is interesting to me about these quotes is that they reflect a clear point of view that does translate into how these people manage. I do not know our Director of Parks and Recreation, Joe Pfaff, that well, but Joe's quote reflects a wealth of experience and has given him a clear point of view of what a good leader/manager should do. He understands that importance of creating a work environment where employees feel valued. He says that good leaders play to someone's strengths and minimizes their negatives. I would bet that those who work with Joe will tell you he is a good boss and has done a good job. The comment from Carol Kaffinke, of Upper Chesapeake Health System, illustrates what happens as managers mature and learn from their experiences --

both positive and negative. I remember my first real management job. I was recruited from the national consulting firm of Booz, Allen, and Hamilton to become head of the Department of Human Services in the new town of Columbia, Maryland. I was responsible, among other things, for the Columbia Association's community centers, teen centers, after school programs, new resident welcoming committees, and 100 employees. I was overwhelmed and over my head. I thought the managers who worked for me were all more experienced and better managers. My approach was to work eighty hours a week and pray that I would have the answers. I was a clueless manager. I thought I had to have all the answers and know the right thing to do in every situation. As you can appreciate, this was a tremendous burden and a reflection of my own naiveté and inexperience. And it did not have to be that way. I had had some wonderful mentors. In retrospect, if I had taken the time to really think about and apply what I had learned from mentors, had been open to talking about my fears, had gotten out of Columbia to learn what was happening elsewhere in my area of responsibility, and had a point of view about management and leadership that suited me, I would have done a far better job. I suspect that there are many of you out there who do not have a clear articulated point of view in the context of being a leader/manager than you are now. I bet you will be surprised at how much you already know. Let me leave you with a particularly relevant quote from philosopher, Vita Sackville-West: she said, "I worshiped dead men for their strength forgetting I was strong."

FIFTH CHARACTERISTIC OF LEADERSHIP - LEADERS WANT TO LEAVE A LEGACY

I think leader/managers at any level of organization need to think about their legacy to the organization. When we think of "leaving a legacy" we generally think of people cutting a wide swath across a huge landscape. In this context, Dr. Martin Luther King immediately comes to mind. I am of the generation that can remember seeing "white only" signs in Georgia restaurants and Alabama bus stop rest rooms. And our children, because of Dr. King, will today see those signs only in museums. What an invaluable elevating mountain of a legacy.

But for most of us our landscape is far less grandiose. This leadership academy, for example, will graduate bankers, marketing directors, social workers, school principals, teachers, technical project officers, land planners, program managers, and general managers. If, given the fragility of life, we were available only 24 more months, what is the legacy you would like to leave in the job you now have? Have you ever asked yourself that question? As graduates of the Harford Leadership Academy I encourage you to answer it today, tomorrow, next month, next year, and throughout your career. I guarantee it will elevate the quality of what you do professionally. It will elevate those who work with you, and it will truly cause positive change which is the primary accomplishment of all successful leader/managers.

GOOD LUCK AND THANK YOU

Recommended Reading List

Roger Ralph, Founder, Bel Air Athletic Club

May 2001

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