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Engaging in Lethal Encounters

In today's new markets and value networks, change-agent leaders employ battle-tested principles and a unifying philosophy, drawing lessons from Pearl Harbor to the Mideast to avoid being caught off guard by competitors or caught up in ego and entitlement—and to win strategic advantage, make sense of options, maintain integrity, and show profit and merit.

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Dynamic Leaders



by Lorraine Segil

DO YOU WANT TO identify what needs to be changed? Are you willing to make change happen? If so, the challenges you will encounter are real—but surmountable.

Many people tend to ignore the real issues that prevent them from profitable change. Today's leaders cannot avoid or deny the difficult issues.

I have pinpointed 10 traits that dynamic, change-agent leaders possess. By examining each characteristic, you will see why leaders who embody these traits harness change, treat it as an ally, and use it to their advantage.

1. Fearlessness. A fearless leader has the courage to be first, to be different, to speak out, to act, and to fail. Without fearlessness, no significant progress, innovation, or contribution is made.

In March 2001, DaimlerChrysler was in a mess. CEO Jurgen Schrempp made some statements about Daimler's acquisition of Chrysler that caused the morale in the U.S. operations to go down fast. Dieter Zetsche, the new CEO of the U.S. division, took immediate action. He knew they could no longer pretend that this was a merger of equals. Instead, he closed several plants, changed the senior management, inserted some of his own people, and started to change the culture. He ate in the cafeteria and shared some of his own personal challenges and convictions. His fearlessness was tempered by his ability to be "of the people."

2. Completion. Dynamic leaders get things done by collaborating, creating, and managing teams across functions, often in many locations. They are interested more in seeing results than in protecting a series of processes. They are adept at multi-tasking.

Hormel Foods, in Austin, Minnesota, is building an environment where dynamic leaders can pursue their goals. Says David Dickson, group vice president, "Every week we hold a meeting with representatives from all the groups

and divisions, and we discuss what's good, what's bad, and what's difficult about the business. We report on our results for the previous week. It's an amazing incentive when you have to do that every week in front of your peers. We also take notes and disseminate them widely to every sales district. It is an amazing results-oriented process that keeps us all working together as a team."

3. Commitment. Dynamic leaders care intensely about what they do. For these leaders, commitment is about emotional vesting, perseverance, and passion. The sense of reward they derive from their deeds feeds more than their pocket-books—it feeds their souls. For them, an emotional investment is essential to



commitment. This compulsion to excel, coupled with fearlessness, enables them to complete projects and visions.

Cal James, CEO of Kaiser Permanente Company's Permco, was ready to retire when asked to lead. James was intrigued. "The key was in bringing every part of our group face-to-face with the internal customer, completely rethinking the way we did business." James created an intermeshed team of networked leaders who could reinvent the business and overcome the resistance to massive change. He threw himself into the task, not only during the workweeks, but also by volunteering on the weekends in community service projects alongside employees and their families.

4. Inspiration. Consider these insights from Nigel Newton, CEO of Bloomsbury Publishing in London, England, publisher of The Harry Potter Series: "If you try too hard to improve your failure

rate, you become afraid of your inbox, terrified by the proposals made by authors and their agents. You end up having no output or a book that is so bland that no one will want to read it. Discovering J.K. Rowling has reminded me of the sheer fun of knowing long before anyone else that you have something that will change the world." Newton's inspiration in taking unknown authors and in attracting editors who are willing to take risks has meant global success for this independent publisher.

5. Assuredness. Assuredness is the clear focus and personal definition of individual intent and the coordination of that intent with the goals of the organization. Dynamic leaders know what they want to achieve and focus on doing so. One frustration is that sometimes, even though it is clear what you want, a great deal of patience is needed to get there.

George Fisher, former CEO of Eastman Kodak, had a vision of where he wanted Kodak to go. But adapting a large organization takes patience. Says Joerg Agin, head of the entertainment division, "He knew what it takes and went through the rigors of making sure everyone was committed to making that happen. He dedicated the resources and had the patience to wait. He never lost sight of the end and the vision."

6. Penetration. The term "penetration" encompasses the ability to see the whole, believe in people, be personally vulnerable, see interrelated connections, keep a balanced perspective of short- and long-term needs, and balance the extremes of toughness and humanity. The objective of penetration is not about friendship, but about respect.

Steven Hoffman, CEO of The Iris Group—a company in the postcard business in Carlsbad, California—noticed that many employees were leaving the company building for lunch, often driving far to find a place to eat. So he decided to provide a soup and salad bar for employees. The idea is so popular that now no one leaves the company during lunch hour—employees sit together and talk. Building personal equity through penetration has dramatically increased the effectiveness of all teams.

7. Intelligence. Dynamic leaders possess an intelligence filled with insight and perspective. It is a healthy dose of maturity with a sense of self-worth. They identify others who have talent and place them in

positions where they can excel, then reward them for doing so. Let people know what opportunities are available, and how to take advantage of them.

8. Energy. The ability to mobilize and implement requires energy—a sense of opportunistic optimism married to a sense of urgency. With an eye to economic cycles and market indicators, great managers and leaders seize the moment and act with surety. No CEO alone can make change happen. It entails creating a “why not” culture.

Ron Johnson, former general manager of Home Décor, Target Stores, and now head of the retail group at Apple Computer, considered Target to be a “why not?” culture. If a new idea was suggested, he said, “Why not do it?”

9. Integrity. Organizational integrity—building trust and credibility, showing faith in employees, commitment to their well-being, and support for their hard work—will attract and retain knowledge workers.

Southwest Airlines is so unique that its performance and culture are impossible to duplicate. Herb Kelleher, former CEO and now chairman, believes: “A company is stronger if it is bound by love, rather than by fear.” While most businesses have sterilized their workplace with restrictions and uniformity, Southwest has based its culture around a deep respect and accountability that comes from freedom.

10. Perception. Perception means being customer-focused, both internal and external, domestic and international. Get into your customer’s head. Know who your customers are, how to get them, and the cost of acquiring and keeping them.

Jeff Bezos, CEO of Amazon.com, is a dynamic leader, with a focus on the customer experience. Says Bezos, “Most of our intrinsic value comes from having a culture that cares about the customer.”

Dynamic leaders fearlessly complete tasks, and combine intelligence, integrity, energy, optimism, and creativity to serve the present and anticipate and plan for the future. EE

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ACTION: Which of these 10 traits do you possess? Play to your strengths.