

LeaderLinX

Beyond Executive Search



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LEADERSHIP THERE IS A BETTER WAY!

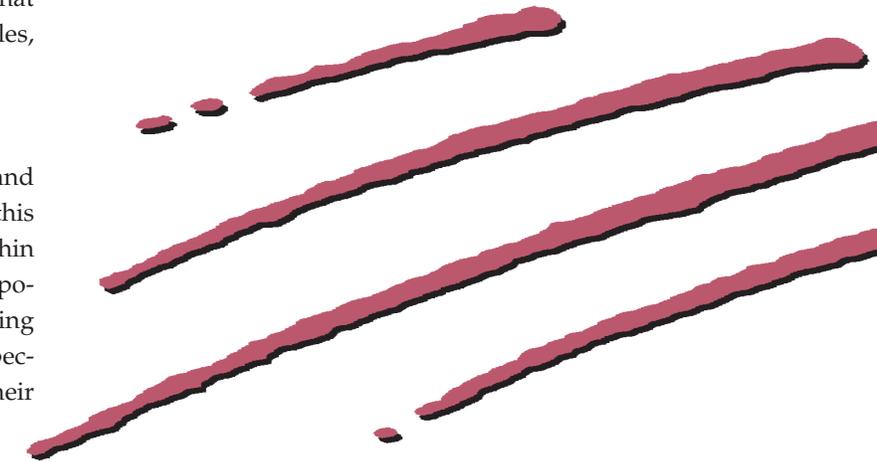
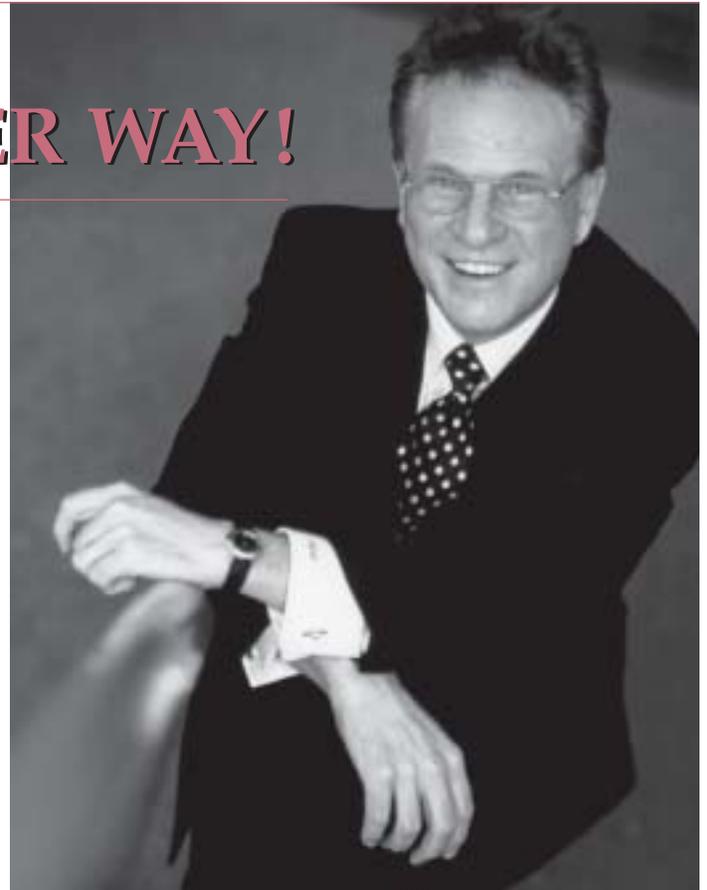
by James D. Downham

For several years I have been following leaders who present an alternative way to think and act. They are not just good leaders; they are leaders who have been blazing a new trail. They do not search out recognition; their actions and results spawn their own folklore. They are the innovative forerunners of tomorrow's success. Some have recently taken a new path; others have been practicing creative leadership for their entire careers. Our young and aspiring leaders need new role models... and believe me they are out there.

What makes these pioneering leaders different? What suggests that a new order is unfolding? For five decades we have been persuaded that success lies exclusively in a better approach to strategy (head) and that sustainable excellence is the outcome of an ever-sharper focus on the bottom line (hand). This is not to decry the need for forward thinking and financial due diligence. Indeed, without these attributes one ends up with a Time Warner/AOL or worst still, the excesses of "Koz and his Tyco tycoons." In the drive for short-term profitability we have devalued the need to lead in a way that touches people's hearts. What we have lost sight of is that when things go wrong, when the organization stumbles, what sustains us is the organization's spirit.

HEART AND SPIRIT LEADERS

The following leaders have been an inspiration to me and although some have retired while others have departed this life, their legacy lives on. These CEO's are legendary within their own industries and even beyond and, with the temporary exception of Aaron Feuerstein who is presently leading Malden from Chapter 11, their companies and all the respective stakeholders have enjoyed remarkable success. Their



accomplishments and achievements can, in no small measure, be attributed to their deployment of heart and spirit in their leadership methodology.



Leadership of the Heart
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HARRY QUADRACCI, former co-founder and President & CEO of Quad Graphics – sadly this pioneering, printing industry legend passed away in July 2002 at the young age of 66. Under his leadership Harry grew this privately held business from its inception in 1971 to its present existence as a \$1.8 billion printing conglomerate with over 10,000 employees at 35 print-production worldwide locations. Several authors (including Tom Peters) have written about his atypical (read innovative) management style and passion for employee relationships. In his humble belonging way, Harry, the CEO, wore his time-honored, pressroom blue uniform along with other management members and shop floor employees. Characteristic of distinguished leadership, the business continues today under the direction of Harry's brother, Tom.

– he wrote, *“Possessing material comforts in no way guarantees happiness. Only spiritual wealth can bring true happiness. If that is correct, should business be concerned only with the material aspect of life and leave care of the human spirit to religion or ethics? I do not think so. Businessmen too should be able to share in creating a society that is spiritually rich and materially affluent.”* See note 1.

HERB KELLEHER was a co-founder (1971) and CEO of Southwest Airlines until his retirement in 2001. Today there are over 22,000 employees. In the midst of the chaos that describes the American airline industry one company stands proud. Why? It was because their legendary leader created an environment of trust and his strategy was that the employees came first. Will Southwest survive post-Herb, the critics ask? Even after Herb's retirement they are the only major US airline that continues to make money today while the competition are either declaring Chapter 11, or contemplating it.

I would encourage you to do further research to learn more about these outstanding leaders and their innovative practices.

The fundamental difference is that I consider our workers an asset, not an expense.

AARON FEUERSTEIN, President & CEO, Malden Mills – his family business was wiped out by fire in late 1995 but he retained his 3000 employees at full pay for three months while rebuilding his new plant. When Morley Safer of 60 Minutes (March 24, 2002) asked, *“Why didn't you take the \$300 million insurance money and run?”* he replied, *“What am I going to do, buy another suit?”* And in a quote from Parade Magazine of September 1997, Feuerstein, when asked what set him apart from other CEO's, replied, *“The fundamental difference is that I consider our workers an asset, not an expense.”* His generosity contributed to the filing of Chapter 11 of the business earlier this year; however, the determined 76-year-old Feuerstein is presently leading the company's turnaround.



Leadership of the Spirit
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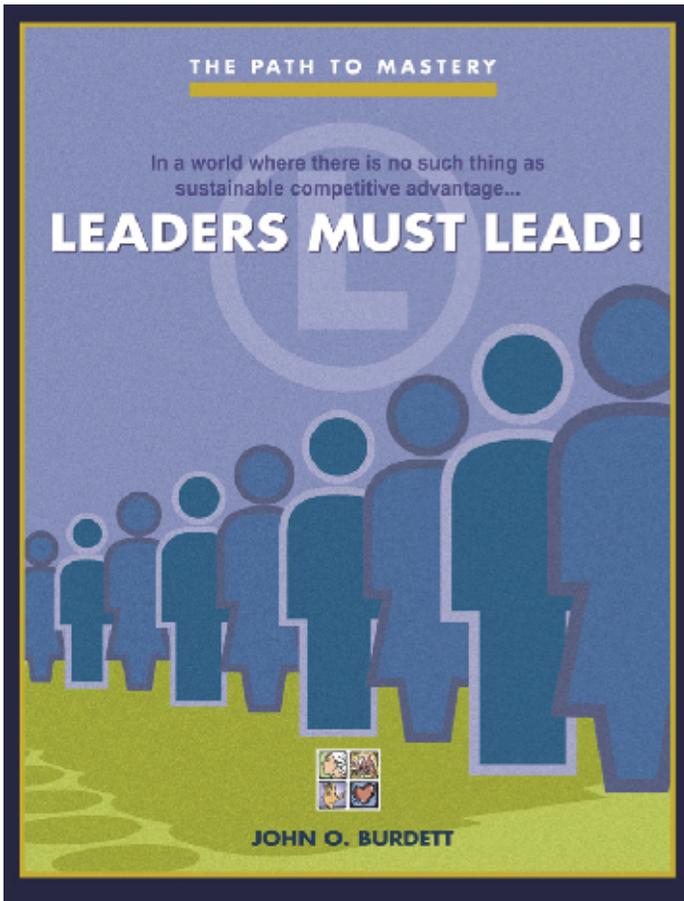
KONOSUKE MATSUSHITA, the founder and former Chairman of Matsushita Electric – Matsushita passed away in 1989 and left behind a legacy of being one of the greatest leaders and entrepreneurs of the 20th century. This five foot, five inch, 135-pound man, did not fit the typical image of the dynamic leader, and by the time of his passing the Matsushita (Panasonic, etc) Empire had grown to \$42 billion in revenues. Quoted from Not for Bread Alone; A Business Ethos, A Management Ethic – 1984

There are many others out there. In the current lust to tear down those who have succumbed to the ethic of greed, the press is only doing its job. In the midst of this turbulence we must do ours... to build successful businesses.

LEADERSHIP FOR THE FUTURE

One of the people I admire is Dr. John O. Burdett. John is a leadership authority who has developed a wonderful road map to the way forward. A widely respected international consultant, his best selling book published in 2000 (New Role, New Reality) was nominated as book of the year by the US SOCIETY OF HUMAN RESOURCE MANAGEMENT. His new book entitled **Leaders Must Lead!** is a must read for anyone concerned about tomorrow's leadership. Having studied successful leaders for twenty-five years his profound belief is that leadership, leadership that makes a difference, leadership that sustains, leadership that builds not just wealth but community is found in the balance between the head, the hand, the heart and the spirit.

In **Leaders Must Lead!** John writes, *“Leadership, as taught in our red brick institutions, has long been dominated by the head and the hand. Conspicuous by its absence has been the leader's need to engage the heart and enrich the spirit. Short-term success – as measured by*



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financial criteria – has led us to believe that head and hand leadership is sustainable. The fact that study after study shows that lack of leadership is an ill that has reached epic proportions suggests otherwise. Those who have power, but who cannot take others with them, do not lead. Those who seek to change others, but who do not themselves have the capacity to change, cannot be successful. Those who present a vision, but who themselves are not wedded to that dream, cannot enlist followship. The genesis of leadership lies not with the head and the hand, but with the heart and spirit. It does not matter that there is a strategy to dominate the market place if the leader in question cannot incite passion. It counts for nothing that the business is rooted in superb organization design if the man or woman at the helm is not personally in touch with the leader within.

Ultimately, leadership is about balance. The need for personal goals (head) goes without saying. The demand for conscious skill development (hand) is apparent to all. Balance completes the weave. Leadership that dwells in the heart is taking pride in the growth of others. The heart is about love; it speaks to family and personal growth.

The spirit describes our passion for life; it speaks to health and wellness. It is about what we eat, how we exercise and the need to set time aside for reflection. Spirit is about the meaning we draw from the things we do and what we give back. Spirit is about leaving a legacy. Without balance we are incomplete as leaders. Without balance we give to others only part of what we have. Without balance, we travel without integrity and arrive without companionship. Without balance, even acknowledged success inevitably evokes the question, “Was the journey worthwhile?”

LEADERS CHALLENGE THREATS

Because my personal glass is always half full, I try to view diverse scenarios as opportunities rather than threats. Therefore I give special thanks to the greed merchants and those who would have us believe that taking is more important than giving. They have shown us *what not to do*. They have magnified the fact that business leadership is a powerful and vital role to our well-being and society in general.

The timing is right to reflect on our leadership role model choices. What path are we encouraging the next generation of leaders to take? It is not enough to simply eradicate the current excesses — we must have an alternative way forward. We can learn from and follow leaders such as Kelleher, Quadracci, Matsushita or Feuerstein or take that well traveled voyage into the abyss.



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Yes, there is a rainbow and a ray of hope that can make us feel optimistic. Out of endings come new beginnings. It is what makes North American business so resilient. Burdett has developed an alternative leadership model. If you are passionate about achieving sustainable, business or personal, long term success, I would encourage you to weave the Heart & Spirit elements into your leadership style. Combine them with Head & Hand and you will be a powerful leader.

¹ Based on research from “Matsushita Leadership” (1997) by John Kotter, a Harvard faculty member and renowned authority on Leadership.

Those who have power, but who cannot take others with them, do not lead.

*At times of challenge we seek leadership. We need leadership.
We are nurtured by the dream that is bigger than ourselves*

John O Burdett

THE DEVIN WATCH

Devin started nursery school in September. On our way over to the school his mother had a few “my baby is leaving me” tear filled moments. At the school he merrily went off to meet with his new playmates. Later that day when Lisa picked him up she nervously waited outside the front door of the school. The first child came out screaming, “mommy, mommy”. Devin came out next with his perpetual smile. The teacher followed and said he was the only one who didn’t cry all day. We’re proud of our little leader. He moved boldly ahead and took one giant step forward in his integration into life.



From One Of The Greatest Leaders Of The 20th Century.

Service to others is the price you pay for your room here on earth

Muhammad Ali

To learn more about **LeaderLinx** and it's Value Proposition contact James D Downham, President & CEO at jdd@leaderlinx.com. You can order your copy of *Leaders Must Lead!* on the **LeaderLinx** website at www.leaderlinx.com, call **LeaderLinx** at 416 923-4300 or connect directly into John Burdett's web site at www.orxestra.com.