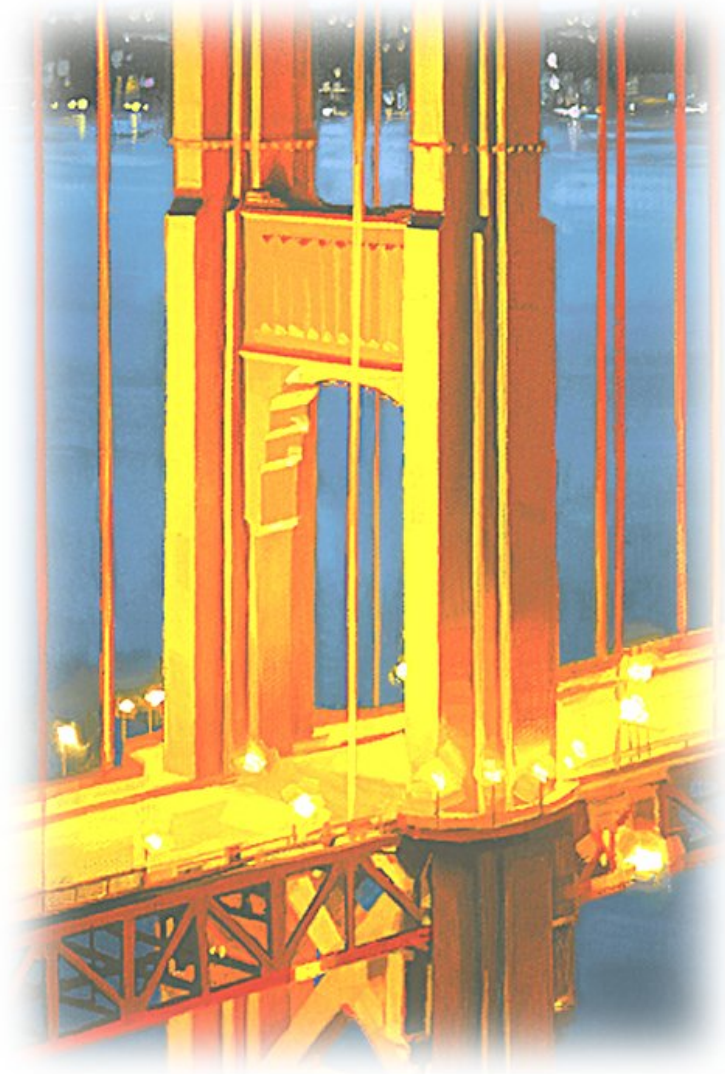

IDEA BRIDGE



The New Expectations
of Leaders



TABLE OF CONTENTS

0

Introduction1

The Contradictions of Leadership1

Leadership Principles2

Accepting Responsibility/Accountability For Results2

Self Discipline, Character, & Personal Development3

Communication3

People Skills.....5

Building Momentum/Taking Action6

Setting Performance Standards and Expectations6

Earning Trust, Loyalty and Coalitions of Support, Even During Change8

Developing Your Team10

Hiring/Building Your Team/Selecting Your Team11

Delegation.....13

Courage and Risk Taking13

Making Decisions and Solving Problems14

Attitude & Enthusiasm16

Ego, Humility & Empathy16

Common Mistakes Made by Leaders.....17

Staying Cool when the Heat is on!.....18

Managers vs. Leaders19



INTRODUCTION

1

Course Materials

This white paper was originally distributed as part of the resource materials for our CEO Advisory, Leadership Development and Executive Coaching clients. Many have found great value in this document as a stand-alone resource guide for various leadership issues, and that's great. However, the highest value will be derived by using this material as part of our comprehensive leadership development and executive coaching program. Please contact us should you require additional copies or information.

Introduction

This leadership material is a compendium of personal observations at all levels of business and industry, as well as over fifty books on the subjects of leadership, military strategy, politics, business management and the coaching of championship sports teams. This updated version includes real world lessons and insights from our personal executive coaching of CEOs and their direct reports.

The guide is filled with timeless leadership principles from all walks of leaders and our own studies of what works in the real world. It does not pretend to be entirely original thought, nor is it intended to be viewed as a cure-all for every issue you may face as a leader. The goal in assembling ideas and strategies from history's greatest teachers, coaches, politicians and strategists, was to share some crucial leadership concepts that could directly impact your effectiveness, success and performance as a leader. Material has been organized into sections for quick reference. These quotations and reflections have been gathered, assembled and continuously revised over the past 25 years. Credit is cited where known.

The Contradictions of Leadership

We start this leadership paper with an explanation about the apparent contradictory nature of many ideas and themes represented in this guide. This contradiction is a burden that few leaders ever learn to balance. For example, leaders are expected to deliver short term results, plan for the future and maintain high morale while pushing people for ever-increasing results and consistently delivering over the long term. How is this possible? How can this be achieved?

Many of the ideas and concepts presented in this paper will be in direct conflict with one another. The real test of a leader is to strike that elusive balance which keeps "all the plates spinning" while knowing which ones are okay to drop. If we were to eliminate all the contradictions, then this guide would represent a middle ground of watered-down axioms, diluted to the point of irrelevance. We acknowledge the contradictions of leadership and hope that this guide will help point you in the direction of true North, while providing you with the resources to self-correct and make directional course adjustments along the way.

- The test of a first rate intelligence is the ability to hold two opposed ideas in the mind at the same time, and still retain the ability to function. (F. Scott Fitzgerald)
- Just as a sailor must tack when sailing into the wind, the leader must constantly take the pulse of his team and re-direct his attention to ensure that the company and its people remain on course. At all times, the destination is clear, but the path may wind. (John D. Callos)



LEADERSHIP PRINCIPLES

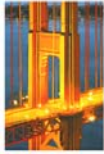
2

Leadership Principles

- The only purpose in giving you the job as the leader was to quickly make things happen and make things better. That means you'll likely have to work harder, focus on fewer initiatives and get more productivity out of your team.
- Leaders place an unrelenting focus on results. They want results, not "best efforts." We have too long rewarded, even celebrated, "best efforts", despite failure. Achieving results is in the control of your leadership. Leaders have a responsibility to lead change and to tackle reality head-on, despite the inevitable outside influences that can impact results. Leaders do not offer excuses, "pass the buck" or place blame. Instead, leaders stay focused and deliver measurable results.
- Leaders take charge, make things happen, dream big dreams and then translate them into reality. Leaders attract voluntary commitment from followers, energize them and transform organizations into new entities with greater potential for growth, excellence and market superiority.
- Before becoming a good leader, you must first learn to be a great follower. The best leaders are those who have served many apprenticeships.
- The strength of any organization is a direct result of the strength of its leaders. Everything rises and falls on leadership.
- What makes people under the stress of competition push ahead rather than retreat, even in the face of overwhelming odds, is the attitude and behavior of their leaders. When people know their leaders care for them, notice them, and reward their successes, they will attempt difficult tasks without hesitation.
- Relying solely on internal information is not enough for a leader to develop the vision needed to lead the way. Leaders are the key to bringing outside information into the organization. They meet with other executives, participate in trade shows and meetings, meet and talk with customers, suppliers and people in related industries to find out what is - or should be - new in their industry and what they can learn from other industries.
- Great leaders are constantly planning. A leader who does not prepare for difficulties when they are distant, will not escape them when they are close.

Accepting Responsibility/Accountability for Results

- True leadership involves not only the exercise of authority, but also full acceptance of responsibility for those whom you lead. When in a position of leadership, everything that occurs is your responsibility, even the errors.
- Rather than expend energy worrying and placing blame, leaders solve the problem. The great leaders go one step further and take action to ensure that a similar problem doesn't occur in the future.
- Great leaders are positive individuals. They don't fault others and are willing to shoulder the blame. They don't complain; they find solutions.



ACCEPTING RESPONSIBILITY/ACCOUNTABILITY FOR RESULTS, CONTINUED

3

- Leaders always share, or give away, credit for successes. In everything they do, they exhibit the attitude of sharing, except when things go wrong. Then the true leader steps-up and accepts the blame- he shares it with no one.
- When a leader makes a mistake, it is corrected immediately, because they know that to delay only compounds the problem. Just beware of the unintended consequences of “over-correction.”

Self Discipline, Character, & Personal Development

- The best leaders commit themselves to a life of ongoing personal development. Good leaders continue to learn, grow and develop. The great ones also give others the opportunity and encouragement to do so.
- Character is the bedrock on which the whole edifice of leadership rests. With character, the full worth of the individual and his team can be realized. Without it, failure, or, at best, mediocrity will result. Character is a habit that is built through the daily choice of right and wrong. Character is a moral quality that grows gradually to maturity; it does not appear suddenly.
- When it comes to self-discipline, people choose one of two things: the pain of the discipline that comes from sacrifice and growth, or the pain of regret that comes from the easy road and missed opportunities.
- The best leaders love to read. Most subscribe to many different magazines, some of which are outside their area of expertise or current knowledge. They also read many books about strategy and biographies or autobiographies about leaders.
- An effective leader understands his own shortcomings and seeks improvement from within. When a person demands excellence from others, but never corrects problems within himself, he cannot lead effectively.

Communication

- The number one communication error is not enough interaction about objectives, goals and vision. In our work with leaders, there is a consistent gap between their perception of how much they are communicating versus their team’s desire to hear more about their game plan. (John D. Callos)
- What separates the great leaders from others is that they have truly learned the art of listening. Ask questions and listen with interest. Good leaders not only ask questions, but they really listen to the answers. Do you? Learn the power of silence. Listen, and then ask probing questions.
- Nail down everyone’s responsibilities with clarity and precision. Anything that can be misunderstood will be. It’s often a good idea to have someone repeat back to you their understanding of the assignment or objective. It’s great insurance against foul-ups and surprises.
- A dream-team coach constantly communicates the game plan. He’s got a plan not only for each individual game, but a plan for the development of the whole team over the course of the current and upcoming seasons. Once the game plan has been drawn up, he then communicates it to his team on a continual basis. Where’s your game plan? When was the last time you showed it to your team? Can your key people communicate the game plan as well as you do? Are you sure?



COMMUNICATION, CONTINUED

4

- Always keep in mind that what others tell you is only the tip of the iceberg. Inquire further. Oftentimes the real answer is several layers below the initial response. Keep probing further and try to discover the “core” problem.
- Without the ability to communicate, a leader cannot effectively cast her vision and call her people to act on that vision. Great leaders are articulate...Are you?
- A leader understands that the boss needs to be kept informed and never wants to be embarrassed or surprised. Leaders are proactive, and go to their boss in advance of problems. The best leaders arrive with solutions. They never ask their boss to solve their problems.
- A leader is not capable of reaching her potential without effective communications skills.
- Listen to feedback carefully and avoid being defensive. Leaders must always work to develop and enhance their skills at remaining totally objective.
- When associates bring them problems, a leader will invite them to participate in the solution by asking: “What would you do?” This helps the associate to grow and also shows them that the leader cares about their opinions.
- Leaders follow-up important verbal communications with written communications, so there are no misunderstandings.
- A good communicator has the ability to set a person at ease. She can find a way to relate to nearly anyone of any background, regardless of social status, title or position within the organization.
- The fastest way to open the lines of communication is to smile. A smile overcomes innumerable communication barriers, crossing the boundaries of culture, race, age, class, gender, education, and economic status.
- When employees feel that their opinions are valued, they develop a sense of ownership in achieving goals. This kind of “ownership” cannot be bought at any price...it must be earned through trust and respectful listening.
- Market intelligence and answers to many problems can often be found several layers below top management. Often the receptionists and administrative staff hear more about what’s going on than management does. When was the last time you took your assistant or other clerical person out for a one-on-one lunch or for coffee? Elicit their input often.
- The most successful leaders display a relentless desire to be fully informed through information that is balanced and accurate. At their companies, people aren’t criticized for bearing bad news – criticism is reserved for those who knowingly bring false cheer, major surprises or no news at all.



PEOPLE SKILLS

5

People Skills

- Leaders are approachable enough so that everyone around them can get to know and trust them. True leaders are recognized as warm, sincere and likeable people. How do you stack up in this area?
- Leaders must develop a deep understanding of the collective yearnings. They pick up on subtle clues, quiet whisperings, facial expressions and voice tones. They get a sense about what people want, value, need and dream about. This is how they get a feel for employee morale.
- Have a genuine concern for those whom you lead. People count on their leader to safeguard their future.
- The reason behind holding a recreational outing is to let your team rest and recuperate from the demands your leadership places upon them. When was the last time you took your team offsite for some fun? And remember, you must take the entire team, not just your favorites!
- Look for ways to relieve stress in those around you. Leaders always ask how they can help. They look for ways to remove roadblocks and internal bottlenecks. Leaders don't wait to be asked...they readily volunteer to assist the team. Leaders are not afraid to get their hands dirty because they know that the difference between plans and results is execution. And those plans can only be executed by a team working at peak performance.
- People will continue working, struggling and trying if they have hope. Hope lifts morale. It improves self-image. It reenergizes people. It raises their expectations. It is the leader's job to hold hope high, and to instill it in the people he leads.
- To build relationships, begin by listening to people's life story, their journey so far. Your genuine interest in them will mean a lot to them. It will also help you to learn about their personal strengths and weaknesses. Ask them about their goals and what motivates them.
- Napoleon often commented how amazed he was to learn that men would gladly risk their lives in pursuit of a colored ribbon. Public recognition of success is one of the most powerful motivators and morale boosters.
- Outstanding leaders do not hold grudges.
- A good leader must be motivating, rewarding and create a nourishing environment. She must never appear aloof, distant or disinterested.
- Employees must feel comfortable about coming to you with questions, to get advice and occasionally just for your opinion on their future with the company.
- Be friendly and approachable. Make people feel safe to express their opinions to you.
- If trying to build rapport, leaders should not sit behind their desks. Instead, they should go to a chair or a sofa, thus avoiding an imposing position that is often intimidating to associates. Visitors are more comfortable, and therefore more candid, when leaders sit in the more sociable areas of their offices.



BUILDING MOMENTUM/TAKING ACTION

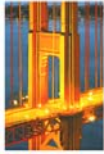
6

Building Momentum/Taking Action

- The attitude of the leader, coupled with a positive atmosphere in the company, can encourage people to accomplish great things and consistent accomplishment generates additional momentum. Often, momentum is the only difference between a winning, positive, growth environment and an acidic, negative, demoralizing atmosphere.
- The test of any leader lies in action, not in words. An effective leader does not overstate the promise of success for fear of disappointing others. She considers her words carefully, and is slow to speak, but quick to act. She watches carefully over her words. It is a grave error to promise more than one can deliver.
- Amidst all the clutter, beyond all the obstacles, aside from all the static, are the goals. Put your head down, do the best job possible, let the flak pass, and work toward those goals. (Donald Rumsfeld)
- When things are running routinely, a manager can maintain the status quo. But when there is a crisis, somebody has to take charge....That's the leader!
- Leaders must have strong personal energy to get a project up and running. They must also maintain that energy to see projects through to completion. The great leaders understand that success is largely a function of consistent execution, not just planning. Execution is the key.
- You must constantly seek to build personal credibility, political influence and business momentum. People must start seeing some early wins. You must promote the perception that the company or your unit is moving in promising directions. Look for early wins where broad operational areas and processes can be changed to result in quick and substantial improvements with a minimum of effort.

Setting Performance Standards and Expectations

- What leaders require to be measured and reported to them will unquestionably improve, if they are selective and limit the measurements to only the few vital objectives. A leader announces her priorities and sets the company's objectives by establishing the measurement and reporting systems.
- Keep everyone focused on one target: success. When success is the only measure, then excuses become irrelevant. Success is what you must measure things by. Everyone must recognize that some problems are harder than others, some markets are tougher and bad luck will ultimately occur. But these are all irrelevant. All the excuses in the world will not make up for a failed goal. The critical question is: What are you doing to fix this problem and meet your commitment? Now some people will claim that this is unfair. Yes, it is. But your competitors are not concerned about fairness and your stockholders are not concerned with fairness. Leaders are only concerned with success- not excuses, not promises, not best efforts, but results. This success-oriented environment self-selects winners. The most successful will be the ones promoted, and the least successful are generally those who leave the company.
- Be suspect of business plans that state, "these continued losses are a period of investment – future returns should improve over time." If a leader routinely accepts and approves plans with hockey stick projections, word will spread, the periods of loss will be magnified and managers will continue to propose such plans year after year.



SETTING PERFORMANCE STANDARDS AND EXPECTATIONS, CONTINUED

7

- Every meeting, every memo, every policy and every interaction should be driven by the same core objective: to advance the ball daily, building profitable market share and increasing the value of the company. And you must fight as hard for the last 1 percent of the market as you fought for the first 10 percent. In every review, the first and most important question should be, “What have you done to increase your market share and build the value of our company?” Then drill down deeper and ask, “What else could be done? How can we be more effective? What other markets can we attack? How can we be better? Where are we weak? Where are we strong and our competitors vulnerable?”
- A very low tolerance for failure to meet commitments will encourage people to be more realistic in what they promise to deliver in the future.
- When you strive for excellence, you prompt your people to shoot for the top. When a leader’s goal is acceptability rather than excellence, then even the best people in the organization will produce what is merely “acceptable” and the rest may not even produce that minimum. When excellence is the standard, the best will hit the mark, and the others will at least hit the board.
- Some misguided leaders drop their Minimum Acceptable Performance Standards (“MAPS”) to a level where everyone can meet them. No matter how minimal the effort, they still qualify. Is it any wonder the growth rate of their company is stagnant? Is it any wonder that they are losing clients to competitors? Is it any wonder that they can’t seem to retain their “A-players”? Is it any wonder that their market share is declining? In these types of companies, meeting the minimum is not only one step away from failure, but also a quantum leap from victory. Everywhere you look people are struggling, frustrated and dissatisfied. (John D. Callos)
- Superior leaders recognize that *elevating* the MAPS is crucial to consistently superior performance. In looking at their standards, the Minimum Acceptable Performance Point (“MAPP”) is almost indistinguishable from the Victory point. When their people meet the lowest requirement, they are still in position to win. But even if they fall below the MAPP, they are still a long way from failure.
- A leader’s actions become a model for the actions of her team. Further, the leader’s character sets the moral tone for the team. The standards she sets become the benchmark for the group. The people she favors become her flag-bearers. In all situations, the leader is observed and copied; at all times, the leader demonstrates preferred behavior by her own actions. The leader sets the example...whether she intends to or not!
- A leader must give positive acknowledgment and encouragement to the producers, and she must be careful not to reward the idle. Take a hard look at your team. Who and what are you rewarding?
- Carrying non-productive employees because they once did something useful is a reckless and damaging luxury that no company can afford. If a position is no longer needed, if a person is adding no measurable value, then regardless of what they’ve accomplished in the past, they must be set free.
- Rampant office politics is symptomatic of a weak leader. Don’t waste your time, or permit others to waste their time in building fiefdoms and boundaries. Spend your time creating, planning and accomplishing. *Let your actions be your politics.* Be the last to know about rumors and juicy gossip. Don’t get sucked in with the tantalizing details. Don’t ask, don’t answer, don’t tell, and don’t agree. Just say you need to focus on work.



EARNING TRUST AND LOYALTY, EVEN DURING CHANGE

8

Earning Trust, Loyalty and Coalitions of Support, Even During Change

- Trust is the single most important factor in building personal and professional relationships. Trust implies accountability, predictability, and reliability. More than anything else, followers want to believe in and trust their leaders. People first must believe in you before they will follow your leadership.
- Loyalty must be earned. It is earned by caring about and protecting both subordinates and bosses. It is earned by working with people and helping them be successful. The loyalty and dedication of subordinates can help leaders meet tight deadlines or solve difficult problems. The loyalty of a boss can get leaders out of potential trouble.
- Leaders build loyalty and trust by getting out in front and actually leading by example. A leader doesn't say, "Go charge that hill and let me know how it goes," that's what a bureaucrat would do. Rather, a leader says, "Let's Go!" (Tom Nations)
- You can buy a man's time, you can even buy his physical presence at a given place, but you cannot buy enthusiasm...you cannot buy loyalty...you cannot buy the devotion of hearts, minds or souls. You must earn these.
- Leaders must trust and accept the people they lead. Such acceptance requires tolerance of imperfection. Anybody can lead perfect people.
- Leaders create an environment of respect and loyalty. No one wants to let them down and most want to meet or exceed their expectations.
- Trust must be built day-by-day. It calls for consistency. Some of the ways a leader can betray trust include: breaking promises, gossiping, obviously playing favorites, withholding information and being duplicitous.
- Trust allows team members to begin working as a single unit, to begin accomplishing the things together they recognize as important. Once the players know and trust one another, and develop a cohesive unit, the team's personality will begin to emerge.
- Leadership isn't about convenience. You have an obligation to serve. They trust you'll be there when they need you, late nights, early mornings, even weekends and holidays.
- You must establish productive working relationships and build credibility as soon as possible. These relationships are essential for getting things done and getting support for your leadership initiatives.
- Leaders spend time taking the organizational pulse, in order to learn what will work and what won't. Before you come out with new, sweeping initiatives, first understand if the culture is ready for these changes. If it's too much, too soon, *watch out!*
- The support of your boss, even in combination with the formal authority to allocate resources and make decisions, is not enough to make change happen. You must build an internal and external coalition of political support for your change initiatives. Failure to do so almost universally results in the leader being replaced.



EARNING TRUST AND LOYALTY, EVEN DURING CHANGE, CONTINUED

9

- It's important for the leader to solidify the support of subordinates early on, because they understand the company and hold the keys to making the changes happen quickly.
- Despite your talent and proven record of consistent success in other departments or positions, if you cannot earn the support, loyalty and respect of your subordinates and senior team, you will ultimately be replaced.
- Gaining acceptance for big changes can be a huge challenge. Furthermore, every move, action, speech, conversation, meeting and initiative will be carefully analyzed for hidden meaning or ulterior motive. People won't take you at face value until you have proven yourself trustworthy.
- Personal credibility emerges from a myriad of decisions, actions, interactions, memos, reactions to emergencies and unexpected problems...like it or not, you are always on display and they pick up on the most subtle of nuances. Credibility is the result of a slow process of accretion as your conduct is observed over time.
- Say to your senior team, "You had your chance to change the plans and give me input. Now, I want you to show public support for them, in front of your people. It's time for you to step up and lead your people, not just sit there like one more member of the audience. You are the leaders of this company and you have to start taking that leadership role. Beginning right now."
- You must show the people you've inherited, that you have respect for their judgment, thoughts and ideas. You've got to show them that you will give them a shot at being on your team.
- Criticizing past efforts or programs can easily come across as self-serving, and can cause people to become angry adversaries looking for the first opportunity to sabotage whatever you are trying to do. Watch out!
- The leader's actions will be widely communicated, told and retold, becoming stories and legends within the company. These stories will powerfully shape the beliefs of people within the company...either positively or negatively.
- Some people in the company will naturally have more influence over the staff. People tend to go to them for answers, support, opinions, etc. Try to find those natural thought leaders and influencers. They are a wealth of critical information.
- Your goal should be to build *winning* coalitions and prevent the formation of blocking coalitions. Managing change involves the hard work of building winning coalitions with the power to take action and the strength to survive the inevitable opposition to change. Leaders must also prevent the formation of blocking coalitions by those seeking to protect the status quo. All these challenges require figuring out who will offer support and who will raise opposition. This should be determined prior to the launch of any major initiative.
- The Leader must analyze the various political arenas: top management, middle management, support departments and the line. The leader must cultivate and retain the confidence of these key groups, and his boss. The support of one or two of the most influential senior managers can make a huge difference, and this support may be enhanced if the leader helps them to promote a critical project or cause. This is called being "politically savvy."



EARNING TRUST AND LOYALTY, EVEN DURING CHANGE, CONTINUED

10

- Assessing pivotal people's sources of power involves assessing the resources at their command and the nature of the people who follow them. Does she have a monopoly over the flow of information? Do others take cues from her? Does she have the power to distribute or withhold desirable rewards, or does she control internal resources that others need? Does she control large or important sectors of the company? Has she built up a reservoir of loyalty or indebtedness by protecting others and helping them? Does this person have an "in" with the Board and therefore is untouchable? Who in the company is untouchable? It's best to find out early!
- People who have reasons to resist change don't necessarily do so openly or directly. Your efforts can be seriously jeopardized if others can prevent you from learning, securing early wins, laying a foundation and building credibility. Key people may withhold support or resources by not providing the full story. More subtly, they may express alarm in private meetings with their peers and subordinates about the risks inherent in your proposal. This is called "subtle sabotage." (John D. Callos)
- Resistance may arise later when the leader begins to articulate a vision and initiate deeper changes for the company. A standoff may force the leader to use blunt power of position to squash resistance, and perhaps ultimately to fire those who persist stubbornly in their opposition. The leader should seek to avoid such a no-win confrontation by building a powerful coalition of support. However, it is rare for any company to undergo cultural change without senior-level people getting fired or pushed aside...this is just the new reality. But using aggressive tactics against those who disagree with you will label you as a tyrant and a bully. Be careful. Again, we advise leaders to carefully consider the "unintended consequences" of their actions. This cannot be overstated. Leaders must think through their moves and initiatives from many angles, prior to taking action. (John D. Callos)
- New leaders often lack a reservoir of obligation, returned favors and support from which to draw. They must accumulate political capital before they can hope to secure support for their key initiatives. One does so in part, by achieving some early wins and channeling the resulting support into broader initiatives. Another necessary step is to help others in strategic positions advance their own agendas in exchange for their support of yours. Again, this is being "politically savvy."
- When you face political opposition, it usually means that your solution or proposal has negative implications for someone in the company. "Politics" is just people acting in their own self-protective interests. To work through the politics, you must think about how your solution affects the players in the company. Then you must build a consensus for change that takes into account, all of the factors driving the politics. Consensus building may require you to change your solution to make it more acceptable. It's no good developing the ideal solution if the rank and file refuse to execute your initiatives.

Developing Your Team

- Leaders give of themselves- their time, their knowledge, and their experience to ensure that their subordinates can grow. They arrange opportunities for employees to have training and advancement. They don't worry about people leaving their unit, because they always have their employees' long-term interests in mind.
- Often, new leaders wrongly believe that they must compete with the people close to them instead of working with them. Great leaders have a different mind set. Great leaders readily acknowledge that those closest to them will determine much of the team's success.



DEVELOPING YOUR TEAM, CONTINUED

11

- Time spent developing aspiring leaders is an investment the company's future, and your own.
- One of the best things you can do for the people you are developing, besides setting an example of personal growth in yourself, is to help them develop their own personal plans for growth. Growth requires a plan, and as the leader, you must take the initiative and encourage them to develop it.
- The leaders you've developed must carry on the tradition of development and produce a third generation of leaders. If they don't, the building process stops with them. Lasting success comes only when every generation of leaders continues to develop the next generation, teaching them the value and method for developing the next group of leaders.
- The success of an organization is proportional to the percentage of time its leaders spend recruiting, developing, nurturing, guiding and coaching their team. Strategies are fine, but without a motivated team to execute the plan, results will prove elusive.
- Who will take your place? There is no success without a successor to carry on your vision and work. Do you have a succession plan in place? Who is your likely successor? Without a successor, a leader limits his potential for advancement because the "gap" created by his promotion may increase the burden on his boss. It's far better to select your likely replacement and have them well trained. The best leaders inform their boss that they have a strong succession plan already in place.
- No executive has ever suffered because his people were strong and effective leaders. Don't fear the strengths of others...fear their weaknesses! Look at the leaders around you and ask, "What does this person need in order to grow?" Then be proactive. Have a plan to support their growth and development.
- People on the team must be made to feel that they are in an environment where it is safe to offer suggestions or criticism without fear of reprisal. Encourage your team to always be looking for new ideas and better ways to run or improve the company.

Hiring/Building Your Team/Selecting Your Team

- It's long been shown that A-Players hire other A's, and sadly, that B's hire C's.
- Be curious. Get to know people, their family, interests and hobbies. This will help you develop better rapport, and get the candidate to open-up and relax.
- Great leaders know that hiring and keeping good people is one of their most important tasks.
- If you hire wisely, the benefits are multiplied, with almost endless potential. . If you hire poorly, the problems are multiplied, and seem endless.
- Sometimes you'll get an opportunity to draft an "impact player", a superstar who can instantly change the whole complexion of the team. Impact players usually possess not only technical ability but also leadership skills, and a loyal team may readily follow them. True leaders are never threatened by hiring people with great potential.
- BEWARE: Any person that you hire who has character flaws will be the weak link in your team.



HIRING/BUILDING YOUR TEAM/SELECTING YOUR TEAM, CONTINUED

12

- You can tell much about a person's ability to lead others from how well he manages his own life.
- The key to surrounding yourself with other leaders, is to find the best people you can, then develop them into the best leaders they can be. Great leaders produce other great leaders.
- Secure leaders are able to surround themselves with people more qualified than themselves.
- Keep in mind that one "great" person will always out-produce and out-perform two mediocre people.
- Too often, people hire employees haphazardly. Because of desperation, lack of time, or just plain ignorance, they quickly grab any candidate who comes along. Then they hold their breath and hope everything works out. This is a reckless and irresponsible way to hire. Plan ahead. Always be thinking about a succession plan and always be looking for exceptional talent.
- Having the right players in the right positions, determines 60 to 80 percent of the success of any organization.
- The assessment of character in an interview can be difficult. Warning signs to watch for include:
 - a person's failure to take responsibility for his past actions or circumstances
 - unfulfilled promises or obligations
 - failure to meet deadlines
 - excessive and unexplained job hopping
 - how he speaks of his prior employers
- Lead and nurture everyone within your influence, but spend 80 percent of your coaching time on the most promising 20 percent of the potential leaders around you.
- The addition of a new team member always changes the chemistry of the team. No matter how great the player, if he can't play with the team, he won't help the organization. Don't allow your problem employees to monopolize time that rightfully belongs to your "A players."
- When looking for top "stars" to hire, the best way to locate them is to ask other top superstars for their recommendations. Stars will always recommend other stars.
- The single most important contribution to productivity is the quality of the employees. Everything else is secondary. Leaders hire the very best people. No management system in the world can make up for having less than the best talent. Every new hire you make, should raise the mean level of team performance, not detract from it.
- You are only as good as the people that report to you. If you do not insist on hiring absolutely the best, then you are consciously deciding that employees of average or worse quality are acceptable.
- Hiring the right person is the most critical decision a manager makes. Determine the criteria for the perfect employee and hire only people who fall into the top 5 percent of your criteria. No matter how desperate you are to fill a position, no matter what the consequences, do not compromise. Spend the time necessary to make the right selection. The quality of your employees directly determines your ultimate level of success.



HIRING/BUILDING YOUR TEAM/SELECTING YOUR TEAM, CONTINUED

13

- The top priority in any company should be to hire a core group of people who are driven by conquest rather than by security. It's critical to the company's growth that you have a core set of people who seek conquest and winning. Now, some people bristle at the word "winning" and too many Companies have come to accept "best efforts." The new reality is that to win in today's environment, "best efforts" is no longer a guarantee of success. Leaders are charged with assembling teams that consistently win more business than they lose. "Best efforts" rarely deliver more than mediocrity. Don't accept merely "best efforts."

Delegation

- If a leader does not learn the art of delegation, then he will never find himself coaching a dream team. Leaders who can't or won't delegate, create a bottleneck to productivity and success. Not every issue demands a leader's attention. Delegate!
- Delegate as much of your day-to-day responsibilities as you can, in order to free-up time for your leadership roles. Pay more attention to longer-term matters, your goals, objectives and your vision.
- Be on the lookout for employees under you who are ready to conquer new worlds - this is a prime time to delegate projects or assignments to them.
- As wise decisions are made by knowledgeable employees at all levels, leaders are freed-up to plan for the future and be creative. Empower those beneath you to make decisions and then judiciously delegate.
- The question leaders must ask themselves is whether the task may be done by someone else. If so, it should probably be delegated. The leader should focus on performing the tasks that no one else can do...like long term planning, strategic thinking and acquisitions. If you want to do great things and make a big impact, you must learn to delegate.
- To break the vicious lack-of-time cycle, a leader needs the right person to delegate to, and a willingness to invest the time it will take to train them to perform a given task. When teaching others new tasks, your productivity will initially be negatively impacted. However the investment in time, will ultimately pay large dividends; leaders know the value of making that investment.

Courage and Risk Taking

- Great leaders are trailblazers. They are experimenters. They stick their necks out and therefore inevitably make lots of mistakes. Great leaders have the courage to take action where others may hesitate.
- Pressure can often come in the form of criticism. Yet criticism is often the price to pay for being successful. If you don't have critics and people who challenge your initiatives, you probably aren't making a big impact. One of the biggest challenges leaders face in their careers is being able to handle the pressure, criticism and second guessing that comes with expecting and demanding success.
- Leaders are faced with very tough situations, balancing the varying pressures of making money for stockholders or being popular with employees, while doing what they believe to be ethically right.



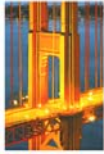
COURAGE AND RISK TAKING, CONTINUED

14

- Very few people step-up to leadership without being frightened. We are by nature afraid of looking silly, of people not responding to our lead; of being wrong about the direction we are taking the company. It's normal. Some aspiring leaders are never able to get over this fright. They prefer the safer "manager" role.
- Leaders look for great ideas, not just consensus. The true test of leadership is to get the full support of your team when you don't have a unanimous vote to take action. This takes courage because it's simple to get a unanimous vote to do nothing.
- Leaders must have the personal courage to try something new, to go where others fear to tread, to face adversity, to support their people, to protect their subordinates from unfairness and to stand up to their boss when necessary.
- Great leaders respond well under pressure. They are decisive, thrive on challenges and love competition. A leader who is secure and feels good about herself, can stand the pressure and do what she believes to be right, rather than what is popular or politically correct.
- Leaders look for what's missing when someone presents them with a proposal. Beware of proposals or ideas that are promoted as being bold, innovative, transformational, or urgent. Many new ideas and programs can be exciting, but also foolish. Others may look like attractive propositions, but are nearly impossible to execute. (John D. Callos)

Making Decisions and Solving Problems

- My experience in reviewing hundreds of various business proposals is that most ventures take at least twice as long, cost twice as much and bring twice the problems of your most conservative estimates. Further, you'll be lucky to achieve even half of the profit you have projected in your worst-case scenario. Adjusting for this, if the new venture still looks good, then proceed...with caution. (John D. Callos)
- New leaders must set a time limit for making their staffing decisions...six months at most. A classic mistake is to not make any personnel changes during the honeymoon period. Sticking with direct reports that are not up to the task, will squander precious time and energy. If after six months a leader makes no changes with his inherited staff – they are now "his team" not his predecessor's.
- Once you come to a responsible decision, carry it out without hesitation or timidity. Timidity is not born of healthy caution, but is the stepchild of fear. (Sun Tzu)
- Sometimes by moving too quickly, a leader can open a Pandora's Box of problems that didn't exist before their snap decisions. We call these the "unintended consequences" of decisions, and at times, the aftermath of a leader's decisions can be worse than the initial problem they tried to solve. (John D. Callos)
- Simply because there is another way or a new high-tech way, doesn't mean it's a better way.
- If a problem has no solution, it may not be a "problem" but rather, a "fact," not to be solved, but to be coped with over time. (Shimon Perez)



MAKING DECISIONS AND SOLVING PROBLEMS, CONTINUED

15

- During change and chaos, the leader's first responsibility is to grasp the actual situation, which is almost always hidden in a mist of uncertainty. He must assess the known elements correctly and guess the unknown elements accurately. Then he must reach a decision quickly and carry it out relentlessly through completion.
- You cannot erase the past with words. Do not second-guess decisions that have already been made. Do not undermine actions already begun. Do not assign blame for errors already made. Rather, focus your attention on doing the best thing in the present moment and planning for a better future.
- You are almost always better off with a "nearly-right" strategy today, than a "perfectly-right" strategy a year from now. Whichever strategy you pursue will involve mid-course adjustments. Leaders must learn to be comfortable taking action with a 70% plan, knowing that they will have inevitable adjustments along the way. Often, by the time the perfect plan, strategy or product is developed, it can be outdated.
- The more you drive for decisions, and find yourself making those decisions instead of your senior team, the less powerful they will feel and the more frustrated you will become. You must drive them to decisions. Lay out the values and business philosophy of the company and demand that all decisions be made within that context. Then, let them make decisions. Those who can't, or won't, must find different roles, perhaps as a player-participant rather than as a leader.
- The first step in solving a problem is determining whose problem it really is.
- You must work hard to avoid "group think" – a situation in which there is too much compatibility and a consensus is found too quickly without serious debate.
- Leaders tell their teams: "Problems need to be reported immediately. In fact, you should be cognizant of potential problems before they develop, because we don't like surprises from our leaders. Just reporting the problem is not acceptable. A solution, or solutions, should be presented at the same time."
- It's not enough for your decision to be the "right" decision. Oftentimes, even the "right" decision will not get the necessary support and you will be torpedoed by the hidden agendas and shadow politics throughout the company. Build support early-on for your initiatives, before you announce or launch them publicly. Determine who would be most likely to oppose your idea or solution; find ways to educate them and get their support prior to launch. (John D. Callos)
- It's nearly always easier to get into something than it is to unwind your involvement. Before a leader makes the final decision, he'll ponder the exit strategy and the unintended consequences.



ATTITUDE & ENTHUSIASM

16

Attitude & Enthusiasm

- To get a better sense of a leader's true capabilities, get to know his or her subordinates. Do they reflect the fire, the drive, the enthusiasm, the passion, the optimism, and the loyalty that you expect to find in their boss?
- A leader's state of mind affects every person on their team. How's your state of mind today? Do you feel like a winner? Feel tired and beat up? Feel overworked and under challenged? How is your current state of mind impacting your team?
- True leaders feel good about themselves, their team and their ability. And it shows.
- Senior executives who complain about the low morale of their subordinates don't realize that employee morale is a mirror of the confidence in their own leadership.
- Enthusiasm makes all the difference. Enthusiasm is contagious! As a leader, if you are excited, you draw people like a magnet. Leaders create a sense of excitement and find ways to ignite it in others.

Ego, Humility & Empathy

- To be a great developer of people, you must be personally secure, because taking your people to the height of their potential may mean they will pass you by. It takes a very secure person to face that possibility, but without such a mindset, you may be competing with your people instead of developing them.
- Leaders put empathy ahead of authority. Leaders are friendly, not arrogant or egotistical. They are as friendly with the janitors as they are with the Chairman of the Board.
- An apology is the sign of a secure leader. Leaders must be willing to say, "I was wrong," "I made a mistake," "I accept responsibility for our failure and I accept the consequences of that failure. Now let's move on and fix it."
- Leaders don't have fragile egos. They recognize that no single person can have all the answers, all of the time, and that they can always learn from others. Leaders don't let their ego get in the way. In most instances, the people you work with will know as much, or more, about the specifics of a topic as you will. It's foolish not to bow to their expertise and seek their opinions.
- Leaders can take charge without always being in control, or without having the formal, delegated authority.
- You have to establish authority while concurrently encouraging input and consultation. People want a fair hearing. People should say, "She really listened to me and asked good questions. I didn't persuade her this time, but I know she's flexible and really listens to all sides. At least she's fair."
- Say, "You'll likely make some mistakes; that's the way everyone learns. All I ask is that you come to me the moment you've made a mistake, so we can rectify it quickly. Just don't ever give me a big surprise. Never cover up bad news. Never. You must come to me quickly, while there may still be time to do something."



COMMON MISTAKES MADE BY LEADERS

17

Common Mistakes Made by Leaders

- The most precious and difficult thing for a leader to obtain is a clear view of his world. People may wish to flatter him, spare him unpleasantness, or hide a failure of their own. Their intentions are not always disingenuous. It's just that his power as a leader tends to cause people to present their message through words and actions to earn favors. Leaders who don't recognize this fact are doomed to failure.
- Those leaders who rule by fear are usually the most insecure. An interesting discovery was that these individuals actually believe their employees enjoy working for them, when in fact the fear they instill, fosters mistrust and disgust.
- New leaders often fail to recognize that they must adjust their work style as they transition from the role of a "Manager" to that of a "Leader." A leader is charged with getting results through others. A leader who continues to focus solely on his own production and results, will soon find his team to be unsupportive and resentful of his selfishness. (John D. Callos)
- Excessive pressure on employees, combined with a single-minded focus to meet goals, will often kill initiative and creativity. Overbearing behavior by a leader will inhibit openness and honesty and greatly diminish the quality of any team.
- There is no such thing as "off the record." It's simply not good practice for leaders to show weakness to others. Celebrate publicly, cry alone. Leaders don't open-up to the masses with their inner feelings of anger, doubt or hurt - half don't care, the other half are glad it's you and not them! They may sympathize for an hour, but they will never forget your moment of vulnerability. This is why leadership can be lonely.
- Like it or not, judgment will be made of the leader based on who influences him, who he spends time with and whose counsel he seeks. New leaders get in trouble by creating an inner-circle of advisors that nobody can penetrate. This inner circle often leads to "group-think" and can substantially limit new ideas, creativity and growth.
- Be very careful not to fall into the trap of cronyism. Any leader who pushes "his boys" often causes morale problems within the ranks. Practicing cronyism can also hurt the very people you are trying to help, especially if you push someone into a position before they are ready for the promotion. Let results be the price of admission.
- The handling of flatterers, apple polishers and bootlickers is an issue related to cronyism. In all companies, there are people who are very skillful in pleasing the boss by bearing good news, false cheer and by stroking the boss's ego. They are always looking for ways to make the boss happy, scheming to get more "face time" and serving their personal agendas and ambitions. Watch Out!
- Leaders should avoid bringing a substantial number of former colleagues with them, when they move to a new position. A leader who drags "his guys" along with him, is likely to undermine the morale of the company. It also will be very difficult to develop good rapport with new associates and open communication channels will be harder to establish. You will gain more credibility as a person of self-confidence and independent thought, if you do not drag along with you a huge group of cronies as you move from job to job.



STAYING COOL WHEN THE HEAT IS ON

18

Staying Cool when the Heat is on

- The leader's true colors will come through in unguarded moments and in spontaneous reactions to unexpected events.
- Leaders must remain cool and levelheaded at all times. Nothing gives one so much advantage over another as to remain cool and unruffled under all circumstances. Temper tantrums, snap decisions, finger pointing, yelling and blaming are all signs of panic. Good leaders don't panic. They don't throw tantrums. Do not get angry, even if anger is justified. Tell yourself, force yourself, to stay calm, cool and collected. Do not be rash.
- Avoid being perceived as overly directive, dogmatic or demanding. Check your ego. It's critical that you appear approachable and open to new ideas. There is a very fine line between getting things moving and overwhelming the company. You must be active without being seen as going off in all directions, wrecking havoc at every turn.
- Don't arrive with the solution in hand or claim that you have all the answers, even if you do. Be slow and deliberate in structuring solutions and remember to consider the unintended consequences of your decisions. It's very easy to get into trouble by appearing impulsive and making moves without thinking through all of the potential implications of your decisions. (John D. Callos)
- A need to appear decisive can lead to trouble. Some new leaders believe that they must prove themselves by projecting a confident, take-charge attitude. The danger with this is that the leader may appear too swift and irrational, lacking the critical leadership element of patience and calm in the face of a stressful situation. (John D. Callos)
- *Leaders must be decisive, but "patiently decisive" and not jump at the first recommendation for a decision.* They should listen to all sides before deciding. In fact, on occasion, it's good practice for a leader to postpone an important decision for a day or two, or even a week or two, while collecting additional information. Leaders must be comfortable soliciting contrasting views, and if possible, to sleep on important issues.
- It is the mature leader who accepts even unfair criticism with equanimity, calmness and grace. Criticism can provide the very useful "reality check" that all leaders need in order to maintain perspective. Leaders must be brutally honest with themselves or they will slip into the terrible habit of self-deception. Even the best leaders make mistakes. By listening to criticism and quickly catching, acknowledging, and correcting mistakes, good leaders can become great leaders.
- Regarding decision making: Although there may appear to be some urgency involved and you don't want to appear indecisive, exercise extreme caution and patience. In many cases, a fast decision leads to bad results that will come back to haunt you.



MANAGERS VS. LEADERS

Managers	Leaders
Focus on how to get things done	Focus on what needs to get done
The Details	The Big Picture
Focus on Process & Structure	Focus on People
Execution	Planning
Operate in the Present	Think about the Future
Conserve & Protect Assets	Leverage Assets & Resources
Take charge	Delegate
Skeptical	Optimistic
Control	Empower
Authority	Influence
Survival of status quo	Move beyond status quo
Do things right	Do the right things
Tactics	Strategy
Tasks	Vision
Reactive	Proactive
Plan Around	Directly confront
Controls, Arranges, Directs	Creates the vision and develops goals
Transactors	Transformers
Administer Programs	Develop People
Directs	Influences

John D. Callos
President & CEO

Mr. Callos advises CEOs and their executive teams on leadership issues relating to corporate strategy, sales and improving business results. His work involves confidential CEO advisory services, keynote speaking, executive coaching, strategic planning facilitation and corporate training. Mr. Callos is internationally recognized for his expertise in the areas of leadership development, executive accountability and sales process methodology. Mr. Callos is an ultra endurance athlete who has competed in world class events around the globe, including the Sahara Desert, Canada and Hawaii.



JOHN D. CALLOS

Mr. Callos works with business executives to improve their effectiveness as leaders and the results of the companies they lead.

His methods to improve performance and generate results have been featured in American Banker, Selling Power Magazine, The Orange County Register and business publications distributed to 30 foreign countries, including India's professional business journal, *The Effective Executive*.

Mr. Callos' business methods were featured in an international competition where he was awarded the first place trophy and the title of "*Business Guru of the Year*."

Mr. Callos has decades of senior management experience in the areas of corporate strategy, executive performance and sales productivity. He has worked in NYSE banks including Bank of America, Wells Fargo and others. Prior to IdeaBridge, Mr. Callos served as Executive Vice President of the Mainland Business Operations of a NYSE Bank, managing its business units, strategic planning and sales groups.

Mr. Callos served as Vice Chair of the Economic Development Commission and led a task force on economic revitalization for one of America's largest cities, the results of which have been published internationally.

Mr. Callos has been a frequent keynote speaker, both locally and abroad, for banks, insurance companies, trade associations and business schools. His presentations typically address such topics as: leadership principles, executive accountability, personal goal achievement, and sales growth strategies.

Mr. Callos earned a Bachelor of Science degree in Business from the University of Southern California (USC) and graduated from USC's Entrepreneur Program. He completed advanced coursework with the University of Virginia, Colgate Darden Graduate School of Business through an executive development program.

Mr. Callos was raised in Southern California where he earned the rank of Eagle Scout. When he's not conducting keynote speeches or meeting with CEOs and their executive teams, he will likely be found training and competing in ultra endurance events around the world.

Mr. Callos ran in the 155-mile Marathon des Sables, "*The Toughest Footrace on the Planet*", a self-supported race through the sand dunes of Morocco's North African Sahara Desert.

Mr. Callos competed in the invitation-only Ultraman World Championships, a 318 mile triathlon held on the big Island of Hawaii that includes a 6 mile open ocean swim, 260 miles of cycling and a 52 mile double-marathon run.